

*Private Bills*

In addition to that, notice of the general meeting to be held on February 1 was also published in a magazine that periodically goes out to each of the members, so this reached each of the members personally. All this was in accordance with the provisions of section 5 of the constitution, which states that 60 days' notice of such meeting must be given. The notices went out on November 15, 1967, which was in excess of the 60 days' notice required.

In addition to the general beneficiary members there is also a classification of affiliate members. These are individuals who do not belong to a local court; they are not sufficient in number to belong to a local subordinate court of the organization. Section 40 of the constitution, which deals with affiliate members, states that there must be 300 of them in any province before there is an association, say, of the affiliate members.

Notice was given to each of the affiliate members in the provinces of Ontario and Quebec on November 13 advising of a general meeting to be held on December 1, 1967. Twenty-five members constitute a quorum of affiliate members, but there was no such quorum at either of the meetings held in Ontario and Quebec. Incidentally, none of the other provinces is affiliated in this respect. Therefore there were no appointees of affiliate members because they did not have a quorum.

I would therefore suggest that proper notice was given in accordance with the constitution, and further that it was publicized in the magazine that goes out to each member to ensure that every member had full and adequate knowledge of the meeting on February 1, 1968. The meeting was then held. The resolutions were considered in detail; they were voted upon and received approval of more than two thirds of the voting members there, again fully in accordance with the constitution. Following the meeting of February 1, a notice was again sent out to each member, and again published in the magazine, advising each member that the resolutions had been passed.

Senator Pearson: What is the percentage of the voting members compared to the regular members?

Mr. Beaudoin: About 5,000 out of 40,000.

This, of course, is the crux of the matter. This is a fraternal organization and certain steps must be gone through to comply with the wishes of that organization. It seems to me that there is a considerable change involved in moving this insurance company out of the position it has held as a fraternal organization under the provincial government and granting it a federal charter. This is particularly so when we realize that it really was constituted before the change in the Insurance Act and therefore has the benefit of the provisions of the federal legislation prior to the early 1940's.

• (4:30 p.m.)

A number of changes are to be made which are fairly important. Most of us are aware that fraternal organizations should operate their own business in their own manner; but

[Mr. Peters.]

their constitution is very important. If you note the statement made by the representative and general counsel of the Canadian Order of Foresters you will see that in each case when he was talking about the calling of a special meeting he did not say each and every member had been informed through the magazine of the decision of the general executive which heard the representations at the annual convention or that executive were charged with bringing forth a number of resolutions in keeping with the discussion at that time. This is not what happened. The general counsel did not place the resolutions in the magazine for the knowledge of the general membership. What he put in was a notice that there would be a meeting and discussion of this general subject on February 1.

It seems to me there is a great difference between the publication of resolutions and the permission for lodges to make a decision concerning whether or not they wished to send representatives to oppose the holding of a general meeting for the purpose of discussing a subject the details of which are not within their knowledge. I believe the sponsor probably could clarify this matter if he would indicate, as has been done on a number of occasions what information was given to the general membership. Then, we would know that the terms of the fraternal organization and the terms of the right of an organization to petition parliament had been followed. In respect of an organization which is spread all across Canada, I do not consider 4,000 or 5,000 people from one general area to be sufficient representation for that organization. The leader of such an organization, especially when he is located far away from the individual lodges, could conceivably come to this parliament to ask that legislation be passed to allow the organization to become a common insurance carrier to provide insurance to anyone under such rules as the executive may establish.

One might ask where they would get the money. They would not have to get it off the street. They have it already. This is an old established organization. It would be very easy for someone who wished to obtain control of the organization to operate the organization for his own benefit. The information I have and some of the information given by the hon. member for Selkirk (Mr. Schreyer) would indicate that this may have happened. I, therefore, do not believe there would be any particular hardship on anyone except the