

however, that the Canadian Government should, as soon as possible, indicate when it proposes to incorporate Newfoundland into Canada so that businessmen in Newfoundland will be able to plan accordingly. At the moment, some of them may be expecting union in the fall and are therefore most reluctant to import Canadian goods even for immediate requirements.

3. There are a great many difficult and complicated problems involved in union and it is most desirable that machinery for handling them should be established immediately. Most of them involve, directly or indirectly, the Department of Finance, and, while I am not anxious to add to my particular responsibilities, I do feel that the Finance representative on the interdepartmental committee should be given a leading role. I am not sure whether we should ask for the chairmanship of the committee since this might not be acceptable to some departments. My preference would be for a chairman from Privy Council, say, John Baldwin, rather than from External Affairs, the problem being looked upon as domestic rather than external in character.

4. During the course of the discussions with the Canadian Government and the Newfoundland delegation the idea was put forward on a number of occasions that the U.K. might assume some part of the outstanding Newfoundland debt. The U.K. Government was never formally approached on the question, but Clutterbuck did intimate, in private conversation, that he thought his Government might consider the matter favorably if it would facilitate the process of union.

M. W. SHARP

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*Le haut commissaire par intérim à Terre-Neuve au
gouverneur de Terre-Neuve*

*Acting High Commissioner in Newfoundland to
Governor of Newfoundland*

No. 11

St. John's, July 30, 1948

SECRET

Sir,

I have the honour to enclose seven copies of the text of a proposed statement by the Prime Minister of Canada regarding the result of the Newfoundland national referendum. I shall be glad to forward to my Government any comments which you may wish to make upon the proposed statement.

Accept etc.

P. A. BRIDLE

[PIÈCE JOINTE/ENCLOSURE]

Projet de déclaration du Premier ministre

Draft Statement by Prime Minister

As Prime Minister of Canada, I sent to the Governor of Newfoundland on