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**Official Report
of Debates
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Wednesday 10 December 2014

**Journal
des débats
(Hansard)**

Mercredi 10 décembre 2014

**Standing Committee on
Regulations and Private Bills**

**Comité permanent des
règlements et des projets
de loi d'intérêt privé**

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE
ON REGULATIONS
AND PRIVATE BILLS**

**COMITÉ PERMANENT DES
RÈGLEMENTS ET DES PROJETS DE LOI
D'INTÉRÊT PRIVÉ**

Wednesday 10 December 2014

Mercredi 10 décembre 2014

The committee met at 0902 in committee room 1.

The Vice-Chair (Mrs. Kathryn McGarry): Good morning, everybody. The Standing Committee on Regulations and Private Bills will now come to order. We have a total of four private bills this morning to consider.

**BIBLE BAPTIST TEMPLE (ST. THOMAS)
ACT (TAX RELIEF), 2014**

Consideration of the following bill:

Bill Pr5, An Act respecting Bible Baptist Temple (St. Thomas).

The Vice-Chair (Mrs. Kathryn McGarry): We will get going with Bill Pr5, An Act respecting Bible Baptist Temple (St. Thomas). Would you please approach?

I understand Mr. Yurek is sponsoring the bill. Would the applicants please, for the purposes of Hansard, introduce yourselves?

Dr. Al Stone: Yes, ma'am. My name is Dr. Al Stone. I'm the pastor of the Bible Baptist Temple in St. Thomas and the president of Bearing Precious Seed Canada.

Mr. Mike Hollen: Mike Hollen, associate pastor, Bible Baptist Temple, St. Thomas.

Mr. Tom Johnston: Tom Johnston, a lifelong resident of the city of St. Thomas with 14 years sitting on city council for the city of St. Thomas.

The Vice-Chair (Mrs. Kathryn McGarry): Mr. Yurek, do you have any comments to start off with?

Mr. Jeff Yurek: Sure, I'll just be very brief with my comments. Bible Baptist temple church in St. Thomas came forward over a year and a half ago with regard to a property they had purchased. They were moving what they're currently doing in their church to this property on which they are now charged municipal taxes. This bill that they've brought forward basically allows the municipality to waive their municipal taxes. It does not force the municipality to do so nor does it open the doors for any other charity or church to do so.

This is a specific bill which follows precedent made at this committee over the last few years where this committee can allow municipalities to waive municipal taxes for certain institutions or groups, provided the Ontario Legislature has done so. They've worked hard with local council to ensure that they can move forward; however, they have not pushed the issue on the floor of council

because it's the chicken before the egg. Why do all the work if the Legislature here doesn't allow it to go forward? So they've come forward to get the blessings of the Ontario Legislature so they can go forward and work with St. Thomas city council towards alleviating their taxes.

I'll let them go forward with it.

The Vice-Chair (Mrs. Kathryn McGarry): Do the applicants have any comments to make?

Dr. Al Stone: Yes, ma'am. Madam Chair and members, thank you, first of all, for allowing us to do this. I'm originally from Simcoe, Ontario, which is just a small community, and to think that a boy from Simcoe would have business at Queen's Park is really quite a thrill and an honour. So thank you. I'm sure you feel the same way.

Just over 10 years ago, the Bible Baptist temple church—we changed the name to “church”—the Bible Baptist Church was forced to make a monumental decision: build a new worship facility to accommodate a church that was growing exponentially, or build a facility to house one of the most exciting projects in our church's history.

The decision was made unanimously by our church: We would forfeit using the money saved for a new worship complex for that of one big enough to accommodate the massive amount of materials that we're handling in our goal of reaching every home in Canada with one of these. It is the gospel of John and the book of Romans put into a booklet. We're trying to reach every home in Canada, and we have done very well at that.

That Bearing Precious Seed ministry became so popular that the demand for thousands a year quickly grew to hundreds of thousands, to last year close to one million of those. Putting them together and mailing them out by our volunteer force of church members, we have distributed just over four million since our ministry's inception 11 years ago.

Eight years ago, MPAC inspected what we were doing in a house located next to our church, and the assessor declared us tax-exempt because it was an extension of the church on church-owned property. Our obvious assumption was that by building a facility on our church-owned property now to continue on with what we are already doing in the exact same fashion, we would continue to be tax-exempt. That was not the case and is, unfortunately, what brings us here today.

I know and fully understand the concern that you would maybe have of this opening a floodgate. We have tried to make this as site-specific, ministry-specific and task-specific as we possibly can, with the help of legislative counsel and the Clerk. We do not know of another ministry of this type anywhere in the province. My understanding is that should this ministry or building usage change for extension ministry of the Bible Baptist Church, the exemption would then revert back. So we are trying to keep it without anything changing on our end, but, if it did, we understand that would change.

We also have tried to follow any other precedents, and there have not been a lot of them over the last five years that we can find. So it's a very specific task that we're asking for. Thank you.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you. Any further comment?

Mr. Mike Hollen: I'd just like to say thank you for letting us come here, share our desire with you and just answer any questions for you. I think our compendium speaks for itself as far as examples and precedents set. We're just here to answer any questions for you.

Dr. Al Stone: I would like to say as well, if I could, that Mr. Johnston has volunteered to come down with us. He is not a member of our church; he is one of our council members. We have a letter from one of our other council members who is also supportive that I got just before we came, so we could not submit that.

We've also had our mayor to the facility and she saw what we were doing. Her quote was, "This just makes sense." This is the church; this is a church function. It's not in a church building per se, but it is owned by our church, operated by our church and funded by our church.

The Vice-Chair (Mrs. Kathryn McGarry): Any further comments? Are there any other comments?

Are there any interested parties in the room that wish to speak to the bill? Seeing none, are there any comments from the government? Ms. Mangat.

Mrs. Amrit Mangat: Thank you for your presentation, and welcome to Queen's Park. Just to clarify for myself, I have a few questions. The church is a registered charity? Is this a registered charity?

Dr. Al Stone: Yes. Well, the church is a registered charity, yes.

Mrs. Amrit Mangat: Okay. My understanding is you said in your presentation that the city is supportive of this.

Dr. Al Stone: The city is supportive in that we put it before the city. We offered them the notice that we were going to come to Queen's Park; if they had any questions or objections, we would meet with them and confront those. There were none. Mr. Johnston was at that meeting and worked with us through council, and we had no opposition coming to this meeting.

They couldn't officially stand behind this because they have not taken this to council yet, waiting for the decision here.

Mrs. Amrit Mangat: Would you mind sharing with the members of the committee—you spoke about past precedents in your presentation. Can you name a few?

Dr. Al Stone: Yes, ma'am. Do you want to say something first?

Mr. Jeff Yurek: Yes. I'll speak to the city council support. You also have to realize that we just went through municipal elections, and council had a major overhaul in St. Thomas. So to actually have, at this point, full support of the city council would be near to impossible, considering they had their first meeting last week. But they have been proactively working with the new councillors and, of course, they had the mayor out.

I think Mike can answer the precedent settings that they've had.

Mr. Mike Hollen: Sure. Our compendium there shows four or five examples of registered charities that have auxiliary buildings that were taxable at one time. They came to Queen's Park and were able to get a private bill passed so that their municipality could act in the way they felt was fair and just in that area.

0910

There are several listed there—again, not exactly a print distribution centre like we have, because there is no example of that. It's a unique ministry but different, like the Sisters of St. Joseph in Peterborough, the Sisters of St. Joseph in London, the Joseph and Wolf Jewish community centre—so community centres. There are some places for the sisters to live, so auxiliary buildings owned by a registered charity, even some examples where they were tax-exempt at one time. They moved locations and then became taxable, and through this private bill were able to get that tax-exempt again, the same as us. We had a building that was tax-exempt. We moved locations, and it became taxable. We're just looking for them to be able to go back and do what was fair and just before.

Mrs. Amrit Mangat: Would you mind sharing with us the dollar amount?

Mr. Mike Hollen: Each year? Yes, it's about \$6,200 a year that we pay in tax on the building.

Mrs. Amrit Mangat: So what's the total amount which we are looking for exemption?

Mr. Mike Hollen: Well, the way the bill is written, I think even with the new wording, it is for \$6,200 a year to be tax-exempt, and then there have been, I think, six years that we paid taxes on it, and it allows the city to go back and make that retroactive if they choose to. That's how it's written—so again, whatever the city feels is fair and just in the situation.

Mrs. Amrit Mangat: Thank you.

The Vice-Chair (Mrs. Kathryn McGarry): Ms. Hoggarth?

Ms. Ann Hoggarth: Good morning. Thank you for your presentation. I just wanted to ask, you were tax-exempt before you changed the name to "church"?

Dr. Al Stone: No. The church started a ministry, a project, an opportunity for our church members to do this. We gave it a title and name, Bearing Precious Seed, just for recognition's sake by the church and other churches.

The church has always been tax-exempt, and what we do is we take the scripture portions, put them in a cover, staple them, fold them and cut them. We were doing that in the church building. It got so big, we moved out to a storefront. It became too big for that, so we moved into a house that the church owned next door to the church. It outgrew that, so we built a facility to simply handle the materials that we were doing. We're doing over a million a year, so it takes a great deal of space.

While we were doing it in the house, we were assessed by MPAC. They said, "This is a ministry of the church. It's tax-exempt." We're doing the exact same thing, just in a bigger building, but we're taxed in that bigger building.

Ms. Ann Hoggarth: I'm not finished.

The Vice-Chair (Mrs. Kathryn McGarry): I'm going to go to Ms. Vernile and then back to you.

Ms. Daiene Vernile: Thank you very much for making the trip down here to Toronto. In response to your comments, I was newly elected in June, so every time I come to this building, every day, I feel the way that you do. You feel very awed.

Dr. Al Stone: Awestruck. Thank you.

Ms. Daiene Vernile: This building where you are packaging these booklets and sending them off—are you doing any other work in that building, or is it just the packaging?

Dr. Al Stone: That is it. We have our church offices in that building. We do use it for other church functions as far as—we have five acres of property. We use one acre for that building and parking. We do have church picnics out there, we have teen activities on the property, but the building is set just for this project.

Ms. Daiene Vernile: We should hear from the councillor. What are your thoughts on all of this?

Mr. Tom Johnston: I've been involved with this all the way through. I was quite shocked. They had the house on Park Avenue where they did all this process, and when they moved out to the new building and were taxed, I thought, "How can this happen?" That's kind of how we are here today, because the process that they are doing today is no different than they were doing right beside the house at the church that they had on Park Avenue.

Ms. Daiene Vernile: Thank you very much.

Dr. Al Stone: Mr. Johnston is very supportive. In fact, in the purchasing of the land and the rezoning for the church use, he was instrumental in helping us there as well, so our thank you to him.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you, Ms. Hoggarth?

Ms. Ann Hoggarth: My supplementary question from before was: I am assuming that those booklets are given away, they're not sold?

Dr. Al Stone: Absolutely. The cost of producing and mailing one of these—I have a copy if you'd like one—is 40 cents. Our church—and we have approximately 50 other sister churches that help to fund that; no charge to anyone. We give them away, so all of the cost is absorbed

by our church of a few hundred people, which is really quite monumental, but we're so passionate about it, we have no problem doing it.

Ms. Ann Hoggarth: Thank you.

The Vice-Chair (Mrs. Kathryn McGarry): Any further questions from the government side?

Moving on, I know that there are questions from the committee members. Mr. Hillier?

Mr. Randy Hillier: Thank you very much. We're very supportive of the bill. This is commonplace. I've been on this committee for a number of years, and indeed the purpose of this committee that we deal with so often is tax exemption for religious activity. So we're very supportive of it.

I did want to mention that this bill allows the municipality, if they choose, to exempt this facility. The amendments that we have to the bill—there are three amendments which go back further and allow the municipality to reimburse for previous years' property taxation on the facility.

So it's not out of the ordinary. We've seen it often in the past, and we'll be supportive of the bill.

Dr. Al Stone: Madam Chair, I would say that we have happily paid the taxes as a church. We understand our responsibility as citizens of the province. We're happy to do that. But because of the ministry situation—I think we all understand that in any charity today, dollars are so imperative. This just allows us to put the money back into the ministry to help our province, and our country, really. Thank you.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you. Any further questions from committee members?

Seeing none, are members now ready to vote?

Mr. Randy Hillier: Madam Chair, do you want the amendments read in first or after?

The Vice-Chair (Mrs. Kathryn McGarry): I will come to these, yes.

Mr. Randy Hillier: Okay.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you.

On section 1, there is an amendment for number 1. Were you ready to move, Mr. Hillier? Thank you. Will you please read it out?

Mr. Randy Hillier: I move that the definition of "specified property" in section 1 of the bill be amended by adding "and identified by assessment roll number 020-215-63500-0000."

It's just a housekeeping motion to specifically identify the property.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you. Is there any debate? Seeing none, are members ready?

Shall the motion carry? All those in favour? Any opposed? That motion is carried.

Shall section 1, as amended, carry? Any opposed? Motion carried.

On section 2, there is an amendment. Would somebody like to read out the amendment? Mr. Hillier.

Mr. Randy Hillier: I move that subsection 2(2) of the bill be struck out and the following substituted:

“Municipal tax cancellation bylaw

“(2) If the council of the city of St. Thomas passes a bylaw under subsection (1), it may pass bylaws cancelling the taxes for municipal purposes, other than local improvement rates, including interest and penalties, on the specified property, for the periods specified in subsection (2.1), provided that the conditions set out in clauses (1)(a), (b) and (c) are satisfied for those periods.

“Periods

“(2.1) For the purposes of subsection (2), the periods are,

“(a) all or part of the years 2008, 2009, 2010, 2011, 2012 and 2013; and

“(b) any year or part of a year,

“(i) to which the exemption applies under subsection (1), and

“(ii) for which taxes have been levied.”

The Vice-Chair (Mrs. Kathryn McGarry): Thank you. Any debate? Seeing none, shall the motion carry? Any opposed? The motion is carried.

Shall section 2, as amended, carry? Any opposed? Motion carried.

Shall section 3 carry? Carried.

Are there any amendments for that?

Interjection.

The Vice-Chair (Mrs. Kathryn McGarry): Moving on to section 4, I see that there’s an amendment. Mr. Hillier.

Mr. Randy Hillier: I move that section 4 of the bill be amended by striking out “exempted or”.

0920

The Vice-Chair (Mrs. Kathryn McGarry): Any debate?

Shall the motion carry? Any opposed? The motion is carried.

Shall section 4, as amended, carry? Any opposed? Motion carried.

Shall section 5 carry? Carried.

Shall section 6 carry? Any opposed? Carried.

Shall the preamble carry? Carried.

Shall the title carry? Carried.

Shall the bill, as amended, carry? Any opposed? Carried.

Shall I report the bill, as amended, to the House? Any opposed? Carried.

Thank you, gentlemen.

Dr. Al Stone: Merry Christmas.

The Vice-Chair (Mrs. Kathryn McGarry): Merry Christmas. As I said, Santa had come to the Legislature this morning. Thank you.

SAINT PAUL UNIVERSITY ACT, 2014

Consideration of the following bill:

Bill Pr8, An Act respecting Saint Paul University.

The Vice-Chair (Mrs. Kathryn McGarry): Mr. Fraser, would you and your delegation please come for-

ward? Committee, we will be carrying on with Bill Pr8, An Act respecting Saint Paul University. Mr. Fraser is sponsoring this bill. Would your applicant please introduce himself for the purposes of Hansard this morning? Good morning.

Mr. Russell Gibson: Good morning. My name is Russell Gibson. I’m a lawyer in Ottawa from the law firm Vincent Dagenais Gibson, and I’m counsel for Saint Paul University.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you. Mr. Fraser, do you have any comments this morning?

Mr. John Fraser: I’m very pleased to be here. I do want to say that this bill has died on the order paper twice before. It’s simply updating the charter, which was last updated in 1849. Thank you very much for your time this morning. I’ll let us begin.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you. Go ahead, please, with comments.

Mr. Russell Gibson: Thank you very much, Mr. Fraser. Good morning, Madam Chair, members, esteemed counsel and clerks. Saint Paul University is a Catholic-sponsored university in Ottawa. The university was originally created by statute in 1849.

I must just clarify one comment that Mr. Fraser made. There have been a few amendments over the years to the bill, but not on this particular issue. The issue we are asking to be considered this morning is the composition of the senate of the university, which is a very important body within the governing structure of the university. That particular structure has not been updated, and some of the language requires updating. Some of the terms are no longer relevant. In 1849, which was prior to Confederation, it probably was not contemplated what a modern university would look like.

Saint Paul University is a Catholic-sponsored university. It was founded by the Oblate Missionaries of Mary Immaculate. The chancellor of the university is Archbishop Terrence Prendergast. The university is a thriving university in Ottawa, and the key reason for updating the description of the offices of the senate is to bring it also into conformity with changes that were made to its Catholic charter a few years ago, which identified these terms in the senate composition that we are asking to be updated. For example, it refers in the old statute to, “the directors of special schools operated by the university; such professors of the faculty of divinity for a set period of time; four professors of the faculty of arts and institutions affiliated with the university.”

The proposals to the new composition of the senate include language that is clearer. It refers to the appointment of students to serve in the senate, two students from the first cycle elected by students for at least two years; students from the second or third cycle; one professor from each faculty, school and institute elected by their peers for two years.

The language is much more in tune with how a modern university operates.

Thank you very much for the opportunity to speak to this. I hope that it’ll meet with your approval.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you very much for your comments. Are there any interested parties in the room who wish to speak to the bill?

Seeing none, are there any comments from the government side?

Seeing none, are there any questions from committee members? Mr. Hillier?

Mr. Randy Hillier: Seeing that I've been here and heard this presentation before and voted in favour of it in the past—as a committee, of course, we'll be supporting this private bill.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you. Are the members ready to vote?

Shall section 1 carry? Carried.

Shall section 2 carry? Carried.

Shall section 3 carry? Carried.

Shall the preamble carry? Carried.

Shall the title carry? Carried.

Shall the bill carry? Carried.

Shall I report the bill to the House? Good. Thank you.

This bill is carried.

Thank you, sir.

WALKER TOWNE CENTRE
INC. ACT, 2014

Consideration of the following bill:

Bill Pr13, An Act to revive Walker Towne Centre Inc.

The Vice-Chair (Mrs. Kathryn McGarry): We're going to move on to Bill Pr10—

Interjection.

The Vice-Chair (Mrs. Kathryn McGarry): Oh, sorry. We're just going to have a change of order. One of our sponsors is not here yet, so we're just going to skip one and bring Bill Pr10, An Act to revive 752458 Ontario Ltd.

Interjection.

The Vice-Chair (Mrs. Kathryn McGarry): I'm sorry, we're going to the last one, Pr13. We're moving to number 4, Bill Pr13, An Act to revive Walker Towne Centre Inc.

Ms. French is introducing the bill on behalf of Mr. Hatfield. Would the applicant please introduce himself for the purposes of Hansard this morning? And welcome.

Mr. John McMahon: My name is John McMahon. I'm solicitor for the applicant.

The Vice-Chair (Mrs. Kathryn McGarry): Ms. French, do you have any comments?

Ms. Jennifer K. French: No. I'm pleased to sit beside Mr. McMahon in Percy Hatfield's stead and looking forward to this moving through smoothly.

The Vice-Chair (Mrs. Kathryn McGarry): Mr. McMahon, do you have some comments?

Mr. John McMahon: Just a brief summary: This company was voluntarily dissolved by the corporate controller. She had failed to realize that there were still some outstanding shareholders' loans. They want to revive the corporation so that it can still carry on and

those shareholders' loans could be repaid in the ordinary course of business.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you. Are there any interested parties in the room who want to speak to the bill?

Seeing none, are there any comments from the government side? Ms. Mangat?

0930

Mrs. Amrit Mangat: Thank you for coming to Queen's Park. I just want to know, what is the dollar amount of the loans? You talked about loans in your presentation.

Mr. John McMahon: I believe it's in the low six figures.

Mrs. Amrit Mangat: Six figures?

Mr. John McMahon: Yes. It's a significant amount of dollars to the applicant, to the shareholder.

Mrs. Amrit Mangat: Okay. Is it to the shareholders or partners?

Mr. John McMahon: To the shareholders.

Mrs. Amrit Mangat: To shareholders. Thank you.

The Vice-Chair (Mrs. Kathryn McGarry): Any further comments from the government side?

Are there any other comments from the committee? Seeing none, are the members ready to vote?

Ms. Jennifer K. French: Madam Chair?

The Vice-Chair (Mrs. Kathryn McGarry): You will need to switch to your seat, Ms. French. Ms. French is wearing two hats this morning.

Ms. Jennifer K. French: I may just be wearing three.

The Vice-Chair (Mrs. Kathryn McGarry): Oh, I don't see the Santa hat yet.

Okay. Shall section 1 carry? Carried.

Shall section 2 carry? Carried.

Shall section 3 carry? Carried.

Shall the preamble carry? Carried.

Shall the title carry? Carried.

Shall the bill carry? Carried.

Shall I report the bill to the House? Great. Carried. Congratulations.

752458 ONTARIO LTD. ACT, 2014

Consideration of the following bill:

Bill Pr10, An Act to revive 752458 Ontario Ltd.

The Vice-Chair (Mrs. Kathryn McGarry): Ms. French, are you sitting in for your team member?

Interjection.

The Vice-Chair (Mrs. Kathryn McGarry): Okay. Thank you so much.

Committee, we're going to move back now to number 3, Bill Pr10, An Act to revive 752458 Ontario Ltd. Would the applicant and Ms. French please come forward? Thank you. Would the applicants please introduce themselves for the purposes of Hansard this morning?

Mr. Bruce Duggan: This is an application to revive a corporation—

The Vice-Chair (Mrs. Kathryn McGarry): All I'm needing are your three names so that we have those listed in Hansard, and then I'll ask for comments. Thank you.

Mr. Bruce Duggan: Sorry. My name is Bruce Duggan. I'm the solicitor for Ms. Brown and the corporation that was dissolved.

Ms. Cindy Brown: My name is Cindy Brown. I'm the director of 752458 Ontario Ltd.

Mr. Peter Brown: I'm Peter Brown and I'm the shareholder.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you.

Ms. French, do you have any comments to begin with?

Ms. Jennifer K. French: None, beyond that I'm pleased to sit here to put through An Act to revive 752458 Ontario Ltd.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you.

Go ahead, Mr. Duggan.

Mr. Bruce Duggan: Thank you. Good morning and thank you very much for the opportunity to be here.

This is an application to revive a corporation that was voluntarily dissolved when it ought not to have been. There was a business operated until 2012. There was a dispute between the landlord and the tenant over the quality of the premises. The corporation ceased to operate in about January 2012 as a result of the dispute. In the fall, an action was commenced by the landlord; litigation and counterclaims were prosecuted by the corporation.

Concurrently with that, there was an ongoing process to dissolve the corporation voluntarily. The director at the time did not appreciate the impact that the dissolution of the corporation would have on his ability to participate in the litigation. It realized it after the voluntary dissolution. It wasn't legally entitled to dissolve because it was involved in litigation, and this is now an application to revive the corporation for that reason.

The Vice-Chair (Mrs. Kathryn McGarry): Okay, thank you. Are there any interested parties in the room who wish to speak to the bill? Seeing none, are there any comments from the government? Mrs. Mangat.

Mrs. Amrit Mangat: Thank you for your presentation. I just want to know, what was the nature of the dispute?

Mr. Bruce Duggan: The tenant had operated the leased premises from 2010 to 2012. They used sensitive computer equipment and fibre optic technology that was sensitive to air quality. During that time, the landlord's ventilation system started to draw in granite dust from another commercial tenant farther away and it began to damage the equipment of the tenant. The tenant complained to the landlord and there were ongoing discussions, over a year and a half or two years, perhaps, trying to resolve the problem. The landlord never did resolve the problem and in January 2012, the tenant said, "Our equipment is being destroyed. We're not going to continue occupying here." The solicitor of the corporation at the time served a notice that it was terminating the lease for

cause. The corporation at that point left the premises and perhaps thought nothing more would come of it—they were gone; they were finished—and they started the process to dissolve the corporation in the fall of 2012.

In the fall of 2012, the landlord commenced court action against the tenant. The tenant counterclaimed and through the same period of time the process to voluntarily dissolve the corporation continued. It just overlapped and unfortunately it wasn't appreciated at the time what impact the dissolution would have.

Mrs. Amrit Mangat: So has that cold case been resolved now?

Mr. Bruce Duggan: The litigation continues.

Mrs. Amrit Mangat: It continues?

Mr. Bruce Duggan: There was a court motion to terminate when the solicitor for the landlord realized—this is how it came to light—that the corporation had dissolved. A motion was brought to terminate the defence of the tenant. An application was brought by the tenant's solicitor to allow the action to continue while the dissolved corporation proceeded to attempt to revive itself.

Mrs. Amrit Mangat: Are there any taxes owed by the corporation?

Mr. Bruce Duggan: I'm sorry?

Mrs. Amrit Mangat: Are there any taxes owed by the corporation?

Mr. Bruce Duggan: Debts?

Mrs. Amrit Mangat: Taxes.

Mr. Bruce Duggan: Taxes—I'm sorry. There are no taxes.

Mrs. Amrit Mangat: No taxes? Thank you.

The Vice-Chair (Mrs. Kathryn McGarry): Any further questions?

Mrs. Marie-France Lalonde: Just a little question: When the letter was provided to the landlord, did the company relocate or just cease to exist?

Mr. Bruce Duggan: Ceased to exist.

Mrs. Marie-France Lalonde: And up to now it hasn't gone back into business?

Mr. Bruce Duggan: That corporation has not continued in business.

The Vice-Chair (Mrs. Kathryn McGarry): Ms. Vernile?

Ms. Daiene Vernile: What are the advantages to you of reviving this corporation?

Mr. Bruce Duggan: There are two advantages. It allows the tenant to prosecute a claim for damages as a result of the landlord's conduct, number one. Number two, the landlord's lawsuit also includes a claim against Mr. Brown for a guarantee that he provided to the landlord guaranteeing the obligations of the tenant. If the tenant ceases to exist that ends any defences the tenant can bring and leaves Mr. Brown fully exposed on his guarantee.

The Vice-Chair (Mrs. Kathryn McGarry): Any further questions from the government? Are there any other questions from committee members?

Mr. Robert Bailey: I'd just like to thank Mr. and Mrs. Brown and Mr. Duggan for presenting this morning.

The Vice-Chair (Mrs. Kathryn McGarry): Are the members ready to vote? Okay. Ms. French?

Ms. Jennifer K. French: I'm moving as fast as I can.

The Vice-Chair (Mrs. Kathryn McGarry): Double duty. Double time, there. Okay.

Shall section 1 carry? Carried.

Shall section 2 carry? Carried.

Shall section 3 carry? Carried.

Shall the preamble carry? Carried.

Shall the title carry? Carried.

Shall the bill carry? Carried.

Shall I report the bill to the House? Agreed.

Mr. Bruce Duggan: Thank you very much, Madam Chair and members.

The Vice-Chair (Mrs. Kathryn McGarry): Good luck. Best of luck.

There's no other business before this committee this morning, so we stand adjourned. Thank you.

The committee adjourned at 0939.

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Mr. Jeff Yurek (Elgin–Middlesex–London PC)

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Ms. Valerie Quioc Lim

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