Canada supports a just, lasting and comprehensive peace settlement based on Security Council Resolution 242, including the right of all countries to live within secure and recognized boundaries and the requirement for Israeli withdrawal from 'territories occupied' in 1967.

We support the existence, security and well-being of Israel. The Arabs should make clear their willingness to live at peace with Israel.

We have expressed our opposition to certain Israeli policies and practices. We are deeply concerned over Israeli settlement policy. We regard the establishment of settlements, and other actions Israel has taken to extend its control over the occupied territories, as contrary to international law and extremely unhelpful to the peace process. We would like to see an end to this activity.

We recognize that for there to be a just peace, the legitimate rights of the Palestinian people must be realized, including their right to play a full part in negotiations to determine their future and their right to a homeland within a clearly-defined territory, the West Bank and Gaza Strip.

We have stressed the importance of negotiations to resolve the dispute and of the need to avoid prejudging the outcome of these negotiations. We welcome President Reagan's initiative; it offers opportunities for progress in the peace process.

Finally, we opposed the Israeli invasion of Lebanon; we continue to urge the withdrawal of Israeli and all other foreign troops whose presence is not sanctioned by the Lebanese government.

Mr. Chairman, Canadians insist that our democratic values and respect for human rights be clearly visible in our work abroad.

Central America is one region where the complex interplay of social justice, economic development and security is a focus of Canadian concern. Countries of that region are under considerable social, economic and political stress.

These developments are not simply the result of outside meddling, nor of current economic difficulties that affect all countries of the developing world. They are in large part the political expression of decades of social and economic injustice.