

In my statement to the Senate Committee I reaffirmed our views on these various ongoing issues which are well-known to you. I have made these views known not only in the parliamentary context but also during my talks with Foreign Minister Shamir at the United Nations.

Since my talks in Israel seven years ago, new elements have entered the Middle East equation, including the Camp David agreements and President Reagan's initiative which we see as consistent with Camp David and meriting support. The Israel-Egypt peace treaty which emerged from the Camp David agreements is one of the few positive elements in the complex Arab-Israeli picture and shows that peace can be achieved between Arab and Israeli when high statesmanship is in evidence. It also shows how unpredictable the road to peace can be. Although we discussed the possibility of such an agreement at the time, neither Prime Minister Rabin nor I imagined that such a treaty could be just around the corner.

In the year since your last annual conference, momentous events involving Israel have occurred which have left their mark not only on Israel's relations with its Arab neighbours and the occupied territories but on Israel itself.

The promises of the Egypt-Israel peace treaty have yet to be fully realized.

**Palestine and
Canada's position
re PLO**

Although even more important than before, the Palestinian problem remains unresolved, despite the fact that it is recognized by all, including Israel, that the Palestinians have legitimate rights and just requirements (to use the language of Camp David) and there are various proposals on the table, such as the Reagan initiative, that could provide a basis for negotiations. For our part, we continue to support the right of the Palestinian people 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 do not rule out any options open to the parties in negotiations.

Regrettably, the recent meeting of the Palestine National Council in Algiers did not give its leadership a clear mandate to negotiate, although it may have left the door sufficiently open so that, with encouragement from others, there can be some movement in the peace process.

The place of the PLO in negotiations continues to create controversy. As we have made clear, we do not accept its claim to be the sole, legitimate representative of the Palestinian people and we are giving no consideration to doing so. We question how the PLO could usefully participate in such negotiations so long as it fails to accept Israel's right to exist within secure and recognized boundaries. Because of its importance, however, we have maintained contacts with it at the level of officials. We believe that such contacts are valuable and that they should be maintained.

Despite the many worrying signs I have described, I detect that there is a hesitant
