I speak to you today at a moment of crisis in the Middle East - tragically only one of many which this region has suffered over the years. We are all appalled by the recent events in Lebanon for which there can be no excuse and which will do nothing to advance the interests of any group or country in the area. Having reached such a low point, can we discern grounds for hope in the carnage of Beirut? In my remarks I should like to review the prospects in the Middle East and describe the position and actions which Canada is taking to deal with the situation. In the most general and hesitant terms, I think there are some grounds for optimism if the main actors on the Middle East stage grasp the opportunities now open to them and press forward in the peace process. Let us hope that Lebanon in September 1982 will be seen not only as a reflection of antagonism and human degradation but also as the turning point in the Arab/Israeli dispute.

The Middle East situation has radically changed in recent months as a result of Israel's invasion of Lebanon changed not only on the ground, but in the minds of many observers outside the area. There is no question that the horrors that have befallen the Lebanese and Palestinians in Lebanon have had a tremendous impact in Canada as they have in other countries. No one can remain untouched by the human suffering caused by the escalation of violence that has culminated in the assassination of Lebanon's president-elect and the massacre at the Sabra and Shatila camps - a senseless and wanton act whose inhumanity its perpetrators will never be able to explain away.

The consequences of the Lebanon crisis are wide-ranging. Israel has demonstrated its overwhelming military superiority in the region. The cost in human lives has been high for both Lebanese and Palestinians and the physical damage will scar the country and Beirut for a long time to come. The Palestine Liberation Organization has been severely beaten militarily but, although it has been dispersed throughout the Arab world, it could emerge more united and its leaders prepared to carry on a political struggle from their new locations. Very many Palestinians, at any rate in the Palestinian "diaspora", continue to look to it for leadership. The danger of further conflict between Israel and Syria remains. The Arab countries failed to rush to the support of the Syrians and PLO during the crisis and their position may have been weakened as a consequence. In the Israeli-occupied territories, there has been fresh turmoil and great uncertainty about the future, as Israeli settlements and Israel's practical control are expanded further. Fortunately, there has been no superpower confrontation in or over Lebanon.

The Lebanon crisis has had a profound impact on the prospects for the peace process. In the past few weeks