3. Authorizes the Secretary-General, pending receipt of contributions to the UNEF Special Account:

(a) To advance from the Working Capital Fund such sums as the Special Account may require to meet any expenses chargeable to it;

(b) Where necessary, to arrange for loans to the Special Account from appropriate sources, including other funds under the control of the Secretary-General, provided that the repayment of any such advances or loans to the Special Account shall constitute a first charge against contributions as they are received; and further provided that such loans shall not affect current operational programmes;

4. Decides that the General Assembly, at its twelfth session, shall consider the basis for financing any costs of UNEF in excess of the \$10 million not covered by voluntary contributions.

Consideration of the proposed agreement between national governments and the United Nations had not been completed during the period under review.

The Assembly returned on February 26 to a discussion of Israeli withdrawal, having before it the Secretary-General's report and the six-power draft resolution calling for sanctions. Some delegations expressed support of the latter; but the Canadian Delegation still saw hope "of bringing about withdrawal by spelling out the detailed arrangements which would follow it". Mr. Pearson expressed the Canadian view as follows:

We are now reaching, if indeed we have not already reached, the point of no return in our effort to deal with the problems arising out of a military intervention in the Suez area begun last October. So where do we go from here? Not, I venture to hope, in a direction which would tend merely to harden existing antipathy or, in the words of the Secretary-General, which would introduce merely "new elements of conflict".

The Canadian Delegation, like other delegations here, has tried to take an objective and impartial position in dealing with the problems which came to a head when Israel's military action in the Sinai peninsula began last October. We are not influenced by a desire to support either of the contestants at the expense of the other in our efforts to find a means of bringing to an end a conflict which has been growing in intensity over a period of some years. We are concerned with finding the best policy to pursue in order to resolve a series of difficult problems by means which will bring peace and security to the people of both countries, and we have no other interest than this.

The problems with which we are dealing go deeper than the immediate issue of withdrawal of military forces. They have their roots in the past and are terribly difficult for both parties to the dispute. They are also fraught with danger to the peace of the world as well as to the peoples immediately concerned.

This Assembly has a duty to avert that danger and to insist that there shall be no return to violence which will be destructive in itself and leave the area open to forces of subversion from outside. We realize that the issues before us will never be truly solved if we are content to let our minds become submerged in tales of past tragedies. These, it is true, have given just cause for grief and bitterness on both sides, but we can scarcely hope for success if we allow ourselves to be persuaded that the record of violence in the past justifies the policy of violence today. We cannot, of course, ignore the past, for it is impossible to deal effectively with this problem unless we have thoroughly studied its origin from every point of view and with respect to the needs of all the people who are concerned with it. But if we allow our minds to be dominated by the unhappy precedents of violence and reprisal which have made up so much of the recent past in this area, then it is very hard indeed to see how we can devise any solution which will in the long run be satisfactory.

As I see it, the problem is basically one of fear, fear which breeds distrust and animosity and conflict. There has been fear on the one side of extermination by neighbours whose hostility to the creation and continued existence of the State of