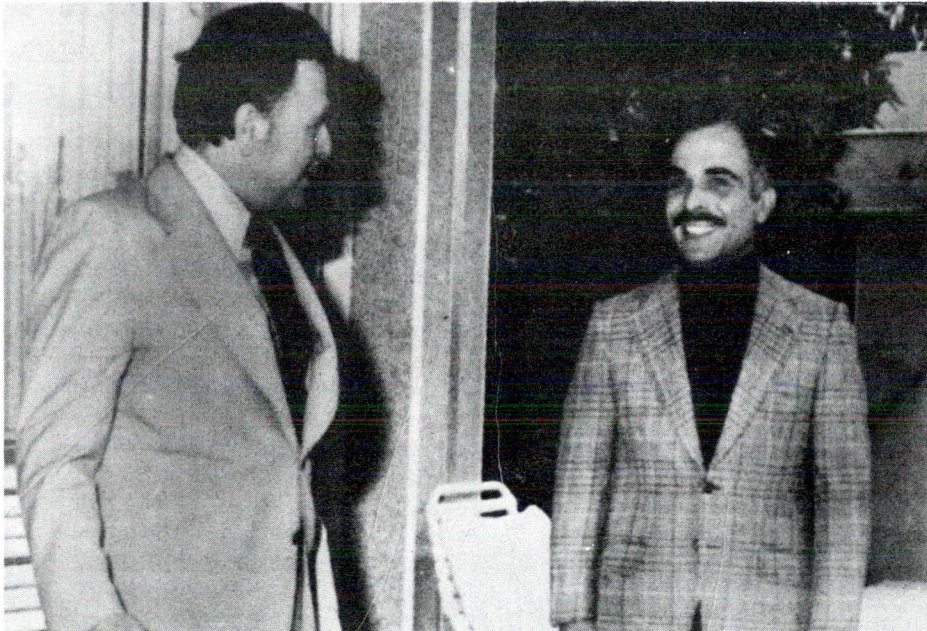


King Hussein of Jordan (right) welcomes Secretary of State for External Affairs Allan MacEachen to the Royal

Palace of Aqaba during a ten-day visit to five countries of the Middle East in January. CP wirephoto



while it remained to be seen whether or not Canadian policy would be changed in the Middle East, the cur-

rent policy had stood up well during the trip to Egypt, Saudi Arabia, Jordan and Iraq.

Relations with Jordan

Since the establishment of diplomatic relations in December 1964, Canada's relations with Jordan have been friendly. The Canadian Ambassador in Beirut serves concurrently as non-resident Ambassador to Jordan; however, at present the Beirut mission is, due to the situation in Lebanon, headed by a *chargé d'Affaires en pied*. Ambassador Tash, who presented his credentials in July 1975, is Jordan's first resident Ambassador to Canada.

Trade, however, has been limited. In 1974, Canadian exports to Jordan, mainly iron and gas turbines, totalled some \$3.5 million, while imports from Jordan were about \$3,000. In 1975, Canadian exports were only \$930,000, compared to virtually no imports. At present, no Canadian firms are operating to any extent in Jordan and greater Canadian involvement there is not anticipated at this time.

King Hussein and Queen Alia stopped in Ottawa *en route* to an air show in Vancouver in August 1974 and held discussions on the Middle East situation with the Prime Minister and the Secretary of State for External Affairs.

Israel

In Jerusalem, Israel, the last stop on his Middle East tour, Mr. MacEachen, held discussions with Foreign Minister Yigal Allon and other officials. An Israeli delegation would, it was learned, attend the United Nations Conference on Human Settlements (Habitat) in Vancouver, British Columbia, in June. (Israel had boycotted the UN Conference on Crime that had been held in Geneva after it was moved from Toronto following a Canadian debate over admission of the Palestine Liberation Organization and Canada's request for a postponement.)

At a dinner given in his honour on January 19, the day before he left for London, the Canadian External Affairs Minister said:

* * * *

"The consolidation and further expansion of bilateral relations with Israel as well as with all countries in the Middle East is an important element of Canadian diplomacy in this region. In itself, this goal would have been a sufficient motive to accept the kind invitation extended to me by your Government; but in addition, I welcome this opportunity to establish personal contacts with you, and with other Israeli leaders. I was particularly

Relations with Iraq

Canada's relations with Iraq are good, but only since the Minister of Industry, Trade and Commerce visited Iraq in 1974, have they begun to take on any importance. Canada's exports to Iraq increased from \$1 million in 1973 to \$19 million in 1974 and to \$56 million for the first nine months of 1975. While Iraqi exports to Canada rose from \$20 million in 1973 to \$36 million in 1974, Iraq only supplies a small fraction of Canada's oil imports.

Iraq, which established an embassy in Ottawa in 1972, indicated that it would like to see Canada reciprocate. The decision to open a Canadian embassy in Baghdad was made in 1974 and the work of establishing this mission began in April 1975. Canada's first resident Ambassador to Baghdad, William Jones, arrived at the end of September.

looking forward to in-depth discussions of Israeli positions and perceptions on the political situation in this region of the world; and the meetings we have had so far have amply confirmed the usefulness of such exchanges. I hope to resume these discussions with you, Mr. Minister, before long - this time in Canada; for it is with great pleasure that I invite you to pay an official visit to our country. As I noted earlier in another capital, Canadian policy on the Middle East is not fixed in stone; it reflects the existing political circumstances in time and is, therefore, liable to change as these circumstances evolve. That is why I wish to consult more frequently, in the future, with leaders like yourself.

"Given that we share a common outlook in many respects, I am correct, I believe, in characterizing relations between Canada and Israel as excellent. As you have pointed out, many thousands of Canadians travel to Israel each year and these visits are reciprocated by the broad range of Israelis who travel in turn to Canada. On the economic front we have witnessed last year yet another increase in our two-way trade.

"During the course of my trip to the Middle East, I have visited several of Israel's Arab neighbours. Consequently, the magnitude of the problems associated with the search for peace in