to rethink its policy on settlements. I urge all parties to enter into genuine negotiations. I call on them to make clear, in unambiguous terms, their readiness to accept the right of all states in the area, including Israel, to exist in security and peace.

Questions of <u>disarmament and arms limitation</u> have become the central preoccupation of our time. Negotiations between the major powers have yet to show significant progress. President Reagan's announcement yesterday provides some encouragement that movement may be possible on the question of intermediate-range nuclear forces. The proposals he advanced are an important step forward and demonstrate a constructive flexibility on the U.S. side which, we hope, will be matched on the Soviet side.

The major powers have the paramount contribution to make in disarmament and arms limitation. At the same time, we must ensure that multilateral negotiations, under UN auspices, serve to reinforce the arms control and disarmament process. Machinery already exists for this purpose, but it has to work more effectively. The Committee on Disarmament, for example, has shown mixed results over the past year.

I regret that a working group on arms control and outer space was not established this year by the Committee on Disarmament. Prime Minister Trudeau warned at the UN Second Special Session on Disarmament that "we cannot wait much longer if we are to be successful in foreclosing the prospect of space wars". This issue is urgent if we are to succeed in keeping outer space off limits to weapons of war. I commend the Group of 21 for their recognition of this urgency. Having tabled a substantive working paper on this subject in 1982, Canada has continued its research program on both the legal and technical aspects. We urge the establishment of a working group early in the 1984 session. We are prepared to co-operate fully in the detailed examination of the issues.

The Committee on Disarmament did make significant progress in the area of chemical weapons. Thanks to the co-operation extended to the Canadian Chairman of the Committee's Chemical Weapons Working Group, we now have, for the first time, a complete document, approved by consensus, which outlines the elements of a convention on the prohibition of the development, production and stockpiling of chemical weapons, and on their destruction. The Working Group has been tasked to undertake, immediately at the outset of 1984,