

butors was a person or group of persons using blank cheque forms upon which he or they forged signatures and imprinted stamp impressions identical to those of various banks before making the documents available to picked illegal distributors.

Indications were that butter was filtering through to the black market. All evidence was consistent with Dubuc being a possible source of questionable ration documents, and as a starting point it was reasonable to assume that he might in some way be connected with the deficiencies. However it was decided that to interrogate him at that early stage would be premature and might hamper the progress of the investigation, so he was not approached for the time being. Instead an extensive inquiry commenced, embracing the districts of Montreal, Quebec City, Three Rivers and Joliette, and by elimination and follow-up methods, the R.C.M.P., cooperating with W.P.T.B. officials, stifled the largest black market ring ever brought to police attention in Canada and put an end to illegal transactions involving many thousands of pounds of butter and sugar.

It all started in October, 1945, when Paul Emile Collette, branch manager of La Banque Provinciale du Canada in Montreal, phoned Dubuc, a customer of his, and complained that he was overdrawn in his butter ration account. The wholesaler put him off by saying that he was in possession of enough ration cheques to cover the deficit. However Dubuc didn't have cheques or coupons to meet the overdraft and, after several interviews, Collette arranged to render the account solvent for any number of ration cheques made out against it; in return for this service the manager received from \$50 to \$60 a week.

A brief explanation of the banking routine with regard to ration cheques and coupons might perhaps facilitate a clearer understanding of how these illegal transactions were possible. It was based on the money banking system.

The retailer, in replenishing his stock, endorsed the coupons received across the counter and turned them over to the wholesaler who deposited them to his own ration coupon bank account. When paying for his butter from the butter maker, the wholesaler issued cheques against his ration coupon bank account; it was of course no more lawful for him to overdraw on his ration account than it would be to write an N.S.F. cheque in money transactions. The butter maker deposited the cheques thus received to his own credit and they were transferred to the wholesaler's bank to be deducted from the wholesaler's account. Finally the banks sent all documents, cheques and coupons, to the W.P.T.B. audit centre for checking with the bank's records. The success of the whole system, it will be seen, depended in large measure upon the integrity of employees of the various banks authorized to handle ration coupon banking.

Not only did Collette credit fictitious deposits to Dubuc's account, but destroyed or withheld numerous cheques that should have been charged against it. Dubuc, in depositing cheques and coupons received from his patrons, would "pad" the deposit slips with greater amounts which by agreement Collette accepted as correct. In other words he might hand in a deposit slip for 25 butter ration cheques which Collette would endorse as accurate though perhaps only 20 cheques were remitted. Later, in describing this *modus operandi* to the Court, the special W.P.T.B. prosecutor termed it the "perfect set-up because this destroying of returned coupons or cheques made it impossible for anyone to check up on ration accounts of various merchants".

Apparently intoxicated with his new-found immunity from the ration restrictions, Dubuc widened his operations. In addition to selling butter in his own store above the ceiling price and often without coupons, he acquired an "agent distributor", one Robert Sabourin, sales