

Olympic Games. What we are saying is that the Quebec government and the Montreal administration agreed with us, several years ago, that they would not ask us to take up the deficit, if there was any.

It was claimed at that time that there would be no deficit. However, it was agreed that we would not be asked to make it up, should there be one. Not so long ago, the Prime Minister stated again that he did not intend to ask the federal government to help them make good the deficit. However, if the hon. member insists that we spend money financing projects to which we are not required to contribute, let him say so bluntly, but neither Premier Bourassa, nor Mayor Drapeau, nor any of the COJO people have asked us to make up any part of the deficit. They know that we have already contributed very substantially and continue to contribute to the Olympic Games, for which they are very grateful.

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[English]

AIR CANADA

ESTEY REPORT—SUGGESTED EARLY IMPLEMENTATION OF RECOMMENDATIONS

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I have a question for the Minister of Transport. Because of increasing media speculation, such as the current article in the *Financial Post*, concerning the contents of Judge Estey's report, realizing full well the government's difficulties in terms of translation, and also keeping in mind that the government itself knows the contents of Judge Estey's report, will the minister not agree that it would be best to make a decision on the report's recommendations soon instead of waiting for the official tabling, which could take many weeks?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I indicated in answer to the first question concerning the report, I believe last week, that it would be our intention to consider the contents of the report even during the period that printing and translating were underway.

Mr. MacKay: A supplementary question, Mr. Speaker. I am reassured by the minister's answer, and I repeat that I realize the government has problems and that I do not expect the minister to perform miracles in getting the report before the House. But again I ask, is not the minister willing to concede that a lot of harm is being done in many ways to the airline by continuing to delay releasing the report? Once again may I ask him whether he will consider taking definite steps to implement some of the recommendations on a matter of great importance affecting this country's national airline?

Mr. Lang: Mr. Speaker, certainly I am concerned that any harm may be done, and indeed I may have to consider making some comment about the clear and sound nature of the airline operation which emerges. However, I will reflect on that as I read the press statements referred to.

Oral Questions

INDUSTRY

PROPOSED INTRODUCTION OF INCENTIVES TO INCREASE PRODUCTIVITY

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. As the chairman of the Economic Council of Canada has stated in his latest report that Canada's productivity is almost the lowest of all industrial nations, and as output per man hour in Canada actually decreased last year, the first decline in the last 15 years, would the Prime Minister give consideration to introducing industrial incentives to be paid in direct proportion to increases in productivity so as to make possible lower costs and prices, reduce inflation and promote greater sales of Canadian products both in Canada and in the export markets?

● (1430)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the spirit of the question is valuable and constructive. I think the importance of increasing productivity is very great. I would not argue the details as to why at this particular term of their productivity cycle certain European countries are higher than we are. As the hon. member knows, when there is an upsurge in the cycle productivity tends to increase. We are confident this will happen in Canada. The suggestion in respect of incentives is a valuable one. Knowing of the hon. member's concern with this I asked our people in the Privy Council and the Department of Finance to examine it.

The hon. member will note that of course there already are in the guidelines, as we published them, productivity incentives in the market place for those firms which do increase their productivity. We will examine other constructive methods of achieving that result. It is very important that we realize that we have to make serious improvements in productivity.

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ROYAL CANADIAN MOUNTED POLICE

ALLEGED SURVEILLANCE OF CERTAIN CANADIANS OF ARAB DESCENT—REQUEST FOR REPORT

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I have a question for the Solicitor General which is prompted by a news item, with which he is familiar, in the *Globe and Mail* that casts the shadow of subversion or worse over thousands of decent Canadians of Arab descent. Will the minister clarify the situation outlined in the story and at least indicate if the 14 persons are under surveillance, as the recently discovered security director Mr. Toupin states, or are not under surveillance, as the minister has stated?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the RCMP has told me there is no plot among Arab Canadians such as outlined in the *Globe and Mail* story published the other day. The RCMP has informed me it is continually on guard against any type of terrorist plot in Canada, particularly in view of the Olympic games coming up next year. At the present time there is no such plot as set out in that article.