

Canada. Parliament.	
House of Commons.	J
Standing Committee on	103
Miscellaneous Private	H7
Bills, 1964/65.	1964/65
Minutes of proceedings	M55
and evidence.	A1

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CANADA. PARLIAMENT. HOUSE OF
COMMONS. STANDING COMMITTEE
ON MISCELLANEOUS PRIVATE BILLS.

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HOUSE OF COMMONS

Second Session—Twenty-sixth Parliament

1964

STANDING COMMITTEE

ON

MISCELLANEOUS PRIVATE BILLS

Chairman: GÉRARD LOISELLE, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1

BILL S-5—An Act respecting the General Council of the Canadian Branch
of the St. John Ambulance Association.

BILL S-11—An Act to incorporate Canadian Conference of
the Brethren in Christ Church.

THURSDAY, APRIL 23, 1964

TUESDAY, MAY 19, 1964

TUESDAY, JUNE 2, 1964

WITNESSES:

On Bill S-5: Mr. G. E. Beament, Q.C., Mr. Arthur Crawley and Brigadier
T. A. Johnston.

On Bill S-11: Mr. Michael A. Weller and Bishop Ernest Swalm.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1964

STANDING COMMITTEE
ON
MISCELLANEOUS PRIVATE BILLS

Chairman: Gérard Loiselle, Esq.

Vice-Chairman: Douglas Alkenbrack, Esq.

and Messrs.

Aiken,	Harley,	Mitchell,
Basford,	Honey,	Moore (<i>Wetaskiwin</i>),
Bélanger,	Horner (<i>The Battlefords</i>),	More (<i>Regina City</i>),
Cameron (<i>High Park</i>),	Jewett (Miss),	Nixon,
Cantelon,	Kennedy,	Ormiston,
Chapdelaine,	Klein,	Otto,
Coates,	Konantz (Mrs.),	Paul,
Cooper,	Lambert,	Perron,
Cowan,	Lessard (<i>Lac-Saint-</i>	Rock,
Deachman,	<i>Jean</i>),	Roxburgh,
Ethier,	Loney,	Simpson,
Forbes,	Macdonald,	Southam,
Foy,	Martin (<i>Timmins</i>),	Tucker,
Francis,	¹ Mather,	Webb,
Gelber,	McCutcheon,	Webster—50.
² Gray,	McLean (<i>Charlotte</i>),	
Groos,	McMillan,	

(Quorum 15)

D. E. Levesque,
Clerk of the Committee.

NOTE:—¹ and ² were replaced by Messrs. Scott and Loiselle prior to the first meeting April 23, 1964.

ORDERS OF REFERENCE

TUESDAY, March 17, 1964.

Ordered,—That Bill S-5, An Act respecting The General Council of the Canadian Council of the Canadian Branch of the St. John Ambulance Association, be referred to the Standing Committee on Miscellaneous Private Bills.

FRIDAY, April 10, 1964.

Resolved,—That the following Members do compose the Standing Committee on Miscellaneous Private Bills:

Messrs.

Aiken,	Groos,	McMillan,
Alkenbrack,	Harley,	Mitchell,
Basford,	Honey,	Moore (<i>Wetaskiwin</i>),
Bélanger,	Horner (<i>The Battlefords</i>),	More (<i>Regina City</i>),
Cameron (<i>High Park</i>),	Jewett (Miss),	Nixon,
Cantelon,	Kennedy,	Ormiston,
Chapdelaine,	Klein,	Otto,
Coates,	Konantz (Mrs.),	Paul,
Cooper,	Lambert,	Perron,
Cowan,	Lessard (<i>Lac-Saint-Jean</i>),	Rock,
Deachman,	Lloyd,	Roxburgh,
Ethier,	Loney,	Simpson,
Forbes,	Macdonald,	Southam,
Foy,	Martin (<i>Timmins</i>),	Tucker,
Francis,	Mather,	Webb,
Gelber,	McCutcheon,	Webster—50.
Gray,	McLean (<i>Charlotte</i>),	

(Quorum 15)

WEDNESDAY, March 11, 1964.

Ordered,—That the said Committee be empowered to examine and inquire into all such matters and things as may be referred to it by the House; and to report from time to time its observations and opinions thereon, with power to send for persons, papers and records.

WEDNESDAY, April 22, 1964.

Ordered,—That the names of Messrs. Scott and Loïselle be substituted for those of Messrs. Mather and Gray respectively on the Standing Committee on Miscellaneous Private Bills.

TUESDAY, April 28, 1964.

Ordered,—That the Standing Committee on Miscellaneous Private Bills be granted leave to sit while the House is sitting; that its quorum be reduced from 15 to 10 Members, and that Standing Order 65(1)(c) be suspended in relation thereto; and that the said Committee be empowered to print such papers and evidence as may be ordered by the Committee, and that Standing Order 66 be suspended in relation thereto.

THURSDAY, May 7, 1964.

Ordered,—That Bill S-11, An Act to incorporate Canadian Conference of the Brethren in Christ Church, be referred to the Standing Committee on Miscellaneous Private Bills.

LÉON-J. RAYMOND,
The Clerk of the House.

REPORTS TO THE HOUSE

TUESDAY, April 28, 1964.

The Standing Committee on Miscellaneous Private Bills has the honour to present its

FIRST REPORT

Your Committee recommends:

1. That it be granted leave to sit while the House is sitting.
2. That its quorum be reduced from 15 to 10 Members and that Standing Order 65(1)(c) be suspended in relation thereto.
3. That it be empowered to print such papers and evidence as may be ordered by the Committee, and that Standing Order 66 be suspended in relation thereto.

Respectfully submitted,

GÉRARD LOISELLE,
Chairman.

WEDNESDAY, May 20, 1964.

The Standing Committee on Miscellaneous Private Bills has the honour to present its

SECOND REPORT

Your Committee has considered Bill S-5, An Act respecting The General Council of the Canadian Branch of the St. John Ambulance Association, and has agreed to report it without amendment.

Respectfully submitted,

GÉRARD LOISELLE,
Chairman.

WEDNESDAY, June 3, 1964.

The Standing Committee on Miscellaneous Private Bills has the honour to present its

THIRD REPORT

Your Committee has considered Bill S-11, an Act to incorporate Canadian Conference of the Brethren in Christ Church, and has agreed to report it with the following amendments:

On Clause 4.

Sub-clause (a), line 7, page 2, add the word "Christian" before the word "faith".

Sub-clause (b), line 11, page 2, add the word "Christian" before the word "faith".

STANDING COMMITTEE

Sub-clause (c), line 17, page 2, add the word "Christian" before the word "faith".

Add following new clause 18 on page 5:

Application.

18. The provisions of subsection (3) of section 147 of the Companies Act shall apply to the Corporation.

Renumber as 19 clause 18 on page 5 of the said Bill.

A copy of the Minutes of Proceedings and Evidence, (Issue No. 1) is appended.

Respectfully submitted,

GÉRARD LOISELLE

Chairman.

MINUTES OF PROCEEDINGS

THURSDAY, April 23, 1964.

(1)

The Standing Committee on Miscellaneous Private Bills met at 11:30 o'clock a.m. this day for the purpose of organization.

Members present: Mrs. Konantz, Miss Jewett and Messrs. Alkenbrack, Basford, Belanger, Cameron (*High Park*), Cowan, Foy, Forbes, Francis, Gelber, Harley, Kennedy, Lambert, Lessard (*Lac-Saint-Jean*), Loiselle, McCutcheon, McLean, Mitchell, Moore, Rock, Tucker, Webb, Webster.—(24)

The Clerk attending and having called for nominations,

It was moved by Mr. Francis, seconded by Mr. Foy,

That Mr. Loiselle be elected Chairman of this Committee.

Moved by Mr. Lambert, seconded by Mr. Webb,

That Mr. Cameron (*High Park*) be elected Chairman of this Committee.

Mr. Cameron (*High Park*) moved, seconded by Mr. McCutcheon,

That nominations be closed. Agreed.

Thereupon, the Clerk put the first motion first,

“Moved by Mr. Francis seconded by Mr. Foy, that Mr. Loiselle be elected Chairman of this Committee”.

Mr. Lambert requested a vote by ballot. A brief discussion followed during which the Clerk attempted to refer to the procedure followed for the election of the Speaker and of Chairman of Committees when two motions are made.

Ballots were distributed to the members by Mr. Mitchell and the Clerk. The Clerk asked Mr. Webster and Mr. Mitchell to act as scrutineers. Messrs. Webster and Mitchell gathered the ballots and retired from the Committee room to count the votes. This being done they presented their report to the Clerk who then informed the Committee “That (13) Members had voted for Mr. Loiselle and (8) for Mr. Cameron (*High Park*)”. The Clerk then said “I declare Mr. Loiselle elected Chairman of this Committee, will Mr. Loiselle please take the Chair”.

The Chairman thanked the Committee for the honour and called for nominations for the election of a Vice-Chairman.

It was moved by Mr. Rock that Mr. Cameron (*High Park*) be elected Vice-Chairman of this Committee. Mr. Cameron (*High Park*) immediately declined.

Moved by Mr. Lambert, seconded by Mr. Forbes,

Resolved:—That Mr. Alkenbrack be elected Vice-Chairman of this Committee.

The Chairman read the Orders of Reference.

Moved by Mr. Basford, seconded by Mr. Harley,

Resolved:—That the Committee seek permission from the House to sit while the House is sitting.

Moved by Mr. Francis, seconded by Mr. Tucker,

That a Subcommittee on Agenda and Procedure composed of the Chairman, Vice-Chairman and (5) other Members to be named by the Chairman after consultation with party Whips. *Agreed on division.*

Moved by Mr. Rock, seconded by Mr. Tucker,

Agreed:—That permission be sought to reduce the quorum from 15 to 10 members.

Mr. Lambert suggested that at a later meeting, the Committee should pass a motion that stenographic transcript be taken and copies should be made available to the Committee in cases of contentious bills.

Mr. Rock said that since the Committee is relieved of divorce bills there is no reason why the Committee should not have permission to print its evidence the same as any other Standing Committee.

Thereupon, Mr. Lambert moved, seconded by Mr. Forbes,

Resolved:—That permission be sought from the House to print such papers and evidence as may be ordered by the Committee.

It was moved by Mr. Lambert, seconded by Mr. Moore,

Agreed:—That the Committee print 500 copies in English and 250 copies in French of its Minutes of Proceedings and Evidence.

Mr. Webster moved, seconded by Mrs. Konantz, that the Committee adjourn.

At 12:00 o'clock noon the Committee adjourned to the call of the Chair.

TUESDAY, May 19, 1964.

(2)

The Standing Committee on Miscellaneous Private Bills met at 11.00 o'clock a.m. this day. The Chairman, Mr. Gérard Loiselle, presided.

Members present: Mrs. Konantz and Messrs. Aiken, Alkenbrack, Cantelon, Cooper, Cowan, Francis, Klein, Lambert, Lessard (Lac-Saint-Jean), Loiselle, Moore, More, Webb, Webster (15).

In attendance: Mr. G. E. Beament, Q.C., Registered Parliamentary Agent, Mr. Arthur Crawley, President of the Corporation, Brigadier T. A. Johnston, Priory secretary and Secretary of the Corporation, and Mr. John Matheson, M.P., Sponsor of the Bill.

The Committee proceeded to the consideration of Bill S-5, An Act respecting The General Council of the Canadian Branch of the St. John Ambulance Association.

The Chairman called the Preamble and invited Mr. Matheson, the sponsor, to introduce the Parliamentary Agent, who then introduced the witnesses.

Mr. Beament explained the purpose of the Bill.

The Committee proceeded to the questioning of the witnesses.

After discussion, the Preamble carried.

Clauses 1 to 13 inclusive were adopted.

The Title carried.

The Bill carried.

It was agreed that the Chairman report the Bill, without amendment, as the Committee's Second Report to the House.

At 11.55 o'clock a.m. the Committee adjourned to the call of the Chair.

TUESDAY, June 2, 1964.

(3)

The Standing Committee on Miscellaneous Private Bills met this day at 10:25 o'clock a.m. The Chairman, Mr. Gérard Loiselle, presided.

Members present: Mrs. Konantz and Messrs. Foy, Francis, Gelber, Groos, Honey, Klein, Lloyd, Loiselle, Loney, Rock, Webb (12).

In attendance: Mr. Michael A. Weller, Parliamentary Agent, Bishop Ernest Swalm, Dr. Maurice Ollivier, Parliamentary Counsel, and Mr. Louis Lesage, Director of Corporations, Secretary of State Department.

The Committee proceeded to the study of Bill S-11, an Act to incorporate Canadian Conference of the Brethren in Christ Church.

The Chairman called the Preamble and, in the unavoidable absence of the Sponsor, introduced the Parliamentary Agent.

Mr. Weller explained the purpose of the Bill then introduced Bishop Swalm.

The Committee proceeded to the examination of the witnesses.

The Preamble was carried.

Clauses 1 to 3 inclusive carried.

On Clause 4,

Sub-clause (a), line 7, page 2, add the word "Christian" before the word "faith".

Sub-clause (b), line 11, page 2, add the word "Christian" before the word "faith".

Sub-clause (c), line 17, page 2, add the word "Christian" before the word "faith".

Clause 4 was adopted as amended.

Clauses 5 to 17 inclusive were carried.

The following new clause 18 was added on page 5:

Application: 18. The provision of subsection (3) of section 147 of the Companies Act shall apply to the Corporation.

New Clause 18 was carried.

Present Clause 18 was renumbered as 19 and adopted.

The Title carried.

The Bill carried.

It was *agreed* that the Chairman report the Bill as amended as the Committee's Third Report to the House.

At 11:40 o'clock a.m. the Committee adjourned to the call of the Chair.

D. E. Levesque,
Clerk of the Committee.

EVIDENCE

(On Bill S-5)

TUESDAY, May 19, 1964.

The CHAIRMAN: Order. Good morning ladies and gentlemen. I hope everybody had a relaxing weekend. It seems to be so because we were afraid at the beginning that we would not get a quorum; however, we have nearly doubled the number required for a quorum, so we shall start right away.

We have before us today Bill No. S-5, respecting the General Council of the Canadian branch of the St. John Ambulance Association. I will call the preamble.

On the preamble.

Maybe Mr. Matheson will introduce the witnesses, since he is the sponsor of the bill.

Mr. MATHESON: I think perhaps some of you know our friends here today. This is Brigadier Beament, better known as the head of our firm here in Ottawa. Next is Brigadier Johnston. He used to be my history teacher; he was also connected with hockey. For many years he has been in the Canadian army and now he is priory secretary and secretary of the St. John Ambulance house over here on Chapel Street. I hope you can all go and visit it.

I think everybody in Ottawa knows Arthur Crawley, the chancellor. He is the head of the Crawley firm here in Ottawa. I would not presume to say anything more, Mr. Chairman, with the experts here.

The CHAIRMAN: Will you explain the bill, Mr. Beament.

Mr. George E. BEAMENT, Q.C. (Parliamentary Agent): Mr. Chairman and hon. members, this bill was passed in the Senate on March 12 and it comes before this house on a joint petition of the General Council of the Canadian branch of the St. John Ambulance Association, which I will call the corporation, and also the Priory of Canada, the Most Venerable Order of the Hospital of St. John of Jerusalem, which I will call, if I may, the Priory.

The petition is for a bill amending the act of incorporation of the corporation. It was incorporated by an act of parliament in 1914, Chapter 145 of that year.

In order to explain really what this present amending bill is about I think I must impose on your indulgence for a moment just to explain briefly the background against which it can be understood.

The Order of the Hospital of St. John of Jerusalem is, of course, a very ancient order. For many years it conducted acts of a humanitarian nature. It was formed in the days of the crusades, at the end of the 11th century, and after the fall of Malta, which was under attack by Napoleon, it became broken down into different branches or lines, as they were called. The English branch fell into considerable disrepute and it was moribund for several centuries. Early in the 19th century humanitarian work in England was revived and ultimately this was recognized in 1888 by the royal charter of that year which gave it corporate status as an order.

Now, let me pass on to Canada. As long ago as 1884 the work of the St. John Ambulance was started in Canada under direct control of the order in England, and this act of incorporation which it is now sought to amend was enacted in 1914 for the purpose of forming a corporation in Canada which would support and foster the work of the St. John Ambulance in Canada.

In 1933 an establishment of the order was created in Canada, the commandery, a lesser establishment. In 1946, this establishment in Canada was raised to the status of a Priory which it now enjoys, so that we can say that at least since 1946 the original functions and purposes of the corporation ceased to exist because they were taken over by the Priory, and since that time the corporation has been used solely for the purpose of acting as a bare trustee to hold the property beneficially owned by the Priory for the purposes of the Priory and its functions.

The foundations in Canada are two in number. The St. John Ambulance Association which is primarily a teaching organization, teaching home nursing, child care, and first aid and the St. John Ambulance Brigade which is a uniformed body of people who render first aid on public occasions at meetings of people, on the ski slopes, and so on. But the functions of the corporation have in fact been successfully performed by the commandery, and since 1946 by the Priory.

In the last succession of royal charters of the order, which is 1955, it is provided in one of the statutes, which are a schedule to the royal charter, that the property of an establishment, such as the Priory of Canada, shall be held by a corporation or by trustees, and in fact what has been happening is that this 1914 corporation has been used as just such a holding corporation. But, of course, it was never designed for that purpose; it was designed for an entirely different purpose. Accordingly, the purpose of this bill is not to retain the corporate entity of the 1914 corporation but to redesign it completely so that its objects and powers are entirely appropriate to the function it has been fulfilling and the function it will continue to fulfil.

One may ask, why do we want to retain this corporate entity. I think it should be appreciated that this corporation holds land in all the provinces of Canada with the exception of Prince Edward Island, I believe, and is, of course, subject to all the provincial laws respecting property. If we want to incorporate a new corporate body at this point to carry out this function there would be the ancillary expenses and time consuming problems which would flow from that situation. Accordingly, what is sought to be done is to retain the corporate entity and change its name to one appropriate to its foundation, namely the St. John Priory of Canada Properties, to re-define its membership and its powers and its objects appropriate to the function it has been fulfilling and we hope will continue to fulfil.

I think perhaps I have said enough, Mr. Chairman, to provide some background on which hon. members can consider the bill and I shall be very pleased to endeavour to answer any questions which may arise during the course of the proceedings.

The CHAIRMAN: Have any hon. members anything to say on the preamble?

Mr. LAMBERT: I have a question to address to Mr. Beament. Is it the intention of this corporation to publish a balance sheet at the time that the society publishes its annual statement, or is this merely something to which reference is made at the time of the annual statement.

Mr. BEAMENT: I do not know that I understand Mr. Lambert's question.

Mr. LAMBERT: These organizations publish an annual statement which is understandable, since they participate in the obtaining of public funds. Like the Red Cross and other similar bodies, they make an annual report to the public

at large. Has it been the practice of this organization to report, or is it to be the intention that there shall be an ancillary report of this present corporation?

Mr. BEAMENT: No. The Priory is the beneficiary of the trusts of all the properties and the Priory as such publishes its annual report which is distributed to the public, and which reflects the entire financial position of the Priory and of the corporation. The corporation is merely a bare trustee.

Mr. LAMBERT: This is what I want to know.

Mr. BEAMENT: I have 10 copies of the 1914 act of incorporation. I thought they might be useful to hon. members.

Mr. LESSARD (*Lac-Saint-Jean*): I have a few questions which I would be interested to have the answers to. It seems to me that the purpose of the bill is to grant more power to the organization so that it will become a sort of finance company and trustee company. I have a hard time to reconcile that fact with the purposes of the organization. As we look through the power which the bill asks to be granted to this body we wonder how it was able to carry on before. Is it asking for these powers in order to get money to continue its business.

Mr. BEAMENT: Well, I should like to say in this respect, Mr. Chairman, and with respect, that all the clauses such as the clause that the hon. member has referred to that are contained in this bill are what may be called standard clauses; they are clauses that have been taken from acts of parliament incorporated within recent years, in so far as possible.

In connection with the specific matter which the hon. member mentions, I think perhaps we might look at section 8 of Clause 3 of the bill because Clause 3 really repeals the entire act of incorporation other than section 1 of the act and substitutes two sections therefor, and one of them is section 8 which deals with borrowing.

Now, subsection 2 of Section 8 reads as follows:

Nothing in this section shall be construed to authorize the corporation to issue any note or bill payable to the bearer thereof, or any promissory note or bill to be circulated as money or as the note or bill of a bank, or to engage in the business of banking or insurance.

That particular section is modelled specifically and directly on an act of parliament entitled An Act to Incorporate the Christian Brothers of Ireland in Canada, which is to be found in the statutes of Canada 1962-63, Chapter 22, Section 12.

I do not know whether that answers the member's question.

Mr. LESSARD (*Lac-Saint-Jean*): Is the main purpose of the St. John Ambulance to provide safety precautions and promote security measures among Canadians?

Mr. BEAMENT: The purpose of the St. John Ambulance Association is to teach in Canada first aid, home nursing and child care. The association is one of the foundations of the order which is under the direct control of the Priory of Canada. Another foundation is the St. John Ambulance Brigade; it is the uniform body of people who you see rendering first aid at large public gatherings and so on.

These are the two foundations of the order in Canada under the control of the Priory. The Priory itself, however, could not of itself be incorporated for various reasons of a constitutional character, but it is essential there should be a corporation with perpetual succession that can deal with priority and financial matters which affect the Priory and its foundations in Canada.

If the hon. members would look at the new proposed section 2 in clause (3) of the bill, it says:

2. The objects of the corporation, subject to the laws in force in Canada, shall be to hold property, both real and personal, corporeal and incorporeal, present and future, beneficially owned by the Priory, upon the trusts set forth in section 3.

Section 3 then goes on to elaborate on what these trusts are, and it makes it abundantly clear, I submit, that the trust upon which the corporation holds the property is in trust for the Priory or any successor, but in the event if it were dissolved, ultimately in trust for the order in Canada. So, with great respect, I submit that a careful reading of this bill would make it abundantly clear that this holding corporation could not enter into commercial enterprise as a loan company, insurance company, a banking operation or anything of that kind.

Mr. LESSARD (*Lac-Saint-Jean*): I have no file in front of me. Do you have the financial statement?

Mr. BEAMENT: This is for 1962. The annual meeting of the Priory council and the general council takes place early in March. While this is a year old it will set forth the information, but you should recognize that it is as of December 31, 1962, and not 1963. We would hope that the later financial statement would be published in June.

Mr. KLEIN: This is a company without share capital.

Mr. BEAMENT: Correct.

Mr. KLEIN: It is not a private enterprise.

Mr. BEAMENT: No.

Mr. KLEIN: It is not a profit making organization.

Mr. BEAMENT: It is a corporation without share capital, the members of which are the executive officers of the Priory.

Mr. KLEIN: And there is no profit sharing of any nature in this organization.

Mr. BEAMENT: Non at all.

Mr. KLEIN: It is purely for the service of the public.

Mr. BEAMENT: That is correct.

Mr. AIKEN: I have been looking through the original act and the new act and in no place do I see the word "Priory" defined, recognized or given any status. Am I wrong in that?

Mr. BEAMENT: With the greatest respect, if you refer to the second paragraph of the preamble, it reads:

Whereas on or about the 16th day of September 1946, the order created an establishment of the order in and throughout Canada now called the Priory of Canada and the most venerable Order of the Hospital of St. John of Jerusalem, designated for brevity "The Priory of Canada of the Order of St. John", and hereinafter called "the Priory".

That is the establishment created by the order which is a corporate body by royal charter.

Mr. AIKEN: I understand it is defined, but I do not understand what if any status it is given either under the original bill or under the present bill, or is there no status.

Mr. BEAMENT: The Priory of Canada is not a corporation; it is an establishment created by an instrument of the Grand Priory of the Most Venerable Order which in itself is a corporation created by prerogative act by the issuance of a royal charter.

Mr. AIKEN: This bill does not affect its status in any way.

Mr. BEAMENT: No; it does not relate to the Priory except to define the beneficial interest of the priory and the property held by the corporation.

Mr. AIKEN: The original bill in clause 2. seems to have been the vehicle by which the St. John Ambulance Association was given objects and there again I see nothing similar in the new bill. Is this vehicle gone so far as the St. John Ambulance is concerned? There is no definition in the new bill except the fact that the St. John Ambulance is one of the foundations, but in clause 2. of the original acts there are paragraphs (a), (b), (c), (d) and (e) setting out what appear to be the objects of the St. John Ambulance.

Mr. BEAMENT: The objects of the 1914 incorporation were set out in section 2. of the act. One must remember at that time the St. John Ambulance Association was under the direct government of the Grand Priory in Canada. There was no establishment of the order in Canada. The objects of the order are set out in the schedule to clause 5. of the royal charter. It may be of some assistance if I touch on what they are.

Mr. AIKEN: What happened to clause 2. of the old bill? It does not now appear.

Mr. BEAMENT: It disappears and the objects of the corporation are set out in the new section 2. appearing in clause 3. of the bill. The objects now become purely those of a holding corporation for the benefit of the Priory of Canada and its foundations.

Mr. AIKEN: I still do not understand what happens to the St. John Ambulance Association.

Mr. BEAMENT: The St. John Ambulance Association was not in itself a corporation at any time; it is a foundation of the order. The three fundamental foundations are the St. John Ambulance Association, the St. John Ambulance Brigade and the ophthalmic hospital in Jerusalem. The purposes of the Priory of Canada are to follow the objects of the order throughout Canada, but you will not find that in this particular bill which is dealing solely with the corporate entities.

The powers of the corporation are set out in the regulations of the Priory of Canada. The objects and the purposes of the Priory are to carry out and promote within its territory, subject to the provisions of the said royal charter and statutes, the objects and purposes of the order and in particular:

- (a) To extend the influence of the Order and to co-operate in all its objects and purposes.
- (b) To control the operations within the territory of the priory of all foundations of the order.
- (c) To promote and control any foundations of the priory which from time to time are constituted.

The corporation dealt with in this bill becomes the corporate creature of the priory of Canada for the purpose of administering, as a basic trustee of the Priory, the trust set out in the bill of its proprietary interest, having the power to sue, be sued, and so on.

Mr. AIKEN: I may be extremely stupid, but the original bill seems to have been nothing more nor less than a bill under which the St. John Ambulance Association was given status. Every clause of the original bill right from beginning to end merely gives power to the St. John Ambulance Association. What has happened to the objectives which were originally in the bill?

Mr. BEAMENT: The St. John Ambulance Association in Canada has continued to flourish and grow since 1933, which is the date at which a general establishment of the order was created in Canada by instrument.

Since 1933 the foundation has been administered by an establishment in Canada dedicated to the objects and purposes laid down by royal charter. With your permission I will touch on them if I may. The objects and the purposes of the order are:

- (a) The encouragement of all that makes for the moral and spiritual strengthening of mankind in accordance with the first great principle of the order embodied in its motto "Pro Fide".
- (b) The encouragement and promotion of all works of humanity and charity for the relief of persons in sickness, distress, suffering, and danger, without distinction of race, class, or creed, and the extension of the second great principle of the order, embodied in its motto, "Pro Utilitate Hominum".
- (c) The rendering of aid to the sick and wounded in war, and the promotion of such permanent organization during time of peace as may be at once available in time of emergency, including the provision of technical reserves for the medical services of the forces of the crown.
- (d) The award of medals, badges, or certificates of honour for special services in the cause of humanity, especially for saving life at imminent personal risk.
- (e) The maintenance of the St. John Ophthalmic Hospital at Jerusalem.
- (f) The maintenance of the St. John Ambulance Association the objects of which are—

I will not burden the committee with these unless it so desires.

Mr. AIKEN: Are those basically the same as are set out in the original bill?

Mr. BEAMENT: With your permission I will read them:

- (a) The instruction of persons in rendering first aid in cases of accidents or sudden illness, and in the transport of the sick and injured;
- (b) The instruction of persons in the elementary principles and practice of nursing, and also of hygiene and sanitation;
- (c) The manufacture and distribution by sale or presentation of ambulance material, and the formation of ambulance depots in mines, factories, and other centres of industry and traffic;
- (d) The organization of ambulance corps, invalid transport corps and nursing corps (provided that any scheme for the formation or organization of such corps be first approved by the Chapter General of the Order of the Hospital of St. John of Jerusalem in England on the recommendation being made through the authorized channel of communication); and the assistance of the St. John Ambulance Brigade overseas with the dominion of Canada;
- (e) And generally the promotion of instruction and carrying out of works for the relief of suffering of the sick and injured in peace and war, independently of class, nationality or denomination.

Mr. AIKEN: Provided you are satisfied I am. In other words the specific objects of the St. John Ambulance Association will disappear from the act and you merely will rely on the original charter.

Mr. BEAMENT: Yes. I would be less than candid if I did not point out that the corporation as incorporated in 1914, and its act of incorporation, now are being sought to be amended. The only thing it retains is the corporate entity. It even changes its name. The corporation which was created in 1914 was created for an entirely different purpose. Since 1933 and certainly since 1946 it in fact has only been used as a holding corporation holding property as a bearer trustee solely for the priory.

Mr. AIKEN: May I ask another question relating to the St. John Ambulance Association: what in fact is its status; is it an non-incorporated association?

Mr. BEAMENT: Speaking solely of Canada, it is the foundation of the Priory in Canada and is not incorporated. It operates through provincial councils, one in each province, and at special centres such as are maintained by the Canadian Pacific Railway, the Department of National Defence and the Royal Canadian Mounted Police, all of which are semi-autonomous, unincorporated bodies under the objectives of the Priory of Canada.

Mr. AIKEN: Thank you.

Mr. FRANCIS: Mr. Aiken has asked most of the questions I intended to ask, but is there any intention of seeking legislation for the St. John Ambulance Association itself? Conceivably that association may desire its own charter.

Mr. BEAMENT: This situation has been investigated by the law officers of the crown in England, the counsel to the order in England and the counsel to the Priory of Canada in Canada and the conclusion was reached some seven or eight years ago that since the St. John Ambulance Association is a foundation of the order and since the order is itself incorporated by royal charter it would not be constitutionally possible to incorporate our St. John Ambulance Association and, more particularly, in any other of the nations of the Commonwealth such as Canada.

Mr. FRANCIS: This situation creates an interesting problem. I should like to ask one further question in order to clarify a comment made by Mr. Lessard. It seems to me it is quite clear that the only property that this bill would permit the St. John Priory to handle would be the property for the benefit of the corporation or the Priory or any of its foundations or branches, and it could not take under administration any other property. I think this would take care of any suggestion that it could engage in any profit-making activity. It seems to me that clauses 7 and 9 of the bill make it quite clear that no authority whatsoever is conveyed upon the Priory to engage in any business or administer or invest or handle any funds other than those for the benefit of the association and in effect beneficially owned by the order itself; is that correct?

Mr. BEAMENT: That is correct. It has already been pointed out by one of the hon. members that this is a corporation without share capital, its membership being limited to the executive officers from time to time changed by the Priory of Canada for whom it acts in a judicious capacity.

Mr. FRANCIS: Mr. Chairman I was anxious to get those statements on the record.

Mr. COWAN: Mr. Chairman I intended to ask a question similar to one asked by Mr. Aiken. I do not intend to ask any further questions but I would like to see the objects of the association set out by an act of Canada and incorporated in a charter from the Queen.

Mr. FRANCIS: I think we have touched upon this point and the witness has given us his opinion.

The CHAIRMAN: Are there any further questions?

Shall the preamble carry?

Preamble agreed to.

Clauses 1 and 2 agreed to.

On Clause 3—*Objects*.

Mr. LESSARD (*Lac-Saint Jean*): Mr. Chairman I should like to ask one question in respect of Clause 3, and particularly that portion dealing with former section 7, subsection 2 which seems to have a retroactive effect.

Could you give us an explanation in this regard?

Mr. BEAMENT: I shall attempt to explain the situation, Mr. Chairman.

To understand this situation I think one must look at section 3 of the 1914 act which contains the proviso in respect of the power to hold real property, which provides that the annual value of real estate held by the corporation shall not exceed the sum of \$50,000.

If one looks back at some of the acts of parliament some 50 years ago one will find that there was a very common thing in respect of corporations incorporated by acts of parliament, in that they were limited in power to hold real property even when that real property was held for the uses and purposes of the corporation and not merely for investment. Since that time it has become well recognized that a federal corporation carrying on its activities in a province is subject to the local laws of the province including the laws of mortmain, which were directed in some way, which is somewhat obscure at the present time, to the same kind of mischief to which the provincial laws are directed. For the benefit of the members of this committee I can point out that similar provisos in similar acts have in recent years been removed retroactively. The removal is retroactive because from the standpoint of conveyancing real property unless they were removed retroactively, if a corporation sold a piece of real property and the purchaser requested on the title that the corporation show there has not during the period it held the title been a time when the corporation held in the aggregate more real estate than is represented by the annual value of \$50,000, there may well have been a cloud on the title. We submit with the greatest respect that this proviso, having in mind the development of the constitutional law relating to mortmain during the intervening period and with the benefit of hindsight, should never have been in effect. In order to ensure there will be no difficulty arising in conveyancing matters on behalf of the corporations in future we seek to have this removed retroactively.

The precedents for this which I will refer you to, are as follows: First an act respecting the British Foreign Bible Society in Canada which by statutes of Canada, 1960, Chapter 64, Section 4 (2) removed retroactively the limitation of \$1 million in the society's real estate. This limitation was included in Section 5 of its act incorporated in 1906 as amended subsequently in 1930.

Secondly, an act relating to the governing council of the Salvation Army in Canada. It had a proviso similar to this one in Section 3 of its act. That was removed by an act of parliament retroactively during the session of 1956-57, being Chapter 58, Section 3.

And the last precedent, and this is an even later one, applies to the similar provision regarding the Canadian general council of the Boy Scouts Association. Just such a limitation was removed retroactively by the statutes of Canada, 1959, Chapter 71, Section 2.

Mr. LESSARD: Thank you very much.

Clauses 3 and 4 agreed to.

The CHAIRMAN: Shall the title carry?

Title agreed to.

The CHAIRMAN: Shall the bill carry without amendment?

Agreed.

The CHAIRMAN: Shall I report the bill without amendment?

Agreed.

The CHAIRMAN: We shall now adjourn until the call of the chair.

EVIDENCE

On Bill S-11

TUESDAY, June 2, 1964.

The CHAIRMAN: Good morning, madam, and the gentlemen members of the committee. We are already twenty five minutes late. I am sorry that Mr. Greene the sponsor is not here, but there are other committees meeting this morning.

I wish to welcome Dr. Ollivier and Mr. Lesage whom everybody knows. I know they will be of great help to us. We have for discussion today Bill S-11 "an act to incorporate Canadian Conference of the Brethren in Christ Church". The parliamentary agent is Mr. Weller, and we have with us the Right Rev. E. J. Swalm.

I shall now call the preamble.

On the preamble.

Since Mr. Greene is not here I shall ask Mr. Weller to explain the bill.

Mr. M. A. WELLER (*Parliamentary Agent*): Mr Chairman and members of the committee, perhaps before I touch on the bill I should point out that this is not a new religious organization in Canada. It is one which came here with the United Empire Loyalists. It is a denomination which started in Pennsylvania. The members of this sect settled in the Niagara peninsula. So it is not a new group. At this stage the church wishes to get itself into the position, to be frank, to operate in the context of today, with the proper holding of property and so on. That is the purpose of the bill which is brought forward at this time.

The bill of course provides in the preamble, and through the earlier sections, the objects of the proposed corporate entity, which are to promote, maintain, superintend and carry on in accordance with the faith, doctrine, constitution, acts, bylaws and rulings of the corporation any or all of the work of that body; to advance and increase the diffusion of the faith of the corporation in all lawful ways.

The bill itself, in its objects, states that among its functions are:

To organize, establish, maintain and carry on residences, missions, churches, places of worship, parsonages, orphanages, homes for the aged, rest homes and institutions and agencies for promoting, teaching, propagating and disseminating the faith and doctrine of the corporation and for training persons for the said purpose.

This denomination in the United States does operate certain homes for aged people, and orphanages. At this stage the denomination is not large enough in Canada to start this type of operation here, but it is hoped by the incorporators that gradually as their denomination grows they will be going into this social field to a greater extent. This is mentioned in clause 4, the objects clause.

The bill then goes on to set up the proposed powers of the company. I believe that these are normal powers which all religious denominations—and in fact many or most companies hold, such as to hold land, to mortgage the property where necessary, and so on.

Generally the bill conforms with previous private bills of this type. In fact other acts were used as precedents for the preparation of the draft act.

The CHAIRMAN: Is that all Mr. Weller.

Mr. WELLER: That is all unless the members of the committee have questions. I have with me the right Rev. E. J. Swalm, Bishop of the church, who can answer questions pertaining to the denomination and its growth probably much better than I could.

The CHAIRMAN: Thank you. Are there any questions? Mr. Rock?

Mr. ROCK: I would like to know how this church started. You say it started at the time of the United Empire Loyalists?

Mr. WELLER: That is correct.

Mr. ROCK: I understand that you have at this moment six churches within this same area more or less but in different townships.

The Right Rev. E. J. SWALM (*Bishop of the Brethren in Christ Church in Canada*): Yes, we have more than that, of course.

Mr. ROCK: You have six according to this private bill here.

Mr. SWALM: Yes.

Mr. ROCK: How many other churches have you which belong to this same denomination?

Mr. SWALM: You mean in the dominion?

Mr. ROCK: Yes.

Mr. SWALM: We have 24.

Mr. ROCK: Altogether in the dominion, or in the province alone.

Mr. SWALM: In the province we have 24 with five in Saskatchewan.

Mr. ROCK: And this is it?

Mr. SWALM: Yes.

Mr. ROCK: Why is it that the other 18 do not appear in this bill? What I am getting at is this: We have it as a fact that there are six trying to get incorporated, and this incorporation would give them power throughout Canada, yet the other 18 churches do not seem to be represented here at all. Do they have another corporation to which you do not belong, or something like that?

Mr. WELLER: This is purely a matter of incorporation. These particular gentlemen are to be provisional directors of the new corporation. These are the incorporators. Every single parish of the church is not stated. As a matter of practicality the bishop is the head of the church and he is listed as one of the incorporators.

Mr. ROCK: This means that all the other churches have sanctioned this idea of incorporation?

Mr. SWALM: Yes, by virtue of our annual conference.

Mr. ROCK: You have minutes to that effect here?

Mr. SWALM: Yes.

Mr. ROCK: You have them here. I think this should be normal procedure.

The CHAIRMAN: Are there any more questions?

Mr. WEBB: How many adherents would there be in your church in Canada?

Mr. SWALM: About 1,300 in Canada, approximately.

The CHAIRMAN: One thousand, three hundred in all Canada?

Mr. SWALM: Yes, mostly in Ontario.

Mr. WEBB: When did the first church start or open in Canada?

Mr. SWALM: About the time that the United Empire Loyalists came to Canada.

Mr. WELLER: Around 1790.

The CHAIRMAN: Around 1790. Is that all?

Mr. LONEY: May I ask if your conference is otherwise known as the United Brethren?

Mr. SWALM: No. We had our origin at the same time, but we are two different groups.

The CHAIRMAN: Is that all?

Mr. GELBER: It has been said that we do not live in an age of virtue. Possibly it would be better if we did. I am interested in your objects as stated in clause 4(a):

- (a) To promote, maintain, superintend and carry on in accordance with the faith, doctrine, constitution, acts, bylaws and rulings of the corporation any or all of the work of that body;
- (b) To advance and increase the diffusion of the faith of the corporation in all lawful ways; and
- (c) To organize, establish, maintain and carry on residences, missions, churches, places of worship, parsonages, orphanages, homes for the aged, rest homes and institutions and agencies for promoting, teaching, propagating and disseminating the faith and doctrine of the corporation, and for training persons for the said purposes.

I was struck by the phrase "the faith and doctrine of the corporation". That seems to be an odd phrase.

Mr. LLOYD: It is used in the sense of an episcopal corporation.

Dr. MAURICE OLLIVIER (Parliamentary Counsel): May I say a word. In a similar bill last year concerning the Slavic Baptists, a bill which was similar to this one, I agreed that instead of saying the faith of the corporation it would probably be better to say "the Christian faith of the corporation".

Mr. GELBER: Or faith of the adherents or of the incorporators?

Mr. OLLIVIER: I do not know. If you are just as willing, we might add the word "Christian".

Mr. WELLER: I see no objection. I have not thought of it in that light. I do not suppose the bishop or Mr. Lesage have any objection.

Mr. GELBER: I do not want to be thought as raising an objection. I was just seeking information because I thought it was an interesting idea.

The CHAIRMAN: It seems that your idea is quite acceptable, if Mr. Weller and the Bishop accept it.

Mr. LLOYD: I was going to suggest that like Mr. Gelber I am curious about the words "to advance and increase the diffusion of the faith of the corporation in all lawful ways". What about saying "the faith of the members of the corporation"? That might be a solution.

Mr. OLLIVIER: I do not know. I think it would still be vague. I would suggest that before the word "faith" in paragraph 4 (c), you put the word "Christian", if that is acceptable.

Mr. WELLER: I believe that is acceptable.

Mr. SWALM: Yes.

Mr. OLLIVIER: And so in lines 11 and 17 you should add the word "Christian" before the word "faith".

Mr. LLOYD: We are only concerned about the corporation itself, not the persons. That was the only reason I asked the question.

Mr. KONANTZ: I have a question on another subject.

The CHAIRMAN: Just a minute, please. Let us try to solve this one first.

Mr. ROCK: It seems clear according to this.

Mr. KLEIN: I support Mr. Lloyd's suggestion.

Mr. LLOYD: You are incorporating the members for a legal purpose. It is the faith of the members that is being promulgated.

Mr. KLEIN: The business of the corporation constitutes a policy, and surely if the corporation has a policy it could have faith.

Mr. OLLIVIER: May I read paragraphs (b) and (c). Paragraph (b) reads: to advance and increase the diffusion of the faith of the corporation in all lawful ways; and

The CHAIRMAN: Is that agreeable to everybody?

Mr. HONEY: I think we are being redundant when we add the members of the corporation because if the committee will look back to the first section which defines the corporation, I do not think there is any reference to any members of the corporation. I think when we use the word corporation in bill itself we are in fact referring to all the bodies of people who make up the corporation, and I feel it would be a lot cleaner if we merely—as was the original suggestion—make it read “a division of the Christian faith of the corporation” rather than adding “members of the corporation” which would seem to be superfluous.

Mr. LLOYD: I would point out that people who create corporations come before the lawyers, and that the lawyers merely do the job afterwards.

Mr. OLLIVIER: The last suggestion is that in paragraphs (a), (b) and (c), the word “faith”, we put the word “Christian” and let it go at that.

The CHAIRMAN: Some members think they could have their own faith. Does everybody agree as counsel suggest that we put in the words “Christian faith”?

Mr. LLOYD: I agree.

The CHAIRMAN: Corporation means all the members of the church.

Mr. LLOYD: I bow to the wisdom of the solicitors.

The CHAIRMAN: Does everybody agree to that amendment?

Mrs. KONANTZ: This is for my own information. Was I right in thinking that there are 26 churches in all Canada, with 21 in Ontario and five in Saskatchewan?

Mr. SWALM: There are one or two more now, making 29.

Mrs. KONANTZ: You have a membership of 1,300, and that would work out approximately to 50 members per church.

Mr. SWALM: Yes, on the average. Some churches have a smaller number.

Mr. ROCK: I asked the question before about whether they were authorized by all the churches. According to these minutes I see they are definitely authorized to incorporate. I think this is most important.

The CHAIRMAN: Are there any more questions?

Mr. WEBB: I would like to know of the origin of the church.

Mr. SWALM: Well, our history is not as well defined as that of some other denominations. Originally the group was formed by members of different groups forming an organization in the first place. One of them I believe was the Riverside church at that time, and I expect some other churches. They combined

together and they wanted to start something according to their own understanding of the New Testament. They chose one to be a leader. One of the members baptized him, and then he baptized the rest, and they started from there. They were an association. In the first place among the original group there were United Brethren, and their leader. This organization started on the Susquehanna river near Harrisburg, Pennsylvania.

One of the men—I forget his name now—went back into the country further and started a church. They were all known as Brethren, United Brethren, colloquially. Then, because of the geographical distance, those who went back in called themselves United Brethren, and those who stayed at the river were known as the River Brethren, and later on known as Brethren in Christ. At about the time of the Civil war they were incorporated in the United States as Brethren in Christ. I do not know if that answers your question, but that is our history.

Mr. LLOYD: Is there any particular ethnic group associated with this group.

Mr. SWALM: No. Some of them were Pennsylvania Dutch, of course.

Mr. WEBB: For information may I say since this church has been in existence for a long time, and since applications are coming in for the incorporation of churches to a degree which is thick and numerous, I think that the committee at some time should sit down and think about it. Of course, it is the right and privilege of everybody, but today we are getting into a position in Canada where one little weak community will have seven or eight churches when there are only enough people there to support a couple of churches. I think the committee at some time—this is my own personal opinion—should give some thought to the matter. This church has been in existence for a long time and it is legitimate and everything; but religious groups are springing up something like political parties over night. I think we should take a long look at this at some time soon and see what is the right and proper thing to do. That is the reason I raise the question.

Mr. LLOYD: We were discussing informally earlier the matter of procedure with respect to bills, and perhaps only for the sake of conformity and standardization of powers granted, but not from the point of in any way doing anything to hamper the broad principle of freedom of religion. I think that would be denying one of the fundamental rights of democracy. However, as far as standardization of the bills is concerned, we do achieve some degree of it by the fact that Dr. Ollivier has staff to review these bills, so that we do achieve a measure of uniformity in the kind of statute we pass. However, if you start getting into the question of the government and parliament questioning the number and kinds of denominations, then we would be challenging the fundamental principle, which might not be wise for us to do. I would certainly not support such a procedure.

Mr. GROOS: In my search for knowledge, I wonder if I could ask the bishop to tell us about the size of his church in the United States.

My second question is whether I could be told what effect this incorporation will have upon the relationship that exists between the branch in the United States and in Canada. Does this now make it easier for those in the United States to make bequests, for example, to the Canadian branch of the church? I wonder if I might ask the first question first.

Mr. SWALM: With regard to the first question, there are about 9,000 members of our church in the United States. That is an approximate figure. Your second question is more or less a legal question and maybe Mr. Weller could answer it.

Mr. WELLER: It would probably facilitate greatly any bequests because there is a specific unit to which to direct a bequest under a will. It would

therefore be much more easily handled. Otherwise, it would have to be perhaps directed to a specific minister of the church or a specific congregation.

Mr. OLLIVIER: But would administration of the church in Canada be absolutely independent from administration of the church in the United States?

Mr. WELLER: As a separate operation it would certainly be much easier to operate the church as a completely independent unit, I would believe. I think it would be better from the point of view of the independence of the church.

The CHAIRMAN: Does that satisfy you?

Mr. GROOS: Yes, thank you.

Mr. KLEIN: Mr. Lloyd said what I wanted to say, that this committee should seek to assist the people coming to incorporate, rather than look at it from the point of view of how many churches are being incorporated.

Mr. ROCK: I want to speak on the same matter. We have to realize one thing, that is that in Canada we have not even 20 million people. I think that groups or churches such as these look forward to the expansion of Canada. I believe, Bishop Swalm, from your minutes it is evident that you are incorporated provincially and that you own all your properties under a provincial charter. You realize that Canada is expanding so, like any other corporation, you also want to expand across Canada and to have the power to establish churches. Possibly some members of your congregation would move out to other parts of Canada and you also want them to continue in the same religion, which I think is only natural. What Mr. Webb has expressed before is in a sense a concern for the freedom of religion, which I think is a more important point.

Mr. OLLIVIER: In other words, the small church would have the same rights as the large church if it gets federal incorporation. It will then avoid the obligations which a good number of other provincial corporations have.

Mr. SWALM: We already have churches in Saskatchewan, and we could not come under Ontario corporation.

Mr. ROCK: Are some of your churches owned by private individuals?

Mr. SWALM: No.

Mr. ROCK: They are owned by incorporation through provincial charters?

Mr. WELLER: There is an Ontario charter by which the church property is held. This charter will be surrendered immediately if this bill goes through.

Mr. ROCK: I know that is the way it appears in your minutes.

The CHAIRMAN: Are there any other questions on the bill?

Is there any other discussion on the preamble?

Preamble agreed to.

The CHAIRMAN: Shall clauses 1 to 10 inclusive carry?

Clauses 1 to 10 inclusive agreed to.

The CHAIRMAN: On clause 11—*Application of mortmain laws.*

Mr. HONEY: With regard to clause 11, I wish to ask Mr. Weller a question. Clause 11 says:

In regard to any real property which, by reason of its situation or otherwise, is subject to the legislative authority of the parliament of Canada,—

What property do you envisage?

Mr. OLLIVIER: I believe that the only reason for the authority of the parliament of Canada in relation to mortmain law would be if they were churches in the Yukon or the Northwest Territories where we have a sort of provincial jurisdiction, if I might use those words.

Mr. HONEY: Federal jurisdiction.

Mr. OLLIVIER: In the other provinces the provincial law of mortmain would apply because we have no jurisdiction to deal with mortmain in the provinces.

Mr. HONEY: So this is really confined to churches in the Yukon or the Northwest Territories?

Mr. OLLIVIER: That is right. I think that in the case of John Deere Plow Company, it was decided that that came under provincial jurisdiction by virtue of property in the civil rights.

The CHAIRMAN: Shall clauses 11 to 15 inclusive carry?

Clause agreed to.

Clauses 12 to 15 inclusive agreed to.

Mr. LLOYD: Before we pass the bill entirely I am curious about the financial implications of incorporation. This is a general question applying to these kind of incorporations rather than specifically to this particular one, but it has application here. The Canadian Conference Incorporated undertake, as a corporation, financial obligations, and presumably it raises funds this way. How does it operate financially? Under this act this is left pretty well to the bylaws. I am thinking in terms of the creditors of an organization of this kind.

Mr. FOY: You mean, are they allowed to mortgage?

Mr. SWALM: Your question is: How do we raise funds? I did not catch your question.

Mr. LLOYD: This question is not really directed to you, bishop, so much as it is to Dr. Ollivier who is advising the committee.

Mr. OLLIVIER: I think Mr. Lesage agrees with me that these clauses already exist by virtue of common law. When you constitute a corporation it can hold property and can borrow money on its property.

Mr. LLOYD: Let us talk of the ordinary creditors. What I am trying to get at is that it is up to the individual person to appraise himself of the particular capability of this kind of corporation to raise funds and to discharge its obligations as distinct from any other kind of commercial operation.

Mr. OLLIVIER: I do not think the situation is changed because they did have those powers before they came here. They must have been borrowing money and they must have been spending money, and they are still going to do it. It is up to the people who will lend them money. It is not because you incorporated them that you inquire about their financial status.

Mr. LLOYD: This may be purely academic, but my point is this, that we have a great body of law under the Companies Act which is designed to give a measure of protection to creditors. I do not find any such law will apply to these kinds of incorporations. Apparently there is no such principle which applies to this type of incorporation. This is probably the reason why they seek incorporation by special statute, that is to avoid many of the obligations that would be imposed on them if they had share capital, for example.

Mr. LESAGE: You have given the answer, because in the share capital corporation, the capital of the company is there to support the amount of money which is advanced by way of lending to the company. In the case of a non-share capital corporation, it has only its credit, because if it has some properties, they can be hypothecated of course, but it is more in the nature of moral support than a financial guarantee. In a corporation without share capital you cannot expect that there would be the same guarantee of the members as in the case of a share capital corporation. In that case you have authorized, subscribed, and paid for capital which cannot be decreased in any way, so that the capital stock of the company is there as a guarantee to the creditors. In the case of a corporation, everyone who lends money to a corporation without share capital knows very well that if he does not take a guarantee on immovable property, he has no guarantee whatsoever.

Mr. LLOYD: This is the reason that some of the provincial bodies have passed acts, and the Companies Act provides limited guarantee. It is to provide a measure of classification and a general notice to the public on the kind of corporation they may be dealing with for credit purposes only.

Mr. LESAGE: This is a type of control which can be exercised by the provinces, but I do not think that the federal legislative authority would extend to that. I think the federal authority has not the same authority as the provinces in that question.

The CHAIRMAN: Shall clause 16 carry?

Clause 16 agreed to.

The CHAIRMAN: On clause 17—*Investment of funds*.

Mr. HONEY: I have one question on clause 17. This may be usual in corporations of this type, but it seems unusual to me to provide that a corporation may invest its funds, or any portion thereof, either directly in the name of the corporation or indirectly in the name of the trustees. Is there any purpose for this provision to invest indirectly in the name of the trustees?

Mr. OLLIVIER: That is a standard clause. I do not know how it operates, but perhaps Mr. Lesage could tell you that. We have had the same clause in the previous act.

Mr. KLEIN: If it were not in there they could still do it.

Mr. LESAGE: It is within the power of any person. It has been put there as a matter of safety because it might be questioned before one court or another one of these days whether or not that corporation could do this. Therefore, to avoid any further discussion before the courts, they inserted the word "trustees" therein, but in any event they would have that authority.

Before we go on to clause 18, there is a note I have here on the fact that none of these corporations has to report to any government agency. Last year this committee studied this problem and agreed that reference should be made to the Companies Act so that every corporation would have to report to the Department of the Secretary of State. As you all know, there is before the Senate at the moment Bill S-22 which is being studied by the committee on banking and commerce. This would be provided generally in Bill S-22, but since this bill has not yet been passed through the Senate and through the House of Commons, I think that a further clause 18 should be added, and that clause 18 be renumbered 19. The amendment would be very short. It would read:

The provisions of subsection (3) of section 147 of the Companies Act shall apply to the corporation.

Section 147 deals, in part (2) with corporations without share capital which are incorporated by way of letters patent, and it reads:

Section 125 of part (1) is applicable *mutatis mutandis* to corporations to which this part applies with respect to a summary setting out the particulars referred to in paragraphs (a), (b), (c), (d), (n), (o), (p) and (r) of subsection (1) of that section and to directors, managers, trustees and other officers of such corporations.

In short, this is only to require the corporation to make an annual return, for a fair nominal fee of one dollar, so that everyone inquiring about a corporation incorporated by a special act of parliament could know who are the responsible officers and directors and where they are located. In many instances we in the department receive inquiries concerning the corporation and who are its responsible officers. We have to say that we do not know. They were incorporated many years ago by a special act of parliament and they do not have to file any return. There is no government agency which could give you

that information. Of course, parliament cannot keep track of those corporations after they have been incorporated. The only purpose here is to ask that type of corporation to disclose, once a year, the names and addresses of its directors and the address of its head office.

Mr. ROCK: As well as the financial statement?

Mr. LESAGE: No, we do not go that far. We just want to know where they are. There is no one to say where they are.

Mr. LLOYD: What about legal service, and agents?

Mr. LESAGE: Usually it is disclosed in the correspondence because those returns are sent out by them.

Mr. LLOYD: Would this be one of the reasons for appointing an official agent of the company?

Mr. LESAGE: We would have to make amendments to the Companies Act. I think the corporation is responsible for them. It would not be very easy to force a corporation to have an agent for all purposes. They have a head office, they have a secretary and they have a president. Those are the officers of the corporation who are responsible, and I do not see why they should have an agent.

Mr. LLOYD: It is the practice to have an official agent of the corporation.

Mr. LESAGE: Not all the time. Many corporations have an agent of course, but many do not have one. The return must be signed by the official of the corporation and not by the agent.

Mr. LLOYD: What you are advocating, in a sense, is to provide a procedure whereby officers at least can be identified. I think your suggestion is an excellent one.

Mr. OLLIVIER: If the Companies Act, which is before the Senate at the moment, passes, and if it passes the house, that provision would not be required because this is provided for in the new act you are supposed to pass this year. In case it does not pass, as you say, it would be very beneficial to have it in the present one.

Mr. LLOYD: Maybe this should be applied until Senate action is taken. Have you got the wording of such a clause?

Mr. LESAGE: The wording is more elaborate than that. I have it here. It reads as follows:

Section 100,—

—regarding the holding of annual meetings—

—125 and 125A—

—which, I suspect, will not pass before the Senate after the last meeting of the banking and commerce committee—

—apply to any corporation without share capital incorporated by special act of the parliament of Canada for the purpose of carrying on, without pecuniary gain to its members, in more than one province of Canada objects of a national, patriotic, religious, philanthropic, charitable, scientific, artistic, social, professional or sporting character or the like objects.

You see, this corporation would fall under section 125 in full, with all its sanctions.

It has not been approved as yet by parliament, by the Senate and House of Commons, that is, that sanctions should apply to a defaulting corporation. And we at this stage in the case of particular corporations would think that it would perhaps be asking too much of a particular corporation to have it comply

with sections 100 and 125 in full at this very moment. But after the bill has passed, it will apply to each and every corporation.

This particular corporation in Bill S-11 would be at a disadvantage in comparison with other corporations if we should take 147A as it is in the general bill before the senate at the moment. For that reason we merely suggest that they will have to file with the Secretary of State a statement, and that the general penalty laws with respect to companies would then apply. Section 147A which is now proposed to parliament is much stricter. I do not think it would be fair to this corporation at this moment to impose upon it without the principle first having been approved by the Senate and by the House of Commons generally to apply to all corporations. But I think that it is only reasonable to ask that they say at least once a year who they are and where they are.

Mr. KLEIN: I agree with what Mr. Lesage has said except on the application to this particular corporation because if the bill that is before the Senate should not be passed, it would mean that if the Senate or the House of Commons refuse to accept this principle, it would mean that this would be the only corporation henceforth that would be obliged to make this return, and that all similar corporations throughout Canada would not be obliged to make such a return. Therefore in my view it would constitute discrimination against this corporation, because it would place them in a situation where they are the only ones who would have to report who their officers are, while the others would not.

Mr. OLLIVIER: There might be a difference between this company and other companies, but I believe this is important. If we put it in now, we will put it in with respect to all others that come afterwards.

Mr. KLEIN: There is no guarantee that another committee sitting at another time dealing with another application would agree to that clause. They might delete it, with a result that this corporation would be the only one henceforth that would have to make such a return.

Mr. LESAGE: This exists in the case of some corporations that have been incorporated by special act of parliament. It already exists, but it has not been renewed regularly with all bills.

Mr. KLEIN: If the Senate today does not approve of this very good suggestion that is in the bill, then apparently the government of Canada will not do so. I am not saying that this will happen. Perhaps this bill will pass. But if this bill does not pass in the judgment of the parliament of Canada they would not want to saddle this corporation with this particular thing.

Mr. OLLIVIER: But it already exists in the case of some other corporations.

Mr. KLEIN: That may be, but why do they not continue to insist that it be done on every occasion after?

Mr. OLLIVIER: Probably they should have done so, but now you have to start it somewhere.

Mr. KLEIN: You cannot guarantee that if this bill is not passed by parliament today, that this clause which you want to insert in this application will henceforth be inserted in every application which comes before them after?

Mr. OLLIVIER: No, but already about one half of the number of corporations have to make that return. Therefore I think it would be better to make it uniform by enforcing it upon them all.

Mr. KLEIN: We are not only referring to religious corporations.

Mr. OLLIVIER: I mean churches to include religious and charitable organizations.

Mr. LESAGE: We are not imposing it. We are merely asking for it.

Mr. KLEIN: I am only suggesting that because we are not empowered to make the requirement for annual returns. But if we have not got the same power to impose that requirement upon all existing corporation, then in my view we have to start today. We should stipulate, as the bill before the senate now envisions, that every corporation will have to do this whenever incorporated, be it past, present, or in the future. But if this bill does not pass before the Senate, and its policy become an obligation, then each application for incorporation will be considered on its own merits, then one committee may subject it to either of these paragraphs, while another committee may not. This is why I think it has to be all comprehensive.

Mr. OLLIVIER: The powers of these corporations are not all the same. Some of them have obligations that others do not have. You have to start somewhere imposing these obligations.

Mr. KLEIN: Do you not have it in mind perhaps that some member of the public may look at the corporation at some time and say why should this particular corporation be subject to giving information which other similar corporations are not made to give?

Mr. OLLIVIER: If the corporation itself has no objection to it, then all right.

Mr. KLEIN: I am only asking about it on the basis of the principle involved.

Mr. OLLIVIER: If they are satisfied to make it a principle, then all right.

Mr. LLOYD: Mr. Klein is saying that this kind of legislation should be included?

Mr. KLEIN: Exactly.

Mr. LLOYD: You say that about one half of them now do have similar provisions in their acts of incorporation?

Mr. OLLIVIER: I did not count them, but I would say about that number.

Mr. LLOYD: In any event it is a substantial quantity?

Mr. OLLIVIER: Yes.

Mr. LLOYD: If we send it to the house with the clause added and the house passes it, then the house by that very act has applied it specifically to this particular one corporation. There would be no question of inconsistency.

Mr. OLLIVIER: If you pass it for this bill, you will have to do the same in the case of other bills. It would have to apply to everyone, but you must start somewhere.

Mr. LLOYD: I started out by asking a question concerning the standards and basic criteria or basic provisions which you require in this statute. I was not aware of this particular one.

Mr. OLLIVIER: I suppose the companies or corporations which would have to make that report could be made exempt. In some of the private legislation you often have clauses which say that certain provisions of the Bank Act or of the Companies Act shall not apply to that company. You can exempt them from the general operation of the act. Those on whom the application has not been imposed are by that fact exempted from the operations. That is something we can always do. I think we should as far as possible start out by saying that it will apply to all companies. Then if a company is against it, it can make an argument accordingly. But if the company has no objection to it, it is not a very severe strain on them; and if they are willing to accept it, I do not see why we should not put it in.

Mr. LLOYD: As long as I am a member of this committee if any person comes here with a private bill who does not agree to such a clause being in it, I will cast my vote against that bill and give my reasons for doing so in the house.

Mr. WELLER: We have no objections. I think it is something in the nature of orderly conduct of business that a report, an annual report, should be made to the companies branch, stating the officers of the company.

Mr. KLEIN: I am not opposed to the principle of making returns to the government. The only thing I am opposed to is why we should single out one corporation and let another one go through without it. Since this clause has been inserted in a private bill, has it been interpreted at any time that it is not needed?

Mr. OLLIVER: My recollection is that there is no penalty if they do not obey it. I believe there are a lot of incorporations which have never made a report.

Mr. KLEIN: I did not mean that. I meant since this clause has been inserted in private bills coming before parliament, has this clause now become uniform, or have there been different interpretations.

Mr. OLLIVIER: Many corporations to whom this clause applies have it in their acts of incorporation and they have not bothered with it and have not made any reports, and nothing has happened. So the result is not very severe. The main purpose is for the companies branch to try to learn a little more about these different corporations. It does not impose any hardships upon any of them.

Mr. KLEIN: Here is a corporation which is a religious one. I certainly object to this clause going in in a case of religious corporations because I think that if we put it in this particular religious corporation charter, are we saying to people who may look at that charter, as opposed to looking at some other religious charters, that another religious order does not have to make this return to the government, while this particular religious order does have to make it? I have in mind the public who would be lifting their eyebrows at the suggestion that we wanted to see this particular religious order more severely controlled than others.

Mr. ROCK: In generalities?

Mr. GELBER: This is a very reasonable request. If it has not always been put in in the past, then I agree with Mr. Lloyd that we should see that it is done in the future. I do not think it imposes a burden, and certainly if the partioners are agreeable, I think we should proceed.

Mr. ROCK: May we have a decision on the matter?

The CHAIRMAN: We are not ready yet. We have not yet accepted clause 17? Clause 17 agreed to.

The CHAIRMAN: Now, clause 18. There will be a little change so that it reads "the provisions of subsection 3 of subsection 147 of the Companies Act shall apply to the corporation". That is the question that we have been debating. Is that agreeable?

Mr. LLOYD: Section 125 of the Companies Act just provides for what?

Mr. LESAGE: This provides only for the very few items in the annual return. I will give you exactly what it does.

125. (1) Every company shall, on or before the 1st day of June in every year, make a summary as of the 31st day of March preceding, specifying the following particulars:

- (a) the corporate name of the company;
- (b) the manner in which the company is incorporated and the date of incorporation;

- (c) the address of the head office of the company, giving the street and number thereof when possible;
- (d) the date upon which the last annual meeting of shareholders of the company was held;
- (e) the amount of the share capital of the company, and the number of shares of each class into which it is divided;
- (f) the number of shares issued up to the date of the return;
- (g) the amount called upon each share;
- (h) the total amount paid on shares otherwise than in cash, since the last annual return, showing severally the amounts paid for services, commissions or assets acquired;
- (i) the total amount of calls unpaid;
- (j) the total amount of the sums, if any, paid by way of commission in respect of any shares, bonds or debentures, or allowed by way of discount in respect of any bonds or debentures;
- (k) the total number of shares forfeited, and the amount paid thereon at the time of forfeiture;
- (l) the total amount of shares issued as preferred shares and the rate of dividend thereon, and whether cumulative;
- (m) the total amount paid on such subscribed shares;
- (n) the total amount of debentures authorized and the rate of interest thereon;
- (o) the total amount of debentures issued;
- (p) the total amount paid on debentures showing severally the amounts of discount thereon and the amounts issued for services and assets acquired since the last annual return;

Mr. LLOYD: I am only concerned with what you put in this bill.

Mr. LESAGE: And the last one would be the names and addresses of the persons who at the date of the return are the directors of the company, and that is all.

Mr. LLOYD: Does the suggestion meet with favour?

Mr. WELLER: We have no objection.

The CHAIRMAN: It is agreed. Clause 18 will be subject to the provisions of 147 of the Companies Act and it shall apply to the corporation. That is accepted? Clause agreed to.

Shall clause 19, which looks like clause 18 in the bill, be accepted?

Clause 19 agreed to.

Shall the title carry?

Agreed.

Shall the bill carry?

Agreed.

Mr. LESAGE: So far as the title is concerned I would inform the committee that we had a search made in our records and this name is not the name of any other corporation in Canada, so there will be no conflict with this particular name.

The CHAIRMAN: Shall the title carry?

Agreed.

Shall the bill carry?

Agreed.

Shall I report the bill as amended?

Agreed.

Thank you, gentlemen. The committee is now adjourned.

HOUSE OF COMMONS

Second Session—Twenty-sixth Parliament

1964

STANDING COMMITTEE

ON

MISCELLANEOUS PRIVATE BILLS

Chairman: GÉRARD LOISELLE, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

BILL S-23—An Act to incorporate Seicho-No-Ie.

TUESDAY, JUNE 16, 1964

WITNESSES:

Mr. David F. Jackson, Registered Parliamentary Agent, Messrs. Gibson Hayashi, Ideo Mimoto, James K. Hori and Isaburo Ueda.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1964

STANDING COMMITTEE
ON
MISCELLANEOUS PRIVATE BILLS

Chairman: Gérard Loïselle, Esq.

Vice-Chairman: Douglas Alkenbrack, Esq.

Messrs.

Aiken,	Honey,	Moore (<i>Wetaskiwin</i>),
Basford,	Horner	More (<i>Regina City</i>),
Bélanger,	(<i>The Battlefords</i>),	Nixon,
Cameron (<i>High Park</i>),	Jewett (<i>Miss</i>),	Ormiston,
Cantelon,	Kennedy,	Otto,
Chapdelaine,	Klein,	Paul,
Coates,	Konantz (<i>Mrs.</i>),	Perron,
Cooper,	Lambert,	Rock,
Cowan,	Lessard (<i>Lac-Saint-Jean</i>),	Roxburgh,
Deachman,	Lloyd,	Scott,
Éthier,	Loney,	Simpson,
Forbes,	Macdonald,	Southam,
Foy,	Martin (<i>Timmins</i>),	Tucker,
Francis,	McCutcheon,	Webb,
Gelber,	McLean (<i>Charlotte</i>),	Webster—50.
Groos,	McMillan,	
Harley,	Mitchell,	

(Quorum 10)

D. E. Levesque,
Clerk of the Committee.

ORDER OF REFERENCE

TUESDAY, June 9, 1964.

Ordered,—That Bill S-23, An Act to incorporate Seicho-No-Ie, be referred to the Standing Committee on Miscellaneous Private Bills.

Attest.

LÉON-J. RAYMOND,
The Clerk of the House.

REPORT TO THE HOUSE

THURSDAY, June 18, 1964.

The Standing Committee on Miscellaneous Private Bills has the honour to present its

FOURTH REPORT

Your Committee has considered Bill S-23, an Act to incorporate Seicho-No-Ie and has agreed to report it with the following amendments:

Add new Clause 18 on page 5,

18. The Provisions of subsection (3) of section 147 of the Companies Act shall apply to the Corporation.

Renumber present clause 18 on page 5 as 19.

A copy of the Minutes of Proceedings and Evidence (Issue No. 2) is appended.

Respectfully submitted,

GÉRARD LOISELLE,
Chairman.

MINUTES OF PROCEEDINGS

TUESDAY, June 16, 1964.

(4)

The Standing Committee on Miscellaneous Private Bills met this day at 10:20 o'clock a.m. The Chairman, Mr. Gérard Loiselle, presided.

Members present: Mrs. Konantz and Messrs. Alkenbrack, Chapdelaine, Gelber, Honey, Klein, Loiselle, Loney, Moore, More, Paul, Rock, Webb, Webster (14).

In attendance: Mr. David F. Jackson, Registered Parliamentary Agent and Messrs. Gibson Hayashi, Ideo Mimoto, James Hori and Isaburo Ueda.

Also in attendance: Dr. Maurice Ollivier, Parliamentary Counsel and Mr. Louis Lesage, Director of Corporations, Secretary of State Department.

The Committee proceeded to the consideration of Bill S-23, an Act to incorporate Seicho-No-Ie.

The Chairman called the Preamble and asked the sponsor, Mr. Perry Ryan, M.P., to introduce the Parliamentary Agent.

Mr. Jackson explained the purpose of the Bill.

The Committee proceeded to the examination of the witnesses.

The Preamble was carried.

Clauses 1 to 17 inclusive were carried.

Add the following new clause 18 on page 5.

18. The provision of subsection (3) of section 147 of the Corporations Act shall apply to the Corporation.

New Clause 18 was carried as amended.

Present Clause 18 was renumbered as 19 and adopted.

The Title carried.

The Bill carried.

It was *agreed* that the Chairman report the Bill as amended as the Committee's Fourth Report to the House.

At 10:40 o'clock a.m. the Committee adjourned to the call of the Chair.

D. E. Levesque,
Clerk of the Committee.

EVIDENCE

TUESDAY, June 16, 1964.

The CHAIRMAN: Gentlemen, I see a quorum.

This morning we have before us Bill No. S-23, an act to incorporate Seicho-No-Ie.

Members of the committee will recall that we had a bill like this last week when we incorporated the Canadian Conference of the Brethren in Christ Church. Dr. Ollivier told me a few minutes ago that the bill we are considering today is, in essence, the same as the bill we considered last week.

Mr. Ryan, the sponsor of this bill, is here and I will ask him to introduce it.

Mr. RYAN: Mr. Chairman, I have been very pleased to be the sponsor of this bill both in the House of Commons and before this committee. You can read what I have had to say about it in the House of Commons in *Hansard*.

I have pleasure in introducing to you this morning the parliamentary agent for this bill, Mr. David Jackson, who is a solicitor from Toronto and who will be presenting the bill to you in detail. Also present here today are Mr. Isaburo ueda, from Toronto, one of the petitioners; Mr. James Hori, an incorporator from Toronto, and one of the prime movers in the incorporation of this religious body; and Mr. Gibson Hayashi. We have also Mr. Hideo Mimoto, who is a civil servant here in Ottawa, and who has translated many of the works of Dr. Taniguchi, the founder of this body, Seicho-No-Ie.

The CHAIRMAN: May I call upon Mr. Jackson to explain the bill?

Mr. DAVID F. JACKSON (*Registered Parliamentary Agent*): Mr. Chairman, hon. members, Bill No. S-23 is intended to incorporate this religious body so that it may have an organization in Canada similar to that which exists in other countries where it is incorporated. The group is organized and functions as a corporation in the United States of America with headquarters at Los Angeles. Similarly, it functions in Brazil and in other countries of the world.

It has been felt—and this is the prime motive of making this application for incorporation—that the continuity of the organization should be preserved by bringing the Canadian organization into line with the others.

As you are probably aware from the rather full description of the matter given by my friend Mr. Ryan, the organization is non-denominational. It was founded in 1930 by Dr. Taniguchi, who was born in Kobi, Japan. He majored in English at the University of Waseda, and he became a student of philosophy. He acknowledges that he was influenced by Ralph Waldo Emerson and by the head of the Christian Science movement, Mrs. Baker Eddy. He meditated; and he examined a great number of philosophies of one kind and another. This led to the founding of Seicho-No-Ie, which is variously translated as meaning the house of life, wisdom and abundance, and as being the home of spiritual growth and prosperity.

The bill as it stands is in the usual form of a bill of this kind, and if there are any amendments to be made to it we would have no objection whatsoever.

I may say at this point that chapter 25 of the statutes of 1949 incorporates, in this same manner, the National Assembly of the Bahá'is; and I drafted this bill much along the lines of that. I believe that was the first—or at least it was the first that I could discover—that could be used as a precedent.

I am informed and instructed that the organization has a membership of approximately two million. It is very strong in Japan. It has a great number of assemblies or meeting places. They do not, as a matter of custom, refer to temples or churches or synagogues; rather they prefer the term assemblies or meetings. It is organized and has a large membership in Brazil. It is organized in Belgium and in the United Kingdom. In Canada there are approximately 1,200 members, the majority of whom are in British Columbia, in Vancouver and other cities and towns of that province. There is a body in Hamilton and one in Montreal, and there are four in Toronto. One of the Toronto groups is English speaking.

As the petition indicates, four of the applicants are Japanese born. They are all mature people. They are all naturalized Canadian citizens. Six are Canadian born, and one is Scottish born.

With regard to assets and liabilities, the organization cannot be called affluent; yet, on the other hand, the liabilities are nil. Therefore there is no question of financing coming into the matter.

As Mr. Ryan mentioned in the House of Commons—and I mention this in connection with the respectability of this body—during the war when all Japanese activities were under close surveillance, the government of the United States allowed this body to continue as it had theretofore, so there can be no question as to its respectability. I can assure you that it has no connotation whatsoever of anything other than a body of a spiritual and religious nature. There is no political connotation to it in any way. I say this advisedly because there is an organization in Japan with a name which, to English ears, is not unlike this one. That is a fascist organization and, while it has a veneer of religious tone, it is a political organization. That organization has nothing whatever to do with Seicho-No-Ie.

I do not want to continue at great length but if there are any questions anyone would care to ask I, or any of those who are with me, would be glad to answer them.

Mr. ROCK: Mr. Chairman, the agent has mentioned that this is non-denominational. I do not know what you mean by that because sometimes one says one can be non-denominational within the Christian religion. What I would like to know is whether or not this religious body is Christian. I am not saying that I am anti anything that is not Christian, but I just want to clarify it. It does not say anything in this bill.

Mr. JACKSON: It recognizes Christianity; it recognizes Bhuddism; it has some of the principles of Christian Science and some of the principles of Shintoism. I say it is non-denominational; I am not thinking of sectarianism within any one of those bodies of religion—a Hebrew, a Jew, a Christian, or any true religion. I do not know what you understand by the term true religion, but as a Presbyterian, personally I believe the thing that makes a religion a true religion and the basis of all true religion is twofold; one is the golden rule, and the second is the idea of the brotherhood of mankind. In the sense in which I am using the term non-denominational, I mean a Christian can be a member of Seicho-No-Ie as could a Bhuddist. Indeed, Dr. Taniguchi tried to introduce in Japan—and, of course Japanese religious ideas are slightly different from ours because, in the first place, there is an oriental approach—the basic Christian principles that existed in the United States a century ago in a manner that would be acceptable and attractive to the Japanese people; in other words, he tried to introduce these principles with a Puritan overlay.

Does that answer your question?

Mr. ROCK: Yes, it answers it very well. I have one more question.

You mentioned before that there are other organized groups in different parts of Canada. Do they come under the same name?

Mr. JACKSON: Yes, sir, they do.

Mr. ROCK: Are they also represented here? Are you authorized by these other groups to incorporate throughout Canada?

Mr. JACKSON: I understand so, but may I ask Mr. Hori to explain that?

Mr. Hori, do you represent the organization completely across Canada?

Mr. James K. HORI (*Joint Secretary, Seicho-No-Ie*): Yes, our organization is organized throughout Canada under the same name, Seicho-No-Ie. The head of this is in Los Angeles. The man selected by Dr. Taniguchi to look after the North American organization was chosen after taking written tests, and he is a truly religious man, the Reverend Tamura.

Dr. P. M. OLLIVIER (*Law Clerk, House of Commons*): How are all your groups organized? Have they passed resolutions?

Mr. HORI: Yes, we are already talking with our groups throughout Canada. They appreciate that we are moving to incorporate our groups.

Mr. ROCK: In other words, then, you have had an annual meeting of all the groups, say, and a resolution was passed appointing you people throughout Canada?

Mr. HORI: No, that has not happened yet. From now on that will happen but the situation is already understood by mail. We correspond with each other by mail.

Mr. ROCK: Have you any proof to this effect? You can understand my concern, which I am sure is a concern of some of the other members, too. I am afraid that three or four people may come here—without authorization from all the other groups—and incorporate, thereby gaining control of all the other groups without their authorization. Unless you are incorporated just for yourselves, that could be the result; you could be obtaining a charter which could be used throughout Canada. This is very important. We have to be careful to ensure that you have the authorization of other groups who come under the same name.

Mr. Hideo MIMOTO (*Interpreter*): Mr. Chairman, may I explain on behalf of Mr. Ueda?

Mr. OLLIVIER: How is the agreement made? Is it made by resolution or correspondence?

Mr. JACKSON: May I attempt to answer your question? I do not think it is clearly understood that the authority for the whole of North America comes directly from Dr. Taniguchi's organization in Japan.

The gentleman who is in charge at Los Angeles, Reverend Tamura, came to Toronto?

Mr. HORI: Yes.

Mr. JACKSON: And he authorized you to make the application for this bill in respect of the organization in Canada?

Mr. HORI: Yes.

Mr. JACKSON: Perhaps I should go one step further. The method of appointing or choosing officials—or chairmen as the Bahá'is call them—is by means of a strict examination; but it is not an election, it is an appointment. That comes also through Los Angeles. The head of the whole of North America is the Los Angeles group, and Canada is like a provincial body so far as they are concerned. Los Angeles controls the United States, Mexico and Canada, and the real force of authority is there. The organization in Canada is a subsidiary, shall I say. Is that clear enough?

Mr. ROCK: I would still like to know whether the other bodies in Canada are well informed of the action that is to be taken here today by these gentlemen. I would still like to know whether they have any authorization from the other groups. Are they supposed to be higher than the others? Are they supposed to be the head of the other groups? Do they have authorization to come here today and incorporate for the others also?

Mr. JACKSON: My conception is this. These applicants are to be placed in the same position as the national assemblies of the Bahá'is, and the others are local assemblies.

Mr. ROCK: You say they will be? Are they at this moment? Did the others elect them to be the highest at this moment and to come here for them?

Mr. JACKSON: I must be candid and say that I did not meet the gentleman. Mr. Hori may be able to explain this.

Mr. HORI: Toronto has already been appointed the highest group. Dr. Taniguchi calls Canada a branch, and the Toronto organization is the head of the branch. Before Mr. Ueda was head of the branch there was another man, who has died, and he had power to control the whole group in Canada. This has been the position for 15 or more years, perhaps 20 years.

Mr. OLLIVIER: It is like the Pope and the bishops.

Mr. HORI: Mr. Ueda has control of all the members in Canada. Mr. Ueda went to Japan seven years ago and had another test. Dr. Taniguchi allowed him to come back to Canada and gave him the control of the Canadian group. He had a permit, so to speak, or should I say a certificate. Therefore I believe Mr. Ueda has full control of the groups in Canada.

Mr. ROCK: You said also that you have authority to proceed from the other groups in Canada by correspondence?

Mr. HORI: We have had one letter answered and I believe others will come in soon. Mr. Ueda has had a letter from Vancouver.

Mr. OLLIVIER: You say the authority comes from higher up, not from below?

Mr. HORI: Actually, the order came from Reverend Tamura and also from Dr. Taniguchi and Mrs. Taniguchi when they were here giving a world lecture tour. Mr. and Mrs. Taniguchi told me personally that they wanted us to make a move to incorporate the Canadian organization. He did not give me a written order or anything like that, but he told me personally to do so, so I started to take action on this.

Mr. ROCK: I am satisfied with the answers, Mr. Chairman.

The CHAIRMAN: We will call a discussion on the preamble and that will allow any members to put questions to Mr. Jackson or any members of the Seicho-No-Ie.

On the preamble.

Have any members any questions to ask or should we call the preamble carried?

Mr. WEBB: Will you give us a moment or two in which to look at the bill?

The CHAIRMAN: Are there any comments or questions on the preamble?

Mr. OLLIVIER: This bill is exactly along the lines of the one that you passed ten days ago which was called the Canadian Conference of the Brethren in Christ Church. There is no change. Mr. Lesage and I would like to insert a new clause 18. Apart from that, it is exactly along the lines of the previous bill.

Mr. HONEY: Mr. Chairman, there were one or two amendments in that bill.

Mr. OLLIVIER: In the last one you inserted the word "Christian" before the word "faith". That would not apply in this case. The only change will be a new paragraph 18; as follows:

The provisions of subsection 47 of the Companies Act shall apply to the corporation.

That will be a new paragraph 18 and that is all that is required in this bill to make it conform with the new practice.

The CHAIRMAN: It is the clause that was put into the last bill.

Preamble agreed to.

Clauses 1 to 3, inclusive, agreed to.

On clause 4—*Power to make by-laws*.

Mr. KLEIN: I have a point of information with regard to clause 4. Does this body preclude a practising adherent of another religious faith from being a member of this organization?

Mr. OLLIVIER: I think you have the answer there in the statement that was made in the House of Commons by Mr. Ryan the other day. It is a type of umbrella that covers all religions.

Mr. KLEIN: Will this organization carry registers of civil status? Will it perform marriages, for example?

Mr. JACKSON: This is a matter for the individual provinces. I am unable to answer that.

Mr. HIDEO MIMOTO (*Interpreter*): Mr. Ueda says that Seicho-No-Ie does perform marriages, funerals and other ceremonies.

Mr. OLLIVIER: If they are entitled by provincial law to keep registers and that sort of thing, then they do so? They would have to be authorized by provincial law for that.

Mr. JACKSON: At present we have no such authorization.

The CHAIRMAN: In no province in Canada?

Mr. JACKSON: Certainly not in Ontario. Have you any right to perform marriages?

Mr. HORI: Not yet. We have to incorporate and then we can act.

Mr. KLEIN: I am not talking about Canada; I am speaking of Japan and Brazil and so on. Do they perform marriages and officiate at burials and so on?

Mr. HORI: Yes.

Mr. KLEIN: Under what higher body is the marriage performed? Is it under God?

Mr. HORI: It is under God.

Mr. KLEIN: Not under Bhudda?

Mr. HORI: It is under God.

Mr. ROCK: I believe Mr. Ueda performs marriages at the moment.

Mr. MIMOTO: Mr. Ueda says that the organization itself is capable of performing ceremonies of marriage and funerals and so forth. This is the practice in Japan, Brazil and the United States.

Mr. ROCK: But not in Canada?

Mr. MIMOTO: No, Mr. Ueda says that they are not authorized to do so in this country.

Clause agreed to.

Clauses 5 to 17, inclusive, agreed to.

On clause 18.

The CHAIRMAN: Clause 18 is a new clause, one which was put into the last bill. It reads:

The provisions of subsection 3 of section 147 of the Companies Act shall apply to the corporation.

The old clause 18 becomes clause 19.

Clause agreed to.

Clause 19 agreed to.

Is the title carried?

Title agreed to.

Is the bill carried? Shall I report the bill?

Agreed.

You are now free to move to other committees. Thank you very much, gentlemen.



















