THE "REVOLUTION OF 1940" IN NEWFOUNDLAND

by

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ABSTRACT

Canadian historians have viewed the Canadian-American defence agreement signed at Ogdensburg, New York on 17 August 1940 as an important turning point in modern Canadian history, an event significant enough to be described as the "revolution of 1940". For Newfoundland, too, 1940 was a fateful year: it saw the establishment of North American military forces on the island. Some Newfoundland historians have suggested that the American and Canadian troops introduced economic and cultural influences which were instrumental in shifting Newfoundland's political orientation from the United Kingdom to North America. However, an examination of Newfoundland's pre-war relations with Canada and the United States has shown that strong cultural and economic links already existed between the island and North America. Thus the arrival of North American military forces in 1940 did not initiate a revolutionary change in Newfoundland; it accelerated the pace of change already in progress.

Although the cultural and economic changes which took place in Newfoundland during the Second World War were evolutionary, there was another new and "revolutionary" influence introduced in 1940. In that year both Canada and the United States concluded agreements which ensured that their military presence in Newfoundland would continue into the post-war era. The military and governmental links which were produced in Newfoundland by the "revolution of 1940" resulted in a significant change in the island's relations with Canada.
and the United States; Not only was Newfoundland's trans-Atlantic orientation weakened but her continental neighbours — Canada in particular — had become interested in the country's political future. Canada's newly developed concern with Newfoundland was a necessary condition for union between the two countries.
PREFACE

This study began as an attempt to describe the effect of the Second World War on the relationship between Newfoundland and the other members of the North Atlantic Triangle and, in particular, the effect the war had on relations between Newfoundland and Canada. Two things soon became apparent: first, that the question could not be pursued without making an assessment of Newfoundland's pre-war position within the North Atlantic Triangle; and, second, that the events of 1940 were as crucial to Newfoundland as they were for Great Britain, the United States and Canada. As a result, research was concentrated on the period from about 1933 to 1941, although in dealing with the pre-war situation of Newfoundland some material from earlier in the twentieth century was used.

The sources for the pre-war section of the study were varied and ranged from the Newfoundland Customs Returns to personal memoirs. Most of the material cited can be found in the Centre for Newfoundland Studies, Henrietta E. Harvey Library, Memorial University of Newfoundland. For the period 1939 to 1941 the main primary sources were the departmental files of the departments of Justice and Defence (Series S4) and Public Utilities (Series S5). These are in the collection referred to as the Papers of the Commission of Government. Also useful were the files of Governor Sir Humphrey Walwyn (Series G8). All of these papers are held in the Newfoundland Provincial Archives, St. John's.
The Papers of the Commission of Government and the G8 Series contain both internal memoranda and the despatches of Governor Walwyn to London and Ottawa. No significant gaps were found in the record and no difficulty was experienced in reconstructing the events of 1940 as they affected Newfoundland. The records of the Dominions Office in London would perhaps have been useful to shed light on the reasoning behind British policy towards Newfoundland but this question was considered to be beyond the scope of the present study. An indispensable secondary source for Canadian policy with respect to Newfoundland was Colonel C.P. Stacey's *Arms, Men and Governments*.

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CHAPTER I

INTRODUCTION

In May and June of 1940 the armed forces of Germany invaded France and inflicted a stunning defeat upon the Anglo-French armies, a defeat which resulted in the surrender of the French and the withdrawal of the British to their poorly defended island. To North America these momentous events brought a sudden realization of the danger which would exist if the United Kingdom were also to be defeated by Germany. With Britain occupied the front line of the struggle would move to the east coast of North America; Newfoundland, Canada and the United States would all be open to attack. The immediate consequence of this apprehension was the rapid movement of Canadian and American military forces into the strategically located island of Newfoundland. In the long run the crisis of 1940 had far reaching consequences for both Canada and Newfoundland; Canada became a permanent military ally of the United States while Newfoundland became an object of political and military interest for both her continental neighbours, something the island had not been before the Second World War.

The alliance between Canada and the United States was established formally by an agreement signed by Prime Minister Mackenzie King and President Franklin D. Roosevelt at Ogdensburg, New York on August 17, 1940.¹ The Ogdensburg Agreement set up a Permanent Joint

¹For accounts of the signing of the Ogdensburg Agreement see James Bayrs, In Defence of Canada: Appeasement and Rearmament.
Board on Defence (PJBD), which was given the task of coordinating the defence of all of North America, including Newfoundland. Many Canadian historians have seen 1940 as a turning point in the country’s history and the Ogdensburg Agreement as a particularly significant event which had, according to Donald Creighton, a "profound effect" on Canadian-American relations. J.M.S. Careless has called the Ogdensburg Agreement "a binding military alliance without limit, and one of weighty significance", which led to further defence cooperation, the building of the Alaska Highway, and the Hyde Park economic agreement; all steps which "were the expression of the closely entangled interests of the two neighbouring North American nations in a dangerous new world". To Arthur R.M. Lower the Ogdensburg Agreement was the "coping stone to the edifice of American-Canadian cooperation", while both Edgar McInnis and W.L. Morton saw the significance of the word "permanent"


2 The defence of Newfoundland was discussed at the first meeting of the PJBD. See H.L. Keenleyside, "The Canada—United States—Permanent Joint Board on Defence, 1940-1945," International Journal, XVI (Winter 1960-61), 56.


5 Ibid., p. 383.

in the name of the PJBD. From the continentalist point of view of McInnis, the Ogdensburg Agreement emphasized hemispheric solidarity and "Canada's position as a North American state," while Morton considered that Canada had been "bound to the United States as never before".

The concept of 1940 as a major watershed in Canadian history is found in its most explicit form in the essays of Frank H. Underhill, who viewed the Anglo-French collapse as a shocking episode which led directly to a new era in Canadian-American relations. Discussing the crisis of 1940, Underhill wrote:

As soon as it became clear in 1940 that the Grand Alliance of Britain and France and their associates could not defend Europe against Hitler by themselves and that the whole basis of Canadian security had been changed, Canada set up a permanent joint defense board with the United States to lay plans for the security of the North American continent.

The establishment of the PJBD, Underhill thought, put a sudden end to Canada's long period of dependence on Britain. Since 1940, he wrote:

we have entered a new era. We have gone through the revolution of 1940. In that year we passed from the British century of our history to the American century.

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8McInnis, p. 507.


It might be argued that 1940 was not a revolutionary year for Canada but simply the culmination of an evolutionary process which had seen Canada gradually detach itself from Britain while becoming attached to the United States. This is a valid point but it is nevertheless true that in 1940 Canada's relations with the United States underwent a fundamental change. Before that date Canada had never been part of a formal military alliance with the United States, and in fact the United States had sometimes been seen as a potential enemy rather than an ally. Since 1940 a different external threat has been perceived and Canada and the United States have been committed to a mutual North American defence policy. This basic change in Canadian policy, plus the swift pace of the events which led to the signing of the Ogdensburg Agreement, justify the use of the phrase "the revolution of 1940".

For Newfoundland, too, the year 1940 was crowded with significant events. The defeat of the British in Europe and the apparent vulnerability of Newfoundland brought the appearance, almost overnight, of Canadian and American military forces. The presence of the North American troops in Newfoundland was legitimized by a series of agreements which had important cultural, economic and political consequences for the island; agreements which marked Newfoundland's "revolution of 1940".

Contemporary observers saw the significance of continental North America's newly awakened interest in Newfoundland, and one writer called the year 1940 the "most fateful in Newfoundland's history." More recent writers have looked on the cultural and

12 Observer's Weekly (St. John's), 7 January 1941, p. 5.
political changes which followed the influx of North American troops as instrumental in turning Newfoundland away from the United Kingdom and towards Canada and the United States. S.J.R. Noel, for example, has contended that the Second World War:

opened the way for its [Newfoundland's] subsequent political integration with the mainland. For although the economic effect of the war was neither profound nor lasting, its residual cultural and political effects were nevertheless important. The Newfoundlanders who returned to their traditional occupations in the fishery as the war drew to a close did so because there were no alternative sources of employment available to them. But they took with them an awareness of their continental neighbours that was lacking in 1939. The war had brought them into face-to-face contact with 'mainlanders', both American and Canadian, and encouraged even those whose homes were on the east coast to take an unaccustomed look westward. 13

Other writers, too, have commented on the impact of North American influences on Newfoundland's culture. 14 The consensus has been that the presence of Canadian and American military forces in Newfoundland helped to change the island's traditional trans-Atlantic orientation to a continental orientation. Newfoundland, in other words, had undergone its own 'revolution of 1940'. However, no detailed study of the events of 1940 as they affected Newfoundland has been attempted and it was to remedy this deficiency that the present study was undertaken. As a first step the pre-war state of Newfoundland's relations with North America will be examined and the strength


of the island's links with Britain and North America will be assessed.

The events of 1940 will be discussed in detail and an estimate of the economic, cultural and political effects of the "revolution of 1940" will be made. Finally, an attempt will be made to fit the wartime changes in Newfoundland — whether "revolutionary" or evolutionary — into the larger framework of changes within the North Atlantic Triangle.
CHAPTER II

PRE-WAR RELATIONS WITH BRITAIN AND NORTH AMERICA

In the period immediately preceding the Second World War Newfoundland had a multitude of contacts of varying degrees of importance with the rest of the world. Strong ties of sentiment and culture linked the country to England and Ireland, although cultural links with North America were growing rapidly in both strength and number. The export of fishery products provided economic links with Europe, the Caribbean and Latin America. Most of Newfoundland's imports came from North America, but a substantial portion still originated in the United Kingdom. Newfoundland also imported investment capital, mainly from the United Kingdom, but also from the United States and Canada. Contacts made through the provision of services such as communications and transportation, banking and insurance, education, and entertainment also provided important links with the rest of the world. Other contacts were made at the personal level by tourists and emigrants. In addition there were official contacts between governments and government institutions. Indeed, in the period immediately preceding the Second World War, Newfoundland's strongest formal links with the outside world were the constitutional and governmental ties with the United Kingdom.

The political position of Newfoundland at this time was something of an anomaly. At a time when many other members of the British Commonwealth were moving towards greater independence of the
Mother Country, Newfoundland found itself in a position in which the political links with Britain were stronger than ever. The island had been self-governing since 1855 but the collapse of the international market in the early 1930s forced the country to surrender its dominion status and to accept the rule of a Commission of Government appointed by the United Kingdom. In return, the British government assumed responsibility for Newfoundland's public debt.

The legislation which set up the Commission of Government made it plain that the Commission was to be a temporary body, charged with governing Newfoundland "until such time as the Island may become self-supporting again". It was also a non-democratic institution since its members were appointed by the Secretary of State for Dominion Affairs. This impermanent, undemocratic institution was to govern Newfoundland until 1949; a fifteen year-period which saw great changes in the economic and cultural life of the country.

The administrative structure of the Commission of Government was straightforward. The executive head was the Governor. Six Commissioners assisted him, each one responsible for a department of government. The key departments — Finance, Public Utilities and Natural Resources — were invariably held by Commissioners from the United Kingdom. The remaining departments — Justice (after 1940 Justice and Defence), Public Health and Welfare, and Home Affairs and Education — were assigned to Newfoundlanders. The civil servant at the head of each department would normally have been a deputy minister.

1See Schedule I of the Newfoundland Act, 24 George V, Cap. 2.
but since this title was no longer appropriate these officials became known as Secretaries.

The Commission of Government conducted the business of the country by meeting in committee, with the Governor as chairman. A vice-chairman, usually a Newfoundland member, presided in the absence of the Governor. The Commission combined the functions of the executive and legislative branches of government. It drafted legislation, discussed and approved it and, finally, proclaimed its passage. Despatches concerning external affairs were drafted by the Commissioner whose department was concerned and sent out over the signature of the Governor. In some cases the Governor made changes before despatching the message but, for the most part, he accepted the drafts submitted by the Commissioners. However, the Governor was in a strong constitutional position. He presided as chairman at the meetings of the Commission, took part in its deliberations, and could vote, according to Secretary of State Malcolm MacDonald, "on all occasions when there is a division of opinion in the Commission".  

The Governor was required to consult with the Commission and to act on its advice but nevertheless he could undoubtedly exert considerable influence on the decisions of the Commission.  

The Governor of Newfoundland in the pre-war years and throughout the Second World War was Vice Admiral Sir Humphrey Walwyn, the last of many British naval officers to hold the position. Walwyn was appointed in 1936, after a not undistinguished career on active

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2 Quoted in Noel, p. 226.

3 Ibid.
service with the Royal Navy, and he retained the position for ten years. He was described by contemporaries as a man with "a forceful personality" and as a "human dynamo" and an "autocrat". The other British members of the Commission of Government were, for the most part, former colonial civil servants. Most were graduates of Oxford or Cambridge and two of them were former Army officers. As a group they were neither unintelligent nor unenterprising, but with one troublesome exception they were firmly under the thumb of the Dominions Office.

All of the Commission of Government's policy decisions and many matters of routine administration required the approval of the Dominions Office; and, since three of the Commissioners and the Governor were from the United Kingdom, the government of Newfoundland was effectively in the hands of Whitehall. Reinforcing this British orientation was the fact that the Newfoundland Commissioners were selected from that section of the populace which looked to the United Kingdom for its standards.

Colonial governors usually served a term of five years. Walwyn's initial appointment was (at his own request) for a period of three years. It was later extended to the full five years and then renewed several times, probably because the Dominions Office felt that Walwyn's naval experience would be useful in wartime. See Newfoundland Provincial Archives, Government House Files, G 646/35.

See editorial in the Daily News (St. John's), 16 January 1936, p. 4, and Gordon Duff, "A Biographical Dictionary of the Governors of Newfoundland" (unpublished manuscript in the Centre for Newfoundland Studies, Memorial University Library), n.pag.

The exception was Thomas Lodge, whose disagreements with Walwyn and the Dominions Office led to his removal from the Commission. Thomas Lodge, Dictatorship in Newfoundland (London: Harrold and Sons, 1939), p. 3; Noel, pp. 237-41.

Lodge, p. 250. After the beginning of the Second World War the Dominions Office seems to have loosened the reins a little but major decisions still required approval from London.
All four of the Newfoundland Commissioners who were active in the period 1937 to 1941 were from the Avalon peninsula and, of the four, three were natives of St. John's. One had been educated in St. John's only, while the other three had been educated in St. John's and at public schools and universities in England. One of these Commissioners, H.A. Winter, was an Oxford graduate. The Commissioner for Justice and Defence was L.E. Emerson, who apparently had fond memories of his school days in England: he named his St. John's residence 'Ampleforth' after his old school in Yorkshire.

Three of the four Newfoundland Commissioners (L.E. Emerson, H.A. Winter and J.A. Winter) who served during the pre-war and early wartime years were lawyers. The fourth (J.C. Puddester) was a businessman and journalist. All had been active as conservative politicians and three of them served as cabinet ministers in Frederick Alderdice's United Newfoundland government of 1932-34, while the fourth had been Speaker of the House of Assembly in 1933. The Newfoundlanders who served on the Commission of Government in the period from 1937 to 1941 thus seem to have been chosen from among the legal and commercial elite of St. John's who had often dominated Newfoundland's politics. They were all sound, safe men; conservative and Anglophile in outlook, and not men who would engage in political experiments. The existence of

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8Biographical details are from R. Hibbs (ed.), Who's Who in and From Newfoundland, 1937 (St. John's: R. Hibbs, 1937). Short biographies of Emerson and the other Commissioners will be found in Appendix A.

9Alderdice and another of his associates, W.R. Howley, were Commissioners from 1934-1937. Noel, p. 223.
the Commission form of government, dictated to in policy matters by
the Dominions Office and in day-to-day administrative affairs by the
English Commissioners and their English-oriented Newfoundland colleagues,
kept Newfoundland’s governmental ties with the United Kingdom strong in
the pre-war years.

In contrast to these strong trans-Atlantic ties, New-
foundland’s governmental links with North America were weak. Despite
geographic proximity and a common political inheritance from Britain,
relations between Canada and Newfoundland were neither close nor
friendly. Union between the two countries had been put to a vote in
Newfoundland in 1869 and defeated decisively, partly out of feelings
of local patriotism and partly as a result of a determined campaign by
a few influential businessmen who feared that competition from the
mainland would drive them out of business. 10 Interest in confederation
revived again in 1887-88 but Canadian interference with the Bond-Blaine
treaty of 1890, combined with an indifferent attitude on the part of
the Canadian government when the question was formally discussed in
1895, dealt a severe blow to the idea of union. 11 Covert attempts to
promote confederation with Canada continued in the early 20th century
but Newfoundland’s politicians, although they might flirt clandestinely
with Canadian interests, apparently believed that public opinion would
not accept union and consequently none of them came out in favour of it. 12


12 Noel, pp. 62-63.
Some governmental contacts between Canada and Newfoundland saw the two countries face each other as adversaries; as, for example, in the Labrador boundary dispute. Another problem which contributed to cool relations between the two countries was the Canadian government's insistence on observing the letter of the law when dealing with immigrants from Newfoundland who had become a public charge. The Canadian answer to this problem was simple: the immigrants were deported to Newfoundland, regardless of their age or length of residence in Canada. The matter became important in the early years of the depression of the thirties when the Newfoundland government, in financial difficulties and reluctant to accept destitute deportees, protested vigorously to the Canadian government. Newfoundland felt, according to Prime Minister Alderdice, that "Canada treats us very badly", and that "we would expect to receive more sympathetic treatment that might possibly be extended to a foreign country". Canada's Prime Minister Bennett was unyielding, however, and the deportees continued to arrive in Newfoundland. This kind of unsympathetic treatment by Canada did little to improve relations with Newfoundland.

The Commission of Government was not significantly different from its predecessors in its approach to Newfoundland-Canada relations, at least in the pre-war years. Neither country maintained a diplomatic representative in the other's capital and official business was transacted in a rather haphazard way, with correspondence

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13 Newfoundland Provincial Archives, Alderdice Papers, (hereafter cited as PM 1/8), Alderdice to Bennett, 25 October 1932, 26 January 1933.
sometimes being routed through the United Kingdom's High Commissioner in Ottawa and sometimes being exchanged directly between the officials involved. There is, of course, no reason to expect that the Commission of Government would make any attempt to seek closer relations with Canada. The confederate cause was no more popular in the 1930s than it had been in the 1860s, and Canada's reluctance to aid Newfoundland in the financial crisis of 1932, combined with the fact that two of the three men who investigated Newfoundland's economic plight and wrote the Amulree Report were Canadians, had not improved Canada's image in the eyes of Newfoundlanders. The Commission of Government, while it was not an elected body, was not unresponsive to public opinion, and the Commissioners knew that any policy aimed at producing closer relations with Canada would arouse the ire of the anti-confederates among the populace. Thus the Commission maintained correct but cool relations with Canada in the pre-war years.

Despite the lack of formal diplomatic links between Canada and Newfoundland there were a number of important contacts at a lower but still official governmental level. In the twentieth century many of these contacts took place in fields of emerging technology, such as radio and aviation, but it is worth noting that Newfoundland's greatest involvement in nineteenth century technology, the trans-insular railway, was built by a Canadian contractor. One of the most enduring of the twentieth century technological links was the establishment by the Canadian government during the First World War of a direction finding radio station at Cape Race. Another such station was set up

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Noel, pp. 208-12.
at Belle Isle to assist shipping using the Strait of Belle Isle. Both of these stations were under the management of the Canadian government, the Newfoundland government apparently seeing no need to become involved in this activity. Another similar link between Newfoundland and Canada developed in 1909 when the Newfoundland Department of Marine and Fisheries set up a number of weather observing stations along the coast. The stations were equipped and supervised by the Canadian government and to ensure their proper operation they were inspected periodically by an official of the Meteorological Service of Canada. By 1920 Canada had taken over these stations from the Newfoundland government and they continued in operation until 1932 when they were closed as an economy measure. But in 1937, as a result of an international agreement, Canada assumed responsibility for providing weather services to experimental flights from Newfoundland to the United Kingdom. The Canadian government was still providing weather services to Newfoundland when the two countries united in 1949. But, in spite of these and other activities in specialized fields, the Canadian government was also involved in fisheries research and in geodetic surveys in Newfoundland. See Newfoundland Provincial Archives, Minutes of the Commission of Government (hereafter cited as Minutes of the Commission), 25 February, 17 July 1935.


16 Ibid., 1921, p. 463.


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government-to-government contacts between Canada and Newfoundland were infrequent in the pre-war years.

Some of the issues which afflicted Newfoundland–Canada relations also arose in connection with Newfoundland's relations with the United States. Like the Canadians, the Americans often appeared as competitors in the fishery and as adversaries over the negotiating table. The deportation of Newfoundlanders from the United States caused some friction in the period immediately preceding the Commission era since the Americans treated the matter with as little sympathy as Canada had shown. There were few official contacts between Newfoundland and the United States in the early years of the Commission of Government's rule and those that did take place concerned the fishery and commercial relations. Thus, although the United States did maintain a consular office in St. John's, official contacts between the two countries were not particularly close or frequent.

In contrast to the activities of the Canadian government, there was no involvement by any American government agency in pre-war Newfoundland. The reason seems clear: Canada and Newfoundland were linked through a common connection to Great Britain while the United States was a foreign power. In spite of the suspicion with

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19 For example, in the lengthy negotiations that ended in 1910. See A.M. Fraser, "Fisheries Negotiations with the United States, 1783-1910," MacKay, pp. 333-410.

20 Alderdice to Bennett, 8 October 1932, PM 1/8.

which Canada was often viewed in Newfoundland, cooperation could take place because both countries were members of the British Commonwealth of Nations. Thus Canada was able to establish marine radio stations on Newfoundland's territory during the First World War because Canada's naval efforts were coordinated with those of Great Britain. Again, the assumption by Canada of the responsibility of weather services in Newfoundland in 1937 came about as a result of an agreement between members of the Commonwealth — Britain, the Irish Free State, Canada and Newfoundland.22 In peacetime such cooperation with the United States was unlikely.

Although governmental links between Newfoundland and mainland North America were relatively weak there were extensive economic and cultural factors acting to produce closer ties. These factors had been increasing in number and importance and a perceptive observer, Joseph R. Smallwood, saw in 1931 "a distinct Americanization trend"23 in Newfoundland society. This was particularly true, he said, of the larger centres: St. John's, Bell Island, Grand Falls, Buchans and Corner Brook, where the "outlook and general frame of mind [of] the people are more Americanized than British."24 Furthermore, Mr. Smallwood felt that in the clothing they wore, the slang they used, many of the books they read, the movies they saw, and the radio programmes they heard Newfoundlanders were American in their tastes.25

22 Main, p. 127.


24 Ibid.

While Mr. Smallwood's views may have been coloured by his advocacy of industrialization on the North American model as a cure for Newfoundland's economic problems, it is clear that he felt that the island was becoming more closely linked with the mainland, and that the reason for this Americanization of Newfoundland society was to be found in an increase in the number and type of contacts between Newfoundland and her neighbours.

There is little doubt that Mr. Smallwood's opinion was substantially correct, at least insofar as urban Newfoundland was concerned. The points of contact produced by the importation of large quantities of food, clothing and manufactured goods from North America are readily documented. The United Kingdom had once supplied most of Newfoundland's imports but the ease of access to the Newfoundland market enjoyed by Britain's North American competitors was an insurmountable advantage and by 1939 almost three-quarters of the imports came from North America. 26

Of more importance than the sheer volume of the trade was Newfoundland's growing dependence on North America as a source of manufactured articles. The importation of ready made clothing provides a good example. Before 1914 Britain supplied most of the ready-made clothing imported into Newfoundland, but articles from North America were already beginning to capture the market because, according to a witness before a Royal Commission on trade, American clothes were "more stylish in cut, make and colouring" and by virtue of the fact...

that American styles are "the only ones that are seen in the newspapers, periodicals and magazines in the Colony." During the First World War there were difficulties in obtaining goods from the United Kingdom and by the time the war had ended the initial lead enjoyed by British clothing manufacturers had been overcome. Thereafter, North American ready-made goods dominated the Newfoundland market.28

Goods associated with rapid technological change were also imported mainly from North America. The United States supplied seventy percent of Newfoundland's imports of automobiles in 1938-39, while Canada provided twenty-seven percent and the United Kingdom only three percent.29 The dominant position of the United States, with Canada in second place, and Britain in third, was established as early as 1915 and remained unchanged.30 Radios were almost entirely imported from North America, and the United States supplied some ninety percent of this market with Canada providing the remaining ten percent.31 The


use of North American automobiles and radios in Newfoundland had a number of significant effects. For example, spare parts were imported from the United States and Canada, thus further improving the position of North America in the Newfoundland market. In addition, there is some evidence that Newfoundlanders were sent to the United States and Canada to be trained in North American technical methods. Finally, the existence of even a few automobiles implied a demand for roads.

By 1933 most of the Avalon Peninsula was connected to St. John's by motor roads and there was also a considerable mileage on the Bonavista and Burin Peninsulas. Even in the depths of the depression the Commission of Government recognized the need for roads and embarked on a program that was aimed at the completion of a highway from St. John's to Port aux Basques. The Commission's efforts in this direction were handicapped by the financial difficulties of the time, but they were able to spent substantial sums on roads. With the increase in road mileage came an increase in the number of automobiles in Newfoundland; from 3003 in 1930 to 5249 in 1938. Furthermore, more vehicles and more roads meant easier communications with the urban centres and more extensive diffusion of North American technology and ideas.

See Joseph R. Smallwood (ed.), The Book of Newfoundland (St. John's: Newfoundland Book Publishing Limited, 1937), II, 496, for an example of a St. John's garageman who advertised his American training.


Smallwood, Book of Newfoundland, I, 326; Tait, p. 45.
Books, magazines, newspapers and movies are examples of imported goods which brought Newfoundlanders into contact with the culture of North America. There is some evidence that most of the books imported into Newfoundland came from the United Kingdom but newspapers and magazines were largely of American origin and had been for some time. The tastes of Newfoundlanders in reading material were similar to those of Americans and Canadians. Time, Life, and Newsweek were popular periodicals received in a St. John's library and other North American publications had a wide circulation.

Although local news was given prominence in the St. John's newspapers in the decade of the 1930s, both the Evening Telegram and the Daily News were unmistakably North American. These newspapers carried large quantities of syndicated features and both relied heavily on the Canadian Press news service for their international news coverage.

36 See the statements of F.W. Ayre and M.P. Cashin, Royal Commission, 1915, pp. 98, 111.
38 According to Governor Walwyn the Saturday Evening Post, Collier's, Maclean's, the Montreal Family Herald and Liberty had a "wide popular circulation" in Newfoundland. American "pulp" magazines were also mentioned by the Governor as having a large circulation. See Newfoundland Provincial Archives, Papers of the Commission of Government (hereafter cited as PCG), Walwyn to the Secretary of State for Dominion Affairs (hereafter SSDA), 28 October 1939, S4-2-1, M. Also see T.D. Cartew, "Journalism in Newfoundland," Book of Newfoundland, I, 161, where the Montreal Family Herald, the Toronto Star Weekly and the Montreal Standard are singled out as Canadian papers with large circulations in Newfoundland.
39 This is evident from an examination of the contemporary press. The reliance on CP was a situation "not always satisfactory from the point of view of British policy", according to a Ministry of Information report, "Publicity in the British Empire," PCG, S4-2-1, M.
Advertisements for North American products filled the St. John's press to the extent that a report issued by the British Department of Overseas Trade in 1935 commented that it was a "rare occurrence to come across the advertisement of a United Kingdom manufacturer" in a Newfoundland newspaper.

Judging from the number of theatres in St. John's — there were six in 1935 — motion pictures were a popular form of entertainment during the Commission of Government era. There were also movie theatres in Harbour Grace, Bell Island, Grand Falls and Corner Brook. The movies shown in all of them appear to have been largely products of Hollywood. It is difficult to assess the effect that North American magazines, newspapers and movies had on pre-war Newfoundland. Part of the difficulty lies in determining how widely distributed these products were. Clearly they were available in St. John's, in the industrial towns which made up the "new Newfoundland", and in all probability in many settlements on the Avalon Peninsula. But in the isolated outports of the south coast, along the northeast coast and on the Northern Peninsula perhaps only a few merchants, clergymen, or


41. Ibid., p. 35.

42. This is the impression gained from examination of newspaper advertisements of the 1920s and 1930s. Although no systematic tabulation was attempted it was found that in a two-week period in 1920 the St. John's theatres showed thirteen American motion pictures, one Canadian, two British, and one Anglo-Canadian film. In a similar period in 1938 about eighty-five percent of the movies shown in St. John's were of American origin. See the Daily News, 1-15 December 1920 and 1-15 December 1938.
teachers would be exposed to North American books or periodicals. As for movies, only those who travelled to the larger centres would see them. For those who were exposed to them, North American periodicals and movies provided a graphic but probably often misleading look at life on the mainland.

Services such as banking, insurance and transportation affected large numbers of Newfoundlanders and provided another important point of contact with the mainland of North America. Canadian banks had become established in St. John's in 1894-95 as a result of the failure of the Newfoundland banks. They eventually expanded beyond St. John's: by 1905 there were Canadian banks at Harbour Grace and Bay of Islands; by 1912 Grand Falls, Grand Bank, Bonavista, Burin, Carbonear, Twillingate and Bell Island were added to the list; and by the 1930s all of these plus Corner Brook, Curling, Buchans, Bay Roberts, Channel, Fogo, Catalina, Belleoram, Heart's Content, Placentia, and Trinity were served by Canadian banks. 43 One of these banks, the Bank of Montreal, was particularly influential in the commercial and political life of Newfoundland. It handled the financial transactions of the government and had also been involved in attempts to promote union with Canada. 44 Moreover, the presence of the Canadian banks had a significance which went beyond their role in the island's economic life, important though this was. Canadians came to work in the banks, and Newfoundlanders

43 Year Book and Almanac of Newfoundland, 1905 (St. John's: King's Printer, 1905), pp. 225-27; Ibid., 1912, pp. 228-29; Newfoundland Directory, 1936 (St. John's: Newfoundland Directories Limited, 1936), pp. 127-31. The Newfoundland Savings Bank, the only Newfoundland bank left in operation, had offices at only St. John's, Bay Roberts and Harbour Grace.

44 Noel, pp. 41, 49.
worked alongside them and were sometimes transferred to branches on
the mainland. This provided a contact with Canadian institutions
which might otherwise not have existed.

Related to the strong position of the Canadian banks was
the fact that Newfoundland used the Canadian dollar as its currency and
that in consequence the island was affected by the monetary policies of
Canada. From the Canadian point of view this was an advantage; New-
foundland was considered as part of a 'Canadian dollar area' and
receipts of American dollars in Newfoundland were treated by Canadian
fiscal agencies as making up part of the balance of payments with the
United States. 45 This practise was not particularly significant before
1939 but it became important during the Second World War when large
sums in American funds were expended on construction of military bases
in Newfoundland.

Many of the insurance companies operating in Newfoundland
were based in Canada. This was particularly true in the field of life
insurance, where some companies had been doing business in St. John's
since the mid-nineteenth century. 46 By the 1930s there were twelve
Canadian life insurance companies operating in St. John's and twenty-five
Canadian fire insurance companies. 47 Many of the Canadian companies had

45 Dominion Bureau of Statistics, The Canadian Balance of
International Payments (Ottawa: King's Printer, 1949), p. 139.

46 A.B. Perlin, The Story of Newfoundland (St. John's:

47 Report of the Superintendent of Insurance for the
Dominion of Canada, 1939 (Ottawa: King's Printer, 1941), I, xxiv, and
II, viii. Marine insurance was largely in the hands of British firms.
invested in Newfoundland companies and in government and municipal bonds.\textsuperscript{48} This gave them a direct interest in Newfoundland affairs but as in the case of the Canadian banks the presence of Canadian insurance companies had other effects: Newfoundlanders acted as agents for the companies thus providing still another link with the mainland.

Transportation services were an important point of contact between Newfoundland and mainland North America. Of the transportation links, the most important in the pre-war years was the trans-insular railway, which was completed in 1896. By 1914 the Newfoundland Railway was offering a daily service to the mainland, via steamship across Cabot Strait. This gave North American exporters fast and direct access to the Newfoundland market, while the European suppliers were forced to use the slow and irregular trans-Atlantic service. The advantages of the railway were so great that it even became more expeditious to send eastbound mail by rail to Halifax and thence across the Atlantic via the fast CPR liners rather than use the slow steamships which called at St. John's.\textsuperscript{49}

Contacts made by tourists and migrants were a more personal type of link between Newfoundland and North America. The number of tourists coming into the country was small, only about 6000 in 1934,\textsuperscript{50} but many of these visitors were sportsmen who hunted and

\textsuperscript{48} Ibid., II, ccxliv-ccci.

\textsuperscript{49} Royal Commission, 1915, p. 11.

\textsuperscript{50} Economic Conditions in Newfoundland, March, 1935, p. 41.
fished in some of the more isolated sections of western and southern Newfoundland, thus bringing at least some knowledge of North America and North Americans to communities which otherwise might not have had this contact.

Emigration to Canada and the United States has long been an outlet for the unemployed of Newfoundland. The Canadian census of 1871 recorded 7768 Newfoundlanders residing in Canada. Their numbers rose to 15,469 in 1911 and to 25,837 in 1941. \(^{51}\) The United States immigration authorities have never made a distinction between Newfoundlanders and Canadians and the American Bureau of the Census did not count the two groups separately until 1910. \(^{52}\) Thus there are no statistics available on the number of Newfoundlanders who entered the United States or resided in that country in the nineteenth century, although it is commonly believed that more Newfoundlanders chose to emigrate to the "Boston States" than to Canada. However, the American census of 1910 recorded only 5,076 Newfoundland residents in the United States, about one-third of the number resident in Canada in 1911. By 1940 there were 21,361 Newfoundlanders listed as residents of the United States, a number not very much smaller than the 25,837 who resided in Canada in 1941. \(^{53}\)

Regardless of their destination, the emigrants from Newfoundland provided an important point of contact with North America

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\(^{51}\) See Table 41, "Population by Birthplace, Canada, 1871-1941," Eighth Census of Canada, 1941 (Ottawa: King's Printer, 1944), pp. 648-49.

\(^{52}\) United States Bureau of the Census, "Newfoundland Born Population," document in the Centre for Newfoundland Studies, Memorial University Library.

\(^{53}\) Ibid.
and its culture. In addition, both J.R. Smallwood and R.A. MacKay have pointed out that remittances sent home by Newfoundlanders working in the United States or Canada represented a significant source of cash income to many Newfoundland communities, especially the outports. An examination of money order statistics for the 1920s has shown that substantial amounts were involved with most of the money coming from the United States. The peak year was 1923-24 when $744,386 was received from the United States and $377,562 from Canada. This flow of cash was important not only as a source of revenue but also because it affected individuals directly, reminding the recipients of the different ways of life and higher wage levels to be found on the continent of North America.

Other personal contacts with North America were made through churches, lodges and service clubs, and charitable organizations. Of the churches, the Methodist Church had what were perhaps the closest links with North America, specifically with Canada. This church had not been administratively connected with the English Methodist church since 1855, although the United Kingdom supplied many of its ministers. Between 1855 and 1874 the Newfoundland Methodist Church was part of the Eastern British American Conference but after 1874 the Newfoundland


55. "Report of the Department of Posts and Telegraphs," Journal of the House of Assembly, 1925, p. 521. Statistics on money orders were published in the Journals from late in the nineteenth century to 1930. There are gaps in the record, but some trends are evident. Before First World War there was little difference in the amounts of money sent from Canada and the United States. After the war the amount sent from the U.S. grew rapidly, while that coming from Canada showed relatively little change. This may reflect both increasing emigration to the United States and higher wage levels in that country.
Conference formed part of the Methodist Church of Canada. This link was maintained when the Newfoundland Methodists became part of the United Church of Canada in 1925. The ties between the Newfoundland church and Canada were strengthened by a steady stream of ministers and probationers who emigrated from the island to the mainland; some to the United States but most to Canada. Between 1884 and 1925 some 200 of these Methodists left Newfoundland for the mainland. Some of them were undoubtedly British missionaries moving on to other fields, but many were Newfoundlanders who provided a very real tie with North America.

The British influence on the Newfoundland educational system is undeniable but there were, nevertheless, many points of contact with North American organizations, educators, and ideas. The Carnegie Corporation, for example, provided funds in 1926 for the first public library to be established in Newfoundland, and also supported Memorial University College with annual grants, without which the College would have been unable to operate. While many of the textbooks used in Newfoundland schools were imported from England there were also instances where special editions of Canadian books were used. Newfoundland students wrote the same Grade XI examinations as students


57 This was especially true of the colleges in St. John's which resembled English public schools. Noel, p. 268.


in the Maritime provinces and the majority of the high school graduates who went on to university attended North American institutions. There were other contacts too: Newfoundlanders often attended conventions and meetings of the Canadian Education Association and in 1938 the Newfoundland government joined this organization as a member on an equal basis with the Canadian provinces.

Other contacts with the North American way of life were made through service clubs and charitable organizations. That very American phenomenon, the Rotary Club, was established in St. John's in 1921 and a number of prominent Newfoundland businessmen were among its first members. The Benevolent and Protective Order of Elks, a Canadian organization, formed a St. John's branch in 1931 and by 1936 it had lodges in Grand Falls and Corner Brook. While these North American imports did not rival, at least for the time being, the more traditional societies such as the Orange Lodge and the Knights of Columbus, they did thrive in Newfoundland and they introduced a new link with North America.

60 Smallwood, Book of Newfoundland, I, 295.
61 Of 339 residents of Newfoundland listed in R. Hibbs, Who's Who in and from Newfoundland, 1937, 61% had been educated in Newfoundland only, 21% in Newfoundland and Canada, 12% in Newfoundland and the United Kingdom and 3% in Newfoundland and the United States.
64 A.C. Tait, "The Benevolent Order of Elks," Ibid., 204.
A number of North American charitable organizations were established in Newfoundland in the 1920s and 1930s. The Canadian National Institute for the Blind, for example, began work in Newfoundland in 1926 when a branch was established in St. John's.65

The Canadian Red Cross, too, provided a contact with North America: in 1938 there were 965 Junior Red Cross branches in Newfoundland, with 32,800 members. The attitude of the Canadian Red Cross at this time is revealing: to the Canadians the Newfoundland Junior Red Cross bore "practically the same relation to the National Office as the nine provincial divisions in Canada".66 While many Newfoundlanders would have been disturbed by this failure to make a clear distinction between their country and the Canadian provinces, the expression of even a one-sided sentiment of this kind is evidence for the existence of a close link between the Canadian Red Cross and its Newfoundland branches.

One of the best examples of an organization which operated in Newfoundland but which had extensive links with North America is the International Grenfell Association. Although its founder, Dr. Wilfred Grenfell, was an Englishman, much of the Association's financial support and many of its volunteer workers came from the United States (especially from New England) and from Canada. The Grenfell Association is perhaps best known for its work in providing hospital services.

65 Isabel Scott, "The Institute for the Blind," Ibid., p. 92.

66 Canada Year Book, 1939 (Ottawa: King's Printer, 1939), p. 1048. The figure of 32,800 seems rather high and probably includes many school children who were not really active in the Red Cross.
to the Northern Peninsula and Labrador but it was also involved in education in both Newfoundland and continental North America. In cooperation with the Carnegie Corporation, the Grenfell Association sent promising young people from northern Newfoundland to schools in the United States and Canada. Some of these students returned to work in Newfoundland, establishing further links with the continent. 67

In the period just prior to the Second World War Newfoundland was subject to the pull of influences from both the United Kingdom and North America. The country's historic links with the United Kingdom were reinforced after 1934 by the constitutional and governmental bonds which tied the Commission of Government to the British government. In addition, the Newfoundland members of the Commission were drawn from the English educated Anglophiles of the St. John's elite, a group whose cultural ties with the United Kingdom were very strong. Formal governmental ties with North America were weak but some cooperation with Canada had taken place, particularly in fields where the Commonwealth connection was important or where Newfoundland's technological resources were deficient. Economic factors were important in linking Newfoundland to North America and the island was dependent on Canada and the United States for food, clothing and manufactured goods of all kinds.

One reason for the dominance of North American goods was simply the proximity of Newfoundland to the mainland; geography had made possible fast and relatively inexpensive transportation to the United States and Canada. But cultural factors were also at work.

67 Rowe, pp. 185-86.
The tastes of urban Newfoundlanders were gradually being changed by 
contact with the culture of North America, a process that was facili-
tated by a common language and by many institutional and personal 
contacts. These North American influences may have been most effective 
in St. John's and in the industrial towns such as Corner Brook, Grand 
Falls and Buchans but slowly improving roads and new methods of communica-
tion were beginning to diffuse the culture of North America beyond the 
urban areas.

But regardless of the growth of American cultural influ-
ences, of the dominance of Canadian financial institutions, and of the 
influence of North American technology, Newfoundland in 1939 was firmly 
bound to the United Kingdom by its political institutions. The Commis-
sion of Government still looked to Britain for leadership in all things.

In one respect, however, Newfoundland's linkages with 
both Britain and America were weak. Although the island guarded the 
approaches to the St. Lawrence River and the eastern seaboard of the 
United States, neither of the North American powers made any serious 
efforts to provide for the security of Newfoundland. The United King-
dom was equally indifferent. This state of affairs was of no consequence 
before the advent of the submarine and the long range military aircraft. 
However, as these weapons developed and as the world moved closer to 
war in 1939 the defenceless condition of Newfoundland began to assume 
a greater importance.
CHAPTER III

THE DEFENCE OF NEWFOUNDLAND, 1937-1939

In spite of its dominant position at the entrance to the Gulf of St. Lawrence the island of Newfoundland was of limited strategic value until the advent of long-range military aircraft. For much of its history Newfoundland was dependent on Europe both economically and militarily and since the island could not maintain a naval base from within its own resources the control of its supply lines was of greater importance than physical possession of any particular harbour. Britain and France fought over the Avalon Peninsula harbours during the seventeenth and eighteenth centuries and Britain maintained a small garrison at St. John's until 1871. However, in the long run the security of Newfoundland depended on the strength of the Royal Navy and not on the local fortifications. ¹

During the First World War both Britain and Canada used St. John's as a base for small anti-submarine vessels but at the war's end the bases were abandoned. However, as the era of long-range air warfare dawned in the 1930s and as trans-Atlantic flying became practical the military importance of Newfoundland became greatly enhanced. Not only were the harbours of the east coast useful as naval bases but airfields in Newfoundland could provide bases from which

¹This paragraph follows G.S. Graham, "Britain's Defence of Newfoundland," Canadian Historical Review, XXIII (September 1942), 260-61.
to fly reconnaissance and convoy escort missions far out into the Atlantic.

The change in the strategic importance of Newfoundland in the years immediately prior to the Second World War did not bring a corresponding change in the United Kingdom's financial or material commitment to the defence of the island. Instead, the British expected Newfoundland to provide its own local defence. However, the Newfoundland government had rarely maintained an armed force in peacetime and in this respect the Commission of Government was initially no different from its predecessors. But in 1936, prompted by threat of a rearmed Germany, the British government began to pay more attention to the defences of the Empire. Consequently, the Commission was instructed to set up a Defence Committee and to devise a scheme for the protection of Newfoundland. The Commission complied with these instructions and the plan which it submitted was approved in June of 1937. The Newfoundland Defence Scheme proposed that a militia force of one thousand to seventy-five hundred men be raised, and that the naval reserve be revived. It also provided for the

2 Construction of the Newfoundland Airport (later Gander Airport) began in 1936 but this airfield was regarded primarily as a base for commercial flights across the Atlantic. Even after the outbreak of war the British government emphasized the civilian role of this important airfield. See SSDA to Walwyn, 6 November 1939, PCG, S5-5-1, D.

institution of censorship, the internment of enemy aliens and other actions which would be necessary in case of war. 4

The fate of the Defence Scheme sheds considerable light on the military relationships which existed between Newfoundland and the United Kingdom in the pre-war years. Governor Walwyn, as befitted a naval officer, had already taken up the idea of a naval reserve in a letter to the Dominions Office in 1936. 5 His first request was denied but he continued to submit detailed plans for a naval reserve and although these plans were well received by the British military authorities, no financial aid was offered by any branch of the British government. 6 The Newfoundland government, harassed by economic difficulties and held to a tight budget by the Dominions Office, could not spare the needed funds. Denied financial support the proposed naval reserve never got under way.

Financial considerations also dominated the plans for a militia force as envisioned in the defence plan of 1937. The Newfoundland government, although it moved slowly, was willing to raise and equip a defence force, but the question of who was to provide the money once again proved to be a stumbling block. Little was done until early

4 Overseas Defence Committee to Dominions Office, 9 June 1937, PCG, S4-2-1, 0.

5 Walwyn to SSDA, 20 April 1936, PCG, S4-2-1, 22.

6 The Admiralty would have welcomed the establishment of a naval reserve in Newfoundland but they would only promise "everything possible to help, short of contributing financially". Assistant Under-Secretary of State for Dominion Affairs to Vice-Chairman of the Commission, 16 February 1938, PCG, S4-2-1, 22.
in 1938, when the growing state of unrest in Europe brought a new sense of urgency to the matter. A new defence committee, composed of senior civil servants, was formed on 14 January 1938. Commissioner for Home Affairs and Education J.A. Winter was the chairman of the new committee and all of the other commissioners were ex officio members. 7

With this elaborate machinery established and with the international situation becoming ever more threatening, the pace of developments began to quicken. Commissioner J.A. Winter came forward with a proposal to recruit a force of four hundred men, to be armed with rifles and machine guns and to be charged with the defence of St. John's, Bell Island and the cable terminals in Conception Bay. 8 In July of 1938 the Commissioner visited London where he discussed the defence of his country with officials of the War Office. The British military men were sympathetic and they approved of Winter's plan but, as in the case of the naval reserve, the British government was unwilling to provide the funds needed to equip the force. 9

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7 This was a coordinating committee; executive responsibility continued to rest with the Governor and the Commission as a whole. Minutes of the Commission of Government, 14 January 1938, PCG, S4-2-1, L.

8 Winter's plans also called for detachments to be stationed at Grand Falls and Corner Brook, not because these towns were in danger of attack but because the Commissioner feared labour unrest. Governor Walwyn was apprehensive about civil disturbances too, and not without some justification. There had been several incidents since the Commission assumed power and only a small police force was available to preserve order. Although the matter is peripheral to the study of Newfoundland's defence it is nevertheless of considerable importance and it deserves full treatment elsewhere.

9 Assistant Under-Secretary of State for Dominion Affairs to Walwyn, 26 July 1928, PCG, 320-35, "Defence Force".
Here the matter rested until the Czechoslovakian crisis of September 1938, which prompted a flurry of activity in the defence committee and resulted in another plan from Commissioner J.A. Winter. This time the Commissioner recommended the formation of a militia force of five hundred men, specially trained to repel an attack from the sea. The possibility of Canadian participation in the defence of Newfoundland was raised at this time, but Winter warned his colleagues on the Commission that this would be "a delicate matter".  

When the new plan was communicated to London it met the same fate as its predecessors: the British authorities, while anxious to see every part of the Empire raise its own defence forces, would not contribute financially. Instead they suggested that Newfoundland work out a plan that could be adopted when funds were available. Just when this might be was not specified but it was suggested that the Commission should review the situation not later than October of 1939, an indication that Whitehall did not consider the matter to be urgent. Governor Walwyn, the man immediately responsible for the defence of Newfoundland, continued to treat the island's security as a question of importance, as did at least one of the British commissioners.  

10 Winter to the Commission, 14 December 1938, PCG, S4-2-1, L.  

11 SSDA to Walwyn, 14 December 1938, PCG, 320-35, "Defence Scheme".  

12 Governor Walwyn expressed his "anxieties that nothing is being done about the matter" to Commissioner for Finance J.H. Penson. Penson, an ex-soldier and graduate of the Imperial Defence College, felt that progress on the Newfoundland defence scheme was much too slow. See Penson to Walwyn, 11 January 1939, PCG, 320-35, "Defence Scheme".
scaled down plan which called for the recruitment of 189 men was submitted to London in May of 1939 and approved in late June. The War Office agreed to supply an officer and two non-commissioned officers and to help train the Newfoundland militia but they continued to withhold financial assistance. In its 1939-40 estimates the Commission set aside $50,000 to pay the War Office for arms and ammunition but the rapid movement of events in Europe overtook the plans of the Newfoundland government and at the outbreak of war the militia force still existed only on paper.13

The Commission of Government's lack of success in raising a defence force in the pre-war years was due mainly to the reluctance of the United Kingdom to provide financial support for the project. Although there was a certain air of unreality in the military planning of the Commission, the governor and his colleagues nevertheless took the matter quite seriously and if the funds had been provided they would undoubtedly have raised the force contemplated in the defence scheme. The British attitude may appear to have been parsimonious, since the amount of money involved was small in comparison with the total military expenditures of the United Kingdom, but this was not necessarily the case. Their reluctance to commit funds to Newfoundland's defence was due instead to a firm adherence to a policy which relied upon the ability of the Royal Navy to protect the island until a small force of anti-submarine vessels could be based at St. John's.14 Another factor

13 Walwyn to SSDA, 22 May 1939; SSDA to Walwyn, 26 June 1939, PCG, S4-2-1, 0.

14 The Royal Navy proposed to base six minesweepers and three small anti-submarine vessels in St. John's harbour but it was made clear to all concerned that this small force would not be available
may have entered into the calculations of the British government: the likelihood that Canada would take at least some of the responsibility for the defence of Newfoundland. There are indications that as early as October 1938 the British hoped for active assistance from Canada. This would naturally have led them to hesitate to commit men, money or equipment to an island whose problems were insignificant compared with the military situation in Europe.

Although the increased strategic importance of Newfoundland was of greater significance to the North American nations than to the British, Canada and the United States showed scant interest in providing for the defence of the island. Canada, in particular, might have been expected to show some concern since Newfoundland lies directly across the mouth of the St. Lawrence River and dominates the sea routes to Europe. With the island in friendly hands the eastern approaches to Canada's industrial heartland were safe, but if Newfoundland had been in the hands of an enemy, Canada would have been cut off from Britain, and the Maritime Provinces and Quebec would have been exposed to air attack. A further reason for the Canadian interest in Newfoundland lay in the fact that the iron ore mines on Bell Island supplied the steel mills of Sydney, Nova Scotia, the output of which would have been

until well after the outbreak of war and that the presence of the Navy in the Atlantic would continue to be Newfoundland's only guarantee of security. See Vice-Admiral Sidney Meyrick to Governor Walwyn, 22 January 1938, PCG, S4-2-1, 0.

15SSDA to the United Kingdom's High Commissioner in Ottawa (hereafter abbreviated HCOW), 21 October 1938, PCG, 320-35, "Defence Scheme". 
greatly reduced without the Newfoundland ore. Canada's military authorities were well aware of the importance of Newfoundland and in March of 1937 they suggested to the Canadian government that matters of mutual interest to the defence of the two countries be discussed at the forthcoming Imperial Conference. But this suggestion clashed with Prime Minister Mackenzie King's policy of avoiding military commitments abroad. Consequently the military officials who attended the conference were instructed to steer clear of any discussion of Newfoundland's defence.

The next approach came through the Office of Naval Intelligence in Ottawa. The Reporting Officer at St. John's, whose task it was to keep Naval Intelligence advised of shipping movements, formed part of the organization of the Canadian Naval Intelligence service, which in turn was part of the world-wide British system. In January of 1938 the Canadian intelligence authorities, never having seen a copy of the Newfoundland defence scheme, requested a copy from the United Kingdom's High Commissioner in Ottawa and in due course received it. The Canadians considered the provisions of the defence

16 On the importance of Newfoundland to the defence of Canada see A.R.M. Lower, "Transition to Atlantic Bastion," in MacKay, pp. 484-508.

17 For the activities of the Canadian military men at the Imperial Conference see C.P. Stacey, Arms, Men and Governments (Ottawa: Queen's Printer, 1970), pp. 89-92. On Mackenzie King's reluctance to become involved in Imperial defence see Eayrs, Appeasement and Rearmament, pp. 140-47.

18 Assistant Under-Secretary of State for Dominion Affairs to Governor Walwyn, 21 January 1938, PCG, 320-35, "Naval Intelligence".
scheme to be inadequate and they asked the High Commissioner to arrange for discussions to be held in conjunction with a forthcoming visit to Ottawa by Governor Walwyn. Why Prime Minister King permitted these talks in 1938 when he had refused to sanction discussions in 1937 is not clear but he may have been influenced by the Austrian crisis of March 1938. 19

In any event, the discussions were held in Ottawa on 12 April 1938. Both sides approached the talks with caution, and agreed that the proceedings were purely exploratory and would not lead to any commitments on the part of either country. The Newfoundland representatives were aware of the political implications of any Canadian involvement in Newfoundland and emphasized the fact that the defence of the island was the responsibility of the United Kingdom. The Canadians were concerned mainly with the vulnerability of their iron ore supply at Bell Island and with the possibility of an enemy using the sheltered bays of the Newfoundland and Labrador coasts as naval or sea-plane bases. The meetings seem to have been conducted in a friendly atmosphere, and while no progress was made towards a coordinated defence scheme it was agreed that Canada should ask the United Kingdom for specific details of its plans for defending Newfoundland. 20

As a result of the Ottawa meeting Mackenzie King sent a despatch to London asking the Secretary of State for Dominion Affairs to...


20 Newfoundland was represented at the Ottawa discussions by Captain C.M. Schwerdt, Private Secretary to the Governor. See Report of Discussions in Ottawa, 12 April 1938, FCQ, 320-35, "Naval Intelligence."
to inform the Canadian government of the naval and air measures the
United Kingdom intended to take for the defence of Newfoundland in the
event of war. The reply opened the door to Canadian participation in
Newfoundland's defence. After affirming that the responsibility for
the initial defence of the island rested with the Royal Navy, plus a
small naval force to be sent at a later date, the British authorities
added that a squadron of patrol aircraft would be based at Halifax,
the aircraft to come from either the United Kingdom or "from some
other source in the British Commonwealth". A companion despatch to
the High Commissioner in Ottawa made it clear that Britain expected
Canada to supply the aircraft, and also authorized the Canadian govern-
ment to communicate directly with the Newfoundland government to co-
ordinate defensive measures. If the High Commissioner passed this
message to the Canadian government that government did not see fit to
inform its highest military authorities, for, in the following six
months, the Canadian Chiefs of Staff twice made efforts to obtain
approval of a direct channel of communication with Newfoundland.

Thus, although the United Kingdom had cleared the way for Canadian in-
volved in the defence of Newfoundland, the King government still
appeared to be reluctant to make any peacetime military commitments

21 King to SSDA, 27 July 1938, PCG, 320-35, "Defence
Scheme".

22 SSDA to Secretary of State for External Affairs
(hereafter abbreviated SSEA), 21 October 1938, PCG, 320-35, "Defence
Scheme".

23 SSDA to HCOW, 21 October 1938, PCG, 320-35, "Defence
Scheme".

24 Stacey, Arms, Men and Governments, p. 93.
outside Canada's borders. This reluctance was dissipated by the steady deterioration of the international situation in Europe and in June of 1939 the Canadian government at last began to deal directly with Newfoundland, proposing that the Royal Canadian Air Force reconnoitre the Labrador coast, using the Newfoundland Airport as an advanced base. Permission was granted by the Newfoundland government and the operation was carried out successfully. No other official contact was made between the Canadian military authorities and the Commission of Government before the outbreak of war and no coordination or joint planning of any kind took place. C.P. Stacey has rightly called this state of affairs a "military absurdity".

What was militarily absurd made more sense politically, to both Canada and Newfoundland. The Commission of Government had been prevented from pursuing a policy of active military cooperation with Canada by its fear of arousing public opinion in Newfoundland, where any approach to Canada would have been seen as a step towards political union. This was the reason for the caution shown in the Ottawa discussions of April 1938 and was also the reason Commissioner J.A. Winter considered Canadian participation in Newfoundland defence a "delicate matter".

The Canadian government, while aware of the strategic importance of Newfoundland, was slow to become involved on the island because it clung to the policy of avoiding prior commitments to...

25 SSEA to Walwyn, 6 June 1939; Walwyn to SSEA, 15 June 1939, PCG, S4-2-1, 3.

26 Stacey, Arms, Men and Governments, p. 93.
Imperial defence; and Newfoundland, although part of North America, was still very much in the British orbit before 1939. The changing European situation modified this policy a little but it was not until after the outbreak of war that Canada made a definite commitment to defend Newfoundland, a commitment that came on 8 September 1939 when Prime Minister King announced to the House of Commons that Newfoundland's security was essential to Canada and that consequently Canada would contribute to the defence of its island neighbour. 27 This news aroused little comment in Newfoundland, perhaps because its import was lost when compared with the excitement generated by the news from Europe. However, the Commission's fears of an aroused public opinion were confirmed early in the war when a visit to Ottawa by Commissioner Penson resulted in a rash of rumours concerning discussions on confederation. Penson's business in Ottawa was connected with a plan to train Newfoundland airmen in Canada but the confederation rumours were so persistent that the Commission was forced to issue a denial. 28

The third power which might have been expected to take an interest in the defence of Newfoundland was the United States. While the strategic position of Newfoundland was of more importance to Canada than to the United States it is nevertheless true that, in the context of North American defence, the security of the island should have concerned the Americans. And there were those who were interested.


President Roosevelt himself cruised the waters off Newfoundland in 1939, ostensibly on a fishing vacation but in fact on a voyage which combined a holiday with an attempt to assess the usefulness of Newfoundland harbours as naval bases. Moreover, Roosevelt had given assurances in 1936 and again in 1938 that the United States would not stand by if Canada were threatened by a foreign invader, and this guarantee of assistance would undoubtedly have been extended to cover Newfoundland if the island had been attacked. But public opinion in the United States during the 1930s was overwhelmingly isolationist and not even the President could have persuaded the American people to support any kind of formal pledge of assistance to a country which was so closely linked to a European empire. Nothing short of an actual attack on North American soil would have had this effect. Thus, in spite of President Roosevelt's (and presumably the United States Navy's) interest, the United States remained officially aloof from the defence of Newfoundland.

When the Second World War began there were no defence installations of any kind in Newfoundland. The United Kingdom had steadfastly refused to commit men, equipment or money to the pre-war defence of the country, preferring instead the time-honoured policy which depended on the ability of the Royal Navy to maintain control of the North Atlantic. The Newfoundland government did make efforts to proceed without the approval of the Dominions Office and was handicapped by a lack of funds. The United States had no responsibility for the

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30. Dziuban, p. 3.
defence of Newfoundland and, although President Roosevelt and some American military men might have been interested, they were prevented from taking any action by the isolationist mood of the American people. Canada's military authorities were concerned about the defenceless state of Newfoundland but Prime Minister Mackenzie King's policy of 'no commitments abroad' meant that only informal contacts with Newfoundland were possible and thus the war began with the two countries' defences still uncoordinated. In the final analysis, however, the governments of the United Kingdom and Newfoundland had the constitutional responsibility for defending Newfoundland. Their failure to provide for the country's defence left a military power vacuum which was to be filled by Canada and the United States when the war appeared to be threatening the shores of North America.
CHAPTER IV

NEWFOUNDLAND'S "REVOLUTION OF 1940"

In September of 1939 Newfoundland looked eastward to the United Kingdom for protection against external enemies. The British, however, with their attention fixed upon events in Europe, were uninterested. Little more concern was shown by Newfoundland's North American neighbours. In September of 1940, after a year of war, the situation had been reversed. Britain had suffered an apparently disastrous defeat in France and was under siege at home, while Canada and the United States had developed a sudden interest in the fortunes of Newfoundland. That country now looked westward for guarantees of security; a fundamental shift momentous enough to be called a revolution.

There were few signs of the impending change during the period of the 'phony war' — the first seven months of the Second World War. On the eve of war Governor Walwyn had set out on a cruise along the Newfoundland coast but as the European crisis deepened late in August of 1939 he cut short his trip and returned to St. John's. 1 The Commission of Government enacted the Defence Act on 1 September, thus proclaiming a state of emergency and allowing the regulations regarding foreign exchange control, shipping and aircraft movements and censorship to come into effect. 2 When Britain went to war on

1 Observer's Weekly, 29 August 1939, p. 3.
September 3, so did Newfoundland. There was no need for a separate declaration of war since Newfoundland did not control its own foreign affairs.

The Home Defence Force, which might have been ready for action if it had been supported by the British government, was still a paper force at this time. A proclamation asking for recruits was published on September 5 but early plans called for a force of only 100 men to be stationed at St. John's and Bell Island. There was no such limitation on the numbers of recruits which could be supplied to the United Kingdom's armed forces and 625 experienced seamen were recruited for the Royal Navy by the end of January 1940. However, a larger Home Defence Force would have been ineffective since Newfoundland had neither the experienced men required to train the force nor the arms to equip it. In any event, when the war in Europe intensified in April of 1940, the tiny Home Defence Force was the only military unit available to guard the harbour at St. John's and the mines at Bell Island. The Newfoundland Airport, now completed and capable of handling large military aircraft, was almost totally defenceless.

If the Newfoundland government had done little to ensure the country's security, Canada had done even less. Early in September Prime Minister King had told the House of Commons that "the integrity of Newfoundland and Labrador is essential to the security of Canada", 


Ibid.

Commons Debates, 8 September 1939, p. 35.
and had promised to aid in Newfoundland's defence, but little assistance had been forthcoming. Negotiations aimed at providing coastal defence guns for Bell Island were in progress and the RCAF had made occasional reconnaissance flights from the Newfoundland Airport, but otherwise Canada had taken no action to implement the Prime Minister's promise. 6

In April of 1940 with the situation in Europe becoming more threatening apprehension over the exposed state of the country developed in Newfoundland. The Commission of Government began to doubt Canada's intentions and to clarify the situation Commissioner for Defence L.E. Emerson went to Ottawa for talks with the Canadian government. Emerson could obtain no firm commitment from the Canadians, only an assurance that Newfoundland's territory would be patrolled by Canadian ships and aircraft when these became available in sufficient numbers. Governor Walwyn communicated the results of these talks to the Dominions Office on 8 April 1940, in a message which concluded by asking the British government to state definitely whether the defence of Newfoundland was to be undertaken by Canada or the United Kingdom. 7

The Dominions Office replied on 10 May 1940, the day Germany invaded Belgium and the Netherlands. 8 The answer was a little ambiguous: while reaffirming the principle that responsibility rested with the United Kingdom, the Dominions Office stated that it would welcome Canada

6 On the negotiations for the defence of Bell Isle, see the PCG, 320-35, "Bell Island".

7 Walwyn to GDIA, 8 April 1940, PCG, S5-5-2, E.

8 The long delay in replying to a request the Newfoundland government regarded as urgent is perhaps indicative of the priority the United Kingdom attached to Newfoundland's affairs at this time.
taking over the defence of Newfoundland. Moreover, since the officials in London considered that an attack on Newfoundland was only a remote possibility they would not send ships or guns to protect the island's harbours. In the long run this assessment of the military situation proved to be substantially correct but at the time the Commissioners must have felt that their problems were being ignored.

The situation in Europe deteriorated rapidly after the invasion of France, which began on 17 May 1940. The following weeks saw the disintegration of the Anglo-French armies, the evacuation from Dunkirk and the surrender of France. In Newfoundland the collapse of the British forces was a severe blow which prompted a St. John's newspaper to call on the public not to "allow rumours to upset you while the battle rages. Have confidence. We may lose a battle as we have done before but we shall win this war." Governor Walwyn felt that the undefended state of Newfoundland was causing public alarm and indeed the newspapers of the day carried many stories on the war situation and the apparent vulnerability of Newfoundland. One of the Commissioners, J.C. Puddester, expressed the fears of many Newfoundlanders when he told a Toronto newspaper that he thought Newfoundland might be attacked from the sea and used as a stepping stone to invade Canada.

9 SSA to Walwyn, 10 May 1940, PCG, S5-5-2, E.
10 Observer's Weekly, 28 May 1940, p. 2.
11 Walwyn to SSA, 26 May 1940, PCG, S5-5-2, E.
12 Observer's Weekly, 14 May 1940, p. 4.
And, as the war continued in Europe and the first Newfoundland casualties were announced, there were rumours of sabotage in St. John's, and demands that enemy aliens be interned.

The atmosphere of crisis and uncertainty which was prevalent in the spring of 1940, added to the British government's apparent indifference to Newfoundland's problems, prepared the way for a North American military presence in Newfoundland. The crisis also brought the vulnerability of Newfoundland to the attention of the Canadian government and Canada at last moved to defend its neighbour. The negotiations for the defence of Bell Island were accelerated and a high-ranking Canadian officer was sent to inspect the Newfoundland Airport, with a view to improving its defences. It soon became clear that this important airfield would play a central role in Newfoundland's defence and in the military relations between that country and Canada.

The question of who was to control the Newfoundland Airport arose early in the war, and its resolution, which took months of negotiating, illustrated the problems which confronted both Newfoundland and Canada. The matter was first raised, not by Canada, but by the Commissioner for Public Utilities, Sir Wilfred Woods, in a memorandum to his fellow Commissioners on 14 September 1939. Woods realized that the airport would be a military asset but he reasoned that the Commission of Government, with limited funds at its disposal,

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13 Ibid., 18 June 1940, p. 1; Daily News, 6 April 1940, p. 3.


15 Ibid., 14 May 1940, p. 4.
could not afford to develop the base to its full potential. He therefore suggested that the Commission sound out the Dominions Office on the possibility of inviting Canada to take over the Newfoundland Airport (and the sea-plane base at Botwood) for the duration of the war.\footnote{1}{Memorandum, Woods to the Commission, 14 September 1939, PCG, S5-5-1, D.} His suggestion was approved by the other Commissioners and was acted on quickly but when no reply was received from London by the end of October Governor Walwyn sent another message pressing for an answer.\footnote{17}{Walwyn to SSDA, 15 September, 31 October 1939, PCG, S5-5-1, D.} A reply was finally received on November 6 and it set forth a position strongly opposed to allowing the Newfoundland Airport to come under Canadian control even temporarily. The factors influencing the British were not military. Instead they were concerned with retaining the Newfoundland air bases for use as bargaining counters when negotiating trans-Atlantic civil aviation agreements with the United States. This attitude is understandable: the British had paid five-sixths of the cost of constructing the airport and they were not anxious to see their investment handed over to Canada.\footnote{18}{SSDA to Walwyn, 6 November 1939, PCG, S5-5-1, D.}

Nothing more seems to have been done about the matter until late in April of 1940, when the Canadian Minister of Transport suggested informally to Commissioner Penson that Canada should take over the airfield. This was the first time that Canada had made such a suggestion, and the Newfoundland government, again citing financial
expediency and military necessity as justifications, promptly passed
the proposal along to London. Another long delay ensued while
Whitehall considered the idea. Governor Walwyn reminded them of the
urgency of the matter on May 14 and sent still another message on May
26. The Canadians, the governor said, appeared to be planning a major
commitment in Newfoundland, and, he continued, "we urge therefore a
very early reply on this matter and venture to suggest that at this
stage post-war problems should not be a decisive factor." This was
a reference to the British desire to retain control of the Newfoundland
Airport for the purposes of civil aviation but to Governor Walwyn the
time had come when the future potential of the airport had to take
second place to the exigencies of the war.

Canada at this time was preparing to send a representa-
tive to Newfoundland to discuss defence arrangements but the Canadian
government had not yet made a formal request for control of the New-
foundland Airport. Walwyn, however, felt that such a request was
imminent and he cabled London again on June 3, stressing the urgent
need for a reply to his three unanswered messages. This brought a
reply, dated June 5, in which the Dominions Office agreed in principle
to hand over control of the airport to Canada for the duration of the
war. Furthermore, the British government saw the need for quick

19 Walwyn to SSDA, 30 April 1940; PCG, S5-5-2, E.

20 Ibid., 26 May 1940.

21 Ibid., 3 June 1940; SSDA to Walwyn, 5 June 1940,
PCG, S5-5-2, E.
action and they suggested that discussions of financial details should not be allowed to hold up an early agreement. The Dominions Office did lay down some conditions and these are worth noting since they are essentially the terms ultimately agreed upon. Canada was to give assurances that no alterations would be made to the existing layout of the airport without prior approval of the Newfoundland government, any damage to the airport was to be repaired by Canada, the cost of providing certain services was to be assumed by Canada, and finally, Canada was to hand back the airport and all its installations at a definite date after the end of the war.22

These were not particularly severe terms and if Canada had pressed the matter control of the Newfoundland Airport might have changed hands in the spring of 1940. However, much to the surprise of the Newfoundland government, the Canadian representative, Air Vice Marshall G.A. Croil, who visited the island early in June, did not ask for control of the airport even, as Walwyn put it, "when we gave an opening for such a suggestion."23 Croil's visit, however, seems to have been intended as a fact finding mission and it is unlikely that he had the authority to make a formal proposal.24 The informal suggestion made by the Canadian Minister of Transport in April was perhaps a trial balloon and not a serious proposal. Regardless of the intentions of the Canadians at this point it is clear that they

22 Ibid.

23 Walwyn to SSDA, 6 June 1940, PCG, SS-5-1, D.

missed an opportunity to take over the Newfoundland Airport at a time when the Commission of Government, its fears for the safety of Newfoundland overcoming its suspicion of Canada, was in a receptive mood. Later, when the take-over was proposed by Canada the Newfoundland government was to prove less accommodating.

Nevertheless, the immediate result of the first official visit to Newfoundland by a senior Canadian military officer was important. Air Vice Marshall Croil had found that the Newfoundland air bases were inadequately defended and he recommended that they be strengthened. The gravity of the war situation in Europe inspired a sense of urgency in both governments and the matter was quickly settled in an exchange of telegrams between the Secretary of State for External Affairs and the Governor of Newfoundland. A flight of RCAF reconnaissance aircraft and a battalion of the Black Watch of Canada were dispatched to Newfoundland without delay. The troops, who landed at Botwood on 22 June 1940, were the first of many Canadian soldiers to serve in Newfoundland during the Second World War. Their arrival marked a significant stage in Newfoundland's "revolution of 1940"; for the

25 See the exchange of telegrams between Governor Walwyn and the Secretary of State for External Affairs, 14-16 June 1940, PCG, S4-2-2, B.

26 At its peak strength in December 1943, the Canadian Army force on the island of Newfoundland numbered 5692 men. There were 1300 men in Labrador and some 3000 RCN personnel at St. John's. There was also a large number of RCAF personnel at Gander, Torbay and Goose Bay. No accurate figures on the total strength of the Canadian forces in Newfoundland have been found but it is evident that they numbered well over 10,000 by 1943. See C.P. Stacey, Six Years of War (Ottawa: Queen's Printer, 1955), p. 178-80 and Gilbert Tucker, The Naval Service of Canada (Ottawa: King's Printer, 1952), II, 531.
first time the island had turned to Canada for military assistance.  

It is clear that the Canadian government considered that as far as defence was concerned, Newfoundland was now a Canadian responsibility, although the formal arrangements had not yet been worked out. Prime Minister King had made a further statement to the House of Commons on 20 May 1940, reiterating his earlier promise that Canada would defend her eastern neighbour, and the quick action of the Canadian military in moving troops to Newfoundland confirmed his intentions. At this stage neither of the two countries concerned seem to have been anxious to rush the completion of a formal agreement: negotiations on customs duties and other matters were in progress but they were unhurried. The arrival of a third party — the United States — on the scene changed the whole nature of relations between Canada and Newfoundland.

American involvement in Newfoundland came about as part of a general process which saw the United States move from a stance of strict neutrality to an alliance with the United Kingdom. The first:

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27 The presence of Canadian troops at the Newfoundland Airport may also have prevented the United States from gaining control of the air base later in 1940. See Dziuban, pp. 165-66.

28 Commons Debates, 20 May 1940, p. 43. The Prime Minister's statement was given considerable publicity in the St. John's press. The Daily News, for example, printed the story on May 21 with the headline "Canadian Troops Helping to Guard Newfoundland". Since there were no Canadian troops actually stationed in Newfoundland at the time, the Prime Minister was apparently referring to the reconnaissance activities of the RCAF.

29 HGW to Walwyn, 30 June, 1940; SSEA to Walwyn, 4, 12 July 1940, PCG, S4-2-2, B.
sign of possible American help in Newfoundland's defence came on 16 June 1940 when Prime Minister King suggested in a cable to Prime Minister Winston Churchill that the United States should be allowed to acquire bases in Newfoundland. Nothing came of this proposal and the matter was not raised officially again until July 13 when the Dominions Office asked both Canada and Newfoundland for permission to allow United States military training flights to use the Newfoundland Airport. Permission was granted quickly by both governments but the real significance of this episode lies in the recognition by the United Kingdom of Canada's right to be consulted in military matters which affected Newfoundland.

Although the proposal that the United States acquire bases in Newfoundland was discussed in Washington in July and August 1940, no formal request came until August 13 when President Roosevelt cabled Prime Minister Churchill asking for the right to lease bases in Newfoundland, Bermuda and the West Indies. In return the American president offered to transfer to the United Kingdom fifty World War One destroyers which the British prime minister had been seeking since May 1940. Churchill accepted at once but cautioned Roosevelt that Canada and Newfoundland would have to be consulted, thus again acknowledging Canada's interest in Newfoundland. Negotiations on the general

30 J.W. Pickersgill, The Mackenzie King Record (Toronto: University of Toronto Press, 1960), 1, 125.

31 SSDA to Walwyn, 13 July 1940, PCG, S4-2-2, B.


33 Ibid., p. 22.
terms of the agreement centred on the question of what the British would give to the United States in return for the destroyers. On 20 August Prime Minister Churchill had told the British House of Commons that the bases would be leased to the United States without a quid pro quo. This was apparently an attempt to avoid criticism on the grounds that the trade was too one-sided. On the other hand, the neutrality laws of the United States required President Roosevelt to obtain bases of value at least equal to that of the destroyers. A compromise was reached which would give the United States ninety-nine year leases on bases in Newfoundland and Bermuda as outright gifts, while the destroyers were to be exchanged for leases on bases in the West Indies. This was agreed to by the British cabinet on 28 August and by President Roosevelt on 30 August. The agreement in principle was confirmed 2 September by an exchange of letters between the British Ambassador, Lord Lothian, and the United States Secretary of State, Cordell Hull.34

Although the Newfoundland government had been informed about the impending agreement on 13 August the Commission had no real voice in determining the fundamental basis of the agreement. The terms of the agreement were the work of the British and the Americans and they reflected the interests of the two great powers. However, the agreement was generally welcomed in Newfoundland, partly because it was felt that the leases were a necessary contribution to the war effort but also because of the economic advantages to be derived from

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the presence of large numbers of American troops were obvious. 35 Moreover, in spite of the fact that the British had given the leases in Newfoundland "freely and without consideration", 36 the Newfoundland government and some members of the public hoped that economic concessions could be obtained from the United States in return for Newfoundland's cooperation. 37 Many attempts to obtain such concessions were made; none succeeded. The Americans held firmly to the principle of 'no quid pro quo'. 38

Canada's role in the leased bases negotiations was even more limited than that of the Commission of Government. When discussions on the details of the leases began in London in January 1941, the Canadian government made strong representations to the United Kingdom asking that the Newfoundland leases be the subject of separate negotiations with Canada as a participant. Neither the British nor the

35 Evening Telegram (St. John's), 23 August 1940, p. 12.


37 Straus, pp. 66-68.

38 Ibid., pp. 99-100. Negotiations on the leased bases deal were held in London early in 1941 and the formal agreement was signed on 27 March 1941. Newfoundland was represented in London by Commissioners Emerson and Penston, who went to Washington at the conclusion of the negotiations to seek trade concessions and a relaxation of American immigration laws. The Commissioners saw a number of highly placed American officials, including Cordell Hull, Henry Stimson and Frank Knox. The United States officials were sympathetic but unyielding and no concessions were granted. Memorandum F37-41, Penston to the Commission, FCG, S4-2-3, 0.
Americans would agree to this but a Protocol recognizing Canada's interests with respect to Newfoundland's defence was attached to the final agreement. The Canadian government's motives in seeking separate negotiations were clearly related to its view of Newfoundland's defence as primarily a Canadian responsibility. And, while Canada was not able to obtain representation at the London negotiations, the addition of the Protocol did promise that in any future discussions "involving considerations of [Newfoundland's] defence, the Canadian government ... will have the right to participate."

In addition to the United States-United Kingdom agreement there had been developments in American-Canadian relations which affected Newfoundland. On 17 August 1940 Prime Minister King and President Roosevelt met at Ogdensburg, New York, and agreed to set up a Permanent Joint Board on Defence, to be charged with coordinating the defence of all of North America. Prime Minister King suggested that the Board should consider Newfoundland's defence at its first meeting and this was done at Ottawa on 26 August when it was decided to strengthen the Canadian garrison at the Newfoundland Airport and to move in a large American air force group.

39 Stacey, Arms, Men and Governments, pp. 358-60.

40 Protocol Concerning the Defence of Newfoundland Between Canada, the United Kingdom and the United States of America, Canada, Treaty Series, 1941, No. 2.

The report of the Ogdensburg meeting was carried in the St. John's press accompanied by an assurance from Commissioner for Defence L.E. Emerson that "Newfoundland has always been consulted and full particulars laid before her when any matter has arisen affecting Newfoundland."  Emerson's statement was designed to forestall criticism of the Commission for allowing Newfoundland's sovereignty to be eroded, but the truth of the matter was that Newfoundland had not been consulted when the PJBD was formed and was not represented at the Board's early meetings. Canada's action in presuming to speak for Newfoundland at the PJBD meetings aroused suspicion and resentment, emotions which made negotiations with the Commission more difficult, even after the question of Newfoundland's representation on the Board had been settled.

Newfoundland's wish to be represented on the PJBD came up within a few days of the Ogdensburg meeting when C.G. Power, Canada's Minister of National Defence for Air, arrived in St. John's to negotiate an agreement which would put the presence of Canadian forces in Newfoundland on a more formal basis. Power's visit sparked the usual crop of confederation rumours and a St. John's editorialist probably expressed the views of a good many of his compatriots when he wrote that the strategic importance of Newfoundland's position seems to have dawned very suddenly on the Canadian government which is now seeking to make up for its past neglect. It has been said that the [proposed] arrangements will in no way constitute a violation of Newfoundland's sovereignty and this was probably said to put at ease those who may be opposed to

Observer's Weekly, 20 August 1940, p. 16.
confederation and have been fearful that Canadian military interest in this country might be followed by political interest.43

The writer went on to discuss the alarm felt in Newfoundland over the possibility that Canada might negotiate military agreements which would affect the island and concluded by emphasizing Newfoundland's willingness to help in the war effort and by reiterating the sentiment that the country 'would do its part "without forfeiting an atom of her sovereignty".44

The negotiations were conducted in a totally different atmosphere from that which had prevailed in June when an ad hoc arrangement had brought the first Canadian troops to Newfoundland. In June the critical situation in Europe and the fear that Newfoundland might be attacked had made Canadian assistance essential but by the middle of August the emergency had passed and the immediate danger to Newfoundland seemed to have receded. In addition, there was resentment caused by Canada's assumption of the right to speak for Newfoundland at the PJBD meetings. Finally, there was the appearance of the United States on the scene. By the time the August negotiations with Canada began it was clear that the United States was about to take an active part in Newfoundland's defence and that the country need no longer rely solely on Canadian aid. The Canadian forces were still welcome to help in Newfoundland's defence but the Commission of Government approached the meetings with Power cautiously.

43 Ibid., 27 August 1940, p. 1.

44 Ibid.
At the root of the Commission of Government's caution was the fear that public opinion would be aroused by any Canadian encroachments on the sovereignty of Newfoundland. The same apprehension arose during the negotiations with the United States but in that case the matter was settled by an appeal for a patriotic sacrifice by Newfoundlanders — an appeal that came from Winston Churchill himself and could hardly have been resisted by any Newfoundland government. To the Commission of Government the possibility of Canadian infringements on Newfoundland's sovereignty was much more serious. In the first place it was the Commissioners themselves who carried out the negotiations with Canada and, although they operated within guidelines laid down by the United Kingdom, they had some freedom of action. As the men directly responsible they would have to face any adverse public reaction and they would not be able to shift the blame to Great Britain, as they attempted to do when the American bases deal was completed. But the most important reason for the Commission's apprehension in the Canadian negotiations was the fact that any Canadian involvement brought up a question laden with emotional overtones: the issue of confederation with Canada.

Air Minister C.G. Power and the other members of the Canadian delegation to St. John's seem to have been aware of the delicate nature of the discussions, which began in St. John's on 20 August 1940. Power opened the meeting by assuring the Newfoundland government, represented by Commissioners Emerson, Woods and Penson, that Canada had no

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45 Straus, pp. 124-25.
46 Ibid., p. 128.
intention of encroaching on "the autonomous rights of Newfoundland." But after this diplomatic opening he dropped a bombshell by asking that Canada be allowed to take control of all of Newfoundland's defences without any exceptions. The Commission of Government was naturally unwilling to grant such a sweeping concession but it agreed that Newfoundland could be included in the Canadian Army's Atlantic Command and that the small Home Defence Force would come under Canadian officers.

Other agreements were reached at the St. John's meeting concerning a Canadian proposal to increase the strength of their armed forces in Newfoundland and in connection with a plan to build an air base at Torbay. The announcement of the agreement was made on 22 August 1940 and the report was accompanied by an assurance that the Canadians had stressed that "no question involving in any way Newfoundland's sovereignty or independence was being raised." However, if confederation was not on the official agenda it was nevertheless being discussed in the press and a Canadian reporter visiting the bases at Botwood and at the Newfoundland Airport saw only economic difficulties standing in the way of union between Canada and Newfoundland. The same journalist called the military agreements between the two countries a "confederation of defence", but an editorial in a St. John's daily took a more cautious stand. While welcoming the chance to cooperate

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47 Minutes of a Meeting Between C.G. Power and Members of the Commission, 20 August 1940, PCG, S4-2-1, "U.S. Bases".

48 Ibid.

49 Evening Telegram, 22 August 1940, p. 3.

50 Ibid., p. 4.

51 Ibid.
in matters of defence the St. John's newspaper called on the Commission of Government to keep the people clearly informed of just what is involved. That there is no question of any infringement on [Newfoundland's] sovereign rights goes without saying. No government, and least of all one which functions for the time being without a franchise from the people, could take such a step.52

The Commission of Government, while perhaps somewhat secretive about its defence activities, was seriously concerned about the matter of sovereignty and much discussion had taken place with Air Minister Power on the subject of the PJBD. The Newfoundland officials, led by Defence Commissioner Emerson, expressed their displeasure over the fact that Newfoundland's defence was being planned at meetings between Canada and the United States. Power was asked to give assurances that the Commission of Government would be invited to send a representative to any future meetings of the PJBD at which Newfoundland's defence would be discussed. He agreed to take the matter up with Prime Minister King but he was unable to give any guarantee that Newfoundland would be invited to the meetings of the PJBD.53

Emerson's awareness of the political realities in Newfoundland is evident in the minutes of the meetings, which he drafted. The minutes state that

in view of the temporary nature of this form of government and its unrepresentative character it is of grave importance that ... Newfoundland

52Ibid., p. 6.

53Minutes of meeting, 20 August 1940.
should be invited to attend discussions where its interests are involved. 54

Following the meeting with Power, Emerson sent two memoranda to the Commission expressing his opinions forcefully. In the first memorandum, undated but written soon after Power had departed, Emerson showed his concern over the possibility that Canada would use the defence concessions granted in Newfoundland to bargain with the United States for trade agreements that would conflict with Newfoundland's interests. In this instance it seems likely that his fears were groundless—Canada was, after all, involved in a major war and trade agreements concerning the Atlantic fishery had a low priority. But Emerson's concern over the activities of the PJRD was solidly grounded and he suggested that Newfoundland's sovereignty could be guarded by qualifying any agreement made with Canada with the proviso that Newfoundland must be given representation on the board. 55 He returned to this theme in a draft of a telegram, dated 28 August, which he proposed to send to the Dominions Office. "We feel", Emerson said:

that we have grounds for fearing that Canada might assume the right to deal with the United States so far as North America is concerned on the basis that she has the right to speak for Newfoundland ... we should be grateful of your early assurances that in the discussions between the United Kingdom government and the United States government and the Canadian government nothing has been said which would give

54 Ibd. This official position contrasts sharply with Emerson's public statement as reported on 20 August. It also lends justification to the Evening Telegram's concern over the secrecy which surrounded the negotiations.

55 Undated memorandum from Emerson to the Commission numbered J53-1940, PCG, S4-2-1, "U.S. Bases".
either of these governments the impression that Canada has any right whatever to bargain with our rights or facilities.... In particular if vital interests of Newfoundland are to be affected for some time in the future, extending to a time when responsible government will be restored, we foresee that it will be urged that the representation of Newfoundland interests in the negotiations should not have been surrendered to the United Kingdom or Canada.56

This was strong language and although Governor Walwyn too was concerned over the activities of the PJBD he toned down the despatch considerably and simply informed the Dominions Office that public opinion in Newfoundland would resent the absence of a Newfoundland representative on the Board. 57 The Dominions Office would give only an assurance that Newfoundland's wishes would be taken into consideration but the Commission of Government was not to be put off on this issue and after two strongly worded messages to Ottawa its persistence was rewarded by an invitation from the PJBD asking Newfoundland to participate at its next meeting. 58 Commissioners Emerson and Penson attended this meeting, held at Halifax on 4 October, and Newfoundland's representatives were present at later meetings of the Board. There can be no doubt that their presence came as a direct result of the efforts made by the Commission of Government and in particular as a result of the efforts made by Commissioner Emerson. In the a sense of this pressure from the Commission of Government

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56 Emerson to the Commission, 28 August 1940, PCG, S4-2-1, "U.S. Bases".

57 Walwyn to SSDA, 28 August 1940, PCG, S4-2-1, "U.S. Bases".

58 Ibid., 6, 17 September 1940; Keenleyside, p. 59.
Canada and the United States would have continued to make decisions which involved Newfoundland without consulting that country. The presence of Newfoundland's representatives at the PJBD meeting may not have had much practical effect on the decisions of that body since other problems on the matter of consultation arose later in the war. 59 But, at the least, representation on the Board meant that Newfoundland had some advance warning of what the Canadians and Americans were planning and the establishment of the principle of representation must be regarded as a victory of sorts. The concession by Canada and the United States was welcomed in the St. John's press which had on several occasions called for a Newfoundland representative on the PJBD. 60 One commentator summed up the press reaction when he wrote that "relief was felt that the sovereignty of the country had apparently been recognized in a matter of vital importance." 61

The agreements reached in St. John's in August 1940 set up the general framework in which Canada was to participate in the defence of Newfoundland and they are comparable in importance to the Anglo-American leased bases of 2 September 1940. But like the destroyers for bases deal, the Newfoundland-Canada arrangements of 22 August left many matters unresolved. Most of these involved the details of customs concessions and finances but one major problem remained: the question.

59 See in particular HCOW to Walwyn, 3 March 1942, for Newfoundland's protests in regard to PJBD meetings in November and December 1941. Government House Files, GB/4, "PJBD".

60 Evening Telegram, 4 September 1940, p. 6; Observer's Weekly, 10 September 1940, p. 1.

of who was to control the Newfoundland Airport. C.G. Power had not mentioned this while he was in St. John's but he raised the matter in a telephone conversation with Commissioner Emerson on 7 September 1940. The Newfoundland government was puzzled as to why the Canadians should be bringing up the point again after apparently losing interest during the summer. The reason most often advanced is that Canada was attempting to counter the growing American presence in Newfoundland. There is evidence for this view in the memoirs of C.G. Power himself. It was clear at the time, Power wrote,

that Canada must in its own interests assume the defence of Newfoundland. The United States military authorities also felt that Newfoundland was in so strategic a position that the United States should itself take some part in the defence. The Americans were much concerned with Gander Airport, in particular, and wished to enlarge and improve its facilities, and to base certain other air forces there, they were willing to expend the necessary moneys to that end. But the Canadian government felt it would be unwise to permit any other nation to have what might become proprietary rights in the island, and that the expansion there should be undertaken by Canada.

But there may have been other reasons for the sudden interest in the Newfoundland Airport: Governor Walwyn suggested in December 1940 that domestic politics were involved because Prime Minister King's government

62 Walwyn to SSDA, 10 September 1940, FOG, 320-35, "Canada-U.K. Defence".

63 Dziuban, p. 29; Straus, p. 27.

64 Ward, p. 195.
anticipated criticism if its already substantial investment at the Newfoundland Airport were not secured. 65

Whatever the reason, Canada made a formal request for control of the Newfoundland Airport in mid-September 1940. 66 If this request had been made in June, when Britain faced invasion and even Newfoundland seemed threatened, it is likely that it would have been granted without delay. But the war situation had improved and the problems with the PJBD had aroused the Commission's ire. Consequently the Newfoundland government, while agreeing in principle to Canadian control of the airport, was not to be hurried and the negotiations proceeded slowly. The main point at issue was the question of title to the land occupied by the buildings erected by Canada. The Canadian government, perhaps with an eye to the post-war political situation, 67 asked for freehold title. The government of the United Kingdom, whose main concern in the negotiations was the preservation of the airport for post-war commercial aviation, wanted the Canadian presence limited to the period of the war. 68 Negotiations were conducted in December 1940 when Colin Gibson, the Canadian Minister of National Revenue, visited St. John's and met with Commissioners Emerson and Woods. 69 From this

65 Walwyn to SSDA, 6 December 1940, PCG, 320-35, "Canada-U.K. Defence".

66 SSDA to Walwyn, 13 December 1940, PCG, 320-35, "Canada-U.K. Defence".

67 Ibid., 19 December 1940.

68 Ibid., 17 October 1940.

69 Gibson's visit provoked a chorus of confederation rumours and official denials. The rumours were insistent enough to prompt Sir John Puddoster, Commissioner for Health and Welfare, to
conference came a compromise proposal which seems to have originated with the Newfoundland government. The Canadians were offered a lease based on the life of the buildings they had erected and this they accepted early in 1941. Financial details were the subject of prolonged negotiations in January 1941 and final agreement was not reached until 17 April 1941. The agreement, which was concluded at a meeting between Colon Gibson and Sir Wilfred Woods, was on essentially the same basis as that proposed in June of 1940 by the Dominions Office except in one important respect: the RCAF was given fifty year leases to the land occupied by its buildings. This assured Canada of at least a minimal military presence in post-war Newfoundland.

The negotiations between Canada and Newfoundland, which extended from the informal pre-war contacts to the meeting between Woods and Gibson in April 1941, were viewed by the Newfoundland officials with varying degrees of suspicion; an attitude based on the belief that the Canadian military interest would soon be followed by a political interest. This belief seems to have been shared by the press and the public. The question of whether or not their apprehension had any basis in fact raise the subject at a luncheon attended by Gibson and other Canadian officials. In refuting the suggestion that union with Canada was being discussed Sir John emphasized that confederation was "not on the agenda" Observer's Weekly, 3 December 1940, p. 1.

70 Walwyn to SSEA, 28 December 1940, PCG, 320-35, "Canada-U.K. Defence"; SSEA to Walwyn, 1 January 1941, PCG, S5-5-2, E.

71 SSEA to Walwyn, 20 January 1941, PCG, S5-5-2, E.

72 Clauses 1 and 7, Memorandum of Agreement, 17 April 1941, PCG, 320-35, "Canada-U.K. Defence".
must be now examined. The official attitude of the Canadian government throughout the Second World War was most circumspect. In his speeches to the House of Commons, Prime Minister King carefully avoided any statement which could be interpreted as indicating a political interest in Newfoundland. However, there is evidence that Mackenzie King had private thoughts on the matter which were at odds with his publicly expressed sentiments. One of King's biographers has stated that the Prime Minister felt that Canada's "Manifest Destiny" included union with Newfoundland, and this opinion seems to be at least partially confirmed by evidence from the King Papers. Other members of the government were as cautious as the Prime Minister, but the opposition members were more vocal and made speeches advocating union with Newfoundland on a number of occasions in the early wartime years. These speeches were either ignored by the government or replied to in terms calculated to reassure Newfoundland of Canada's honourable intentions.

73 Commons Debates, 8 September 1939, p. 35 and 27 March 1941, p. 1904. In both of these statements the Prime Minister linked Canada's presence in Newfoundland with the war effort in general and North American defence in particular and gave no indication that Canada might have any other motives.

74 Hutchison, p. 323.

75 On 21 April 1941 President Roosevelt told Prime Minister King that Canada should take over Newfoundland after the war. Later King noted in his diary, "I told him that I agreed." See Pickersgill, I, 202. A similar incident occurred in December 1942; ibid., p. 430.


77 See, for example, King's reply to Noseworthy, Commons Debates, 12 July 1943, p. 4684.
Like the opposition Members of Parliament, the press of Canada did not hesitate to express an opinion on relations between Canada and Newfoundland, and in the period 1940 to 1943 a rash of articles on the island appeared in Canadian newspapers and magazines. Few of these articles failed to include a discussion of Newfoundland's political future and most concluded that some form of union with Canada was likely. "An increasing number of Newfoundlanders ... look to Confederation with Canada as the only hope," wrote one journalist in November 1940,78 while another discussed Newfoundland's strategic position and concluded that if the defence of North America required it, "there should be an immediate but provisional taking over of Newfoundland as a province", without the formality of consulting the people of the island.79 Another article discussed the close financial and economic ties between Canada and Newfoundland and, while concluding that "the island is geographically and economically a part of the northern half of the continent and Newfoundlanders are North Americans and closer in type to Canadians than any other people", it stopped short of recommending annexation.80 A thoughtful and perceptive writer, Maxwell Cohen, saw the "seeds of social change planted with the American and Canadian invasion",81 and warned that if Canada did not encourage Newfoundland

78 Wilfred F. Butcher, "Inertia in Newfoundland," Canadian Forum, XX (November 1940), 245.

79 Goldwin Gregory, "Newfoundland is All North America's Problem," Saturday Night, 30 November 1940, p. 7.

80 C. J. Frother, "Canada's Tenth Province?", Canadian Business, XIV (February 1941), 88.

to enter Confederation the island might "turn to the United States for some long-term answer to its economic and administrative dilemma." 82

Journalists from the United States did not hesitate to offer solutions to Newfoundland's problems, and one suggested that "the governing of Newfoundland should be placed in the hands of the Dominion of Canada, while the United States should make guarantees of the necessary financial assistance." 83 Since North American periodicals of all types were widely read in Newfoundland, the members of the Commission of Government and the reading public were well aware of the pro-confederation sentiments which were being expressed in the mainland press, and they sometimes objected strenuously to the opinions of the North American journalists. 84

There were Newfoundlanders, too, who favoured confederation; Sir Richard Squires, for example, who in 1939 expressed his preference for confederation as an alternative to Commission government. 85 Former Newfoundland residents sometimes echoed these sentiments: in 1940 Sir Alfred Morine urged union with Canada, as did Sir Wilfred Grenfell. 86

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82 Maxwell Cohen, "Canada and Newfoundland—The Bonds Grow Tighter," Canadian Business, XV (September 1942), 130.


84 During discussions in Washington in April 1941, Commissioner for Finance J.H. Penson protested to senior American government officials about the Harper's article. PCG, S4-2-3, 0.

85 Observer's Weekly, 11 July 1939, p. 3.

86 For Morine's statement Daily News, 2 April 1940, p. 3; for Grenfell's statement, Ibid., 19 June 1940, p. 3. Morine and Grenfell had always been keen advocates of confederation.
However, it was not the speculations of the mainland press or the pro-confederation sympathies of a few ex-residents that alarmed the Commission of Government. Rather it was the actions of the Canadian government, actions which spoke louder than the soothing words of Prime Minister King. The Commissioners had seen Canada bring troops into Newfoundland, expend large amounts of money on bases on the island, and finally and most seriously, they had seen Canada's actions on the PJBD as an attempt to undermine the sovereignty of the Newfoundland government. To the Commissioners the motivation behind Canada's activities was the Canadian government's fear that the United States would obtain a commanding position in Newfoundland and remain there after the war. The apprehension of the Canadians was most notable during the negotiations which took place between Commissioner Woods and Colin Gibson in April 1941. At this time Woods noted that the discussions were dominated by what became a veritable 'King Charles's head', the possibility that the U.S.A. would try to obtain a dominating position in Newfoundland. It was impossible to find out definitely what was at the bottom of this preoccupation on the part of the Canadians—whether it was purely professional distaste of being 'bossed' by the Americans or whether it had a deeper origin in the fear that the U.S. will adopt a policy deliberately aimed at drawing Newfoundland out of the orbit of the British Commonwealth and into the orbit of the United States. Whenever the Canadians thrust this preoccupation into the discussions, as they frequently did, we adopted the line of refusing to contemplate anything but the existence of a sovereign government of Newfoundland forming part of the British Empire.87

This attitude on the part of the Canadians appears to have been quite real and, given the massive intervention on the part of

87 Woods to the Commission, 11 April 1941, PCG, S5-5-2, E.
the United States into a territory which was of vital importance to Canada, it is perhaps understandable. Nevertheless it was seen by the Commissioners as an attempt to frighten Newfoundland into a closer political association with Canada, and the idea of such an association, whether advocated by the Canadian government, by the mainland press, or by native Newfoundlanders was seen by the Newfoundland government as undesirable. It may be that the Commissioners were too sensitive on this point, that their suspicions were too easily aroused, but on balance the actions of the Canadian government and the privately held views of Mackenzie King far outweigh the official attitude of the Canadians as it was expressed in the Prime Minister's carefully worded public statements. Consequently the Commission of Government's fear that the Canadian military presence was inseparable from a political interest seems to have been justified.

In spite of the Commission of Government's apprehension and suspicion, however, a fundamental change in Newfoundland's relations with North America had taken place during the summer and fall of 1940. Newfoundland's "revolution of 1940" had been accomplished in the space of a few months; a period which saw the development of the kind of formal governmental link between Newfoundland and North America which had not previously existed. Contrast the position of Newfoundland via a via Canada and the United States in 1939 with the situation in September 1940. In 1939 coordination between Canada and Newfoundland in defence was almost non-existent. Canada had undertaken a few reconnaissance flights from the Newfoundland Airport and there had been consultation on the defence of Bell Island, but otherwise there was no cooperation.
As far as effective joint efforts were concerned, Newfoundland might as well have been on the other side of the Atlantic instead of in a strategic position on Canada's doorstep. By September 1940 the situation had completely changed; Canadian soldiers occupied the Newfoundland Airport, the agreements of 21 August had legitimized their presence, and the governments of both the United Kingdom and Newfoundland — the latter somewhat reluctantly — had accepted the principle that Canada had a special interest in the defence of Newfoundland. The events that triggered these changes occurred in the European theatre of war but Canada's move to establish a military presence in Newfoundland was given impetus by the Canadian government's concern over the rapidly increasing American interest in the island.

Newfoundland's relations with the United States underwent an equally important change in 1940. In the pre-war years the United States had shown even less interest than Canada in Newfoundland's defence problems. After the outbreak of war the United States remained strictly neutral until the leased bases agreement was signed. This agreement, like the agreements with Canada, had economic and cultural consequences, but the fact that Newfoundland was now bound by formal agreements to both Canada and the United States was of equal if not greater significance.

The United Kingdom's relations with Newfoundland had undergone little real change during 1940. The British had shown slight interest in Newfoundland's security before the war and even during the crisis of 1940 the British government seemed more interested preserving its post-war commercial aviation rights than in defending the island.
But by acknowledging Canada's interests in Newfoundland and by using the island's territory as a bargaining counter in the negotiations with the United States, the United Kingdom had acquiesced in Newfoundland's "revolution of 1940".

As the year 1941 began the potential economic benefits of the "revolution of 1940" were evident to even the most casual observers. Canadian and American soldiers were to be seen on the streets of St. John's; a construction boom was beginning; the demand for salt fish and the products of the mining and forest industries were strong; and the government's revenue had reached the highest level in the history of the country.

But the long term significance of the events of 1940 was also in the minds of some and when the year came to an end a St. John's editorialist wrote:

"It is difficult fully to appraise the influence of current events upon the history of a country but history is certain to record that there was no more fateful year in the story of Newfoundland than that which will slip away at midnight."

Here the writer was referring to more than short term economic gains for it was evident that some very basic changes had taken place within the North Atlantic Triangle and that Newfoundland, after years of neglect by her North American neighbours, had suddenly become an area of considerable interest. To paraphrase F.H. Underhill, Newfoundland had passed from the British centuries of her history to the North American centuries.

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88 Observer's Weekly, 7 January 1941, p. 5.

89 Ibid.
CHAPTER V

CONCLUSION

The immediate effects of the "revolution of 1940" in Newfoundland were dramatic: construction work on the American and Canadian bases brought unemployment to an end; wages rose, and so did prices; the government's revenue — largely derived from customs tariffs — reached record levels; and the economy in general underwent a rapid expansion.¹ "There was", a St. John's journalist wrote, "no precedent for it."²

However, the economic boom was short lived. The peak level of employment on base construction was reached in the autumn of 1942 when 19,752 men were employed,³ but by December of 1942 the figure had declined to 13,295,⁴ and by February 1943 employment had slumped to 9,980.⁵ Employment on base construction continued to decline, giving the Commission of Government Cause to fear an "economic blizzard"


³There were 6,728 men working on Canadian bases while 13,024 were employed by the Americans. Sir Wilfred Woods to P.A. Clutterbuck, 16 February 1943, Government House Papers, G 8/5.

⁴Ibid.

⁵5000 at Canadian bases and 4980 at American bases.
before the war ended. The Commission's revenue, which had almost doubled between 1939 and 1941, continued to rise in the latter part of the Second World War, but the increase was much slower. By 1945 many Newfoundlanders had returned to the fishery, an industry whose future would be uncertain when the European fishery recovered from the effects of the war.

If the economic boom caused by the influx of Canadian and American troops into Newfoundland was short lived, the social and cultural effects were, as S.J.R. Noel has pointed out, more lasting. The North American influences which were drawing Newfoundland closer to the continent were not, however, introduced during the Second World War. Many links and contacts with the mainland had been in existence well before 1939; links ranging from a dependence on North American manufactured goods to the predominance of Canadian and American periodicals and motion pictures. But these contacts affected mainly urban residents — perhaps twenty-five percent of the population of Newfoundland in 1939. After 1940 outport residents from all parts of Newfoundland came to work on the American and Canadian bases. There they came in

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6 Memorandum, Woods to the Commission, 7 July 1943, Government House Papers, G 8/5.


8 Noel, p. 263.

9 Ibid.

10 To Joseph R. Smallwood the Newfoundlanders working at the Newfoundland Airport were "the most representative group ... in the
contact at first hand with North American ways, an experience much more likely to produce changes in Newfoundland's culture than the second hand contacts which had affected the outports before the war. After this experience even those who had previously been most insulated from North America were willing "to take an unaccustomed look westward". The significant effect of the "revolution of 1940" on Newfoundland's culture was not, therefore, the introduction of new North American influences, but rather the diffusion of these influences throughout the island.

Of greater importance than economic or cultural changes were the new governmental links with North America which were introduced by the "revolution of 1940". Before the war Newfoundland had few governmental links with either Canada or the United States. But in 1940 both the continental countries had established the right to station military forces in Newfoundland; this in turn meant a vast increase in the number and type of contacts between the governments concerned. In contrast, Newfoundland's ties with the United Kingdom were weakened by the crisis of 1940. Not only had the British failed to provide for the local defence of Newfoundland, but they had encouraged Canadian participation and played the leading role in bringing the Americans to the island. After 1940 Newfoundland no longer looked eastward for security but westwards to North America and, like Canada after its "revolution of 1940", Newfoundland was henceforth completely integrated into the American defensive system.


Noel, p. 264.
In the long run the most significant of these new governmental links was the Canadian government's newly awakened awareness of Newfoundland's strategic importance and Canada's sudden interest in Newfoundland's political future. While military necessity may have brought the Canadians to Newfoundland in 1940, it is clear that political considerations were also involved, especially after the United States became involved in the defence of the island. Canada's concern was rooted in the fear that the United States would become dominant in Newfoundland and that the American presence would influence Newfoundland's political development. This fear was obvious to the representatives of the Commission of Government during the negotiations for control of the Newfoundland Airport. And the apprehension extended to the highest levels of the Canadian government: O.D. Skelton, Canada's Under-Secretary of State for External Affairs, had warned Prime Minister King on 22 August 1940 that Canada should try to limit the concessions granted to the United States in Newfoundland, "in view of the definite possibility of a movement on the part of Newfoundland to enter Confederation."  

Canada's subsequent activities in Newfoundland, for example, the construction of the Torbay and Goose Bay air bases, while justifiable as part of the war effort, can also be viewed as efforts to counter the influence of the United States. The Canadian authorities were so wary of the American presence that they repeatedly refused to accept a unified command in Newfoundland, although this would certainly have contributed to the efficiency of the defence forces. Even after

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12 King Papers, quoted in Stacey, *Arms, Men and Governments*, p. 358.

13 Ibid., pp. 361-63.
the military situation in the North Atlantic improved and the United States began to withdraw its forces from Newfoundland, Canada continued to view the American presence with suspicion. Thus, when the American garrison was reduced to 5000 men late in 1943, the Canadian force was maintained at a similar level. This was not coincidence, but a matter of policy; the Canadian Cabinet had decided that the strength of the Canadian garrison would not be allowed to fall below that of the United States.

As the war neared its end the attitude of the Canadian government towards the United States in Newfoundland remained unchanged and a policy review undertaken by the Department of External Affairs concluded that

Canada should continue to accept responsibility for the local defence of Newfoundland and Labrador, and that the part of the United States in the defence of these territories should be limited to the operation of their leased bases in Newfoundland.

But the same document also concluded that the PJD's should continue to function and that Canada's defences would be "closely coordinated with those of the United States after the war." The Canadian government

14 Dziuban, p. 175.
15 Stacey, Arma, Men and Governments, p. 367.
17 Ibid., p. 375.
thus found itself in a strange situation. While seeking to limit the role of the United States in Newfoundland it accepted the integration of Canada's defences with those of the United States. As the Second World War ended and the Cold War began the paradoxical nature of this state of affairs was demonstrated by the fate of Goose Bay Airport. Although Canada wished to keep the American presence there at a minimum, pressure from the United States military authorities and from President Truman was brought to bear, and by the end of 1947 American intercontinental bombers were based at Goose Bay. 18

In the final analysis, therefore, the most significant result of the "revolution of 1940" in Newfoundland was the development of the Canadian government's determination to keep Newfoundland from falling under the influence of a foreign power; even a foreign power whose intentions were assumed by most Canadians (and Newfoundlanders) to be benevolent. This determination ensured that Canada would be willing to accept Newfoundland into Confederation, a necessary but not sufficient condition of union between the two countries. And by strengthening Newfoundland's cultural links with North America and diffusing their influence throughout the island, the "revolution of 1940" helped to reconcile many Newfoundlanders to the idea of union with Canada. Neither of these two conditions alone would have been sufficient to bring about union; taken together they constituted a powerful, perhaps irresistible, trend. All that was now necessary to bring about Newfoundland's entry into Confederation was the appearance of a political leader whose philosophy and methods were in harmony with the nature of the times.

18 Ibid., pp. 352-55.
APPENDIX A

MEMBERS OF THE COMMISSION OF GOVERNMENT 1937-1941

GOVERNOR

Vice Admiral Sir Humphrey Walwyn; born England 1879; educated in British naval schools; went to sea at age 16 and after a career which included service as commander of the Indian Navy retired in 1934; appointed Governor of Newfoundland 30 September 1935 and continued as Governor until 1946; died 28 December 1957.

UNITED KINGDOM COMMISSIONERS

Department of Finance

J.H. Penson; born England 1893; trained as a barrister and served in the British Treasury; attached to the Newfoundland government as a financial expert in 1931; appointed Commissioner in 1937 and served to 1941; died 1967.

Department of Natural Resources

- R.B. Ebanks; born England 1883; educated at Oxford (Queen's College); colonial civil servant 1911-1936; appointed Commissioner in 1936 and served until 1939; in Dominions Office 1939-1941; knighted 1941 and retired shortly afterwards.

- J.H. Gorvis; born England 1886; educated at King's College, London; colonial civil servant 1906-1939; appointed Commissioner 1939 and served to 1941; later with various international organizations; died 1960.
Department of Public Utilities
Sir Wilfred Woods; born England 1876; educated at Oxford; colonial civil servant 1901-1937; appointed Commissioner 1937 to succeed Thomas Lodge and served until 1944; died 1947.

NEWFOUNDLAND COMMISSIONERS

Department of Home Affairs and Education
J.A. Winter; born St. John's 1886; eldest son of former Prime Minister of Newfoundland; Sir James S. Winter; educated at Bishop Feild College, St. John's, and Rossall School, England; law partner with H.A. Winter, R.A. Squires and L.E. Emerson; MHA in the Alderdice government of 1928; Speaker April 1933; appointed Commissioner to succeed Alderdice in April 1936; became Chief Clerk and Registrar of the Supreme Court of Newfoundland in 1942; died 1971.

H.A. Winter; born St. John's 1889; brother of J.A. Winter; educated at Bishop Feild and Oxford (Rhodes); called to bar in 1911; MHA Port de Grave 1923; in Alderdice cabinet 1928 and 1932-34; succeeded his brother as Commissioner 28 May 1941; appointed Commissioner for Justice 1944 and Judge of the Supreme Court 1947; died 1972.

Department of Health and Welfare
J.C. Puddester; born Northern Bay, Bay de Verde; educated Methodist College, St. John's worked as a school teacher, accountant and journalist; elected MHG, Bay de Verde, 1924 and re-elected 1928 and 1932; Secretary of State in the Alderdice government 1932-34; appointed Commissioner 1934 and served until 1947; died 1947.
Department of Justice (after 1940 Justice and Defence)
L.E. Emerson; born St. John's 1890; son of Justice Emerson; educated at St. Bonaventure's College, St. John's, and at Ampleforth College, England; admitted to the bar 1912; member of the Executive Council 1924; MHA Placentia East 1928, St. John's East 1932, Attorney General 1932; appointed Commissioner 1937; knighted 1 January 1944; appointed Chief Justice 23 September 1944; died 1949.

OTHER OFFICIALS ASSOCIATED WITH THE COMMISSION
Captain C.M. Schwerdt; Private Secretary to Governor Walwyn; born England 1889; educated at Winchester and H.M.S. Britannia; served in the Royal Navy 1904-1936; appointed Private Secretary to the Governor 1936.

Biographical details are from Who's Who and other standard reference sources.
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The Papers of the Commission of Government, 1934-1946, located in the Newfoundland Provincial Archives, were the most important primary source for the preparation of this study. They consist of the departmental papers of the Commission and include internal memoranda and also despatches to and from London and Ottawa. The papers of the Department of Justice and Defence (Series S4) and of the Department of Public Utilities (Series S5) were the most useful. In the text the Papers of the Commission of Government have been referred to with the abbreviation 'PCC', followed by a box number (e.g. S4-2-1) and a folio number or name (e.g. "Defence Force").

The Alderdice Papers, Series PM 1/8 and the Government House Files, Series G, 1934-41 were also useful. Both are held in the Newfoundland Provincial Archives.

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