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**Standing Committee on
Regulations and Private Bills**

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

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42nd Parliament

Wednesday 2 December 2020

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Mercredi 2 décembre 2020

Chair: Deepak Anand
Clerk: Isaiah Thorning

Président : Deepak Anand
Greffier : Isaiah Thorning

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Service linguistique et des publications parlementaires
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
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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 2 December 2020

Mercredi 2 décembre 2020

The committee met at 1600 in room 151 and by video conference.

The Chair (Mr. Deepak Anand): It's 4 p.m. and the Standing Committee on Regulations and Private Bills will now come to order.

2257248 ONTARIO INC.
ACT, 2020

Consideration of the following bill:

Bill Pr35, An Act to revive 2257248 Ontario Inc.

The Chair (Mr. Deepak Anand): We're going to have three private bills on the agenda today which we will consider, starting with Bill Pr35, An Act to revive 2257248 Ontario Inc. We have MPP Effie Triantafilopoulos as the sponsor, and she is being subbed by MPP Pang. I would like to welcome Mr. Christopher Lee and Iris Chung as the solicitors for that.

MPP Pang, would you like to start?

Mr. Billy Pang: I would like to, on behalf of the sponsor, MPP Effie Triantafilopoulos, present Bill Pr35, An Act to revive 2257248 Ontario Inc. I would like to pass the floor to the solicitor Iris Chung.

The Chair (Mr. Deepak Anand): Solicitor Chung, please state your name for Hansard, and your comments, please.

Ms. Iris Chung: My name is Iris Chung. I will have my associate Christopher Lee make the submission for me.

The Chair (Mr. Deepak Anand): Would you like to comment about the bill, the details?

Mr. Christopher Lee: Thank you.

Hello, committee members. This application is concerning the passing of a private bill to revive corporation 2257248 Ontario Inc., which was voluntarily dissolved on August 8, 2013.

To provide a bit of background about this corporation, the corporation was registered and mortgaged over a real property that is owned by a company that I shall call 215. The corporation and 215 are affiliated with one another with the same shareholder, who wholly holds all shares of each of them. So 215 is planning on selling the property but is unable to discharge the mortgage over the property without consent from the corporation, which was voluntarily dissolved. The corporation has to be revived in

order to enable the discharge of the mortgage and the subsequent sale of the property.

All the required procedures and documents to facilitate the consideration of the private bill have been duly complied with and provided. We are not aware of any opposition raised against this private bill. It is therefore respectfully submitted that this private bill shall be approved and passed. Thank you.

The Chair (Mr. Deepak Anand): Thank you so much.

I do notice that we have MPP Sam Oosterhoff. MPP Oosterhoff, can you please confirm your name and confirm that you're in Ontario, sir?

Mr. Sam Oosterhoff: Yes, Chair. I am MPP Oosterhoff, and I'm in Ontario.

The Chair (Mr. Deepak Anand): Thank you so much.

Back to the members: If any of the members would like to ask or comment? Seeing none, at this time I'll ask the members if they are ready to vote? Please confirm. Yes, okay.

Seeing there is no comment, I see there are sections 1, 2 and 3. What we did last time was we actually clumped the sections together. Would it be okay if we can clump the sections together and vote as one block? Thank you so much for that confirmation.

At this time, I'll ask the members, shall sections 1 to 3 be carried? All those in favour, please raise your hand. Anyone opposed? Seeing none, I declare sections 1 to 3 carried.

Shall the preamble be carried? Please raise your hand. Anyone opposed? None. I declare the preamble carried.

At this time, I'll ask the honourable members, shall the title be carried? All those in favour, raise your hand. Seeing everyone is in favour and no one opposed, I declare the title carried.

At this time, I'll ask the members, shall the bill be carried? Please raise your hand. All those in favour? I appreciate it. Seeing everyone is in favour and no one opposed, I declare the bill carried.

At this time, I will ask the members, shall I report the bill to the House? Please raise your hand if you're in favour. I appreciate it. Seeing all in favour and no one opposed, I declare the bill carried and I will be reporting the bill to the House.

Thank you, Mr. Lee and Ms. Chung. I appreciate it.

CASTLEFORM HOLDINGS INC.
ACT, 2020

Consideration of the following bill:

Bill Pr36, An Act to revive Castleform Holdings Inc.

The Chair (Mr. Deepak Anand): Okay. Moving on to Bill Pr36, An Act to revive Castleform Holdings Inc. The sponsor is MPP Stan Cho. I noticed that MPP Bouma will be representing. At this time, I will ask MPP Bouma, please go ahead with your comments, sir.

Mr. Will Bouma: Yes, thank you. Mr. Chair, through you, I would like to present to committee, for its consideration, Bill Pr36, An Act to revive Castleform Holdings Inc. I will turn the floor over to the applicants, Mr. Peter Voong or Mr. Adam Freedman, solicitor.

The Chair (Mr. Deepak Anand): Okay, great. Thank you so much. Do we have Mr. Peter Voong and Mr. Adam Freedman?

Mr. Adam Freedman: Yes. Thank you for having us. We're both on the line.

The Chair (Mr. Deepak Anand): Okay, appreciate it. Please state your name for Hansard, and your comments. Go ahead, please.

Mr. Adam Freedman: Peter, would you like to go first?

Mr. Peter Voong: Sure. My name is Peter Voong. Yes, we would just like to have this company revived, if possible. We have some matters that we still have to deal with. It was dissolved erroneously. It was just a mix-up of communication. That's all it was. Adam?

Mr. Adam Freedman: Yes. This is Adam Freedman here. I would echo the comments of my client, Peter Voong. This corporation was accidentally dissolved, and there are some matters and properties that are owned by the corporation that we still need to deal with. So we appreciate your time today and would hope that you would permit the revival of this corporation.

The Chair (Mr. Deepak Anand): All right. Thank you so much.

I do see MPP John Fraser in person, in the room. So welcome, MPP Fraser. I won't you ask you, "Are you in Ontario?" I'm guessing you are in Ontario.

Mr. John Fraser: I think so.

The Chair (Mr. Deepak Anand): Okay, great. Thank you so much.

At this time, MPP Miller, please go ahead.

Mr. Paul Miller: Yes, thanks, Chair. I'd just like to ask the solicitors—one of them, the first solicitor, I believe, mentioned "erroneous." I'd like to know what he meant by that situation.

Mr. Peter Voong: Yes. There was a miscommunication. So that's what the "erroneous" means. It was done by accident. It was an error, right? It was on our error on our part because there was some—yes, it was just a matter of miscommunication. That's all it was.

Mr. Paul Miller: So it was the firm's fault?

Mr. Peter Voong: Yes.

Mr. Paul Miller: Well, good to know you guys make mistakes once in a while. That's good. Okay, thank you.

Mr. Peter Voong: We're only human beings.

Mr. Paul Miller: That's good. That's good to know. Thank you.

Mr. Peter Voong: Thank you.

The Chair (Mr. Deepak Anand): All right. At this time, any further members would like to ask anything? Seeing none, okay.

We do have sections 1 to 3. Again, I'll ask the members, can we clump them together? I appreciate it. At this time, I'll ask the honourable members, shall sections 1 to 3 be carried? All those in favour, please raise your hand. I appreciate it. Thank you so much. Seeing all in favour and no one opposed, I declare sections 1 to 3 carried.

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At this time, shall the preamble be carried? All those in favour, please raise your hand. With no one opposed, I declare the preamble carried.

Shall the title be carried? If you're in favour, please raise your hand. I appreciate it. All in favour? I declare the title carried.

At this time, I'll ask the honourable members, shall the bill be carried as a whole? All those in favour? Seeing no one to oppose, I declare the bill carried.

The last one is, shall I report the bill to the House? Please advise. All those in favour, please raise your hand. Seeing all in favour and none opposing, I will be reporting the bill to the House. Thank you so much.

Thank you, Mr. Voong, and thank you, Mr. Freedman, for your presentation. I appreciate it. Have a wonderful day.

62 GRIMSBY PHANTOM SQUADRON
SPONSORING COMMITTEE
ACT (TAX RELIEF), 2020

Consideration of the following bill:

Bill Pr38, An Act respecting 62 Grimsby Phantom Squadron Sponsoring Committee.

The Chair (Mr. Deepak Anand): Next, we have Bill Pr38, An Act respecting 62 Grimsby Phantom Squadron Sponsoring Committee.

We do have MPP Oosterhoff. MPP Oosterhoff, go ahead, sir.

Mr. Sam Oosterhoff: Thank you very much, Chair. I bring before the committee today Bill Pr38, An Act respecting 62 Grimsby Phantom Squadron Sponsoring Committee. Tony Quirk, the treasurer of this organization, will be speaking more about it. It's definitely a worthy bill and one I hope that the committee will consider generously.

The Chair (Mr. Deepak Anand): Thank you, MPP Oosterhoff. At this time, I would like to ask Mr. Antony Quirk—sir, please inform your name for the Hansard, and your comments. Mr. Antony Quirk, can you hear, please?

Mr. Tony Quirk: Good afternoon, Chair. Can you hear me okay, sir?

The Chair (Mr. Deepak Anand): Mr. Quirk, would you like to comment? Would you like to advise us what is in this bill?

Mr. Tony Quirk: Yes, sir. Can you hear me okay?

The Chair (Mr. Deepak Anand): Absolutely. Can you be a little louder, please?

Mr. Tony Quirk: Okay. Thank you. Good afternoon, Chair and members of the standing committee. My name is Tony Quirk and I am appearing before you in my capacity as treasurer of 62 Grimsby Phantom Squadron Sponsoring Committee, the parent support arm of the air cadet program in Grimsby, Ontario.

Before I begin, I would like to express my gratitude to our MPP, Sam Oosterhoff, for sponsoring this bill. I would also be remiss, members, if I did not express my undying gratitude to the committee Clerk and their team, the legislative counsel and the Ministry of Finance legal department for their help and advice in drafting this bill to meet our needs.

The Chair (Mr. Deepak Anand): Thank you so much. *Interjection.*

The Chair (Mr. Deepak Anand): Yes, please, go ahead.

Mr. Tony Quirk: Are you guys able to see my presentation, sir?

The Chair (Mr. Deepak Anand): Yes, we're able to do that.

Mr. Tony Quirk: By way of explanation, much like a school board runs the school system and parent councils provide fundraising support for individual schools, the cadet program is managed by the Department of National Defence out of Ottawa, and the Air Cadet League of Canada is the volunteer support body. The Air Cadet League is a non-profit, charitable organization.

Each squadron across Canada has a squadron sponsoring committee. Our squadron was formed, or stood up, in 2005, and the SSC was formed as an ad hoc committee. We were granted charitable status through our affiliation with the Air Cadet League in 2013, and the SSC was incorporated with their own charitable status when we were incorporated. Now, the SSC is a non-share capital, not-for-profit corporation registered as a charity under the Income Tax Act and incorporated under Ontario law.

Our mandate, as drawn directly from our article, states that we are to encourage, promote and support public interest in the Royal Canadian Air Cadets program, including activities that develop physical fitness, citizenship and leadership, develop an awareness of aviation, and other such complementary purposes consistent with these objectives.

One of our obligations under the Air Cadet League is that the SSCs are responsible for arranging for a consistent place for our squadron to meet.

With all that said, why am I here today with this bill? We are asking for the Legislature to pass our private bill that would allow the town of Grimsby to exempt and cancel municipal property taxes for the three parcels of land that we have purchased on behalf of the cadets. The property in question was previously owned by the Ukrainian diocese here in Grimsby, and they were looking to sell the property to an appropriate not-for-profit organization that would be willing to respect the traditions,

culture and heritage of the building, as well as to make use of the community hall. The actual land involves three distinct parcels of land, and that's spelled out in the private bill. There is a plot of vacant land, a former church and a community hall.

Our SSC entered into an agreement of purchase of sale with the diocese and assumed operational control and occupied the property on May 1, 2012. The agreement stated that the title to the property would not transfer until the mortgage being held by the church had been satisfied. This past August, we were fortunate enough to make our last mortgage payment and assume title. In preparation for the title transfer, I had reached out to the town of Grimsby to ascertain our tax status once the title had transferred. Up until this point, with it being a church property, we had been tax-exempt on two of the three properties. Only the vacant land had been generating tax revenue.

Given that we were a charitable organization, we were hoping to remain tax-exempt, or at least be able to apply to the region of Niagara for an exemption allowed for charities under one of their bylaws. Unfortunately, not only did MPAC say we did not qualify on a go-forward basis for charitable status, but because we indicated we had been using the facility already for the UNEP program, they directed the town to reassess us back to January 1, 2020, resulting in a further tax burden for our SSC on the other two properties.

Additionally, because MPAC directed the town to designate the property as residential, we did not qualify under the region's bylaws for an exemption, which would only have been partial but granted for commercial and industrial properties. Add that to the fact that the COVID pandemic has devastated our abilities to fundraise, this additional \$10,000 tax burden has resulted in a huge disparity for our organization.

At this point, I would like to point out some of the specific exemptions enumerated under the Assessment Act, most notably charitable organizations that cater to the needy or poor; the Royal Canadian Legion; the Navy League of Canada; land used by veterans for clubs, athletics and memorial homes; and the Boy Scouts and Girl Guides. I would also note that Bill 229, the budget measures bill in front of the Legislature currently, is proposing additional exemptions for army, navy and air force veterans for 2020 and retroactively to 2019, should it pass. We strongly feel that the cadet organization as a whole should have similar treatment to these organizations, given the similar goals in the case of Boy Scouts and Girl Guides, and support for those who have served in our military.

But for the purposes of this private bill, we are submitting that our bill is not precedent-setting. In fact, the reason we decided to go the private bill route was because of the precedent established by the Boys and Girls Club of Niagara. They had a similar situation and we have modelled our bill on theirs. The Legislature passed the bill, including a similar retroactive cancellation, and the city of Niagara Falls passed their bylaw, allowing for the

exemption. In their case, the property tax burden was in excess of \$80,000 per year. In Grimsby, our town council has already endorsed our private bill in principle, and a copy has been provided in the explanatory package compendium. Our town treasurer has provided invaluable support and guidance in getting us to this stage.

Finally, I am aware that there is always a concern if you find a bill setting precedents. Working with the legislative counsel and the Ministry of Finance, we have drafted the preamble of the bill to explain why this situation is unique, if not a precedent. With respect to other cadet squadrons of course seeking the same exemption, we are aware of only two other squadrons in Ontario that parade on lands subject to municipal taxation, and these are in hangars at municipal airports. In addition, the town of Grimsby has not been collecting taxes on two of the three properties for the past eight years, while we've owned the hall and been parading there, as it was still considered church property. Finally, even if the Legislature passes the bill, the decision to grant the exemption still falls to the town of Grimsby, and even then it will need to be renewed every 10 years.

I believe I was given five minutes, Mr. Chair, and I appreciate your indulging me in going a little bit over. I'm happy to answer any questions that you have. Thank you very much for the opportunity to present today.

The Chair (Mr. Deepak Anand): Thank you so much. That was interesting and I really liked the presentation.

At this time, I would like to reach out to the members from the government side, if you would like to ask any questions. Yes, MPP Oosterhoff? Now I can see you. Before I could not see you. Sorry about that. Yes, go ahead, sir. MPP Oosterhoff, unmute.

1620

Mr. Sam Oosterhoff: My apologies. I don't have so much a question for Mr. Quirk as much as thanks. This is a very important initiative. I served as an air cadet in this squadron for a number of years myself and I've seen the impact that it has on youth in our community. I've seen the value that they bring to so many different events and community organizations that they volunteer for, that they assist with. I really hope that the community will benefit from this. I'm confident that they will. I hope that the committee would pass this, because it's definitely something that will be appreciated across Niagara.

The Chair (Mr. Deepak Anand): Thank you so much.

Mr. Tony Quirk: Thank you, MPP Oosterhoff.

The Chair (Mr. Deepak Anand): MPP Miller. Go ahead, sir.

Mr. Paul Miller: I'd like to commend the gentleman for his volunteer work with the cadets. Cadets is a great program, and I've always supported military programs anywhere in the province. It's a very good thing.

I've just got a couple of questions for Mr. Oosterhoff, I guess. The gentleman pointed out that he got—did you get a letter of support, and was it unanimous by Grimsby council to allow them to not pay municipal taxes? The school board is part of the municipal tax. Did you get a

letter from the school board or was it an automatic consideration by the council?

Mr. Tony Quirk: Thank you, Mr. Chair. Through you to MPP Miller: MPP Miller, the requirement to get the school board tax was not a requirement as part of this legislation because the taxes flow to the Ministry of Finance and then back to the school board, evidently, and the ministry makes up the difference. I think the ministry, in their advice to me, was acting in that capacity, as best as I can understand the comments.

Previously with the Boys and Girls Club, although in Niagara, they did not get specific endorsement from the school board, the region was helpful in directing me in this endeavour and they understood what we were trying to accomplish. And it was unanimous at the town of Grimsby level.

Mr. Paul Miller: Due to your connection to the military, that's a wonderful situation. We don't want to set a precedent, obviously, because there are a lot of non-profit organizations in my city in Hamilton that come forward wanting tax exemptions and we certainly can't do it for everybody. But due to the close ties to the Boy Scouts and the Girl Guides and all the other programs that help our youth, I think it's a worthy cause, and you've got my support on it.

Mr. Tony Quirk: Thank you very much.

The Chair (Mr. Deepak Anand): Thank you. I see MPP Bouma. Go ahead, sir.

Mr. Will Bouma: If I could just add to those comments, Mr. Chair, I've been involved with all four cadet groups in Brantford and Brant, my son having been an air cadet himself for three years in the city of Brantford with the Starfighter squadron there. I have to commend this group for coming forward. We have to take on blind faith that they will do what they say they're going to do, but based on my experience with the cadet corps, it's very good to see you here. I'm very happy to support this bill. Thank you.

The Chair (Mr. Deepak Anand): Appreciate it.

Mr. John Fraser: I'll keep it brief. I just want to echo those comments. I want to say as well, thank you for doing all the work you had to do to get this done. It's not an easy thing. I'm sure it took some time on behalf of the squadron and your organization, probably a lot of your own personal time. I just fully support your proposal.

Mr. Tony Quirk: Thank you very much.

The Chair (Mr. Deepak Anand): Amazing. Would any other members like to ask anything or to comment? Seeing none, I'll ask at this time, are the members ready to vote? Thanks for that nod.

As I see, there are sections 1 to 5. I'd like to ask the members, can we clump sections 1 to 5 together? I appreciate it. Thank you so much.

To the honourable members, shall sections 1 to 5 be carried? All those in favour, please raise your hand. I see unanimous consent. Seeing no one in objection, I declare sections 1 to 5 carried.

At this time, shall the preamble be carried? All those in favour, please raise your hand. I see all unanimous consent again. I declare the preamble carried.

Shall the title be carried at this time? All those in favour, please raise your hand. I appreciate it. Seeing unanimous consent, I declare the title carried.

Shall the bill be carried? All those in favour, please raise your hand. Seeing unanimous consent, I declare the bill carried.

At this time, I'll ask the honorable members, shall I report the bill to the House? All those in favour, please raise your hand. Amazing; thank you. Seeing unanimous consent, I will be reporting the bill to the House.

Thank you, everybody. Thank you so much, Mr. Quirk. Thank you for coming and giving the presentation.

At this time, there is no further business. I declare the committee now stands adjourned.

The committee adjourned at 1625.

STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

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