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STRATFORD 1958

Since its sudden and spectacular appearance on the Canadian theatrical scene five years ago, the Stratford Shakespearean Festival has earned a reputation as one of the Continent's top classical theatres. During those years it has also established beyond doubt the existence of a large and enthusiastic audience for legitimate theatre in Canada and has proved that there is native talent to cater to that demand. The Stratford Festival is not simply the achievement of a handful of artists from the larger Canadian and English centres. It has been made possible by the dedication of thousands of theatre-lovers working in this country over the past quarter of a century.

The acquisition of a permanent home last year, far from representing a final fulfilment of the Festival, presents the Foundation with many new challenges. Having the alternative of remaining such in the future or struggling on to new and different objectives. The past year has been highlighted by several attempts to enlarge on the work already done and to integrate the Festival still further into the theatrical life of the country.

December 1957 saw the first TV appearance of the Stratford company in a production of Ibsen's poetic classic, "Peer Gynt", directed by Michael Langham and Douglas Campbell. A second innovation last winter was the launching of a Festival tour which took "Two Gentlemen of Verona" and "The Broken Jug" by former Stratford actor, Donald Harron to London, Toronto, Montreal and New York. A playwriting

competition aimed at encouraging Canadian playwrights by providing definite hopes of production was sponsored jointly by the Festival and the Toronto Globe and Mail. To acquaint more Canadians with the work of the organization, an extensive programme of exhibits and newsletters for schools and interested institutions was inaugurated. Finally a series of school matinees offering special student rates to the Highschools of Ontario has been introduced this season to reach the younger playgoers.

The twelve-week season of the 1958 Festival is the longest and most varied in its history. Three Shakespearean plays, "Henry IV", "Much Ado About Nothing" and "The Winter's Tale" are being presented.

While Stratford has always welcomed theatrical talent from other countries, this season has seen the emergence of a Canadian director and a Canadian designer who have taken their place on the Stratford artistic staff. George McCowan and Marie Day, both veterans of several seasons with the Festival, collaborated with Michael Langham and Tanya Moiseiwitsch in the production of "Henry IV, Part I".

Although the Festival began as and remains primarily a theatrical enterprise, the ancillary activities which have grown up around the plays have become steadily more important. A two-week Film Festival, a four-week Music Festival featuring a production of "The Beggar's Opera" with CBC-TV's Robert Goulet,

and sixteen performances of "Le Malade Imaginaire" by the Montreal troupe, Le Théâtre du Nouveau Monde, make up the attractions at the Avon Theatre. An exhibition of Canadian ceramics and the Second Biennial collection of Canadian Painting highlights the Festival Exhibition, held this year in the former Concert Hall. And from abroad, the first visit to this Continent by the Little Carib Dancers from the West Indies proved to be one of the most popular events of this busy Stratford season.

British designers Tanya Moiseiwitsch and Desmond Heeley have returned to design the productions which have been directed by Michael Langham and Douglas Campbell. In the cast joining such Stratford stalwarts as Christopher Plummer, Douglas Campbell, Douglas Rain, William Hutt, Bruno Gerussi and Frances Hyland and guest stars Eileen Hurley from England and Jason Robards Jr. from New York. The contribution made by these personalities with their wide experience in the greatly differing theatres of Britain and America has been of great value.

Stratford has become the showcase of Canadian and international artistic expression, attempting to feature the best in native and imported talent.

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EXPORTS TOTAL UP

Canada's commodity exports declined 6 per cent in July as compared with a year earlier but increases in four of the six previous months resulted in a gain of approximately one per cent in the January-July period, according to advance figures released by the Dominion Bureau of Statistics. Increases were posted both in July and the seven months in the value of exports to the United Kingdom and the rest of the Commonwealth but decreases were registered for the United States and other foreign countries.

Exports to all countries in July were valued at \$421,700,000 as compared with \$449,200,000 in the corresponding month last year, bringing the seven-month value to \$2,803,000,000 as compared with \$2,779,700,000. Shipments to the United States in July were valued at \$249,500,000 as compared with \$255,300,000 a year earlier and the seven-month total stood at \$1,618,400,000 as compared with \$1,646,600,000. Exports to the United Kingdom were valued at \$74,100,000 in July as against \$69,300,000 and at \$443,800,000 in the seven-month period as against \$410,300,000.

July's exports to the rest of the Commonwealth were valued at \$26,000,000 as compared with \$20,200,000 a year earlier, bringing the seven-month total to \$181,600,000 as compared with \$133,800,000. Exports to all other foreign countries were valued at \$72,100,000 in July as against \$104,400,000 and at \$559,200,000 in the seven months as against \$589,000,000.

WELCOMES ECONOMIC DEVELOPMENT

Prime Minister John G. Diefenbaker has welcomed proposals by the President of the United States for an increase in the resources of the International Monetary Fund and the International Bank for Reconstruction and Development and the initiation of discussions looking toward the creation of additional machinery to promote economic development.

"I have long felt that much larger liquid resources are needed to enable the free world to expand trade to meet the economic challenge of the U.S.S.R., and I have been a constant advocate of the desirability that the International Monetary Fund and Bank be enabled to play a more useful part in helping countries overcome short-term balance of payments difficulties and to carry forward long-term economic development programmes." Mr. Diefenbaker said.

"In view of the important discussions which I anticipate will take place at the Commonwealth Trade and Economic Conference opening in Montreal on September 15, and at the meetings of the International Bank and International Monetary Fund in New Delhi early in October, the Canadian Government welcomes the readiness of the United States Government to give its support to an initiative which I am confident will greatly contribute to strengthening the economic fabric of the free world."

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CANADIANS LAUDED

At the end of his two day visit with the Canadian NATO brigade, General Adolf Heusinger, Inspector General of West German Forces, held a press conference with German newspaper reporters to comment on his impressions of the 5500-man force.

Speaking to journalists of three newspapers published in the city of Iserlohn (site of the barracks of the Royal Canadian Dragoons) he stated "I have an excellent impression of the Canadian brigade. It would be gratifying if all troop components within NATO were in such a state of readiness, organization and equipment as the Canadian units."

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NAVAL VISIT

Two frigates of Japan's Maritime Self-Defence Force, the Harukaze and the Uranami, part of a Japanese training squadron in the eastern Pacific at the time, are on a four-day visit to Canada's West Coast September 4-8.

Nine headquarters officials of the Japanese Self-Defence Agency are with the ships, as are 11 Japanese journalists, including two motion picture company cameramen and one television network representative.

The first two days of the visit are being spent at Esquimalt, after which the frigates will proceed for a two-day visit to Vancouver.

THE DEPARTMENT OF EXTERNAL AFFAIRS

Historical Background

From Confederation until 1926, Canada's position in the British Empire was that of a self-governing dominion whose external relations were directed and controlled by the Imperial Government in Great Britain, through the Colonial Office and its agent the Governor General. Partly because of its increasing importance in world affairs, and partly out of a growing desire for autonomous status, which had been fostered particularly during the First World War, Canada sought, within the existing constitutional framework of the Empire, to have a fuller control over its own external relationships.

At first, in the early 1900's, this merely took the form of improved administrative machinery at home. The first suggestion that a separate department of external affairs be established, on the precedent of the government structure in Australia, came from Sir Joseph Pope, then Under-Secretary of State, in 1907. In a memorandum to a Royal Commission on the Civil Service, he recommended a more efficient method of dealing with the external affairs of Canada.

In May 1909, under the Laurier Government which introduced the Bill, Parliament authorized the establishment of a "Department of External Affairs". The title indicated that it was to deal with Canada's relations with other governments within the British Empire as well as with foreign powers. The Act creating the Department placed it under the Secretary of State, with an Under-Secretary of State for External Affairs to rank as the permanent deputy head of the Department. The establishment of the Department brought no constitutional change.

In 1912, an amending act was passed placing the Department directly under the Prime Minister, instead of the Secretary of State, and from April 1 of that year the Prime Minister held the additional portfolio of Secretary of State for External Affairs. The appointment of a separate minister for the Department was considered, from time to time, but no action was taken until March 1946, when a bill was introduced to repeal the section of the Act of 1912 which provided that the Prime Minister was to be the Secretary of State for External Affairs. The bill was passed on April 2 and five months later, on September 4, 1946, the announcement was made of the appointment of the first separate Secretary of State for External Affairs.

Early Years

The Department began with a modest staff consisting of the Under-Secretary (Sir Joseph Pope), two chief clerks and four clerks. In 1912 an Assistant Under-Secretary was added, and in 1913 a Legal Adviser.

The gradual recognition of Canadian autonomy in international affairs and the growth of Canadian responsibilities abroad made expansion inevitable. After 1920, it became increasingly apparent that Canada's interests could no longer be conveniently handled by the British diplomatic and consular authorities. The new Department began to develop into an agency for the direct administration of Canada's external affairs.

In 1921, the Office of the High Commissioner in London was placed under the control of the Department. In 1925, a Canadian Advisory Officer (subsequently called Permanent Representative) was appointed in Geneva to represent Canada at various conferences and League Assemblies and to keep the Canadian Government informed of the activities of the League of Nations and of the International Labour Office.

A further advance in the Department's development came as the result of an agreement reached at the Imperial Conference in 1926, by which the Governor General ceased to represent the Government of the United Kingdom and became solely the personal representative of the Sovereign. This brought about two changes: (1) as the United Kingdom Government was now without a representative in Canada, it appointed, in 1928, a High Commissioner to represent it at Ottawa; (2) after July 1, 1927, correspondence from the Dominions Office in London and from foreign governments was addressed to the Secretary of State for External Affairs instead of to the Governor General.

Representation Abroad

Before the establishment of the Department, a High Commissioner had been appointed to represent Canada in London (from 1880) and an Agent General in France (from 1882), neither of whom had diplomatic status. In addition, Canada was represented abroad in the closing years of the nineteenth century by trade commissioners and immigration officials. They were appointees of individual departments of the Canadian Government and did not enjoy diplomatic status. Negotiations with foreign countries were conducted through the British Foreign Office and dealings with other parts of the Empire through the Colonial Office, with Canadian representatives frequently included in negotiations. Canadian interests abroad were handled by British diplomatic and consular authorities. All communications to other governments were made through the Governor General, who at that time represented both the Sovereign and the Government of the United Kingdom.

Before 1920 Canada had no independent diplomatic representative abroad; although, as early as 1920, it was agreed by the British and Commonwealth Governments, and by the

United States Government, that a Dominion minister could be appointed to Washington. The appointment was made in 1926, and the first Canadian Legation was opened in Washington early in 1927. This was followed in 1928 by the appointment of the former Commissioner-General in Paris as Minister to France, and, in 1929, by the opening of a Legation in Tokyo. At about the same time, the United States, France, and Japan opened Legations in Ottawa.

The expansion of the service was thereafter interrupted by the depression of the 1930's. The three years of rapid expansion from 1926 to 1929 were followed by a decade of consolidation. The next step in the exchange of diplomatic representatives with other countries was taken when Belgium sent a minister to Ottawa in 1937; in January 1939, Canada appointed a minister to Belgium and The Netherlands.

With the outbreak of the Second World War, it became imperative that Canada should have closer and more direct contact with other governments of the British Commonwealth, with the Allied Governments, and with certain other foreign countries (e.g., in Latin America). The day after Canada's separate declaration of war on September 10, 1939, it was announced that the Canadian Government would send high commissioners to Australia, New Zealand, South Africa and Ireland. The Commonwealth Governments reciprocated. With the appointment in 1941 of a high commissioner to Newfoundland (a step that recognized the importance of that country to the defence of Canada), the list of Canadian representatives to Commonwealth countries was complete, except for the Indian Empire.

The increasing magnitude of Canada's war effort and its growing international commitments led to a rapid increase of diplomatic exchanges with foreign countries. In 1942, by reciprocal agreement, Canada appointed ministers to the U.S.S.R. and China. During the war, a single Canadian minister was accredited to a number of Allied governments then functioning in London or Cairo; Belgium, The Netherlands, Czechoslovakia, Greece, Norway, Poland and Yugoslavia; Canada also received ministers from each of them. After the liberation of France, this minister, after a period in Algiers as representative to the French National Committee, moved to Paris, with the rank of Ambassador. Separate missions are now established in the capitals of all these countries.

The establishment of diplomatic relations with Latin America was another wartime development. In 1941, Canadian legations were opened in Brazil and Argentine, (the latter minister also being accredited to Chile), and these countries sent their first ministers to Ottawa. Diplomatic representatives were sent to Chile in 1942, to Mexico and Peru in 1944, and to Cuba in 1945. The decision to open missions in Latin America was based not only on the deve-

lopment of intra-American trade but on the conviction that a closer understanding was necessary to the solution of common problems during the war, when several of those countries became allies.

Canada's External Affairs service continued to expand following the war, embassies were opened in a number of countries and, after 1947, high commissioners were exchanged with India and Pakistan, and subsequently with other new members of the Commonwealth such as Ceylon, Ghana and Malaya.

During and after the war, Canada participated in the general trend toward the elevation of legations to embassy status. In 1943, most of its large missions abroad became embassies. Since then certain of the new missions listed above were opened as embassies, while others, such as the missions in Italy and Switzerland, were raised to the rank of embassies later.

Membership in the United Nations has increased Canada's responsibilities outside its own borders, and Canada has been represented on various organs of the United Nations from the beginning. After Canada's election, for a term, to the Security Council in September 1947, a Permanent Canadian Delegation was established in New York in January 1948, and later in the year a small office was also opened in Geneva, the European headquarters of the Organization. Both offices, now called permanent missions, have since been expanded.

In May 1952, the North Atlantic Treaty Organization established a permanent Council in Paris. Canada established a permanent delegation at that time to represent it both on the NATO Council and on the Council of the Organization for European Economic Co-operation. In addition to representation on these permanent international bodies, Canada has sent representatives to a large number of international conferences in recent years, and members of the Department have served on international committees.

The external service of Canada consists today of the Department of External Affairs in Ottawa and the following establishments abroad:

- (a) Embassies in: Argentina, Austria, Belgium, Brazil, Chile, Colombia, Cuba, Denmark, Dominican Republic, Egypt, France, The Federal Republic of Germany, Greece, Haiti, Indonesia, Ireland, Israel, Italy, Japan, Mexico, The Netherlands, Norway, Peru, Portugal, Spain, Sweden, Switzerland, Turkey, Union of Soviet Socialist Republics, United States of America, Uruguay, Venezuela, Yugoslavia;
- (b) Legations in: Czechoslovakia, Finland, Iceland, Lebanon, Luxembourg, Poland;
- (c) High Commissioner's Offices in: Australia, Ceylon, Ghana, India, Malaya, New Zealand, Pakistan, Union of South Africa, United Kingdom;

NEW RECORDS IN TRAVEL

Expansion of travel between Canada and other countries continued its upward movement in 1957, new records being set in the number of visits to Canada by residents of other countries and in the number of visits by Canadians to other countries, according to the Dominion Bureau of Statistics annual report on travel between Canada and other countries. New records were also established in travel expenditures of both visitors to Canada and of Canadians who travelled abroad.

Visits to Canada by non-residents climbed in 1957 to 28.7 million from 27.7 million in 1956, while Canadians reciprocated with 27.3 million visits to other countries compared to 27.2 million. Aggregate volume of all travel for the year amounted to a record 56 million visits compared to 1956's previous peak total of 54.9 million visits.

Receipts from travel in Canada by residents of other countries totalled \$363 million in 1957, up \$26 million or nearly 8 per cent from the previous high in 1956. Receipts from residents of the United States climbed 5 per cent to \$325 million from \$309 million a year earlier even though the increase in volume amounted to only about 3 per cent. Receipts from overseas travellers at \$38 million were \$10 million or 36 per cent greater than the previous record, whereas the number of visits was some 20 per cent greater.

Travel to other countries by Canadians

levelled off during 1957. Re-entries by Canadians from the United States were about 0.5 per cent higher than in the previous year or approximately 132,700 additional visits. In 1956 a more substantial expansion in this segment of travel had developed. On the other hand, travel to overseas countries continued to expand but at a more moderate rate, as an increase of 13 per cent or an additional 13,800 visits were recorded. During the three previous years travel to overseas countries by Canadians had expanded at a rate of 20 per cent.

Disbursements by Canadians on travel in other countries aggregated \$525 million in 1957, an increase of \$27 million or 5 per cent over 1956. Canadian travel expenditures in the United States rose to \$403 million in 1957 from \$391 million in the preceding year and expenditures in overseas countries advanced to \$122 million from \$107 million.

For the first time in some years there was practically no change in the debit balance of Canada's travel account with other countries, the year's total amounting to \$162 million. In the previous six-year period the debit balance had increased from \$6 million in 1951 to \$161 million in 1956. The debit balance on travel account with the United States declined from \$82 million in 1956 to \$78 million in 1957, but with overseas countries the debit balance advanced from \$79 million to \$84 million.

CAPITAL INFLOWS

Capital inflows into Canada from all portfolio security transactions rose further in the second quarter of this year to \$263,000,000 from \$154,000,000 in the first quarter, the Dominion Bureau of Statistics reports. While much higher than inflows in the third and fourth quarters of 1957 this was still less than the net inflow of \$334,000,000 in the corresponding quarter of 1957 as was also the trend in the first quarter. In the first six months of 1958 net inflows were \$417,000,000 compared with \$574,000,000 in the first half of 1957 and \$192,000,000 in the second half of that year.

The principal source of the increased inflow between the first and second quarter was again the rise in Canadian borrowing abroad from the sale of new issues of Canadian securities. The proceeds of new issues rose from \$166,000,000 in the first quarter to \$295,000,000 in the second quarter, which is virtually the same level as in the second quarter of 1957 which marked the greatest concentration of new issues abroad in recent years.

Increases in the quarter occurred in new issues of each level of government and in

corporation bonds and stocks. In the half-year, new issues sold abroad totalled \$461,000,000 compared with \$560,000,000 in the first half of last year and \$230,000,000 in the second half. Capital outflows for retirements in the second quarter of \$26,000,000 were considerably higher than in the first quarter and a little higher than in the corresponding period last year.

The inflow of capital from portfolio security transactions was predominantly from the United States, the market for over 85 per cent of new issues, but some considerable amounts of the latter were sold in the United Kingdom and in other countries overseas. Transactions in outstanding securities in the second quarter were largely offsetting as in the first quarter, but net sales of Canadian stocks abroad reappeared, although these were still much smaller than in the first three quarters of last year.

In June there was a net outflow of capital of \$5,300,000 from outstanding security dealings versus a net inflow of \$1,300,000 a year earlier. In the half-year period the net inflow from these transactions was \$4,400,000 as compared with \$87,200,000 a year earlier.

THE DEPARTMENT OF EXTERNAL AFFAIRS

(Continued from P. 4)

- (d) Commissioner's Office in: Federation of West Indies (Port of Spain);
- (e) Consulates General in: Boston, Chicago, Los Angeles, New York; New Orleans, San Francisco, Seattle, Manila (Philippines);
- (f) Consulates in: Detroit, Hamburg (Germany), Sao Paulo (Brazil);
- (g) Honorary Consul General in: Reykjavik, Iceland;
- (h) Honorary Vice Consulate in: Portland, Maine;
- (i) Military Mission in: Berlin;
- (j) Canadian Permanent Missions to the; United Nations (New York and Geneva);
- (k) Canadian Permanent Delegations to the: North Atlantic Council and Organization for European Economic Co-operation (Paris);
- (l) Canadian Commissioners: International Supervisory Commissions for Cambodia and Vietnam.

PRIME MINISTER'S TOUR

The Prime Minister announced August 28 that he will make a globe-circling flight late this year to visit most of the Commonwealth countries.

The good-will mission will be a follow-up to Canadian initiative in calling the Commonwealth Conference on trade and economic affairs which will open in Montreal Sept. 15.

Mr. Diefenbaker, accompanied by his wife and a group of officials, will fly from Canada on the RCAF's C5 aircraft late in October. He will spend the last two days of October and the first four of November in the United Kingdom.

Other stops mentioned in his announcement include Pakistan, India, Ceylon, the Federation of Malaya, Australia and New Zealand. He will arrive back in Canada in December.

The Prime Minister has already clocked close to 100,000 miles in the past 18 months, including about 40,000 miles on his two election campaigns.

In touring the Commonwealth he will be following an example set earlier this year by Britain's Prime Minister Macmillan.

UNIVERSITY AID

A 50 per cent increase in university grants was announced in the House of Commons by Mr. Donald Fleming, Minister of Finance, August 28. The increase will raise the total disbursement for this year to \$25,600,000.

Since 1957, the grants have been made on the basis of \$1 per capita in each province, which this year would have meant an expendi-

ture of \$17,100,000. Effective this year, the per capita rate will be \$1.50.

Opposition Leader Pearson and CCF House Leader Hazen Argue both welcomed the announcement.

The latest estimate, made on June 1, gave Ontario a population of 5,803,000. On this basis, Ontario universities would share \$8,704,000 or more than one third of the total disbursement. Within the provinces, the grant is allocated by the National Conference of Canadian Universities in proportion to the enrollment of each institution.

In 1951, the grants were initiated at 50 cents per capita. In 1957, when the former Liberal Government increased the grants from 50 cents to \$1 per capita, the Canada Council was set up and given \$50,000,000 for capital grants to the universities. The Council may contribute up to 50 per cent of the cost of any university building. Here again, the amounts granted to the institutions of any one province are apportioned on a population basis.

NORTHERN NEIGHBOURS TO MEET

The people of the Arctic and the people responsible for the administration of Canada's Arctic affairs are teaming up to find out more about their polar neighbours, the Greenlanders.

This month a visit is being made to Denmark's west coast, where men representing both the Canadian Eskimo population and the administration expect to learn some valuable lessons to relay to their colleagues back home. Ten Eskimos, two officers of the Department of Northern Affairs, and one officer of the Department of National Health and Welfare make up the official party.

The Eskimo represent Canadian Arctic settlements from Aklavik to Frobisher Bay. The party will spend about three weeks visiting a dozen communities on the west coast of Greenland, from Godthaab, the capital, to Godhavn, about 400 miles further north. They are travelling aboard the 2080-ton Dept. of Transport vessel, "Ernest Lapointe", which picked up the party at Frobisher Bay southern Baffin Island.

The idea began back in 1956, after a group of Greenlanders paid a visit to settlements on Baffin Island. It was such a success that the Danish Government asked for a return visit by Canadian Eskimos. In addition to returning the visit of the Greenlanders, the trip will enable a group of carefully selected Canadian Eskimos to see something of the culture and way of life of the Greenland people, and to observe the effects of their transition from primitive living to a modern wage economy. The same sort of transition is taking place in the Canadian Arctic today, but in Greenland the change has gone on longer. Furthermore, the trip will enable Ottawa officials to learn more of how the Danish Government is handling its Arctic business.