SECRET

8TH STATUS REPORT

Threat Assessment

SUBMISSION

A recent development on the Montreal Labour scene could have serious consequences on the progress of construction at the Olympic site. Friction between labourers and the French engineers appears to be increasing and has resulted in a slowdown. If this situation exacerbates, a complete work stoppage is a distinct possibility. In addition, a strike by the transportation industry of Montreal could cause additional problems because supplies would be tied up in the resultant traffic congestion. There is no evidence to suggest that either situation is the result of an organized plan and we may see both problems diffuse without incident.

In the International scene, the non-aggression pact Jerbhrum recently signed by Egypt and Israel has eased tensions on their common border even though Arab terrorist groups, including the Rejection Front, dedicated to the annihilation of the State of Israel have depnounced Egypt's unilateral "peace pact". The Rejection Front primarily comprised of PFLP and ALF adherents has advocated the continuance of the fight and terror tactics against Israel. Middle East terrorist groups may now increasingly focus their attentions on Egyptian targets to destroy the pact. Credence is lent to this theory, given the Palestian Liberation Organization occupation of the Egyptian Embassy in Madrid on 15 Sept. 75. If this tactic is not effective, the Middle East terroriet groups are capable of creating an incident during the Olympics with the rgetarvice Egyptians, the Israelis and/or the Americans as primary SECURITY RECORDS 000236

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Although the ceasefire between the army and the provisional IRA is considered to be still in effect terrorist acts in both Ireland and Britain have proliferated in recent weeks. There is no evidence to suggest that this increased violence might spill-over to this continent or have any effect on the Games.

In Canada, investigations are being conducted to determine the possible significance of the following incidents vis-a-vis the security of the Olympic:

- The apprehension of Yoshimasa GYOJA, a member of the Japanese Red Army, by Canadian Immigration Officials after an aborted attempt to enter the U.S.A. on 22 Aug. 75. GYOJA was deported to Japan on 31 Aug. 75.
- Allegations that Palestenian Liberation Organization (PLO) representatives have clandestinely met individuals and/or groups in the Montreal and Toronto regions.

The Governments position on the Natives people's claims and on their Dene declaration may cause a further increase in militancy. Therefore, the threat from this quarter cannot be lessened at this time.

On the basis of the foregoing, the threat to the Olympics remains moderately high.

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9TH STATUS REPORT

THREAT ASSESSMENT

. Developments on the International scene are open to interpretation by security planners for the XXI Olympiad. It is encouraging that four of the five recent widely publicized bostage situations which have taken place in the past three months, have now been successfully concluded in favour of 'law and order by using patience, non-violent tactics and refusing to accede to demands. In the fifth, however, the Austrian Government quickly acceded to the demands of Arab gunmen and the commandos and hostages were flown to Algeria where the hostages be released. The fact that such incidents are continuing is cause for concern. The dramatic appearance of the South Moluccan rebels in Holland and the tactics employed by them, both at the Indonesian Embassy in Amsterdam and aboard the Dutch train, in an attempt to gain their demands is evidence that Reviewed threats may come from an unknown direction. 6 1971 NAL

The situation in the Middle East remains extremely unity struct volatile, not only in Lebanon where a Sectarian/Class war has claimed thousands of lives in recent months, but also, in the areas bordering Israel where Arab/Israeli tensions continue to boil. The success of the Arab nation to introduce then win a majority vote in the United Nations and one of its agencies on

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a resolution condemning Zionism as a form of racism, has added to the tension and has had a similar effect on Arab and Jewish populations in other countries including Canada.

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In Canada the dispute surface with the appearance of a 27 October 1975 exposé in Toronto's <u>Globe & Mail</u> alleging a conspiracy by 14 Canadian Arabs to assist foreign agents in committing an act of terrorism at the Olympics. That and subsequent articles have increased awareness in both the Jewish and Arab sectors of Canadian society, hat produced a wide range of reactions and have caused questions in the House of Commons. During November 1975, a leading Palestinian Liberation Organization (PLO) spokesman toured Canada publicizing the PLO victory at the U.N. and the current PLO position on International Affairs. Shafik El Hout's presence caused demonstrations and heated arguments between the opposing factions in many of the cities visited. El Hout did, however, publicly assure Canadians that "Nothing will happen to your Olympics at the hands of the PLO."

There has been increasing concern over contact between militant American Indian Movement members and Canadian natives in British Columbia and over the degree of influence the former may be able to exert over the latter. In addition, native activists recently staged a sit-in at the offices of the Secretary of State to protest possible cut-backs in Government spending on Native projects. There were no untoward incidents.

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At the Olympic work site, although work is progressing, there has been an indication that a demand for increased wages may be made by one group of workers, failure to receive the increase could produce yet another strike and possibly some minor acts of sabotage to work implements. This matter is currently being investigated.

A recently formed pressure group called L'Union pour Respect du Quebec aux Olympiques may be able to mount some demonstrations before or at the time of the Games if their demands are not met.

Based on the foregoing, the threat to the Olympics remains moderately high.