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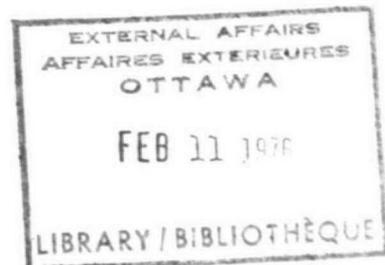


STATEMENT DISCOURS

SECRETARY
OF STATE
FOR EXTERNAL
AFFAIRS.

SECRÉTAIRE
D'ÉTAT AUX
AFFAIRES
EXTÉRIEURES.

STATEMENT GIVEN TO THE PRESS
BY THE SECRETARY OF STATE
FOR EXTERNAL AFFAIRS,
THE HONOURABLE
ALLAN J. MACEachEN,
ON DEPARTURE FROM SAUDI ARABIA,
RIYADH, JANUARY 15, 1976



Before I get into the substance of my discussions with Saudi leaders, I want to say that I am delighted to have had this opportunity to escape the Canadian winter and visit Saudi Arabia. I wish to express my warmest thanks to my very kind host, Prince Saud, who together with his colleagues and officials, has gone out of his way to make my stay here both pleasant and memorable. I should also like to stress how deeply honoured I was to be received yesterday by His Royal Highness Crown Prince Fahd with whom I had a most interesting exchange of views.

I think all of you are aware that this is my first visit to the Middle East. I have just come from Cairo where I was received by President Sadat. I had very useful talks with Foreign Minister Fahmy and other leading members of the Egyptian Government; during the next few days I plan to stop in Jordan, Iraq and Israel. My purpose in coming to the Middle East is to obtain at first hand an appreciation of the problems, achievements and aspirations of the different countries of this region which everyone acknowledges has had and continues to have a major place in world history and politics. As the homeland of Islam and as a country whose economic importance is increasing rapidly, Saudi Arabia is an essential part of my itinerary.

In my comprehensive talks with Prince Saud and other ministers we have sought to find ways and means of further developing the very friendly bilateral relations which already exist between Canada and Saudi Arabia. Our approach has been first to identify various key economic and other objectives of our two countries and then to proceed to a discussion as to how each country can contribute to the realization of these objectives. In this connection, Saudi authorities have briefed me on the impressive aims of the country's five-year development plan and I have outlined Canadian oil import needs, investment policies and willingness and ability to contribute to the fulfilment of Saudi development plans in a number of key sectors. Our discussions have revealed that there are many and wide-ranging possibilities for Saudi-Canadian economic co-operation and that both countries are able and willing to seek closer and mutually advantageous relations. As a gauge of the seriousness with which both sides intend to pursue this goal, I am very pleased to announce that the governments of the Kingdom of Saudi Arabia and Canada have decided to establish a Joint Committee for Economic and Technical Co-operation. Prince Saud and I have signed a Memorandum of Understanding on this subject and it has been agreed that this committee will hold its first meeting in early summer in Ottawa. As a further indication of the growing bilateral ties between our two countries, Prince Saud has given me the very welcome news that a Saudi Ambassador to Canada, to be resident in Ottawa, will soon be nominated.

With regard to international economic issues, we have in particular discussed the prospects for the Conference on International Economic Co-operation which got underway in Paris last month. Given the fact that this important conference was

originally proposed by the Saudi Government and that I am one of the conference's two co-chairmen, Saudi Arabia and Canada have a special interest in discussing the work of this conference in the key fields of energy, raw materials, development and finance. I have also reviewed with Prince Saud, and the Minister of Finance, international monetary issues as well as Saudi and Canadian aid programmes which are an increasingly important part of the foreign policy of both countries. We have agreed that Canada and Saudi Arabia will keep in continuing contact on all these important world economic issues.

On the political side, Prince Saud and I examined the current situation in the Middle East, including the recent Disengagement Agreement between Israel and Egypt; the work of the United Nations Emergency Force in the Sinai and the United Nations Disengagement Observer Force in the Golan Heights; and the efforts of UNRWA (United Nations Relief and Works Agency for Palestine Refugees) to relieve the misery of the Palestinian refugees. Canada, as you are aware, is one of the largest contributors both to UNRWA and the United Nations' peacekeeping forces. In these discussions, I have not attempted to suggest what the details of any eventual Middle East peace settlement should be. The Canadian Government has consistently taken the view that the interested parties must themselves seek a negotiated settlement on the basis of Security Council Resolutions 242 and 338 and all the principles which they embody. The Canadian Government believes that secure and recognized boundaries for all states in the area together with respect for their sovereignty, territorial integrity and political independence are essential to a just and lasting settlement. Equally, any settlement, if it is going to be equitable and permanent, will have to take full account of the legitimate interests and aspirations of all the peoples of the area including the Palestinian Arabs. It is in this context that I have been most interested to hear the view on the Middle East question of the Saudi Government, a government which has both an important interest in the problem and the capacity to play an important role in bringing about a settlement.