The Government of Canada is ready to respond to an appeal for funds by the International Committee of the Red Cross to finance the extra activities required by the increase in detainees. As a major contributor to UNRWA, we believe the international community should join in the effort called for in the Secretary General's report, to improve the infrastructure of the refugee camps located in the occupied territories. On January 20, Canada made an additional contribution of \$500,000 to special construction projects to the benefit of the refugee population. In 1987, Canada devoted \$1.25 million in development assistance to the territories. It will continue to share in efforts to assist these territories in ways helpful to peace.

Such measures, however, will not remove root causes of recent tragic events. As stated by the Secretary General, "the underlying problem can only be resolved through a political settlement". Canada joins in his call for each side to strive to understand better the legitimate interests of the other and to act in a manner which promotes mutual understanding.

Canada believes that an international conference leading to direct negotiations would provide a suitable framework for the conclusion of a just and lasting settlement.

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