country concerned; and the recipient government may be required to give appropriate assurance regarding re-export.

(5) Shipments are not permitted if, in our opinion, they exceed the legitimate defence requirements of the state in question or which would themselves constitute a threat to neighbouring countries.

(6) Shipments are not permitted to sensitive areas of arms of such a character that they might increase any temptation to commit an aggression or begin a preventive war.

It is not, however, our policy to put a complete embargo on arms shipments except to the Sino-Soviet bloc, or to other countries, if any, who are a threat to our own security or where the United Nations has declared an embargo.

Am embargo on all shipments in other cases, if it became general international policy and practice in the free world, might frustrate the right of nations under the United Nations Charter to defend themselves; or it might drive them wholly into the arms of Russia and its satellites as the only source of supply. It might perpetuate inequalities between states in respect of their defensive capacities, thereby creating fear and insecurity; and encouraging aggression. One state might, for instance, have its own defence industries, and another-its neighbour-might be wholly dependent on imported defence equipment. An embargo could not possibly operate fairly in such cases, and might indeed encourage armed conflict over disputed territory. I can assure you that this is no hypothetical argument.

Let us see, for instance, how such an embargo-if it could have been agreed on and enforced internationally-would have operated in the Middle East in respect of Israel and its Arab neighbours. I gather from observations made in this House and outside that this is the policy that is advocated by at least certain members of opposition parties.

This area has been one of tension and unrest and indeed danger from the very day that the State of Israel was created. That creation-it should not be forgotten-was the result of a United Nations decision which Canada supported. If the embargo principle had been adopted, Israel would have been completely powerless to defend her very existence; unless she had agreed in desperation to throw herself into the arms of communist suppliers. If it had suited their purposes, and for a priceand it would have been a high price-the Moscow government which controlled these suppliers would have been quite happy to arrange such a deal.