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Wednesday 23 April 2008

**Journal
des débats
(Hansard)**

Mercredi 23 avril 2008

**Standing Committee on
Regulations and Private Bills**

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

Chair: Michael Prue
Clerk: Sylwia Przedziecki

Président : Michael Prue
Greffière : Sylwia Przedziecki

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE
ON REGULATIONS
AND PRIVATE BILLS**

**COMITÉ PERMANENT DES
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D'INTÉRÊT PRIVÉ**

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The committee met at 1007 in room 1.

827291 ONTARIO LTD. ACT, 2008

Consideration of Bill Pr7, An Act to revive 827291 Ontario Ltd.

The Chair (Mr. Michael Prue): I call the meeting to order. We now have quorum. I would remind the members that if we don't have quorum by 10 after, then the meeting is cancelled. People come all the way from Ottawa. Please endeavour not to come in at nine minutes after 10.

I'd like to call Bill Pr7, An Act to revive 827291 Ontario Ltd. I would call Mr. Naqvi as the sponsor and the applicants to come forward. Mr. Naqvi, the floor is yours.

Mr. Yasir Naqvi: I just wanted to take this opportunity to introduce the applicants to the committee. To my far left is Mr. Patrick McCarron, the director of said company, and to my immediate left is Mr. Shannon Martin, the legal counsel.

I pass the floor to Mr. Martin, to make his submission to the committee.

The Chair (Mr. Michael Prue): The first is yours. You have the first right to make any statements you want. If not, then pass it.

Mr. Yasir Naqvi: The matter is simple. It's to revive this particular numbered company. I believe it meets all the requirements as per the legislation for revival in front of this committee. If there are any specific questions from the committee members, I will refer them to Mr. Martin, the legal counsel.

The Chair (Mr. Michael Prue): Mr. Martin, the floor is yours.

Mr. Shannon Martin: I won't go into any great detail unless you want me to do so, but this is one Ontario corporation that was dissolved by articles of dissolution. It's called a voluntary dissolution. If the committee has handled these matters before, they would realize that the Ontario Business Corporations Act provides for a revival of a corporation if it has been dissolved involuntarily, that is, usually for failure to file tax returns or corporate returns. But when it's dissolved voluntarily, there's no provision for revival in the act, and therefore, the only way to revive it is by a special act of the Legislature.

The circumstances here were that the party, Mr. McCarron, was the sole director, officer and shareholder of this corporation, which was created to run an interior design business. At some time after it was done so, a house where the office was located was put in the name of the corporation. A few years later, in 2002, when the accountant and my client decided they would no longer need the corporation, they decided that they would then dissolve the corporation and have the business run as a sole proprietorship. Nobody seemed to appreciate at that time that it held a piece of property. They went ahead with the dissolution, wound up the company and obtained articles of dissolution. Four or five years later, when the property was put up for sale and an agreement was signed, the purchaser's lawyer searched the title, found the name registered in the name of the corporation, checked and found that it had been dissolved, notified me as the solicitor for the vendor and said, "Here's your problem." We agreed that if we proceeded with an application for a revival, they would continue with the transaction, fortunately for us. That is why we're here today.

The Chair (Mr. Michael Prue): Okay. Are there any interested parties? Seeing none, any comments from the parliamentary assistant?

Mr. Mario Sergio: There is no concern or question from either of the ministries, therefore we support the application. We have seen similar applications in the past and we have others coming, so it's kind of a routine situation. We have no problem with it.

The Chair (Mr. Michael Prue): Are there any questions from committee members to the applicant, parliamentary assistant or anyone else?

Mr. Paul Miller: It appears once again—I've brought this up in front of this committee before—that there is a breakdown in communication between the solicitors and the government. This system has to be more streamlined so that we don't put people through these ordeals. I feel that people really didn't know some of the situations and are not informed properly; they don't receive the proper notification and there's no follow-through. I've brought this up before, and everyone in this committee agrees, that we have to streamline this situation because it's very unfortunate that you have to come all that way for something that is, I think, relatively easy to fix.

Mr. Mario Sergio: Mr. Chairman, for the interest of the committee, I believe that at our last meeting we had to write that staff provide a report on the same issue.

The Chair (Mr. Michael Prue): Yes, and later in the morning I will—I have signed the letter to the minister indicating the committee's wish.

Mr. Mario Sergio: All right. Thank you.

The Chair (Mr. Michael Prue): Any other questions or comments? Seeing none, are we ready to vote? 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? Carried.

Thank you very much.

Mr. Yasir Naqvi: Thank you, Mr. Chair.

The Chair (Mr. Michael Prue): A long trip, but relatively short work.

719226 ONTARIO LIMITED ACT, 2008

Consideration of Bill Pr8, An Act to revive 719226 Ontario Limited.

The Chair (Mr. Michael Prue): I now call Bill Pr8, An Act to revive 719226 Ontario Limited. I invite the sponsor, Ms. Jaczek, to come forward. Ms. Jaczek, if you could indicate the applicant.

Ms. Helena Jaczek: Thank you so much, Mr. Chair. I'm here sponsoring Bill Pr8, An Act to revive 719226 Ontario Limited, and with me are Andrew Van Gastel, director, and John G. Alousis, legal counsel. Andrew Van Gastel has applied for special legislation to revive 719226 Ontario Limited. The applicant represents that he was the sole officer and director of the corporation when it was dissolved. The corporation was dissolved under the Business Corporations Act on March 3, 2005, for failure to comply with section 115 of that act.

I will now turn the presentation over to Mr. Alousis, legal counsel.

The Chair (Mr. Michael Prue): The floor is yours, sir.

Mr. John Alousis: It appears that the dissolution was caused inadvertently by a failure to file a necessary notice. The notice has since been filed.

I understand that the application has been circulated to the necessary departments and ministries, and I understand that there are no objections.

We require the revival of the company to deal with property held by the company.

That sums up the facts.

The Chair (Mr. Michael Prue): Are there any interested parties to this? Seeing none, the parliamentary assistant—any comments?

Mr. Mario Sergio: This is very similar to the previous application. To be able to come up with some solution to deal with matters such as this, we'll have to deal with it at the committee level. We have no concerns

with the application. We're not opposed. I commend the applicant and the sponsor of the bill, and I will approve the application.

The Chair (Mr. Michael Prue): Are there questions from committee members to the applicant or parliamentary assistant?

Mr. Paul Miller: Once again, it looks like repeat and repeat. But with this one, I noticed that the former solicitor retired. Maybe we should contact the Law Society of Upper Canada—when lawyers retire, maybe they should pass on their files to the new lawyer so that everybody knows what's going on. I'm going to pick on the law society today for a lack of communication. Maybe that's done on purpose; I don't know.

Mr. John Alousis: You're welcome to complain all you want. I don't know whether those files were ever passed on to a junior.

Mr. Paul Miller: Exactly. So when you guys retire, please pass on your files.

Mr. Tony Ruprecht: Just a quick question: Are you from Mississauga or is this from Oakville?

Mr. John Alousis: From the Newmarket area—Kettleby.

Mr. Tony Ruprecht: The other party came from Ottawa, right? This party came from Newmarket. Let's hope we'll move in the right direction quickly. Thanks.

The Chair (Mr. Michael Prue): Any other questions or comments? Are we ready to vote?

Mr. Bas Balkissoon: Yes.

The Chair (Mr. Michael Prue): I needed somebody to say something. Okay.

Shall section 1, as amended, 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.

Just out of edification, I did say "as amended" to section 1, but there were no amendments.

Thank you very much.

Mr. John Alousis: Thank you.

MADRESA ASHRAFUL ULOOM ACT, 2008

Consideration of Bill Pr5, An Act respecting Madresa Ashraful Uloom.

The Chair (Mr. Michael Prue): The last bill before the committee today is Bill Pr5, An Act respecting Madresa Ashraful Uloom. The sponsor of this bill is Mr. Qaadri. The floor is yours, sir. Please introduce the applicants.

Mr. Shafiq Qaadri: Thank you, Mr. Chair, and to my honourable colleagues of all three parties. I am joined here by, on my extreme left, Mr. Panchbhaya; Phillip Sanford, legal counsel; and to my right, Mr. David Fleet, who, by the way, for the edification of the committee, was not only a former MPP at this Legislature but also a former Chair of this particular committee.

The bill is An Act respecting Madresa Ashrafali Uloom. From the preamble itself, the board of directors of this institution have applied for special legislation to extend the deadline for making an application under a particular subsection of the Assessment Act in respect of the classification of certain property for the taxation years 1994 and 2000.

As you'll know, Mr. Chair, there are certain provisions within the tax codes of all governments that offer relief to religious institutions. I think what we're attempting to do is to avail ourselves of those benefits. Of course, I will defer to wiser heads to explain the intricacies.

1020

The Chair (Mr. Michael Prue): The applicant?

Mr. Phillip Sanford: Yes, sir. If I might trouble the committee for a few minutes, let me just give you a little bit of the background—and I should say that I'm comparatively new to this long-running file, but that's two and a half years new. This has been working its way through the process very badly for a long time. The people who constituted the Madresa purchased the property late in 1993 with the intention of establishing a mosque and a school. They began to use the property almost right away as a mosque; the school took a little longer to set up. By 1995, they were operating both the mosque and the school.

I think it would be fair to say that the group is unsophisticated in terms of property tax issues. That really isn't unique to them. I think that most of my clients, who are generally commercial and industrial operators, would fall into the same category as—Mr. Balkissoon, in particular, knows from experiences that he and I had two decades ago that in some ways, our system is not very user-friendly. What this group ran into is one of the true oddities in the system, which is that if the assessors don't return their assessment of a property as exempt, then the only means—subject to a little caveat that I'm going to give you—whereby a taxpayer may obtain an exemption is by bringing an application before a judge. Generally, assessment issues can be resolved by appealing to the Assessment Review Board and/or by making applications to the city under the Municipal Act.

Exemptions are different. That is not widely understood by taxpayers; there are probably very few taxpayers who understand that. It's not widely understood by lawyers. I heard one of the members saying something about our profession this morning. We have many failings, individually and collectively, and one of them is that this is an obscure little practice area which is not widely understood and, frankly, people are unwise to dabble in.

This group retained, ultimately, several solicitors. Those solicitors initiated applications to the municipality, which I wrongly described as the borough of Etobicoke—at the time, it was the city of Etobicoke. Applications were initiated under what used to be section 442 of the Municipal Act. This is one of the complex little oddities in the legislation. Municipalities can treat a property as exempt for a portion of the year in which it

becomes exempt. They have that limited jurisdiction, but only in that year can they treat it as exempt. Otherwise, it remains in the hands of the provincial assessors, and if there's a dispute, it goes into the courts.

I'm sure that some of you are thinking that this is just gobbledegook. But in fact, it's the heart and soul of the problem. An application was initiated for a property that should have been substantially or wholly exempt from an early point. The application was initiated by the solicitor. The city of Etobicoke staff did what they always do, which is, they asked the provincial assessors—in those days, of course, the Ministry of Finance—for comments. The matter bounced back and forth between the two, information was requested, site visits were undertaken, and in the way that happens all too often, more applications were made in subsequent years. The years went by. Some recommendations for partial exemptions were made by the assessors. The Madresa was unsatisfied with the extent of the exemptions, and the matter went on and on.

In 2000, unfortunately, it all crashed to the ground, and I'll explain why. In the letter that I gave the committee on Monday, I explained in some detail. In 2000, the solicitors became involved. These are the solicitors for MPAC, and they quite fairly said, looking at what had gone on and looking at all the applications, which then had backed up before the Assessment Review Board—in plain language, “Wait a minute; there's no jurisdiction in the Assessment Review Board to deal with these matters. You should have brought an application before a judge.” After more back and forth, ultimately an application was brought—even that wasn't done as quickly as it should have been done—and an exemption was granted, starting in 2001, on consent. The situation in the earlier years was the same: There simply was a fundamental mistake in the way in which the representatives of the Madresa addressed the matter.

The only way, if at all, that those old tax years can be addressed is if the Legislature permits a reopening of the limitation period. The Madresa is not asking that the applicable law be changed retroactively; it is asking for a very extraordinary relief, which is to in effect turn the clock back and permit it to bring an application before a judge for the years 1994 through 2000. It is in a dire situation. The property is in the process of a tax sale and the city is exercising its rights.

I'm not sitting here criticizing the city. I said to somebody this morning—actually, I said to one of the city representatives who is here, “This is a situation, a bit of a train wreck, where I don't actually see any villains.” Everybody was trying to do the right thing. The practice that the city of Etobicoke adopted of dealing with these Municipal Act applications, the section 442s, was clearly beyond its jurisdiction. I can tell you, and my friend Mr. Fleet can tell you—because we both practise in this area exclusively—that Etobicoke did this not just for this particular applicant but it dealt with successive-year exemptions on a routine basis. That was just the way it was done. Undoubtedly, people appreciated that Etobi-

coke was exceeding its jurisdiction, but it's ever so much simpler if you can deal with exemption matters by way of an application to the municipality.

Etobicoke was, in my view, trying to convenience its taxpayers. It certainly was pushing its own jurisdiction beyond the boundaries, but with every good intention. Normally, everything worked out just fine. The applications were made, recommendations were made by the assessors and everything was dealt with. The problem with pushing the jurisdiction in the way that Etobicoke did is that in a situation like this, where the years go by and the recommendations that are being made by the assessors don't correspond with the taxpayer's hopes and expectations, at that point, the taxpayer suddenly discovers that it has no rights at all.

Does the taxpayer bear part of the responsibility? Sure it does. Can you blame the lawyers? Sure you can. Should the lawyers be sued? They're being sued. Will that process be complete any time soon? No, that's years and years, and in the meantime there's a tax sale that is rapidly overtaking the taxpayer, the Madresa.

Let me just focus on the city's concerns. In the letter, which I hope has been circulated to the committee—I hope the committee has a letter from Ms. Carbone, who is here, and a response from me. Ms. Carbone's letter is dated April 15, 2008, and mine is dated April 21, 2008.

1030

The Chair (Mr. Michael Prue): I just want to make sure that all the members of the committee do have that.

Mr. Mike Colle: Yes.

The Chair (Mr. Michael Prue): Everybody check and make sure you have those before we proceed.

Interjection.

The Chair (Mr. Michael Prue): Do you have a question of me?

Mr. Tony Ruprecht: Yes.

The Chair (Mr. Michael Prue): Go ahead.

Mr. Tony Ruprecht: If you could just refresh my mind for a second, did you just say that—

The Chair (Mr. Michael Prue): No, no. Excuse me, we aren't into the stage yet of asking questions, because we have to hear the other deputants as well. I thought it was a question of me.

Mr. Tony Ruprecht: No, I just wanted to save time.

The Chair (Mr. Michael Prue): All right, everyone now has it? Please proceed.

Mr. Phillip Sanford: Ms. Carbone has set out the city's position. She's here and her counsel is here and they may speak to it. Let me just summarize what I understand to be the position being advanced by Ms. Carbone.

She says that the city staff, at least, "are not aware of any satisfactory reason for the delay in seeking and obtaining an exemption before ... 2001."

She also says that various matters were considered by the assessment appeal tribunal, the ARB, and those decisions weren't challenged. With respect to the second point, they couldn't be challenged because of the error in the way in which the taxpayer proceeded.

On the first point, which is—I think that's the heart and soul of it. I don't think there are many circumstances where I would be prepared to take my own very limited time and come here and take your valuable time to try to persuade you to do something which is well out of the ordinary and should not be done except in extraordinary circumstances. What does take this out of the ordinary is the role of the city of Etobicoke and the predecessor of MPAC, the Ministry of Finance.

If the committee has my letter, I just pulled out a couple of examples from the file, and attached to my letter of April 21 there's a letter from the Etobicoke assessment office, as it then was, the regional assessment commissioner. It's from a very good assessor, a person for whom I have the highest respect. She's saying to the then solicitor, "Okay, if you're looking for an exemption, here's the information we need." That's a fairly typical example of the correspondence that goes on.

I gave you another letter, two years later, from her successor, the then valuation manager in the same office. He's talking about the section 442s and about a partial recommendation that the assessors are prepared to make. Then he says—and this is kind of telling. Mr. King, the valuation manager, in the last full paragraph in his letter says, "The 1998 tax year as discussed can be dealt with by an appeal or reconsideration. A letter is required to start the reconsideration process."

The difficulty with that: It's true that you can file an appeal, but only on consent could the Assessment Review Board actually have granted the exemption. It's true that a reconsideration request could be filed, but again, if there isn't concurrence by the taxpayer, the assessing authority and the municipality, then there's no jurisdiction.

This pattern of not warning the applicant is something that's changed. If I can say something positive about a provincial agency—and my friend Mr. Fleet sometimes gives MPAC a good thumping and perhaps they deserve it sometimes, but they also deserve credit for a lot of things they do right. I'll tell you from personal experience that one of a good number of things they do right is today, if a taxpayer is doing what these people were trying to do, the assessors give a warning and they're very clear about it. They write; they call. I've had assessors call me to say, "Look, there's a group that is getting itself in trouble because it hasn't brought an application. It may well be entitled to an exemption. They need some advice; they need some help."

I believe that that is now MPAC policy. I can tell you it's certainly the consistent practice. That's a good thing, but it wasn't the practice 10 and 12 years ago, for either municipalities or for the assessing authority, to give people fair warning that they were doing the wrong thing. So with great respect to the city as an entity and to its representatives, for whom I have a very high regard indeed, the city, and to some degree the province, contributed to the extraordinary circumstance the Madresa finds itself in. The only possible solution which would

allow those early years to be dealt with is the private bill. Those are my brief submissions.

The Chair (Mr. Michael Prue): Thank you so much. Are there any interested parties? I understand there are at least two present.

Mr. David Fleet: If there is an opportunity to address a point without duplicating any of the—I thought—useful comments of Mr. Sanford, I'd like to address the bill in the context of, typically, the role of this committee. I understand that there's at least contemplation of a ministry-inspired amendment to the bill coming forward—and to address that concept.

This bill might very well be called the “You get your day in court bill,” or, “There's an opportunity for justice on the merits bill,” because that's all the bill does. It gives an aggrieved taxpayer an opportunity to prove their case before an independent judge and, if there's merit, to get the treatment that they would have gotten had they brought it in sooner—and you've heard why there was a delay.

This committee has, to my knowledge, historically been one of the least partisan, most independent committees of the Legislature. The advantage of that has been that when technical issues come up—and every one of these private bills that I have ever heard of is technical one way or another, whether it's a corporation or a tax exemption; they're not like public bills, they're very specific to an individual situation. There's no press value here because there's not another one of these floating out there that we know of. We'd likely know if there was.

So there's a very specific situation and there's an opportunity for the committee to say, “Well, with whatever the technical issues are, here's an opportunity for some justice to be achieved in as least complicated a way as possible.” However complicated it is getting here, it's not the same as a public bill going through the Legislature. There is, we understand, the notion of an amendment that would effectively force consultation back with the city going through 45 councillors. There are very tight time limits because of the tax-sale proceedings involving the property. It would be very unfortunate if that scenario, that extra burden, was imposed in this situation.

There are precedents for the bill to be considered and, if you think there's some justice in the situation, to approve the bill in its current form. These bills come through with some variations, but in this situation, I would suggest that the historic or traditional role of the bill would merit consideration and approval in its presented format.

I'd like to thank you for the opportunity to make submissions.

1040

The Chair (Mr. Michael Prue): Are there any other deputations from the applicants? Seeing no others, are there any interested parties?

I'm given to understand the city of Toronto may be interested. Please come forward. For the record and for

Hansard, please state your names—although I know both of you.

Mr. Terry Denison: My name is Terry Denison. I'm a lawyer with the city of Toronto. With me is Giuliana Carbone, who's our director of revenue services.

The Chair (Mr. Michael Prue): The city of Toronto is interested in this particular application. Please proceed.

Mr. Terry Denison: I'll be very brief. There are only two things I want to address. I think Mr. Sanford has gone through some of the sad facts in this situation. We all have some sympathy for the position that the Madresa has found itself in.

Our first comment is, generally, that under section 46 of the Assessment Act, there's provision for an application to be made to the court to deal with certain assessment matters that aren't dealt with in other parts of the Assessment Act, exemptions being one of them. That section is very specific. It says that the judge has power to deal with the matter in the year that the application is brought and on a going-forward basis, but not going back. In this particular instance, you're being asked to provide an exemption to the limitation period, which would take it back as far as 1994. In general principles, this is problematic for the city. If there's going to be a retroactive adjustment to the city's revenues going back that far, it's a problem. That's the general concern the city has. If you're faced with this kind of request, it is not a good precedent. I think it would be a precedent for others, even though it's not a public bill—I disagree with my friend Mr. Fleet—because people certainly read your proceedings, they read the bills you look at, and lawyers are clever enough to figure out whether there's an advantage for them to deal with them in this way.

That brings me to my second point, which is lawyers. In this case, it was clear that the Madresa was represented by counsel during the time these applications were made. You've heard from Mr. Sanford that in fact there is some kind of insurance claim, or at least the lawyers' insurers are, I guess, at the table and dealing with the claims that are made about this.

So, the second question you have to ask yourself is, what is the proper relief and remedy for this? Is it for the tax relief to be provided by allowing a court application which may, in effect, reverse the taxes that have been billed as far back as 1994, or is it proper for the lawyer dealing with it to have their insurer deal with it? It's a question, I guess, of where the fault lies and who pays. Is it the taxpayers, generally, or is it the insurer for the party who was responsible?

Those are our comments, unless there are any questions that the committee wishes to ask us.

The Chair (Mr. Michael Prue): No comments from Ms. Carbone?

Ms. Giuliana Carbone: From the city's perspective and from my professional perspective as the director for revenue services, my main concern is just having a set precedent and rendering time limits within the legislation. There may not be current properties in the same situation today, but on a go-forward basis, we're dealing

with properties on a regular basis, in terms of different assessment statuses, exemption statuses, and we do rely on the timelines within the legislation in order to manage those portfolios and provide for changes in assessment. Going back to 1994 is quite a lengthy period. It's also very difficult at this point to substantiate what the facts would have been that far back, in terms of the actual status of the property and whether it should have been a full exemption etc.

The Chair (Mr. Michael Prue): Thank you. Are there any other interested parties? Anyone else who wishes to speak to the issue, who has not already spoken? Okay.

Interjections.

The Chair (Mr. Michael Prue): We're going to get there. The next item I'm required to do is to ask the parliamentary assistant if there are any comments from the government.

Mr. Mario Sergio: Yes, we do have serious concerns and we have a number of question for both the applicant and the city of Toronto representatives before I make any comment.

The Chair (Mr. Michael Prue): All right. Then I will proceed to questions from committee members to the applicant, the parliamentary assistant or the interested parties. The floor is wide open. If we could have at least one—the lawyer from each side—and we'll deal with anyone else who gets called. I think that's the easiest way. I see Mr. Balkissoon first, then Mr. Miller.

Mr. Bas Balkissoon: I wonder if we could get Ms. Carbone back to the table. Can you explain to the committee, in terms of a religious organization like this coming to the city requesting an exemption, your procedure today and what it would have been before amalgamation? Is it as outlined by Mr. Sanford earlier?

Ms. Giuliana Carbone: The procedure today is, if an organization that feels it is exempt purchases a property in the year—so there's a change in use in the year—they apply to the city by the end of February of the following year to ask for a change in the assessment roll. That decision is heard by our government management committee, it goes through council and it's approved by council. If the property owner disagrees with the decision of council, it has 45 days, I believe, to appeal council's decision to the Assessment Review Board. That's how these applications would be dealt with today, in-year.

Prior to amalgamation, I don't feel confident explaining what each of the former municipalities did. One is because I didn't come into this portfolio until 1998, so I was not working in the taxation area prior to 1998. Plus, with six former municipalities, I would assume that the practice was similar to what Toronto does today because the legislation is similar, but I can't verify that.

Mr. Bas Balkissoon: Let's assume that all the various municipalities probably had similar but slightly different processes. In your current process, at any time do you advise the organization that it is a court that really decides on the exemption and it's not the municipality itself, based on the way the legislation is written?

Ms. Giuliana Carbone: Currently, because we deal with the application in-year, it is rightfully dealt with by council and then the assessors are to return the property correctly for the following year.

What we advise property owners is, if it's not returned correctly in the following year, they should be appealing that decision, because it's returned incorrectly. Sometimes, if it's returned incorrectly in the following year, there is the opportunity to do a gross and manifest error, where a roll is incorrectly returned. So there is that opportunity, and with gross and manifest, we can go back two years.

Mr. Bas Balkissoon: In a case where you have a building that is multiple-use by the applicant, and in this particular case there's a school, there's a place of worship and there could be other things—and I've had experience with a couple of organizations that had community centres and banquet halls etc.—is it normal practice to refer that to the assessment department, like MPAC, to review it and come back to you with a re-assessment and the recommendations they have?

Ms. Giuliana Carbone: That's correct. We would refer the matter to MPAC on the assessment side, so that we could understand what portion of the property was being used for what purposes.

1050

Mr. Bas Balkissoon: Have you seen a copy of Mr. Sanford's material that he's provided to us, dated July 8, 1998, as to how the assessors were dealing with this particular group from 1994 on to 1998?

Ms. Giuliana Carbone: No, I haven't seen that particular letter.

Mr. Bas Balkissoon: I wonder, Mr. Chair, if we can have Ms. Carbone take a look at this. Would you say, based on this letter, that this was a situation where the city was waiting over a couple of years for the assessment department to actually visit the property and give advice back to the city, and then it would be taken through the normal process of a finance committee or government committee and on to council for final exemption?

Ms. Giuliana Carbone: That's correct. The city does wait for MPAC to make its recommendation on the assessment side so that we can calculate, based on the revised assessments recommended by MPAC, what the tax reductions or cancellations should be.

Mr. Bas Balkissoon: Could we assume, then, that Mr. Sanford is correct, that since amalgamation took place in November 1997, somewhere in the transfer between Etobicoke and Toronto something went wrong and this particular group has been caught up in that cycle of amalgamation and this is why it's been delayed for so long?

Ms. Giuliana Carbone: I know that with amalgamation we were struggling, especially in 1998, to gather all the outstanding files from all of the former municipalities to get them processed on a timely basis. I do believe that in this case, the applications that were

filed were dealt with by the city, just a little later than they would normally be dealt with.

Mr. Bas Balkissoon: There's a decision here in 2000 by the Assessment Review Board, I believe, on a reduction in taxes of certain amounts. Would those things have been reported to a standing committee and to council?

Ms. Giuliana Carbone: The decision of—

Mr. Bas Balkissoon: This particular group received a tax exemption, I believe for one year, if I remember my notes correctly.

Ms. Giuliana Carbone: The Assessment Review Board decision would not go to council. It would come through to revenue services so that we could process the decision.

Mr. Bas Balkissoon: So city of Toronto council would at no time have been aware that this group was seeking exemption, would they?

Ms. Giuliana Carbone: Not that I'm aware of, no.

Mr. Bas Balkissoon: Strictly the bureaucracy. Thank you.

The Chair (Mr. Michael Prue): Just one thing, and I'm sure it was inadvertent. The amalgamation took place January 1, 1998.

Mr. Bas Balkissoon: The election was November 1997.

The Chair (Mr. Michael Prue): Okay, but—

Interjection: The day of infamy.

Mr. Bas Balkissoon: Two months, my friend.

The Chair (Mr. Michael Prue): In case the date comes into conflict.

Mr. Bas Balkissoon: Okay, I'll correct my statement: January 1, 1998.

The Chair (Mr. Michael Prue): All right. Mr. Miller has the floor.

Mr. Paul Miller: I have some concerns about this situation. The lawyer for the applicant made some comments about lawyers being sued, so they obviously didn't do their job for the applicant, by the sounds of it. Secondly, I think there's been some miscommunication between the city, the assessors and the applicant of the property. However, I'm very concerned about a comment the lawyer made that it would have to go through a court and a judge would have to make a decision. What year did the applicant or the applicant's lawyers or you, sir, know about that opportunity to go in front of a judge?

Mr. Phillip Sanford: With respect to me, I knew it 30 years ago when I first started practising in this area, but this is pretty much all I do for a living. Most lawyers would not know that. I think a lawyer who deals in this area should inform himself or herself. In point of fact, it's an obscure little practice area, but it is not without its challenges. Many a good person has fallen afoul of this particular issue. The solicitors who did act—and by my account there were at least three who acted—did not know about the jurisdictional problem until they were informed. I will show you: Attached to Monday's letter is a letter dated May 17, 2000. It's from the firm Conway Davis Gryski, who are counsel for MPAC and indeed have represented the assessing authority for decades, and

done it very well. Mr. Gryski says in that letter to the then solicitors, "There are jurisdictional problems with respect to the exemption matter...." That was the first time that solicitor knew that there was a jurisdictional problem.

Not to belabour it, my point is that that wouldn't happen today, because the representatives of the assessing authority are very quick and very effective in raising the warning flag to say, "You're doing the wrong thing." You can say they don't have a legal obligation to do that; they do it because it's the right thing.

Mr. Paul Miller: All right. My next question was, from my notes the property was partially assessed for exemption; I believe the percentage was 29% at the time. That would have been 1998, around there.

Mr. Phillip Sanford: Actually, it was partially exempted on the recommendation of the assessors starting on September 1, 1995. They used this 442 process. That's correct.

Mr. Paul Miller: So obviously the balance is 71% that's taxable. Was there any dialogue between the city and the applicant about the shortfall or the necessity to pick up the 71% tax base?

I guess one of my main concerns is that it's quite a period of time—10 years, roughly. That obviously adds up to a lot of money, which would be a burden on the applicant and their organization, which is probably unfair—just a second; I know you want to speak—due to the fact that the application went forward—I'm just concerned that if somewhere down the line some lawyer knew you had to go in front of a judge—has that happened?

Mr. Phillip Sanford: It happened in 2001; the right thing was finally done in 2001. The exemption was granted, the city consented to it—

Mr. Paul Miller: The total exemption, 100%.

Mr. Phillip Sanford: The total exemption.

Mr. Paul Miller: So you're basically here today because of the backlog of the money, and the city is still pursuing the money that they feel they're owed up until that time?

Mr. Phillip Sanford: Yes. I'm not here to bash the city. The people to my right are people I have great respect for. Mr. Denison and I were classmates a hundred years ago. I said before, it's not a case of villains. But the city is obliged to pursue the tax arrears. We are subject to the law. Ms. Carbone, out of the goodness of her heart, can't say to me, "You know what? We're going to look the other way on this one"; she just can't do it.

Mr. Paul Miller: That poses a dilemma for us. What do we do now? Do we break the law? Do we say that there's an exemption? Are we recommending an exemption that you don't pay till 2001? Does that send a message to the public, to other people who may be in the same predicament, who are going to come before this committee on a regular basis? Are we talking lots of revenue loss for the cities or the province?

I mean, this is a very delicate decision. There are a lot of ramifications here. I must tell the committee that they

should be extremely careful on their decision on this, because it could have ramifications down the road for other people because it sets a precedent. Other lawyers will hear the decision. They have clients and they may come forward too.

1100

I'm just curious: Did the city ever talk about allowing them to pay a reasonable amount within their budget on the arrears? I'm always of the understanding that if you make an effort to pay a lawyer—for example, if I had a case where I owed a lawyer \$10,000, under the law, if I pay him \$100 a month—I'm making a genuine effort to pay—then there are no legal grounds for him to come after me, because I'm paying within my means. Whether it's \$50 a month or \$100 a month, whatever they could afford would send a message that they are going to pay, that these people are making an effort to pay, within their means, to the city, on the arrears. That's something that I think you might want to look at. That does not send a message to the public, "Oh, you just come in front of this committee and we're going to write off 10 years' or five years' worth of taxes"—or whatever.

I personally know friends who are in a financial bind. They don't have the money, they don't have the wherewithal and they make an effort to pay the lawyer \$10, \$20 or whatever it is. Maybe the city lawyer would know if that's possible. If you're making an effort to pay the city, would that be a possibility, rather than setting this type of precedent? It could be very dangerous for us, as the province and the city, to start this. I think the applicants, within means that are available to them—a small portion of money to make up for the difference, but to give a general write-off I think would send the wrong message, and I have very big concerns.

The Chair (Mr. Michael Prue): If I could, Mr. Miller, that was rather long. To whom is the question?

Mr. Paul Miller: The question would be to the city lawyer. Is there anything within the provisions that they make an attempt to pay a small amount of the arrears monthly, or whatever they can afford? Is that acceptable to the city?

Mr. Terry Denison: There were some attempts at discussions to look at that way of dealing with it. But we have to deal within a legislative framework and the arrears keep mounting. There's a statutory rate of interest and penalties that gets applied, so it multiplies at a rapid rate, in fact, to the point where this particular property is on what the city calls the large debtors' list, which is published every year. So it's a significant amount of dollars, in fact.

Mr. Paul Miller: Could the city, under the Municipal Act, do an amendment to set up some type of payment plan?

Mr. Terry Denison: It's not unusual. I think Ms. Carbone could address that.

Ms. Giuliana Carbone: The city does enter into payment plans with taxpayers. However, the City of Toronto Act, and prior to that the Municipal Act, doesn't provide a lot of discretion to the city in terms of tax

arrears. We can enter into payment arrangements, but we can't stop the accumulation of the interest that gets added on at the first of each month, and once it's added, it is like taxes. We have no ability to write off taxes unless there is an unsuccessful tax sale. So there is a process, and I can understand why that process is in place. In general, that process does work.

This is an unfortunate set of circumstances. As I explained in my letter, our main concern is just that such a bill would set a precedent for other properties in the future.

Mr. Paul Miller: It is a unique situation because it's a religious organization and a religious property which has met the exemption requirements, and they are exempt now. So it's not like a residential or commercial property. It's a church, a synagogue, a mosque, whatever applies to the situation. Would not the Toronto council have the ability to apply to amend the Municipal Act to address this type of situation because it's unique, because it's a religious situation?

Ms. Giuliana Carbone: The city itself does not determine exemptions except for—

Mr. Paul Miller: No. I know that.

Ms. Giuliana Carbone: We don't have the staff expertise. We're not assessors. There are a lot of criteria that the assessors follow. They do site visits etc. to try and determine—

The Chair (Mr. Michael Prue): Okay. I'll put you back on the list, but I have others. Mr. Ruprecht.

Mr. Tony Ruprecht: I have a question to Mr. Sanford, if you'd help me clear something up, please, about the city of Etobicoke's granting tax exemptions pre-amalgamation. Did you say that the city of Etobicoke granted the exemptions for the first year, when the property was purchased, and/or did the city of Etobicoke also grant exemptions for the following year or two or three years?

Mr. Phillip Sanford: I'm not sure what the record was, but the city of Etobicoke—two parts. As Ms. Carbone said, the city had the right—and cities today have the same right—to grant the exemption for a part year, the year in which the property changes from taxable to exempt.

Mr. Tony Ruprecht: And that did take place.

Mr. Phillip Sanford: It actually didn't take place, but it could have. It would have been right. What happened here—and ultimately you can see it in one of the letters I've given you—is that the city of Etobicoke received and processed what were called section 442 exemption applications for a series of years, at least 1995, 1996 and 1997. I will tell you, on my word, that they were acting beyond their jurisdiction when they dealt with 1996 and 1997. There's just no doubt about it. There are three lawyers sitting here. We all agree they did not have the right to do that. They did it for the best of reasons, but—

Mr. Tony Ruprecht: So they granted the exemption for three or four years.

Mr. Phillip Sanford: Partial exemption.

Mr. Tony Ruprecht: Partial meaning what?

Mr. Phillip Sanford: As Mr. Miller said, 29% of the property.

Mr. Tony Ruprecht: That was the partial exemption.

Mr. Phillip Sanford: Right.

Mr. Tony Ruprecht: Mr. Chair, you probably remember this, but it was this very committee, pre-amalgamation, who actually made recommendations to exempt churches and cultural institutions. So, just for clarification, for your own edification—

The Chair (Mr. Michael Prue): I thank you for that. I do remember, as mayor of East York, acting upon that on several occasions before 1998.

Mr. Tony Ruprecht: Then you came here, right?

The Chair (Mr. Michael Prue): Back to Mr. Balkissoon.

Mr. Bas Balkissoon: I have a question for Mr. Sanford. As has been discussed across the table here, the city is in a position of objecting because they stand to lose a lot of revenue. But as you stated before, there is a lawsuit between the organization and the lawyers of the day. To the best of your knowledge, is there an opportunity for the city to recover its losses through that lawsuit as a partner with this organization?

Mr. Phillip Sanford: No. It is conceivable that the city may get dragged into that litigation, but, no, the city can't make a recovery.

Mr. Bas Balkissoon: I need you to clarify once again—I think Mr. Fleet did—that the request of this committee is not to grant the exemption but strictly to give you the authority to allow a court to make that decision of the facts as they took place from 1994 onwards?

Mr. Phillip Sanford: Yes, that's precisely—

Mr. Bas Balkissoon: I just wanted to make sure that you clarify that; that all we're dealing with is giving you permission to go to a judge.

Mr. Phillip Sanford: Yes.

Mr. Mike Colle: Approximately how many dollars are we talking about in potential lost revenue to the city?

Ms. Giuliana Carbone: The arrears to date are over a million dollars.

Mr. Mike Colle: If we were to grant this bill and allow it to proceed to the courts, whatever, what is the objection and the concern that you have from the city if this were to be the case?

Ms. Giuliana Carbone: Our only concern is if that bill would set precedent. Our concern is that, in future, if there are other organizations that feel they should be exempt and they want to go back 10, 12 years, those would be granted; they would go forward for a private member's bill and try to do retroactive adjustments. Our only concern is truly the precedent that this might set. There are timelines within the legislation. I just wouldn't want them to be rendered meaningless.

1110

Mr. Kim Craitor: I need to understand, if I intend to support this bill. I was a city councillor for 10 years, so I have some knowledge. Tell me again, what makes it different? What are those extenuating circumstances that

make it unique for you to make this application? I've listened to some of those things about amalgamation and maybe getting lost in the system. Can you give me those 10 points again that make it a unique situation, not a precedent—that there's an extenuating reason why this should be looked at.

Mr. Phillip Sanford: Yes. Thank you for the opportunity. I was champing at the bit hoping somebody would give me a chance.

I have a world of respect, genuine respect, for my friends at the city, and I understand the concern about precedent. People ask me on a regular basis, when they have failed to file appeals or they've done the wrong thing, whether it can be fixed. I tell them on a regular basis, "No." What makes this unique in my experience is that you have a very worthy organization which is lost in the system where two groups of people who are trying to do the right thing—the Etobicoke assessors and the staff at the city of Etobicoke—work with the Madresa for years trying to come to an appropriate solution for them.

Perhaps it just didn't occur to anybody that it might all come crashing down if at some point somebody said, "Isn't there a jurisdictional problem?" I know of no other situation like this where it all ended in tears. I know of a good many situations where successive year section 442s were processed, dealt with on consent. As I said before, that was a practice that was beyond the limits of the law, but it was done for the best of reasons. I just don't know of any other situation which would allow anybody to come here and make the argument that this particular group is making.

I hear the floodgate argument, and as litigation counsel, I'm often making the floodgate argument myself. I can well understand why it would be of concern to the committee. I honestly just don't think that approving the bill would open the floodgate an inch.

Mr. Fleet has a fair bit of experience in this area too, and he may have something to add.

Mr. David Fleet: I completely concur. I have personal knowledge of the practices that Mr. Sanford has testified to that really stem from the Etobicoke assessment office. They were physically very close to the municipal offices. Essentially, the staff was working in tandem to deal with things in an expeditious fashion. I must say, this is the only time that I'm aware of where it didn't work out. That makes it extraordinarily unusual, in and of itself.

But even that's not the only basis for distinguishing it, Mr. Craitor. The other reality is, it's not real likely that you're going to see a humungous amalgamation take place in the fashion that you all experienced. I don't know of another scenario, even where they've had amalgamations, where it was the series of events coupled with one more change, which was you had impact being created. All of these changes happened almost one right after the other, but very close to one another in time. It took all of these unfortunate events happening at once and catching up one poor soul of a taxpayer, an organization that thought they were doing everything the right way, and it turned out that it wasn't quite done the right way.

At the end of the day, in the comments I made earlier, the bill is intended to allow for justice to be done if it can be shown to a judge that it ought to be done. There's no tax exemption being granted by this committee. This committee is not relieving a nickel—that goes to a judge. Either it's proven or it's not, but it's done in a fair fashion. It's justice. That's the idea.

The Chair (Mr. Michael Prue): Mr. Miller, I did cut you off earlier. Did you have any additional questions? Then I have Mr. Ruprecht.

Mr. Paul Miller: Just a final comment. In reference to the judge, the decision of this committee is going to have a bearing on how the judge reacts to the case, whether you want to admit it or not. He's going to take a look at, "The parliamentary committee suggested that you reopen this, look at it and deal with it." Granted we're giving him direction, but are we providing a vehicle for other groups to come through this committee, through the legislative rules, to go on to the judge? Are we providing a vehicle where we're going to have—you say, no, we're not going to see any more of this. I'm not sure. If we do, are we just a pylon for the judge? Are we just going to be a rubber-stamp outfit that's going to say, "Just go through us; go through the judge?" I'm concerned about that. You may laugh, but what purpose are we serving as a body to just say, "Well, we'll just go through the ringer here, and you can just go on to the judge and he'll deal with it"? I don't understand. What is our purpose here? Why do you need us?

Mr. David Fleet: The short answer to your first question is, no, the judge is not going to get direction from this committee. All the taxpayer is going to get is the opportunity to go to the judge. That's the only decision that this committee is being asked to pass a bill concerning. The merits have to be proven in the ordinary course, no different than anybody else who wants to qualify for a particular tax exemption.

It's difficult for me to imagine how it could be that another person could bring forward a private member's bill. I must tell you, bringing forward a private member's bill is not an easy thing to do, it takes a lot of determination and effort, and, given how long it's taken to get here, you don't get here quickly. The reality is that the Legislature, I suppose, can rule on anything at any time. As a practical matter, just because one bill goes through doesn't mean that anybody else has grounds. It's the grounds that ultimately matter. That's what a judge will decide on. He or she will decide on the basis of the merits. That's really all that it's suggested ought to have been done in the first place. That's all that anybody is really putting forward.

It's very difficult for me to imagine that this committee is going to become such a hotbed of private members' bills. You're going to get them dribbling in for different reasons at different times, I doubt for the reasons that you've seen today.

Mr. Paul Miller: So as a lawyer I can get that in writing, can I?

Mr. David Fleet: You can have a transcript. I can sign it if you want the autograph.

Mr. Tony Ruprecht: The sponsor of this bill is our esteemed colleague Dr. Qaadri. Whatever happens here today, I'd like Dr. Qaadri to ensure that the message goes back to the members of Madresa Ashraful Uloom that this committee is very sympathetic to their request but we're at an impasse.

I think the suggestion that was made by Mr. Miller is an interesting one. If we are unable to follow up on this today, maybe there's a way we can follow up another time with another motion. But I think it's important for us to ensure that Dr. Qaadri gives the message back to the members that this committee has certainly been very sympathetic to the cause.

Mr. Mario Sergio: Mr. Chairman, through your indulgence, I have some motions that will be put on the floor. I wonder if they could be distributed now, before I make some comments, and perhaps take advantage of a 10-minute adjournment, if you will, so everybody has an opportunity to look at the motions. Then we'll know what we're dealing with. Can I have a 10-minute recess?

The Chair (Mr. Michael Prue): If I could, because they're going to have to be read into the record, I will allow you to read them into the record and then we will take a 10-minute recess so that members can take a look at them, all right?

Mr. Mario Sergio: Okay. That's fair.

The Chair (Mr. Michael Prue): If you would read the motions you want to make so that we—

Mr. Mario Sergio: The motions are being distributed now.

The Chair (Mr. Michael Prue): I have before me three. Are there three motions?

Mr. Mario Sergio: Yes.

The Chair (Mr. Michael Prue): All members have them, so you can follow along.

Mr. Mario Sergio: The first two motions are technical in nature, and the third motion perhaps deals with the exact point that we all want to deal with, and that is the request of the applicant, I would say. If all the members have the motions now, I'll read them. Mr. Chairman?

The Chair (Mr. Michael Prue): Go ahead.

Mr. Mario Sergio: I move that subsection 1(1) of the bill be amended by striking out "In this section" at the beginning and substituting "In this act."

Motion number 2: I move that subsection 1(2) of the bill be struck out.

The third motion: I move that—

The Chair (Mr. Michael Prue): Excuse me. The clerk has correctly reminded me that only one can be moved at a time.

Mr. Mario Sergio: One at a time?

The Chair (Mr. Michael Prue): One at a time. So I think—

Mr. Mario Sergio: I thought I was supposed to read the three motions.

The Chair (Mr. Michael Prue): Yes, I thought so too, because it seemed that it was going to be expeditious. But people now have them. We'll just deal with the first motion. We will take the 10-minute recess, and everyone can have a look at the three.

Mr. Mario Sergio: Okay. Thank you.

The Chair (Mr. Michael Prue): It is now 20 after. We will resume promptly at 11:30. This meeting stands recessed for 10 minutes.

The committee recessed from 1120 to 1130.

The Chair (Mr. Michael Prue): I call the meeting back to order, it now being 11:30.

We have motions that are properly before us. What I intend to do is deal with each of them in turn, but to ask the legislative counsel to comment on them and what each of the motions means. The last one is particularly complex, and I want to make sure all members understand what it does.

The first one is striking out "In this section" at the beginning and substituting "In this act." The purpose of this?

Ms. Catherine Oh: If a section 1.1 is added to the act, then the definition would have to apply to the entire act and not just to section 1.

Mr. Mike Colle: We can't hear you.

Mr. Mario Sergio: Mr. Chairman, sorry—

The Chair (Mr. Michael Prue): Yes, I'm going to let you comment next. I just want the legal advice as to what it means, and then you can explain why it's being moved.

Ms. Catherine Oh: Currently, if it says section 1, it would apply only to that one section. We're trying to add here possibly a section 1.1 of the bill, so that would make it two sections in which that definition would need to apply.

The Chair (Mr. Michael Prue): So this is merely to allow a subsequent motion to take effect.

Ms. Catherine Oh: Yes.

The Chair (Mr. Michael Prue): Okay. The parliamentary assistant.

Mr. Mario Sergio: Before we go into the motions themselves, I want to address the Chair and the committee. Let me say that we are all sympathetic to the application and want to do the right thing. But, given the history of the application and the difficulties that have taken the process to this stage here—and there are still existing problems with it, not necessarily with this committee but with the way the application has been handled over the years, and the legalities and jurisdictions and so forth—I would kindly ask the committee to decide today and defer for one week until we work out some extenuating circumstances and bring the application back within a week. The motions were just circulated now, even to the applicants, which I was not aware of at the beginning. So I wonder if it is appropriate to delay a decision until next week.

The Chair (Mr. Michael Prue): We have a motion of deferral. First of all, I just want to make sure that the applicants and the city of Toronto have no difficulty with this. Is there any difficulty if this matter is deferred until

next week? And I am mindful that on August 15 of this year, the city can, if they choose to do so, estreat the property, so we're running very close on time. Do you agree that this matter be put over for a week?

Mr. Phillip Sanford: Yes, sir. The applicant is certainly content.

The Chair (Mr. Michael Prue): All right. And the city of Toronto?

Mr. Terry Denison: Let me understand the reason for the request for a deferral.

The Chair (Mr. Michael Prue): My understanding—and I'm only paraphrasing it—is that it is in order to give an opportunity to all parties, and the members of committee as well, to look at the motions that are being made. They have simply now been circulated. As the Chair, I did not see them until I got them. I know all members would be in that boat, save and except possibly the parliamentary assistant. I don't know when he had them, as the mover, but I do know the other members saw them for the first time as they were distributed, and he is asking for an opportunity for the members and others to study them. So that's the reason he's asking. Do you have any objection? If you do, so state.

Mr. Terry Denison: Let me just, hopefully to save time for everyone—I have just seen this as well this morning, but as I understand it, what it's suggesting is that it add in a requirement for the city of Toronto to have council pass a resolution dealing with this. In fact, if the bill were to go forward in its submitted form, and that enabled the applicant to commence a court application, the normal course of events for city legal staff on that application would be to obtain our instructions from city council as to how to respond to the application. So I don't think adding on this request for a resolution adds anything into the bill that wouldn't occur in any event. If I can offer that comment, if that saves the deferral, then I offer it. It doesn't change our position on the main bill, but I don't think this really helps.

The Chair (Mr. Michael Prue): Okay, now we've had comments. Discussion? This is a motion of deferral. Motions of deferral are generally not debatable, so can you state the rationale for the deferral?

Mr. Mario Sergio: If I may—and I will try, Mr. Chairman—I think this is exactly the point that we are trying to make here, with all due respect to the solicitor for the city: If we were to discard the motions, as I intend to, and go directly forward with the approval, then within the same bill as presented, the applicant would have the right to go to court. If the court were to render a decision, where would the city of Toronto be at that particular time—if the court had that authority, I would assume.

So in order to look at all of that, to look even more in depth with our staff, with the existing appeal and the motions forwarded, I think one week would be of benefit to both—not only to the committee, but to the applicant and the city as well. I would again move that we have a week's deferral, Mr. Chairman.

The Chair (Mr. Michael Prue): We have a motion, then, of deferral. Is the committee ready to vote?

Mr. Paul Miller: Mr. Chairman, would additional information be important to say before the deferral, or after?

Mr. Mario Sergio: Yes, if there is any further information, it should be provided in advance to the members, Mr. Chairman.

The Chair (Mr. Michael Prue): So if the deferral is granted, the parliamentary assistant will ensure that the information is made available to all parties by when?

Mr. Mario Sergio: The day before; would that suffice? Or as soon as possible, if there is any new information.

The Chair (Mr. Michael Prue): Is it possible to commit to Monday, to give two days—

Mr. Mario Sergio: Two days? I'll try, I guess. I'll have to discuss it with the staff.

The Chair (Mr. Michael Prue): I would prefer—

Mr. Mario Sergio: Or not later than the day before, to be more specific?

The Chair (Mr. Michael Prue): Not later than the day before; at least 24 hours in advance, okay?

Mr. Mario Sergio: Okay.

The Chair (Mr. Michael Prue): So everybody understands the motion of deferral and what's going to happen with it? All those in—

Mr. Paul Miller: Mr. Chairman, can we have discussion after the deferral?

The Chair (Mr. Michael Prue): On?

Mr. Paul Miller: On new information. Once you defer it—

The Chair (Mr. Michael Prue): The deferral will stop the meeting cold right now.

Mr. Paul Miller: That's what I'm trying to say. I would like to—

The Chair (Mr. Michael Prue): It will stop the meeting cold on this point. There is still one other minor item, being the letter that I wrote to the ministry.

Mr. Paul Miller: All I'm saying is the point of information that has come to my attention—would I be able to divulge it today? Because you're doing a deferral. Once you've done that, I think we're pretty well done.

The Chair (Mr. Michael Prue): No, no. It's deferred. It means that the committee will hear and continue the deliberations with additional questions, if necessary, next week.

Mr. Paul Miller: Oh, next week?

The Chair (Mr. Michael Prue): Next week.

Mr. Paul Miller: The point that I'm trying to bring forward, Mr. Chairman, is the fact that you might want to research this before next week. So before you vote on the deferral, I have a short two-second statement that might be beneficial to this committee and the decision of the members.

Mr. Mario Sergio: If we defer the application, we have other opportunities. Otherwise—

Mr. Bas Balkissoon: Share that with him privately.

Mr. Paul Miller: I'm not sure I want to go that way.

The Chair (Mr. Michael Prue): We have a motion of deferral. It does not need to be with instruction. A motion of deferral has been made. If you don't like the motion, then you don't have to support it.

All those in favour of the motion of deferral?

Mr. Mario Sergio: A recorded vote, Mr. Chairman.

Ayes

Balkissoon, Colle, Craitor, Paul Miller, Ruprecht, Sergio.

The Chair (Mr. Michael Prue): Then there is a unanimous motion of deferral.

This matter stands adjourned until the next hearing, which will be Wednesday the 30th at 10 o'clock. That's on Bill Pr5. Until next week at 10 o'clock.

There is one other item, if I could. Are there copies for the members? I could just read it out. We're just having copies made of the letter that I sent to Minister McMeekin, because there were a number of statements made this morning on the first two bills about where we're heading with this. I want to make sure, before it is actually sent, that the members are satisfied with the content. There were questions and debate in the last meeting, and questions and debate again in this meeting, on how we proceed.

The members now have a copy of the letter that I propose to send on behalf of the committee to Minister McMeekin. If you're satisfied with it, that will conclude the—

Mr. Bas Balkissoon: It's perfect.

The Chair (Mr. Michael Prue): I have one "perfect."

Mr. Mario Sergio: —more than just revivals? Were there other—

Mr. Bas Balkissoon: I think the ministry staff pointed out two or three situations.

The Chair (Mr. Michael Prue): The entire transcript will be sent along with the letters. They will get it all.

Mr. Bas Balkissoon: Send the minister's staff a transcript with it, because he admitted to a few little grey areas.

The Chair (Mr. Michael Prue): Okay. There are a number of discussions going on. Is everyone satisfied with the contents of the letter? Not hearing anything else, that's fine. It will be sent.

A motion to adjourn?

Mr. Paul Miller: Motion to adjourn.

The Chair (Mr. Michael Prue): All those in favour? Opposed? Carried.

This meeting stands adjourned. We will meet again one week hence.

The committee adjourned at 1147.

CONTENTS

Wednesday 23 April 2008

| | |
|---------------------------------------------------------------------|------|
| 827291 Ontario Ltd. Act, 2008, Bill Pr7, Mr. Naqvi | T-15 |
| Mr. Yasir Naqvi, MPP | |
| Mr. Shannon Martin | |
| Mr. Patrick McCarron | |
| 719226 Ontario Limited Act, 2008, Bill Pr8, Ms. Jaczek | T-16 |
| Ms. Helena Jaczek, MPP | |
| Mr. John Alousis | |
| Mr. Andrew Van Gastel | |
| Madresa Ashraful Uloom Act, 2008, Bill Pr5, Mr. Qaadri | T-16 |
| Mr Shafiq Qaadri, MPP | |
| Mr. Phillip Sanford | |
| Mr. David Fleet | |
| Mr. Terry Denison | |
| Ms. Giuliana Carbone | |

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Mr. Yasir Naqvi (Ottawa Centre / Ottawa-Centre L)

Mr. Shafiq Qaadri (Etobicoke North / Etobicoke-Nord L)

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