Legislative Assembly of Ontario



Assemblée législative de l'Ontario

# Official Report of Debates (Hansard)

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# Standing Committee on Regulations and Private Bills

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

1<sup>st</sup> Session 42<sup>nd</sup> Parliament Wednesday 31 March 2021 1<sup>re</sup> session 42<sup>e</sup> législature Mercredi 31 mars 2021

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LEGISLATIVE ASSEMBLY OF ONTARIO

### STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Wednesday 31 March 2021

*The committee met at 0900 in committee room 2 and by video conference.* 

The Vice-Chair (Mr. John Fraser): Good morning and welcome to the Standing Committee on Regulations and Private Bills. I hope everybody's doing well.

This morning, with us present in the room are MPP Logan Kanapathi and MPP Ke, and on Zoom we have MPP Miller, Parry Sound–Muskoka, MPP Miller, Hamilton East–Stoney Creek, MPP Billy Pang, MPP Jeremy Roberts, MPP Dave Smith, MPP Daisy Wai and MPP Jamie West.

We're also joined by staff from legislative counsel, Hansard and broadcast and recording.

As we go forward, please speak slowly and clearly and wait until I recognize you before starting to speak. Since it could take some time for your audio and video to come up after I recognize you, please take a brief pause before beginning. As always, all comments should go through the Chair. Are there any questions before I begin?

We have three private members' bills on the agenda today which we are here to consider. We have Bill Pr41, An Act to revive 2560462 Ontario Ltd. MPP Kanapathi, would you like to—

**Mr. Logan Kanapathi:** Good morning, Mr. Chair. I would like to move Bill Pr41, An Act to revive 2560462 Ontario Ltd.

The Vice-Chair (Mr. John Fraser): Thank you very much, MPP Kanapathi. We have with us Alison Chen. Could you please introduce yourself? Okay. She appears to have dropped off the call. We seem to have lost Ms. Chen.

### 2353043 ONTARIO INC. ACT, 2021

Consideration of the following bill:

Bill Pr44, An Act to revive 2353043 Ontario Inc.

The Vice-Chair (Mr. John Fraser): We're going to move to Bill Pr44, An Act to revive 2353043 Ontario Inc. MPP Kanapathi, would you like to introduce yourself?

**Mr. Logan Kanapathi:** Thank you, Mr. Chair. I would like to move Bill Pr44, An Act to revive 2353043 Ontario Inc.

The Vice-Chair (Mr. John Fraser): We have the applicant, Michael Shan. Would you please introduce yourself?

**Mr. Michael Shan:** Yes. Good morning, Mr. Chair. I am the consultant agent representing 2353043 Ontario Inc.

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

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

Mercredi 31 mars 2021

I would like to kindly request activation for the corporation this morning.

The Vice-Chair (Mr. John Fraser): MPP Kanapathi, do you have anything you'd like to say or add?

Mr. Logan Kanapathi: No, no comments, Mr. Chair.

The Vice-Chair (Mr. John Fraser): Mr. Shan?

Mr. Michael Shan: No comments, Mr. Chair.

The Vice-Chair (Mr. John Fraser): Thank you very much. Are there any comments from the government? MPP Paul Miller.

**Mr. Paul Miller:** Thank you, Mr. Chairman. It would be nice to know why they're renewing their application.

The Vice-Chair (Mr. John Fraser): That would be great. Thank you very much, MPP Miller. Mr. Shan, could you—

**Mr. Michael Shan:** Yes, Mr. Chair. The corporation was voluntarily dissolved by the director of the corporation, Mr. Little. Mr. Little has put a request to revive the corporation, and we've attempted to do that at the ministry, but we've learned that the process to revive the corporation has to go through the private members' bill process. But the reason for the revival is the director of the corporation wishes to purchase assets and use the corporation as a holding company moving forward.

The Vice-Chair (Mr. John Fraser): MPP Smith, question?

Mr. Dave Smith: If that's the case, why not form another company? It's quicker, easier and cheaper.

The Vice-Chair (Mr. John Fraser): Mr. Shan, can you respond to that question? Did you hear it?

**Mr. Michael Shan:** We as the consultant for the client had suggested that, but I think that they attempted to revive the corporation and have already spent a certain amount of dollars attempting to revive it. So for this reason, it was just the amount of time and resources that they've already invested in the process and, therefore, they wanted to seek our assistance to move ahead with the revival of the corporation that he originally incorporated.

The Vice-Chair (Mr. John Fraser): Thank you very much, Mr. Shan. Any further questions? No, no questions.

Shall section 1 carry? All those in favour? Opposed? Carried.

Shall section 2 carry? All those in favour? Opposed? Carried.

Shall section 3 carry? All those in favour? Opposed? Carried.

Shall the preamble carry? All those in favour? Opposed? Carried.

Shall the title carry? All those in favour? Opposed? Carried.

Shall the bill carry? All those in favour? Opposed? Carried.

Shall I report the bill to the House? All those in favour? All those opposed? Carried.

Thank you very much, Mr. Shan.

#### 2560462 ONTARIO LTD. ACT, 2021

Consideration of the following bill:

Bill Pr41, An Act to revive 2560462 Ontario Ltd.

The Vice-Chair (Mr. John Fraser): Do we have Ms. Chen back on? Okay. So we'll move back to Bill Pr41, An Act to revive 2560462 Ontario Ltd. Ms. Chen, can you please identify yourself?

Mr. Jiacheng Diao: Hi, can you hear me?

The Vice-Chair (Mr. John Fraser): Yes.

**Mr. Jiacheng Diao:** Yes, so I want to revive my company because I think in 2018, at that time, I was in China and I think my company was receiving some letters. At that time, my accountant probably didn't receive the letters and didn't give me notice. After that, my company got HST disabled, which is not working.

My company is currently doing wholesale in Canada, just buying vehicles and selling them to other companies. Some of the companies will be exporting those vehicles to other countries. Because my HST is not working anymore, in this case my customers cannot claim the HST back for export. That's the reason I want to revive my company. After that, I will think about closing my company or not.

**The Vice-Chair (Mr. John Fraser):** Thank you very much. Do we have any questions from the members? MPP Miller, Hamilton East–Stoney Creek.

Mr. Paul Miller: Thank you, Chair. Can you hear me? The Vice-Chair (Mr. John Fraser): Yes.

**Mr. Paul Miller:** Just curious: So, this is a temporary fix so that you can accommodate your customers in reference to selling—are these new cars, or are they used cars? And where are they going? Are they buying North American cars and shipping them over, or vice versa? A little more detail would be helpful.

**Mr. Jiacheng Diao:** Yes, currently I'm buying new cars from the dealerships. Sometimes I buy used cars, but most often it's new cars, and my buyers ship them to China. In this case, I pay the HST with my company first to the dealership, and after that I sell my car, with HST, to my customers. After they ship the cars out there, they have rights to claim their tax back. So if my HST number is not working, the CRA will not release this part of the money to my buyers. That's why I'm going to revive my company.

Also, in the meantime, my tax report is not up to date, so I need to update and report my taxes until the company closes.

The Vice-Chair (Mr. John Fraser): Are there any other questions? MPP Miller, Hamilton East–Stoney Creek.

**Mr. Paul Miller:** So if I get this straight, this is like a temporary fix. You're more of a hit-and-miss type of organization that comes when you need to purchase the cars, and then you dissolve. How many times have you dissolved your corporation? And is this going to be an ongoing thing? Are you going to dissolve it, start it up again, dissolve it, start again—just to satisfy the HST and the customers? Or is this a permanent situation that you're now doing?

**Mr. Jiacheng Diao:** So I think this is permanent, because I'm still going to use my company to wholesale in Canada. So no matter what, I will need my HST number working again. Otherwise, I cannot report the tax.

Mr. Paul Miller: Thank you.

Mr. Jiacheng Diao: Thank you.

0910

The Vice-Chair (Mr. John Fraser): Do we have any other questions? Great. Are members ready to vote? Bill Pr41, An Act to revive 2560462 Ontario Ltd.:

Shall section 1 carry? All those in favour? Opposed? Carried.

Shall section 2 carry? All those in favour? Opposed? Carried.

Shall section 3 carry? All those in favour? Opposed? Carried.

Shall the preamble carry? All those in favour? Opposed? Carried.

Shall the title carry? All those in favour? Opposed? Carried.

Shall the bill carry? All those in favour? Opposed? Carried.

Shall I report the bill to the House? All those in favour? Opposed? Carried.

Thank you very much, Mr. Diao.

#### WHITTRICK N D T SERVICES LTD. ACT, 2021

Consideration of the following bill:

Bill Pr50, An Act to revive Whittrick N D T Services Ltd.

**The Vice-Chair (Mr. John Fraser):** We'll move on to Bill Pr50, An Act to revive Whittrick N D T Services Ltd. MPP West, could you move this bill on behalf of Catherine Fife, please?

**Mr. Jamie West:** Yes, Chair. I would move Bill Pr50, An Act to revive Whittrick N D T Services Ltd.

The Vice-Chair (Mr. John Fraser): That's great. Thank you very much, MPP West.

With us this morning, we have Katherine Elizabeth Crighton, solicitor. Can you please identify yourself?

**Ms. Katherine Crighton:** Yes. Good morning. My name is Katherine Crighton. I'm a lawyer with Richard Law Office in Kitchener, Ontario.

I'm here appearing on behalf of Michael Whittrick, requesting that a corporation, Whittrick N D T Services Ltd., be revived through Bill Pr50 to deal with property in the name of the corporation.

The Vice-Chair (Mr. John Fraser): Thank you very much. Do members have any questions? MPP Pang.

Mr. Billy Pang: May I know the nature of the company?

Ms. Katherine Crighton: The corporation is N D T Services Ltd., and that is "non-destructive testing." I'm not quite too sure if you're familiar with that area of the law, but that's basically a service provider for non-destructive testing.

Mr. Billy Pang: Okay. Thank you.

The Vice-Chair (Mr. John Fraser): MPP Miller, Hamilton East-Stoney Creek.

Mr. Paul Miller: How are you doing? Good morning. Non-destructive testing: Being a welder, I'm quite aware of what non-destructive testing is. I guess that's to service some of the shops and companies in the Kitchener-Waterloo area. Is that what it's about?

Ms. Katherine Crighton: I can't confirm that, but that would be the general idea. From what I understand in my own personal experience, having a family member who is in non-destructive testing, it is an industry that does have services provided all over Ontario. So I wouldn't say that it would be just Kitchener, Ontario, or the Waterloo region, for that matter.

Mr. Paul Miller: Okay, no problem. Being in the steel industry, I'm quite aware of what they do, so I have no problem with that. Thank you.

The Vice-Chair (Mr. John Fraser): Do we have any other questions? Are members ready to vote? Great. Bill Pr50, An Act to revive Whittrick N D T Services Ltd.:

Shall section 1 carry? All those in favour? Opposed? Carried.

Shall section 2 carry? All those in favour? Opposed? Carried.

Shall section 3 carry? All those in favour? Opposed? Carried.

Shall the preamble carry? All those in favour? **Opposed**? Carried.

Shall the title carry? All those in favour? Opposed? Carried.

Shall the bill carry? All those in favour? Opposed? Carried.

Shall I report the bill to the House? All those in favour? Opposed? Carried.

Thank you very much. There being no further business, this committee meeting is now adjourned.

The committee adjourned at 0915.

### STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

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