A despatch from Ottawa appearing in the "Times" states that there are rumours that number of grain firms are seriously involved in Winnipeg grain market situation and that an appeal has been made to the government to (treat?) matter as a national emergency and take over the whole crop. It cites article in "Toronto Star" of Wednesday under heading "Financial catastrophe confronts Dominion if wheat sales forced". And also statement in that paper from leading grain dealers that if pools were forced to sell a great financial calamity would follow. I have been approached by representative of Canadian financial house in the city who informs me that this despatch has had very disturbing effect in the city and enquired if it would not be possible for our government to issue statement with a view of reassuring public here.

The following reply was sent by myself as Secretary of State for External Affairs under date of February 8, to the High Commissioner's office:

Your telegram No. 15 of 7th February. Prime Minister considers it would be preferable that statement should be made by the High Commissioner's Office referring to the reports in question and stating that they have been brought to the attention of the Canadian government, which has replied that the financial and credit position is thoroughly sound, that there is absolutely nothing in the situation which warrants the reported reference to hypothetical financial catastrophes, and that there is no foundation for the statement that representations have been made to the Dominion government urging that surplus wheat be taken over by the government to meet an alleged national emergency. With reference to statements which have been made as to restrictions on credit facilities by the banks and misapprehension which may exist of the relations between the banks and the wheat pool, you may call attention to the following statement issued yesterday by the president of the Canadian Bankers' Association, Mr. Beaudry Leman, for the purpose of removing any misapprehension:

There has never been any restriction of credit facilities to the pool by the banks, and the voluntary action of the governments of Manitoba, Alberta and Saskatchewan, without solicitation from the banks has removed any possibility of wheat being thrown upon the market, and should assure its orderly marketing.

Before the action by the governments, no pressure to liquidate present wheat stocks was exented by the banks, nor do they contemplate any such action.

The Canadian banks stand ready, in co-operation with the governments of the prairie provinces, to grant a full measure of assistance for the protection of the legitimate interests of the western wheat growers.

Notwithstanding the advances made by the banks to the pool, there has been no restriction whatever by Canadian banks in the making of advances to other borrowers entitled to credit.

Secretary of State

for External Affairs.

Mr. BENNETT: By whom was the first telegram signed?

Mr. MACKENZIE KING: It was simply signed "High Commissioner," evidently it was sent by the Acting High Commissioner.

Mr. BENNETT: That appeared also in the London Times.

CIVIL SERVICE

EIGHT HOUR DAY FOR ALL PUBLIC EMPLOYEES

On the orders of the day.

Mr. H. B. ADSHEAD (East Calgary): Mr. Speaker, last session I addressed a question to the Minister of Labour (Mr. Heenan) in connection with the eight hour day for all Dominion civil servants. He assured me then that he was taking action in the matter, and I would like to ask him what progress has been made and what action has been taken to ensure to the civil servants in Canada and all employees of the Dominion government the eight hour day?

Mr. SPEAKER: This might serve as a notice.

ESTABLISHMENT OF JOINT COUNCILS

Mr. J. S. WOODSWORTH (Winnipeg North Centre): A few years ago the government agreed to the establishment of joint councils in the civil service. Could the Minister of Labour inform us when these councils will be set up?

Hon. PETER HEENAN (Minister of Labour): I hope to be able to make a definite announcement within the next two weeks.

UNEMPLOYMENT DEPUTATION

On the orders of the day:

Hon. R. J. MANION (Fort William): I should like to ask a question of the Minister of Labour. According to the press a deputation will wait upon him to-morrow dealing with the unemployment situation. A number of the members of that deputation come from constituencies which some of us represent, and some of us have been asked to attend with the deputation at the office of the minister. I should like to know at what hour the meeting will be held and also whether there would be any objection to members of parliament coming with the deputation to ascertain the situation.

Hon. PETER HEENAN (Minister of Labour): The meeting will take place tomorrow morning at eleven o'clock in room 239, joining the Privy Council room, and everyone is welcome.