

I am pleased to join with my distinguished parliamentary colleagues in greeting you tonight on the occasion of the 27th anniversary of the State of Israel. As this is the first time I have had the opportunity in my present portfolio to be present at such an occasion, let me add that I attach the highest importance to Canada's relations with Israel. The Canadian people have always had and will always have special ties of friendship and respect for the people of Israel. I look forward to visiting Israel myself before the end of the year.

The last two years have seen important and far-reaching changes in the Middle East, changes which have carried with them new responsibilities for Canada. Indeed, in this relatively short period of time, our commercial, economic and financial ties with all the states of the area have grown rapidly. We have opened two new Embassies. We have provided some 1100 logistic and administrative personnel for the UN forces in the area and are the single largest contributor to the UN's current peacekeeping efforts in the Middle East.

With Israel an established market, we witnessed last year yet another increase in our two-way trade -- \$74 million in 1974 compared to \$58 million in 1973. Of the 1972 Export Development Corporation agreement with Israel, I understand that the full \$100 million has now been committed for projects involving thermal electric power stations, hotels and the Ben Gurion Airport.

I have mentioned peacekeeping. We are glad to make a contribution to this vital UN activity, not only because it is indispensable to the peace of the area but because it is in the Canadian interest to strengthen the capacity of the UN to help preserve international peace and security. We believe nevertheless that peacekeeping operations are a means to an end -- a peaceful settlement of the dispute. If the forces can help to maintain or establish a climate in which substantive negotiations can begin and if these are carried on in good faith, it is that much easier for Canada to justify her participation. In view of the present efforts by the parties concerned to seek alternative methods of negotiations, following the failure to agree to further disengagement in the Sinai, this task of the UN forces takes on a crucial importance.

The Government has not attempted to assert any preconceived notions about what might constitute the details of an eventual peace agreement. The parties themselves must work these out through negotiations on the basis of Security