towards peace is to be maintained and expanded, and the imagination to bridge the gap that still separates the positions of the two sides. The consequences of failure -- of the indefinite continuation of war and tension that we have known in the Middle East during our lifetime -are simply appalling, for Israel and for the whole world.

It is with this appreciation of the importance and the urgency of bringing peace to the Middle East that I have come to hear your perceptions of the situation and your frank views on its many complicated issues. At the same time, I wanted to share with you the perspectives of a friend of Israel, far away and not directly involved, but anxious to make any contribution we can to your continued well-being in conditions of genuine peace. Our views on specific issues are not always the same as yours. This is surely inevitable, since what are subjects of concern for us are matters of life and death to you. I hope that you realize that where we differ, it is not because we are unconcerned for Israel's future, but because we deeply care for it. Our goals are the same as yours; peace, stability and prosperity for Israel and for its neighbours.

We have talked today of the way forward to peace and found that on very many aspects our views are similar. I have stressed, for example, that we regard the implementation of all aspects of Security Council Resolution 242 as essential. Canada considers it vital to any lasting settlement that there be respect for the sovereignty, territorial integrity and political independence of every country in The Canadian Government remains unalterably opposed to any the area. attempt to challenge the right of Israel to live within secure and recognized boundaries free from both the threat and acts of force. These boundaries must be settled in negotiations and must be truly acceptable to those who will live on each side of them if they are to be secure in any real sense. It also is my Government's view that some way must be found to ensure that all peoples in the area, including the Palestinians, can be heard and can participate in negotiations concerning their future. Any peace settlement must satisfy Israel's need for credible assurance of its security. But it must also meet the basic concerns of Israel's Arab neighbours. The Palestinian Arabs cannot be left out of the peace-making process, nor can their aspirations be ignored if a settlement is to last. It seems to me that a solution to this sensitive but crucial element in the whole Middle East problem will have to involve some sort of territorial foundation for the expression of their identity. It is not for Canada to say what political form this should take -- there is a range of possibilities. But whatever the form, it is certainly basic to our thinking that the Palestinians should accept Israel -- in terms convincing not only to the world at large but to Israel itself -- and be willing to live in peace with it.

In conclusion, Mr. Minister, I would like to propose a toast to you and your wife personally, to the Government and people of Israel, and to the fulfilment of your hopes for peace and prosperity.