

ment credits, and will have little chance of being successfully reestablished in civil life.

As I said at the beginning, in the past it has always been the earnest wish of members of this house to protect the interests of the veteran in every possible way. I would urge the Minister of Veterans Affairs (Mr. Mackenzie) and the officials on the legal staff in his department to intervene before it is too late.

In conclusion, I should like to thank hon. members for the courteous and careful attention they have given me. I have tried to keep away from any reference to the court action and I have also tried to avoid saying any harsh words. It is hardly necessary to say to the veteran members of the House of Commons that, while these boys may reside in another province than the one in which I reside, we veterans do not recognize any race or creed. I especially appeal to the veteran members to support this not unreasonable request which I have made to the Minister of Veterans Affairs.

Right Hon. IAN A. MACKENZIE (Minister of Veterans Affairs): Mr. Speaker, the first observation made by my hon. friend was that I was not in the house last night. I wish to remind him that I was here at ten o'clock and later on in the evening—at which time he was not here—and I referred to his motion sympathetically.

Mr. WHITE (Hastings-Peterborough): I appreciate that.

Mr. MACKENZIE: May I say that I have no complaint whatsoever with respect to the observations made by the hon. member for Hastings-Peterborough (Mr. White). However, he made one misstatement of fact, probably through inadvertence. He said that Mr. Ferland—and I shall deal with him in a moment or two—was in charge of car priorities. I wish to inform the hon. member and the house that there was no such work, duty or office in the Department of Veterans Affairs.

I shall now deal with this matter briefly if I may, and not in opposition to what my hon. friend has said, because we at once took such action as we could take. We have received representations on various occasions from members of the veterans' taxi owners association of Montreal. I must advise the house that at the present moment our department is unable to find that we have any right or authority to intervene in the situation which has developed. I wish to review the facts. I think my friend has been accurate in his review.

Mr. WHITE (Hastings-Peterborough): Might I just say to the minister, before he reviews the facts, that I have carefully read the statement of claim which was drawn and filed by an outstanding legal counsel in Montreal, and most of my information is taken from that?

Mr. MACKENZIE: I am not disagreeing with it at all. In the first place, Leopold Ferland during the early part of 1946 was a temporary employee of the department in the Montreal district. He was engaged in the reestablishment credit division and his duties included meeting veterans who required their reestablishment credit for various purposes. During the course of his employment Mr. Ferland came into contact with many veterans who desired to use their reestablishment credit for the purchase of automobiles to be used as taxis. The availability of reestablishment credit for such purposes is authorized, as my hon. friend well knows, by the War Service Grants Act. I think he himself quoted the section.

It is alleged—and we must be careful about these matters because they are before the courts—that Mr. Ferland seized the opportunity thus afforded of meeting veterans so inclined, to promote the idea that they would be able to conduct their taxi operations more successfully if they were organized into an association. It appears that Mr. Ferland was able to interest a large number of veterans in such organization and with their consent, express or implied, proceeded to obtain the incorporation of a company under the laws of the province of Quebec, known as the veterans' taxi owners association of Montreal. The structure of the company shows the incorporators to be Napoleon Bigras, Paul J. Ahela, Emilien Montambault—all chauffeurs—and Leopold Ferland, civil servant, of Montreal. The financial structure of the company consisted of \$26,000, divided into ten common shares of \$100 each and 250 preferred shares of a value of \$100 each. It may be mentioned that these preferred shares do not carry, as my hon. friend knows, any voting rights.

Mr. FERGUSON: May I ask a question just there? Is Mr. Ferland who appears in this charter a civil servant?

Mr. MACKENZIE: I am coming to that. If my hon. friend will have a little patience, I will tell him what the situation is.

It is stated that all veterans who became members of this company did so by the acquisition of one share of the preferred stock, for which they were required to pay the stipu-