

*Oral Questions***OLYMPIC GAMES****FEDERAL FINANCIAL ASSISTANCE—POSSIBILITY OF CHANGE  
IN GOVERNMENT POSITION IF QUEBEC AGREES TO  
CONSTITUTIONAL CHANGES**

**Right Hon. J. G. Diefenbaker (Prince Albert):** Mr. Speaker, my question is directed to the Acting Prime Minister. It has to do with further assistance asked for by the government of Quebec in connection with the large Olympic deficit. The Prime Minister has irrevocably stated over and over again that under no circumstances will further assistance be given. Has there been any change in the oft repeated declaration by the Prime Minister that no further assistance, other than that already provided for, will be given, regardless of any pressure?

**Hon. Mitchell Sharp (Acting Prime Minister):** Mr. Speaker, I heard the Premier of Quebec make his statement. I have checked with the Prime Minister's office and I have had many conversations on the subject with the Prime Minister. As far as I know, there has been no change in Canadian government policy.

**Mr. Diefenbaker:** May I ask the Prime Minister whether, in view of the desire of the Prime Minister to bring about the patriation of the constitution or a new constitution and as he and the Premier of Quebec will be meeting this weekend, if the Premier of Quebec withdraws his objections to certain elements in the constitutional change that had its elementation in the Victoria Charter, the government of Canada will consider giving further assistance, provided the government of Quebec will agree to the amendments that the government of Canada wishes to make to the constitution?

**Mr. Sharp:** Mr. Speaker, I doubt whether the province of Quebec would change its views for those kinds of considerations. Therefore, I am a little surprised at the suggestion being made by the right hon. member for Prince Albert.

\* \* \*

**IMMIGRATION****ADMITTANCE OF MEMBERS OF PALESTINIAN LIBERATION  
ORGANIZATION TO HABITAT CONFERENCE—GOVERNMENT  
POSITION**

**Hon. Herb Gray (Windsor West):** Mr. Speaker, in the absence of the Minister of Manpower and Immigration, I will direct my question to the Acting Prime Minister. Is the government continuing to say, even with the authority it now has from Bill C-85, that it will exclude from Canada members of the PLO who are known terrorists? I ask this because the agreement the government signed with the United Nations to hold the Habitat conference here seems to oblige it to admit them if they are invited or designated by the Secretary General to attend that conference. Finally, in fact does not the signing of that agreement mean that to this extent, the government has stepped back from the policy on this stated last fall?

**Hon. Mitchell Sharp (Acting Prime Minister):** That is not my impression, Mr. Speaker, but I will certainly check it with the Minister of Manpower and Immigration. As far

[Mr. Lalonde.]

as I know, the Canadian government has never changed its view which was that we would admit observers from the PLO, but not known terrorists.

\* \* \*

[Translation]

**FINANCE****REASON FOR SUCCESS OF ROYAL BANK WHILE GOVERNMENT  
HAS DEFICIT**

**Mr. Eudore Allard (Rimouski):** Mr. Speaker, I want to put a question to the Minister of Finance.

Since the federal government incurred a deficit of more than \$3.5 billion last year and since only one bank—the Royal Bank of Canada—saw its assets increase by \$3.5 billion during the same period, could the Minister explain this deficit and this increase to the House?

**Hon. Donald S. Macdonald (Minister of Finance):** Mr. Speaker, I must say that for reasons that are well known we do not accept the hon. member's analysis of these matters. This difference in economic philosophy could perhaps be the subject of a debate in the House at some time, but I cannot give a short answer to the question at this point.

**GOVERNMENT POSITION ON INTEREST RATES**

**Mr. Eudore Allard (Rimouski):** Mr. Speaker, is the minister suggesting, by his reply, that current interest rates are normal?

**Hon. Donald S. Macdonald (Minister of Finance):** Mr. Speaker, would the hon. member please repeat his question?

**Mr. Allard:** Mr. Speaker, is the minister suggesting that current interest rates are normal?

**Mr. Macdonald (Rosedale):** No, Mr. Speaker, I think they are very high indeed. That is, partly, because of present inflation in Canada. That is why we set up our control program.

\* \* \*

[English]

**TRADE****REASON GREECE PURCHASED LOCKHEED AIRCRAFT RATHER  
THAN CANADIAN**

**Mr. Lorne Nystrom (Yorkton-Melville):** Mr. Speaker, my question is to the Acting Prime Minister. In view of a call in Greece for an inquiry into that government's purchase of Lockheed transport airplanes rather than those of Canadair a few years ago, and in view of the fact that the Lockheed aircraft was the most expensive to purchase as well as the most expensive to operate, and because several officers in the armed forces preferred the Canadian aircraft, will the Acting Prime Minister, because of jobs in this country and so on, give the House an explanation as to