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Notes on Newfoundland
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NEWFOUNDLAND

1. PHYSICAL FEATURES

Area: 42,750 sq. miles (cf. Nova Scotia 21,068 sq. miles and New Brunswick 27,985 sq. miles)

The Labrador Coast territory amounts to approximately 120,000 sq. miles. Total territory under the jurisdiction of the Commission of Government is, therefore, 162,000 sq. miles (approx.)

The length and breadth are approximately the same, 320 miles, at their maximum points. The coast line is approximately 6,000 miles in length.

Physical Features

The coast line is generally rugged with the mountainous outcroppings close to the coasts particularly in the north west. The maximum elevation is 2,700 feet.

The interior is generally hilly.

Climate

Except in the north western part of the island, the climate is moderate. The temperature seldom drops below zero in winter and seldom goes above 80° in summer. Winter snowfall is not heavy and generally lasts from December to April.

Newfoundland itself is not troubled very greatly by fogs, and the island has been confused with the Banks in making Newfoundland a popular synonym for fog.

The ebb and flow of tides is not pronounced.

There do not appear to be any readily available surveys of the proportion and character of the arable areas in the island. Geologically Newfoundland resembles the Laurentian shield and there are few areas where deep soil covers the ancient ice-planed rocks. It is Mr. MacKay's opinion that the best agricultural land in Newfoundland is no better than that to be found in the Gatineau Valley. The cool summers prevent the assured ripening of grain crops.

2. POPULATION

	<u>1911</u>	<u>1921</u>	<u>1935</u>	<u>1942</u>
Newfoundland	238,670	259,259	284,872	300,000 (estimate)
Labrador Coast	3,949	3,774	4,716	5,000 (")
	<u>162,750</u>	<u>242,619</u>	<u>263,033</u>	<u>305,000</u> (")

Estimates do not include United States and Canadian service personnel. Until 1936 emigration exceeded immigration.

Density of Population

Nova Scotia and New Brunswick with a comparable area contained 1,026,567 persons in 1941.

The density of population in Newfoundland (exclusive of Labrador) is roughly 7.1 per sq. mile compared with 5.69 in Canada (exclusive of the territories).

The density in Nova Scotia and New Brunswick is 27.63 and 16.50 per sq. mile respectively.

The density in Newfoundland and Labrador is 2.5 per sq. mile compared with 3.29 in Canada including the territories.

With the possible exception of Greenland and the Falkland Islands, the territory administered by the Commission of Government is the least densely populated political entity in the Western Hemisphere. It is below but in the same general class with Paraguay, Honduras and the Guianas in matters of population.

Racial Composition

98% of the population are born Newfoundlanders of descent from settlers from the British Isles.

Religious affiliation - 1935

Roman Catholic	93,920
Church of England	92,722
United Church	75,088

Presbyterian	1.460
Salvation Army	18.049
Various	8.277

There is no reason to believe that these proportions have changed significantly since 1935.

Principal Towns (Estimates made in 1939)

St. John's	43,000	
Corner Brook	7,000	(pulp and paper)
Bell Island	6,000	(iron ore)
Grand Falls	5,000	(pulp and paper)
Bonavista	4,500	
Harbour Grace	3,600	
Carbonear	3,500	
Twillingate	3,500	
Burin	3,000	
Bay Roberts	2,500	(cable relay station)
Grand Bank	2,000	

As a result of wartime activity the population of St. John's has increased to an estimated 70,000.

3. ECONOMIC LIFE

The principal productive activities of Newfoundland are fishing, the manufacture of pulp and paper, mining and lumbering. Newfoundland does not meet its own food requirements and imports essential foods such as flour and pork products as well as staple foods from tropical areas.

Fishing

Since the foundation of the colony fishing has dominated the economy and created the character of Newfoundland. In terms of dollars the industry is not the most important in the island today, but it still employs the greatest number of people.

In 1938 fishermen made up roughly 25,000 or 8.2% of the population. This percentage is slightly less than the percentage engaged in agriculture in Canada in 1938.

It is worth noting by way of comparison that 22,000 are currently employed on defence projects. A substantial proportion of them are Newfoundlanders.

The principal fish engaging the attention of Newfoundlanders is the cod. Three systems of catching and curing are followed:

(1) The Shore Fishery

This may be described as a subsistence system carried on by households. The capital required is not great and the catching and curing are performed by a fisherman and his family. Shore fisheries employed 19,164 men in 1938 - the largest proportion of fishermen. The catch of shore

fishermen in 1938 was valued \$1,802,500, and the value of the catch per fisherman was \$94.00

(2) The Labrador Fishery

This is a migratory fishery carried on during the summer off the coast of Labrador. It is both a shore fishery and a fishery from schooners. The value of the catch in 1938 was \$1,161,793. The number of participants was 4,128 and the catch per man was valued at \$281.00

(3) The Bank Fishery

This is a fishery carried on from large schooners operating on the Grand Banks 200 miles off-shore.

In 1938 2130 men were engaged and the value of the catch was \$991,895 or \$465 per man.

1938 was a poor year for fishing as prices were low and the catch poor, but the figures reveal the relative position of the system of fisheries and throw some light on the poverty stricken character of the mass of Newfoundland fishermen, the majority of whom lack capital and have no hope of improving their position except as proletarians working for wages.

In addition to cod Newfoundland fishermen catch lobster, salmon and herring. Salmon is exported fresh frozen by capitalist fishing companies possessing refrigeration plants. The value of the salmon catch in 1938 was \$719,095 of which \$677,948 represents the value of the fresh frozen catch.

Sealing employed in peace time 1500 men working eight steam vessels. The furs taken in 1938 were valued at \$490,664 or \$335 per man employed.

Forest Products

While there is some lumbering and milling carried on in Newfoundland, the largest forest industry is that devoted to the manufacture of paper particularly newsprint. In 1938 the value of newsprint produced by the two principal companies was \$10,219,983. This constituted a large proportion of the manufactured exports of the island and exceeded in value the total exports of fish by \$3,000,000.

The two largest paper companies are owned by British interests: the Anglo-Newfoundland Development Co. owned by the Rothmere newspapers and Bowater's Newfoundland Pulp and Paper Mills Ltd. owned by the Bowater-Lloyd paper interests.

Mining

The principal mining activity is the extraction of iron ore on Bell Island and at Buchans. The iron mines on Bell Island are controlled by the Dominion Steel and Coal Corporation. Output in peace time is approximately $1\frac{1}{2}$ million tons a year.

Copper mining was at one time important, but declined from 1912 onward. Since the development of the war crisis fresh capital has been invested and copper production has been revived.

Zinc and lead concentrates are produced at Buchans amounting to 1,200 tons daily.

Fluorspar is produced in commercial quantities by a United States firm and by a subsidiary of the aluminium Company of Canada. In recent years iron ore has constituted about 50% of the value of mining production, and lead, zinc and copper concentrates the other 50%.

Generally speaking Newfoundland presents a picture of a typical colonial area: a mass of poverty stricken, ill-educated, depressed, and ill organized people providing cheap labour for large foreign owned producers of raw and semi-processed materials. The local capitalist class are typical compradores i.e. they are engaged mainly in commerce and very little in industry. They are middlemen. They play a dominant role in the fishing industry and in the supply of commodities to the general population. Even in the fishing industry they are threatened with reduction to a subsidiary role with the prospective entry into Newfoundland of the large United States organization General Sea Foods Corporation.

The pulp and paper industry controlled by United Kingdom capital plays a considerable role.

The railway and shipping system is government owned. The acquisition of the railway and steamship system by the government has involved a process similar to that by which the Canadian Government saved from disaster the owners of Grand Trunk and Canadian Northern bonds and preference stocks.

Canadian banks do nearly all the banking business of the island. The only locally owned financial institution is the Newfoundland Savings Bank. The Canadian banks operating are: Montreal Royal, Nova Scotia and Commerce.

International Trade

Trade Statistics for the Past Ten Years

Year Ended June 30	Imports	Exports
1928-29	\$29,237,381	\$36,251,990
1929-30	31,871,151	39,193,021
1930-31	25,261,701	32,908,714
1931-32	18,135,651	25,667,358
1932-33	15,166,868	24,475,032
1933-34	16,305,562	17,183,481
1934-35	19,240,425	27,229,125
1935-36	20,681,094	18,862,037
1936-37	23,924,886	28,058,073
1937-38	27,912,351	34,943,240

Movements of Imports for the Past Ten Years
from the United Kingdom, Canada and U.S.A.
with Relation to Total Imports.

Year Ended June 30	Total Imports	United Kingdom	Canada	United States
1928-29	\$29,237,381	\$6,211,906	\$11,832,415	\$ 9,880,431
1929-30	31,871,151	5,527,575	12,992,600	12,101,752
1930-31	25,261,701	4,192,300	10,675,348	9,266,133
1931-32	18,135,651	3,182,625	8,351,188	5,714,939
1932-33	15,166,868	3,778,014	5,812,695	4,148,608
1933-34	16,305,562	3,833,103	6,515,352	4,594,444
1934-35	19,240,425	4,683,940	7,154,731	5,700,234
1935-36	20,691,094	5,232,606	7,635,451	6,199,929
1936-37	23,924,886	5,658,482	8,879,349	7,446,946
1937-38	27,912,351	6,351,620	9,973,700	9,408,729

Movements of Exports for the Past Ten Years
to the United Kingdom, Canada and U.S.A.
with Relations to Total Exports.

Year Ended June 30	Total Exports	United Kingdom	Canada	United States
1928-29	\$36,251,990	\$7,527,191	\$ 2,845,899	\$11,530,059
1929-30	39,193,021	8,605,001	3,684,630	11,307,319
1930-31	32,908,714	9,448,297	2,021,582	10,852,880
1931-32	25,667,358	7,871,109	1,074,852	9,541,070

CONTINUATION

Year Ended
June 30

1932-33	\$24,475,032	\$ 8,943,988	\$ 581,098	\$ 7,426,323
1933-34	17,183,481	11,092,009	897,365	5,194,107
1934-35	27,229,125	10,316,579	2,183,624	5,171,646
1935-36	28,862,037	11,327,187	2,866,800	6,219,925
1936-37	28,058,073	10,927,692	2,615,645	6,276,887
1937-38	34,943,240	13,243,676	3,146,570	8,168,162

The pre-war pattern of trade is exemplified by the following table:

The chief buyers of Newfoundland products in 1938 were:

United Kingdom	\$ 13,243,676
United States	8,168,162
Canada	3,146,570
Belgium	2,494,298
Brazil	987,405
British West Indies	877,332
Foreign West Indies	809,841
Germany	783,408
Italy	582,480
Portugal	524,698

The total value of Newfoundland's export trade in 1938 was \$34,943,240, as against \$28,058,073 in 1937, and may be classified as follows:

Products of the Fisheries	\$ 7,453,221
Products of the Forests	2,175,989
Products of the Mines	10,941,348
Manufactures	13,898,178
Miscellaneous	474,504
	<hr/>
	\$ 34,943,240

Since the outbreak of war there has been a very large increase in Newfoundland's international trade and a considerable change in the pattern of the trade.

In 1940-41, for example, exports rose to \$37,227,312. Import figures do not appear to be available. In December 1943 the St. John's Daily News estimate international trade

for 1942-43 at \$105,000,000 for exports and imports combined. These combined figures represent a 50% increase over the best year, 1930-31, when exports and imports reached nearly \$72,000,000. In 1942 external trade matched this estimate - \$104,000,000. Imports amounted to \$64,500,000 and exports \$39,500,000. These figures do not include requirements for the armed forces of the United States and Canada.

An examination of the pattern of trade shows that the United Kingdom has declined relatively as a market. The United States and Canada have improved as a market, and Newfoundland products, particularly newsprint, are being shipped to South America in increasing quantities. Spain and Portugal have been buying more fish products than hitherto.

Canada continues to be Newfoundland's most important source of imports. Imports from Canada continue to be heavily in excess of exports to Canada. In 1942 60% of Newfoundland's imports came from Canada compared with 36.9% for the years 1936-40.

In discussing Newfoundland's trade, the unsatisfactory character of Newfoundland statistics should be kept in mind. As recently as December 22, 1943, the St. John's Daily News commented as follows:

"It is unfortunate that local statistical services fall short of providing either a more detailed analysis of visible trade or accurate figures of invisible trade."

4. STATE AND GOVERNMENT

Governor: Vice Admiral Sir Humphrey Thomas Walwyn
K.C.S.l., C.B., D.S.O.

Commission of Government

U. K. appointees

~~Hon. Sir Wilfrid W. Woods - Public Utilities~~

Mr. George Landon

Hon. Ira Wild - Finance

Hon. P.D.H. Dunn - Natural Resources

Newfoundland appointees

A. Walsh

Hon. H.A. Winter - Home Affairs and Education

Hon. L. E. Emerson - Justice and Defense

Hon. Sir John C. Puddester - Public Health and Welfare

The Commission of Government took office Feb.15, 1934.

Judicature

Chief Justice Hon. Sir W. H. Horwood

Assistant Judges Hon. W. J. Higgins

Hon. B.E.S. Dunfield

Character of the State Power in Newfoundland

Representative Government was granted in 1832 by an Act of the United Kingdom Parliament, and the first House of Assembly met on January 1, 1833. The Legislature was comprised of two branches: the Legislative Council (appointed) and the House of Assembly (elected).

In 1854 Responsible Government was granted. While this naturally comprehended the control of the colony's internal affairs, a circumstance soon arose which involved an extension of the principle to cover cases of an international character. Newfoundland objected to a proposed treaty between Great Britain and France, and in 1857 Rt. Hon. Henry Labouchere, Secretary of State for the Colonies wrote to the Governor of Newfoundland:

"The proposals contained in the Convention having now been unequivocally refused by the colony, they will, of course, fall to the ground; and you are authorized to give such assurance, as you may think proper, that the consent of the community of Newfoundland is regarded by Her Majesty's Government as the essential preliminary to any modification of their territorial or maritime rights."

Representation (House of Assembly)

By the Redistribution Act passed in 1925 the people were represented by 40 members from 34 single member constituencies and 3 double member constituencies. As an economy measure representation was reduced to 27 members by an act passed in 1932.

Franchise

All male British subjects of 21 years and female British subjects of 25 years and over were entitled to vote. Members of the House of Assembly must be possessed of an income of \$480 per year or \$2400 property free of encumbrances. The annual indemnity was \$600 per session of the Assembly.

Legislative Council

The Legislative Council was made up of 26 life appointees. In 1933 there were 9 vacancies.

The indemnity was \$200 per session and the members bore the title of "Honourable".

Government

Prior to 1933 there were seven departments of Government: Justice, Finance and Customs, Posts and Telegraphs, Public Works, Agriculture and Mines, Marine and Fisheries and a secretary of State. The Prime Minister was usually the head of a department. The Cabinet Executive Council was made up of the Prime Minister, the Ministers of Justice, Finance and Customs, Posts and Telegraphs, the Secretary of State and six appointees without portfolios.

Government by Commission

On February 17, 1933 a Royal Warrant was issued appointing Lord Amulree, Charles Alexander McGrath and Sir William Ewen Stavert, Royal Commissioners to inquire into the condition of Newfoundland.

The following recommendations were made by the Commission:

"634. (4) We therefore recommend that the Newfoundland Government, recognizing that it is impossible for the Island to surmount unaided the unprecedented difficulties that now confront it, should make an immediate appeal for the sympathetic cooperation of Your Majesty's Government in the United Kingdom in the adoption and execution of a joint plan of reconstruction of which the following would be the main features:-

- (a) The existing form of government would be suspended until such time as the Island may become self-supporting again.
- (b) A Special Commission of Government would be created which would be presided over by His Excellency the Governor, would be vested with full legislative and executive authority, and would take the place of the existing Legislative and Executive Council.

- (c) The Commission of Government would be composed of six members, exclusive of the Governor, three of whom would be drawn from Newfoundland and three from the United Kingdom.
- (d) The Government Departments in the Island would be divided into six groups. Each group would be placed in the charge of a Member of the Commission of Government who would be responsible for the efficient working of the Departments in the group, and the Commission would be collectively responsible for the several Departments.
- (e) The proceedings of the Commission of Government would be subject to supervisory control by Your Majesty's Government in the United Kingdom, and the Governor-in-Commission would be responsible to the Secretary of State for Dominion Affairs in the United Kingdom for the good government of the Island.
- (f) Your Majesty's Government in the United Kingdom would, for their part, assume general responsibility for the finances of the Island until such time as it may become self-supporting again, and would, in particular, make such arrangements as may be deemed just and practicable with a view to securing to Newfoundland a reduction in the present burden of the public debt.
- (g) It would be understood that, as soon as the Island's difficulties are overcome and the country is again self-supporting, responsible government, on request from the people of Newfoundland, would be restored.

The Commission of Government was sworn into office February 15, 1954.

The Commission of Government originally included a former Prime Minister (Allerdice), the present Commission includes the son of a former Prime Minister (Winter).

Courts

A Supreme Court consisting of a Chief Justice and two assistants was established in 1824. This court is all inclusive. It is both an appeal court and a circuit court. When on circuit the judges act in rotation as presiding judges.

Courts of First Instances

There is a Central District Court presided over by a Judge. This is a Court of First Instance for the whole island. There are, however, 21 resident stipendiary magistrates who hear lesser civil and criminal cases.

Appeals

Appeals from a full bench of the Supreme Court may be made to the Privy Council.

5. PUBLIC FINANCE

The following table gives some idea of public revenue and expenditure during the decade before the outbreak of war:

FISCAL STATISTICS FOR THE PAST TEN YEARS

Year Ended June 30	Revenue	Expenditure
1928-29.....	\$10,025,649	\$ 11,520,439
1929-30.....	11,579,214	11,814,805
1930-31.....	9,655,640	13,608,541
1931-32.....	7,931,047	12,299,418
1932-33.....	8,085,666	11,553,774
1933-34.....	8,518,984	10,273,730
1934-35.....	9,511,133	11,634,872
1935-36.....	9,830,011	11,909,893
1936-37.....	11,002,341	12,151,281
1937-38.....	12,272,212	14,150,526

War Revenue and Expenditure

The revenues of Newfoundland during 1942 were the highest in the history. For the nine months ending April 1st Newfoundland enjoyed a surplus of \$3,682,400. Revenues were, however, dropping off with the fall in imports. The budget for the current year estimates an expenditure of \$20,513,200; an income of \$22,179,400; and a surplus of \$1,666,200.

The Public Debt

The Public Debt of Newfoundland increased constantly and rapidly from 1920 until 1933.

1920 -	\$ 43,000,000
1925 -	60,000,000
1930 -	88,000,000
1933 -	100,000,000

1944. 88,000,000

This represents a per capita debt of nearly \$400. In 1933 Canada had a public debt of \$2,996,366,665 or \$243.09 per capita. The real burden of this debt can be understood when it is recalled that the average cash income of the majority of fishermen during the depression years was in the neighbourhood of \$100 a year. Interest payments absorbed about 50% of available revenues and at the time of the establishment of the Commission of Government direct relief absorbed another 15%.

In 1931 the Government tried to borrow \$8,000,000 and failed completely. There was a deficit of \$4,000,000. It was in these circumstances that an investigation by a Royal Commission was invited. Defaults were avoided by temporary measures such as large loans from the United Kingdom Government and Canadian banks and by economy measures.

Following the establishment of the Commission of Government the public debt was refunded and guaranteed by the United Kingdom Government. The reduced interest rates resulted in a saving of \$1,750,000.

Sources of Revenue

Newfoundland relies very heavily upon customs revenues and sales taxes for its revenues. Since the establishment of the Commission of Government the tariff has been revised along the lines of Empire preference. Certain countries such as the U.S.A., Sweden, China, enjoy the intermediate tariff. Since the Trade Agreement of 1938 with the United States certain United States products such as textiles and agricultural products have been accorded the preferential rate.

6. CANADA AND THE DEFENCE OF NEWFOUNDLAND

Protocol Concerning the Defence of Newfoundland
Between Canada, the United Kingdom and
the United States of America.

Protocol

The undersigned plenipotentiaries of the Governments of Canada, the United Kingdom of Great Britain and Northern Ireland and the United States of America having been authorized by their respective Governments to clarify certain matters concerning the defence of Newfoundland arising out of the Agreement signed this day concerning the Bases leased to the United States have drawn up and signed the following Protocol:-

1. It is recognized that the Defence of Newfoundland is an integral feature of the Canadian scheme of defence, and as such is a matter of special concern to the Canadian Government, which has already assumed certain responsibilities for this defence.

2. It is agreed therefore that, in all powers which may be exercised and in such actions as may be taken under the Agreement for the use and operation of United States bases dated the 27th March, 1941, in respect of Newfoundland, Canadian interests in regard to defence will be fully respected.

3. Nothing in the Agreement shall affect arrangements relative to the defence of Newfoundland already made by the Governments of the United States and Canada in pursuance of recommendations submitted to those Governments by the Permanent Joint Board on Defence - United States and Canada.

4. It is further agreed that in all consultations concerning Newfoundland arising out of Articles I (4), II and XI (5) of the Agreement, or of any other Articles involving

considerations of defence, the Canadian Government as well as the Government of Newfoundland will have the right to participate.

Done in triplicate, in London, the 27th day of March, 1941.

On behalf of the Government of Canada:

VINCENT MASSEY
L. W. MURRAY
L. B. PEARSON

On behalf of the Government of the United Kingdom of Great Britain and Northern Ireland:

WINSTON S. CHURCHILL
CRANBORNE
MOYNE

On behalf of the Government of the United States of America:

JOHN G. WINANT
CHARLES FAHY
HARRY J. MALONY
HAROLD BIESEMEIER.

7. PPPS

Unless otherwise noted papers are
published in St. John's.

<u>Name of Paper</u>	<u>Political Affiliation</u>	<u>Proprietor, Editor, etc.</u>
Daily News	Liberal-Conservative	Robinson Pub.Co.(Prop.) J.S. Currie (Ed.)
Evening Telegram	Independent	Herder family (Prop.) C.E.A. Jeffery (Ed.)
Fishermen-Workers Tribune	Labor	K.M. Browne (Ed.)
Labor Herald	Labor	W.J. Keough (Ed.)
Observer's Weekly	Liberal-Conservative	A.E. Perlin (Prop.& Ed.)
Newfoundland Trade Review (Weekly)	Economic	D.R. Thistle (Prop.)
Fisherman's Advocate (weekly) (Port Union)	Liberal-Labor	J.H. Scammell (Ed.)
Newfoundland Quarterly	Political and economic	J. Evans (Ed.)

8. HISTORICAL OUTLINE

- 1498 - Discovery by Cabot
- 1583 - Annexed on August 3rd, 1583 by Sir Humphrey Gilbert in the name of Queen Elizabeth
- 1610 - First permanent settlement undertaken by a party of colonists under the leadership of John Guy.
- 1635 - Charles I granted subjects of the King of France the right to dry and cure fish on the south shore in return for a 5% tax.

- 1660 - French founded Placentia
- 1696 - French capture St. John's
- 1713 - French agree to abandon all territorial claims in Newfoundland and St. Pierre and Miquelon by terms of the Treaty of Utrecht. Right to cure fish on the south shore was continued.
- 1763 - By the Treaty of Paris St. Pierre and Miquelon were returned to France.
- 1813 - First land grants made for farming purposes
- 1832 - Representative Assembly established
- 1854 - Responsible Government granted
- 1857 -- Abortive endeavour on the part of the United Kingdom government to grant certain new fishing rights to the French. Serious opposition offered by Newfoundland, and treaty was not concluded.
- 1881 - First railway built
- 1883 - First Bait Act passed forbidding capture of bait fish by foreigners and forbidding its sale to foreigners.
- 1889 - Manhood Suffrage Established
- 1904 - Establishment of Entente Cordiale results in withdrawal of French from south coast.
- 1905 - Foreign Fishing Vessels Act passed
- 1910 - Hague Tribunal Award upholds right of Newfoundland to control shore fisheries in face of United States protests.
- 1914 - First contingent of Newfoundland soldiers (500) go overseas (Oct. 4, 1914)

- 1915 - In November Newfoundland troops see first action at Gallipoli.
- 1916 - Newfoundland troops on Western Front. On July 1st heavy casualties were suffered in an attack on Beaumont Hamel. (684 casualties out of 740 men in action)
- 1918 - Military Service Act introduced. No draftees ever saw active service.
- 1923 - Railways taken over by Government.
- 1925 - Franchise granted to women.
- 1927 - Labrador coast awarded to Newfoundland
- 1933 - Amulree Commission investigated conditions in the island
- 1934 - Commission of Government established
- 1937 - First trans-Atlantic service by Pan-American and Imperial Airways established.
- 1940 - Bases granted to U. S. A.
- 1942 - Compulsory Education introduced

Proposed Terms of Union between Canada and Newfoundland.

ABSTRACT.

The first conference with the Canadian representatives took place on the 4th day of April; nine conferences altogether took place. The conference closed on the 16th of April, having been 12 days in session altogether.

On the 9th day of April, the following terms were submitted by Canada and discussed by the conference:-

1. Canada will assume of present debt of Newfoundland.	\$8,350,000
Canada will assume an excess of debt over the \$8,350,000 amounting to \$2,000,000.	2,000,000
Total	<u>\$10,350,000</u>

This is equal to \$50 per head of her population of 207,000.

On the excess of \$2,000,000, Canada will pay interest at 5 per cent. per annum half yearly.

2. Canada will pay as a yearly allowance to Newfoundland the following sums:-

Allowance for legislation	\$ 50,000
Subsidy of 80 cents per head of her population up to 400,000 which at present population of 207,000 equals	165,600
The payments to be made on the population of each decennial census after the union.	
Allowance for Crown lands and right of minerals and metals and timber therein and thereon.	150,000
Interest at 5 per cent. on \$2,000,000 excess debt.	100,000
Total	<u>\$465,600</u>

3. Canada will maintain all that class of services in Newfoundland which fall under the head of general or Dominion services. These comprise:-Governor's salary, Customs, Excise, Savings' Banks, Public Works (of a Dominion character), Crown Lands, Administration of Justice, Post Office, Steamship Services, Marine and

Lighthouses, Fisheries, Penitentiaries, Weights and Measures, and Statistics, Quarantine and Immigration, Insurance Inspection, Geological Survey.

4. Canada is to maintain, in regard to steamship services, passenger and mail communication in at least as efficient a manner as at present, as follows:- Between the Mainland and Newfoundland, between Newfoundland and Great Britain, the Coastal Stream Service, east and west, between Labrador and Newfoundland.

5. In lieu of expenditure on militia in Newfoundland, until such time as Parliament may deem it necessary to introduce therein a more general militia system, Canada will grant \$40,000 annually towards the maintenance of a police constabulary, to consist of men, and to be as to efficiency, equipment, and discipline, up to standards approved by the Minister of Militia. This force is to be at the disposal of the Dominion Government for use anywhere in Canada in cases of general and serious emergency.

6. The fishermen of Newfoundland are to participate equally with those of Canada in any bounties to fishermen which may be granted by the general Government at any time.

7. Canada will take over, at a fair valuation, the S.S. Fiona, now in use by the Government of Newfoundland for fishery service.

8. Newfoundland shall be represented in the Senate of Canada by four Senators, and in the House of Commons by 10 representatives.

It will be remembered that in 1888, on the visit of Sir Charles Tupper, certain informal terms were discussed, but not officially. These terms, however, were made public, and it was generally understood that Canadian statesmen were prepared to favour such terms for the accomplishment of the union.

The following counter-proposals of the Newfoundland delegates were therefore based, to some extent, on the proposals of 1888.

No. 1. The Registrar General fixed the populations of the Colony on the 30th September 1894, at 206,614; it is therefore safe to assume that at the end of the year it was 207,000. The

subsidy would, therefore, be \$165,6000.

No. 2. Bounties to fishermen, \$150,000.

No. 3. Canada's net public debt is \$250,000,000. Her population is 5,000,000; the per capita debt is therefore \$50. The population of Newfoundland, as mentioned in No. 1, is 207,000, which, at the Canadian per capita debt of \$50, would represent a total indebtedness of the Colony of \$10,350,000.

The funded public debt of Newfoundland is	\$9,116,534.73
And under Loan Act, 58 Vict. cap. 2.	1,456,000.00
Floating debt.	675,000.00
Amount required to complete railway to Port aux Basques.	3,620,000.00
Amount required to cover cost of Brigus branch R. Road.	312,000.00
Amount to capitalize liability to Newfoundland R.R. Co. viz., \$45,000 at 4 per cent. for 22 years.	650,300.00
Total	<u>\$15,829,834.73</u>

Less: Debt represented by railway system of the Colony, as follows, viz.:-

Cost of N. and W. Railway to date, 31st, December, 1894	\$ 4,446,000.00
Placentia Railway	525,000.00
Brigus Branch, completion	312,000.00
Western Railway	362,000.00
Consolidated liability to N.F.R.R. Co.	650,300.00
	<u>\$9,553,300.00</u>

Or \$4,073,465.27 less than the proportion. This at 5 per cent. will yield an annual amount of \$203,673.35; the annual subvention to be paid Newfoundland under No. 3.

No. 4.	Salary, Lieut.-Governor.	\$12,000.00
	Customs	75,295.00
	Judicial	18,500.00
	C.D.C. Judges	6,440.00
	Postal	70,545.00
	Block House	550.00
	Custom House, Harbour Grace, St. John's Penitentiary	7,850.00
	Interest on public debt	371,245.00
	Steam subsidies	185,360.00
	Shipwrecked crews	3,000.00
	Pension, P.O.	231.00
	Fog and noonday guns	948.00
	Signal Station	610.00
	Inspector, weights & measures	100.00
	Examiners of masters & mates	2,300.00
	Encouragement, ship-building	10,000.00
	Maintenance, lighthouses	46,850.00
	Observatory	160.00
	Medical attendance, Labrador	800.00
	Protection of fisheries	500.00
	Inspector, pickled fish, Labrador	1,000.00
	Fishery bureau	19,000.00
	Treasury Office in connection with Customs	4,700.00
	Government engineers	4,628.00
	Travelling expense of Harbour Grace Judge	240.00
	Maintenance of telegraph lines	18,000.00
	Inspection, railway construction	4,000.00
		<hr/>
		\$862,858.00

No. 5. In lieu of contemplated allowance for battery of artillery, it is considered that an amount to be agreed upon should be allocated towards the Police Force, who could be trained and equipped as a military force.

No. 6. By reference to No. 3, it will be observed that the cost of the railway systems of the Colony has been deducted from the net public debt.

No. 7. This only had reference to the ungranted Crown lands within the island; but whereas the dependency of the Labrador embraces an area

of at least 160,000 square miles, the mineral and timber and mineral lands, of which have not been disposed of, it is claimed that \$100,000 per annum should be added to the amount above named.

No. 8. It should be understood by this that similar expenditures as are made in the other provinces of the Dominion, should be carried out in Newfoundland, and that the Fishery Commission, at present established, should be the medium of expenditure.

No. 9. STEAMSHIPS SUBSIDIES:-

- (a) Efficient mail and passenger accommodation between Canada and Newfoundland weekly; and upon the completion of the railway to Port aux Basques, a first class steamer shall be put on to connect that port with the nearest terminal railway port in the Dominion.
- (b) East and West postal service equal in efficiency to the present steamship service.
- (c) Communication between St. John's and Liverpool by steamers direct.
- (d) Postal Service upon the large bays by steamers, viz., Green Bay, Bonavista Bay, Trinity Bay, and Placentia Bay.

No.10. That the fishermen of Newfoundland shall be exempted from the payment of any licences, fees for fishing, or for use of cod-traps.

No.11. At the present time there are a number of local industries which have been established by protection. Those industries, under confederation, would be considerably hampered, if not closed. It is submitted that as these particular interests would be thus injured in the general interests of the Dominion, that compensation in the way of aid for a limited period should be allowed. The establishment of a naval brigade in the Colony, which will take the form of a naval training ship.

No.12. Precious metals to be reserved to the Colony.

No.13. Fifty thousand dollars to be allowed for legislation.

SERVICES TO BE BORNE BY THE COLONY OF NEWFOUNDLAND.

Government House	\$ 3,301.00
Provincial Secretary	5,924.00
Financial Secretary	2,562.00
Board of Works	8,850.00
Colonial buildings	1,500.00
Legislative contingencies	35,000.00
Attorney-General	2,400.00
Solicitor-General	1,200.00
Sheriff, Central District	1,385.00
" Northern District	1,385.00
" Southern District	923.00
Bailiff, Central District	650.00
Chief Clerk and Registrar	2,000.00
1st Clerk, Registrar's Office	800.00
2nd Clerk, Registrar's Office	600.00
3rd Clerk, Registrar's Office	600.00
Stationery	200.00
Crier of the Court	500.00
Crown prosecutions	5,000.00
Magisterial inquiries	400.00
Circuit Court of Supreme Court, and hire of steamer	5,500.00
Clerk of the Peace	1,570.00
Constabulary	60,000.00
Keeper, Court House, Harbour Grace	50.00
Magistrates, Outports	22,038.00
Court houses and goals	10,000.00
Ferries	5,076.00
Repairs to public buildings	11,300.00
Relief, poor	209,611.00
Pension, Inspector Carty	1,440.00
Other pensions	1,296.00
Education	151,891.00
Roads and bridges	129,300.00
Keeper, half-way house, Salmonier	162.00
Repairs, clocks in public buildings	200.00
Inspector of meats	250.00
Public Works	36,000.00
Education, deaf and dumb	900.00
Education, blind	1,050.00
Registration, jurors	350.00
Rent, public offices	2,500.00
Fuel and attendance, public offices	350.00

Dry Docks	\$	100.00
Rent, Bannerman Park		80.00
Insurance		800.00
Promotion, agriculture		10,000.00
Conveyance of sick fishermen from Labrador		400.00
Registration, births, deaths, and marriages		1,500.00
Sheep preservation Act		100.00
		<hr/>
Total		\$835,794.00

And on the 10th, day of April the Newfoundland delegates submitted their counter proposals, which were as follows:-

What Newfoundland asked was, in subsidies:-

1. Eighty cents per head of 207,000 population	\$165,600.00
2. Bounties to fishermen	150,000.00
3. Difference in public debt	203,673.35
4. Crown lands	250,000.00
5. Legislation	50,000.00

\$819,273.35

This sum would go to defray the local services left by Canada to the colony, some of which subsidies were, of course, subject to some slight reduction, the said services amounting to \$738,594, according to the latest estimate of the Newfoundland Receiver General.

What Canada offered us to defray the above services was \$505,600, as follows:-

1. Eighty cents per head of population of 207,000	\$165,600.00
2. Interest at 5% on \$10,000,000 being the difference between the funded debt of Newfoundland, and \$8,350,000.00 which Canada would assume	100,000.00
3. Crown Lands.	150,000.00
4. Legislation	50,000.00
5. Contribution towards police or militia	40,000.00

\$505,600.00

It will be seen by this statement that the subsidies offered by Canada to defray the cost of the services left to and to be borne by Newfoundland would leave a deficit against the colony to be raised by direct taxation or otherwise of \$232,994, thus:-

Local Services as per 1894 estimate	\$738,594.00
Canadian subsidies to defray same	505,600.00
	<hr/>
	\$232,994.00
	<hr/>

Added to this would be the interest on \$7,497,334.73 the portion of the public debt of Newfoundland which Newfoundland would have to assume, which at 4 per cent would be \$299,193.

In other words, if Newfoundland joined the Dominion under the above terms, and maintained the various services as they are now maintained, she would have to raise by direct taxation for local purposes \$532,187.

And even supposing these local services could be reduced to come with the Canadian subsidies of \$505,600, there would still be \$299,193 interest on balance of public debt left the colony to be met.

It must also be borne in mind that on the expiration of Mr. R.G. Reid's operating contract, the colony would have to operate her whole system of railways; this would have to be borne by direct taxation, which for maintenance and operation over and above income, may be put down at \$150,000.

Further, maintenance of telegraph lines, \$18,000.

Inspectors of railways, \$4,000; Government engineers, \$4,628 would also have to be borne by the colony; it would then be-

Shortage on subsidy	\$232,994.00
Interest on public debt	299,193.00
Operating railway	150,000.00
Telegraph maintenance	18,000.00
Government engineers office	4,628.00
Inspectors of Railways	4,000.00
	<hr/>

To be raised by direct taxation \$708,915.00

Such terms as these were out of the question, could not be entertained, much less recommended. The Newfoundland delegates said that a sine qua non, a first condition to the discussion of terms, was the assumption of the public debt of Newfoundland by Canada. If the Dominion Government would assume the total debt and obligations, and operate the railways and telegraph lines, the Newfoundland delegates were prepared to reduce the amount of \$738,594.00 asked for local subsidies to \$650,000.00 or a reduction of \$88,594.00.

The Dominion delegates, however, could go no further as regards the assumption of the public debt than they had done, viz., \$8,230,000 but they were prepared if the Imperial Government would assume the difference between our debt and obligations and the Dominion Of Canada, viz., \$5,479,834.74, to further consider the raising of the annual subsidies from \$505,600 to \$650,000 the minimum amount asked by the Newfoundland delegates for annual subsidies.

Negotiations were then entered into with the Imperial Government by the Dominion Government to ascertain if aid could be had in that quarter. On Saturday, the 11th, day of May, the following proposal was made by cable from Sir Mackenzie Bowell:-

To Sir Wm. V. Whiteway.

St. John's, Nfld.
Ottawa, May 11th, 1895.

Lord Ripon's despatch, 9th, May, to Lord Aberdeen, forwarded to Governor of Newfoundland, will inform you of position taken by British Government. If Newfoundland adopt Ripon's proposal, terms may be modified by aid from Home Government, if not, Canada can only supplement proposal made to your delegates by agreeing in adding to aid in construction of Newfoundland Railway from River Exploits to Port-au-Basque by a subsidy of \$6,000 per mile to add \$35,000 to yearly allowance.

Bowell.

It will be seen by this that the Canadian Government are prepared to raise the annual subsidy, \$35,000 and contribute \$6,000 per mile towards the construction of the railroad from River Exploits to Port-au-Basque, which is equivalent to the assumption of a little over the cost of one-third of the railway from these points.

As regards the Imperial Government, they are not prepared, so far, to contribute in any way.

Evening Telegram, May 17th, 1895.

(Extract from "History of Newfoundland" by D.W. Prowse.)

The great political movement of the time was the confederation of British North America. To complete the union our Island was necessarily included in the scheme; Sir Frederick and Sir Ambrose Shea were sent as our delegates to the great confederation conference, and returned with a draft of the terms on which we might become united with the Dominion. The proposals to unite our destinies with Canada, were not received with enthusiasm. The main question was one of terms; what would Canada give us in return for surrendering our independence? The offer from the Dominion on the all-important subject of a railway and a steam ferry has hitherto been vague and uncertain; but even if any such tangible offer had been made before 1869, looking back now at the excited condition of our population on the subject, I very much doubt if any terms would have been accepted. The anti-confederate party were strong in numbers, powerful in organisation, and their leader, Mr. Charles Fox Bennett, showed himself a most able and indefatigable political campaigner. The awful tales that were told about taxation, about ramming the new-born babes down Canadian cannon, "bleaching their bones on the desert sands of Canada," had a tremendous effect on the simple out-harbour people. There still lingers amongst them a traditionary remembrance of the sufferings their forefathers endured from the French Canadian and Indian raids made in the seventeenth and eighteenth century, and this partly accounts for their dread of Canada; Irish national feeling, their hatred of the Union, brought about by fraud and bribery, was also appealed to. The result was an overwhelming defeat for the Confederate party; they were simply annihilated, and from that day to this Confederation has never been put forward before the country as a practical political question.

Both from an Imperial and Colonial point, the union of the British North American Colonies is a consummation devoutly to be wished; it is all a question of terms. There are, however, some objections to union. Since the death of the great Sir John A. McDonald there is no statesman in Canada strong enough to guarantee us such terms as we would accept. There are also great drawbacks in Canada's protectionist tariff; the Dominion is a fish producer and not a fish consumer; our business relations and our future market lie with the United States; the customers and consumers of our inexhaustible fisheries are the sixty-three million Americans. Canada's latest move on the Blaine Bond Convention has alienated the feelings of many Newfoundlanders who were formerly Confederates.

Miscellaneous Information.

At the peak of construction activities approximately 20,000 Newfoundland workmen and from 1,000 to 2,000 Newfoundland girls were employed in connection with Canadian and American construction activities.

About 1,200 Newfoundlanders were recruited to work in the United States Dairy Industry on six months contract. 300 or 400 have returned, the remainder have renewed their contracts. About 200 Newfoundlanders are engaged in copper and mica mining in Vermont.

Approximately as many Newfoundlanders have been engaged for work in Canada as in the United States though they are scattered in smaller groups chiefly at Arvida, Quebec, and Kitchener, Ontario. ~~The~~ larger percentage, however, have returned.

Newfoundland Schools are conducted on a denominational basis. In St. John's the schools are as follows:

Church of England	Bishop Field (for boys)
	Bishop Spencer (for girls)

Instruction is given from kindergarden to junior matriculation.

United Church	Holloway School (for boys and girls) From kindergarden to Grade Five.
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Prince of Wales College (for boys and girls). From Grade Six to Grade Eleven. Also includes courses in shorthand, typewriting, bookkeeping and general office work.

Roman Catholic	St. Bonaventure College (for boys) Mercy Convent (for girls) Presentation Convent (for girls)
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Instruction is given from kindergarden to junior matriculation. These three schools also include commercial courses.

There is no College or University in Newfoundland authorized by its Charter to grant degrees. The Memorial University College, an interdenominational body, provides two years instruction in Arts and Engineering and issues a diploma that admits holders to third year courses at Canadian and United States Universities.

RELATIVE SIZE OF AIR-PORTS

STEPHENVILLE:

Run-ways - concrete.

4960 x 150

5140 x 150

5060 x 150

Independent weather forecasting station;
limited transient accommodation at field.

Stephenville is a well equipped air-port
with the best weather conditions in Newfoundland.
Its handicaps are several quite high hills in the
vicinity of the air-port and the terrain does not
lend itself to an extension of run-ways.

TORBAY:

Run-ways - asphalt.

5000 x 150

-5000 x 200

5000 x 150

5000 x 200

Good air-port but suffers from the dis-
advantage that the weather is tricky with a high
percentage of foggy days.

GOOSE BAY:

Run-ways - asphalt and concrete.

6070 x 200

5850 x 200

6080 x 200

Independent weather forecasting station.

GANDER:

Run-ways - Koalase.

4500 x 600

5950 x 400

6050 x 400

6150 x 400

Independent weather forecasting station.

1. The number of immigrants admitted to Canada from Newfoundland,

1938	
1939	
1940	
1941	
1942	1,391 immigrants
1943	2,645 immigrants
3 months ended	
March 31, 1944	419 immigrants

2. The number of immigrants admitted to the United States from Newfoundland,

Year ended June 30,	1938,	
" " " "	1939,	
" " " "	1940,	- 272 immigrants
" " " "	1941,	- 193 "
" " " "	1942,	- 149 "
" " " "	1943,	

Newfoundland-Born Residing
in Canada.

1911	15,469
1921	23,103
1931	26,410
1941	25,837

Newfoundland-Born Residing
in the United States.

1910	9,311
1920	13,342
1930	23,971
1940	21,361

GRANTS-IN-AID

1934-35.....	\$1,590,000
1935-36.....	\$1,469,928
1936-37.....	\$1,547,169
1937-38.....	\$ 189,477

This total is less than \$5,000,000 and the grant total from 1934-35 to 1943-44, a period of ten years, has therefore been approximately \$9,000,000. It is true that loans from the Colonial Development Fund, some of which were subsequently written off, are not included. It is also true that a large proportion of the loans that were written off represented expenditures which were never justified and would never have received the support of sound opinion in Newfoundland.

Memorandum on the Cabots

The identification of John Cabot's landfall in 1497 is an extremely controversial question (a select few of the books on the subject are listed below). The difficulty arises from the fact that there is no direct evidence for either of John Cabot's two voyages; that is, no log book, no map, nothing at all written by any person who was actually on the voyages. Nearly all the contemporary chroniclers, letter writers, and cosmographers who refer to the voyages had motives for misrepresenting the results. Cabot himself had such a motive; he wished to represent his voyage as having been as far north as possible, since he was supposed to avoid territories previously claimed by Spain.

The most recent, thorough, and reliable research on the subject has been done by J.A. Williamson in his book The Voyages of the Cabots and the Discovery of North America (London, 1929). After an exhaustive examination of all the available evidence, Williamson, reaches the following conclusion:-

John Cabot made two voyages, in 1497 and 1498. On the first he made landfall on Cape Breton Island, coasted along Nova Scotia and pushed on as far as Maine. On the way back he may have sighted Newfoundland, but did not stop to examine it. On the second voyage in 1498 he coasted further south, in all probability down to Delaware.

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D. Burnell

From Hansard dated July 12, 1943 - Unrevised Edition.

MR. MACKENZIE KING:


. . . While I believe there is a time to consider the question of what is advisable and what may not be advisable with respect to having Newfoundland brought into confederation, this is not the particular moment at which it would be most advisable to discuss the question. As the hon. member knows, the government of Canada is most desirous of preserving the closest possible friendly relations with Newfoundland. We have given expression to our desire in the appointment of a high commissioner of the attainments which he himself has mentioned in the person of Mr. Burchell. Mr. Burchell has given very careful study to the questions that arise between both the Newfoundland and Canadian governments, Newfoundland and the United States, Newfoundland and Great Britain, and I think he would be the first to say that any discussion with respect to the possible bringing in of Newfoundland to confederation ought to be initiated on the part of the people of Newfoundland rather than on the part of members of this house certainly at this particular time. I took note of what my hon. friend had said, and I prepared with a little care the following words that I thought it might be wise to use if occasion should so demand. I would say that Canadians like and admire the people of Newfoundland. They are attached to them by bonds of sentiment and by the memory of dangers shared and victories won together. They look forward to a continuation of the friendship and cooperation which have increasingly marked our relations during recent years. Canadians are interested in the defence of Newfoundland which is so vital a part of the defence of the continent and the hemisphere. They hope that the people of Newfoundland will find some wholly satisfactory solution of the political and economic problems which confront them. They will be happy if, in any way, they can contribute to the solution of these problems, many of which are common to both countries.

If the people of Newfoundland should ever decide that they wish to enter the Canadian federation and should make that decision clear beyond all possibility of misunderstanding, Canada would give most sympathetic consideration to the proposal.

There is a phrase which has grown so common in the world's mouth that it has come to seem to have sense and meaning -- the sense and meaning implied when it is used; that is the phrase which refers to this or that or the other nation as possibly being "capable of self-government"; and the implied sense of it is, that there has been a nation somewhere, some time or other, which wasn't capable of it--wasn't as able to govern itself as some self-appointed specialists were or would be to govern it. The master minds of all nations, in all ages, have sprung in affluent multitude from the mass of the nation, and from the mass of the nation only--not from its privileged classes; and so, no matter what the nation's intellectual grade was, whether high or low, the bulk of its ability was in the long ranks of its nameless and its poor, and so it never saw the day that it had not the material in abundance whereby to govern itself. Which is to assert an always self-proven fact: that even the best-governed and most free and most enlightened monarchy is still behind the best condition attainable by its people; and that the same is true of kindred governments of lower grades, all the way down to the lowest.

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The above is an extract from
"A Connecticut Yankee",
by Mark Twain.

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