

note that there is little in them that deals with a mechanism of negotiations which we consider important;

- if the plan leads to negotiations for a balanced settlement in the Middle East which respects the principles of Resolution 242 then we think that a positive first step will have been taken.

In adopting the policies which we have followed on the Arab-Israeli dispute, we have aimed at maintaining a balanced and principled point of view which explains our ongoing support for Resolution 242 and 338 and at keeping open our channels of communication with both sides. This includes ongoing contacts, not only with the various governments concerned, but also with the PLO. We have tried to understand and respect the genuine interests and concerns of both sides in the continuing conflict between the Arabs and Israelis and to take them seriously into account.

That does not mean that Canada has been neutral. We have taken strong positions on various issues. Canada, for instance, is firmly committed to Israel's existence, legitimacy, security and well-being as an independent state in the Middle East. We also deplore and condemn acts of terrorism against targets in Israel and elsewhere. Canada has taken a lead in trying to combat international terrorism. We have done so in the Economic Summits, in the development of international law on the subject and in attempting to obtain wider adherence to international conventions to make them more effective. These are basic elements of our Middle East policy. They are well understood and, I think, respected by all, including even the most directly-engaged Arab parties. We lose no opportunity to re-emphasize them in speaking to Arab governments and Palestinians leaders. In the interests of regional and world peace - and in their own interest - the Arabs should agree to sit down and negotiate with Israel as Sadat did in 1977. There is no other route to a long-term settlement.

What has not always been appreciated is that firm Canadian support for the existence of the State of Israel does not preclude fundamental differences with the Israeli Government over certain of its policies.

In particular, Canada has been critical of Israel's policy towards the occupied territories of the West Bank, the Gaza Strip and the Golan Heights. We have told Israel that we cannot accept the position that it has gained the right to retain permanent control over these territories. The repeated assertion by Israeli spokesmen that