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**Wednesday 3 June 2015**

**Journal  
des débats  
(Hansard)**

**Mercredi 3 juin 2015**

**Standing Committee on  
Regulations and Private Bills**

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

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE  
ON REGULATIONS  
AND PRIVATE BILLS**

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

Wednesday 3 June 2015

Mercredi 3 juin 2015

*The committee met at 0902 in committee room 1.*

**The Chair (Ms. Indira Naidoo-Harris):** Good morning, everyone. The Standing Committee on Regulations and Private Bills will now come to order. We have three private bills to consider this morning.

NIAGARA CENTRAL  
DOROTHY RUNGELING  
AIRPORT ACT, 2015

Consideration of the following bill:

Bill Pr20, An Act to amend The Welland-Port Colborne Airport Act, 1976.

**The Chair (Ms. Indira Naidoo-Harris):** We're going to start with Bill Pr20. I'd like to ask the sponsor and the applicant to come on up, please. This is An Act to amend The Welland-Port Colborne Airport Act, 1976.

Just before we start I would like to let committee members know that I do have a request from Mr. Hudak, who is one of the sponsors here, that the committee consider the two private bills he is sponsoring one after the other. I would like the committee to be prepared for Bill Pr20 and Bill Pr22. Is everyone in agreement with that?

**Interjection:** Agreed.

**The Chair (Ms. Indira Naidoo-Harris):** Great. Thank you.

**Mr. Tim Hudak:** It's a long way to walk.

**The Chair (Ms. Indira Naidoo-Harris):** Of course, it does depend on the applicant getting here, but I'm glad everybody is in agreement.

First of all, if I can ask the sponsor to please introduce himself and the applicant.

**Mr. Tim Hudak:** Thank you very much, Chair, and members of the committee, for your indulgence. The other applicant for the subsequent private bill is on her way here. She's from Niagara and caught up in a bit of traffic. So if it works, fantastic; if not, then we'll go in the order on the agenda.

I'm proud to be here in support of Bill Pr20. I'm joined on my right by Bruce Smith. Bruce Smith is a lawyer from Port Colborne. Do you live in my riding?

**Mr. Bruce Smith:** I'm in Welland.

**Mr. Tim Hudak:** It was a Port Colborne number I called, wasn't it?

**Mr. Bruce Smith:** No.

**Mr. Tim Hudak:** Obviously, we didn't rehearse this.

**Mr. Bruce Smith:** No.

**Mr. Tim Hudak:** He's a lawyer in Welland, Ontario. He'll be speaking on behalf of the Niagara Central Airport, and a bit about Dorothy Rungeling, who this airport is to be named after if the committee permits the bill to go through and we get second and third reading in the Legislature.

Chair, can I just talk a bit about Dorothy Rungeling and why this is just a really nice bill? Cindy Forster, my colleague from the Welland riding, couldn't be here today with a conflict; Jennifer French, obviously, is representing the NDP. But Cindy Forster is also a strong supporter of this legislation. The airport resides in Pelham, in my riding, but services the communities of Welland, Port Colborne and Wainfleet, which Ms. Forster represents. She has made very positive comments about this bill. While we can't co-sponsor private bills, as you know, she is a strong supporter, and I appreciate that. It's a nice story of two Niagara members from different parties working together on a good cause.

**The Chair (Ms. Indira Naidoo-Harris):** Please go ahead and just explain to us what comments you have about this.

**Mr. Tim Hudak:** I'm sponsoring Bill Pr20, which would allow the Niagara Central Airport to change its name in honour of a constituent in my riding, Ms. Dorothy Rungeling. Let me tell you about Dorothy. She is a Canadian aviation pioneer. She was Canada's first woman to fly in international air races. She was one of the first Canadian women to hold a commercial air licence, the first Canadian woman to fly a helicopter solo, the first woman to hold an airline transport licence, the first winner of a national aviation reporting prize, and she blazed trails for women pilots right across Canada.

You can imagine that all these firsts garnered a lot of attention in Niagara and in our country, and you'd be correct. So much so, in fact, that in the 1950s, the then mayor of Welland credited Ms. Rungeling with saving the airport. All of the interest she created led to a revised interest in the airport and support for the local airstrip. Dorothy remains today a member of the Ninety-Nines, a group of female pilots who grew from meeting with Amelia Earhart back in the 1920s. Although Dorothy never met Earhart, she flew with that same trail-blazing attitude and was recognized for it when the Ninety-Nines petitioned Canada Post to actually have a stamp in Dorothy's honour.

Chair, I want to say, too, that it wasn't just aviation. That record is enough and would justify this bill, but Dorothy was a pioneer in so many more aspects in her life. She was the first female councillor in the town of Pelham. She ran her husband's auto dealership. She was an equestrian, a musician and an artist. She has, since the age of 90, written four books on a number of subjects, including the history of Pelham, and her mother is the well-known poet Ethelwyn Wetherald. So you can understand, she greatly disliked the nickname of the time—the "flying housewife" didn't quite capture what Dorothy did in our province.

In recognition of her aviation career and her support for the airport, Niagara Central Airport would like to change its name to the Niagara Central Dorothy Rungeling Airport. It requires our approval to amend the Welland-Port Colborne Airport Act, 1976. Mrs. Rungeling, by the way, celebrated a birthday just a couple of weeks ago where she turned 104 years of age. Although she doesn't fly much anymore, she is vibrant and vital and living life fully in a local aviation community and the Niagara community at large. We would very much like to change the airport name for her, to recognize her incredible leadership, accomplishments and legacy in our country. Thank you, Chair.

Mr. Smith, I think, would like to add, with your indulgence, Chair, a little bit on the technical side.

**The Chair (Ms. Indira Naidoo-Harris):** Yes. Thank you, MPP Hudak.

**Mr. Bruce Smith:** I think you've captured it in a nutshell: The whole reason that we're doing this is to recognize this lady. Very simply, it's an amendment to change the airport's name to reflect this. All four municipalities that are served—which would be Welland, Port Colborne, Wainfleet and—

**Mr. Tim Hudak:** Pelham.

**Mr. Bruce Smith:** Pelham, sorry—are all in line with this and support it unanimously. At the vote that was taken, the commission was unanimous. The initiative for this came from the public as a whole, and brought to us to do this. After reviewing this, the commission decided it made a lot of sense to go ahead and make this change to recognize this lady. All four municipalities, like I've said, have supported it unanimously. The agreement was executed in that regard. So the next step now is to seek your approval to carry this to its fruition. Thank you.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you very much for your comments. Now I'd like to find out if there are any interested parties who are in the room who would like to speak.

So let's move on to comments and questions from committee members and government. Yes, MPP Vernile?

**Ms. Daiene Vernile:** Thank you very much, and good morning. I know that within Canadian history—and history was my major at university—there are many stories of great Canadian women trailblazers. By doing this, by naming the airport after Dorothy Rungeling, you are honouring her and encouraging future generations of Canadians to tell these stories about great Canadian

women. I just wish that she was here today for this event. I fully support what you are doing. This is marvellous. Thank you.

**Mr. Bruce Smith:** Thank you very much. I was an honours history major myself.

**Ms. Daiene Vernile:** Where did you go to school?

**Mr. Bruce Smith:** Western.

**Ms. Daiene Vernile:** Okay, I was at Laurier.

**Mr. Bruce Smith:** I hope that doesn't hold anything against me.

**Ms. Daiene Vernile:** I was at Laurier.

**Mr. Bruce Smith:** Oh. Uh-oh. Sorry.

**Ms. Daiene Vernile:** We had a football rivalry, I think.

**Mr. Bruce Smith:** Yes. I don't have my purple on, so we're okay.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you. MPP McGarry.

**Mrs. Kathryn McGarry:** Thank you. I echo those comments. What a great story, and certainly very timely, when she's 104 years old.

Just a quick question: Will this cost Ontario any money?

**Mr. Bruce Smith:** No. It'll come from the four local municipalities, within our normal budgets. There is some talk—we've already been in discussions with one of the local artists who's going to design the new designs for us at no charge for that part. We're hoping to get some money raised for the cost of changing signs and that right now. I can't say for sure. It won't cost Ontario; it will cost the local municipalities and our budget to do this as part of the promotion changes—so yes.

**0910**

**The Chair (Ms. Indira Naidoo-Harris):** Any other questions or comments from committee members? MPP French.

**Ms. Jennifer K. French:** I appreciate the story and certainly learning more about Ms. Rungeling.

Taking a look at the one letter that was in opposition: Is this individual someone who is just a member of the community at large with—

**Mr. Bruce Smith:** Yes, he's a local pilot and has raised an objection. In his basic—well, they didn't want any change to that. The argument was, there were other people who could do it. But at the end of the day, we felt this was the best honour of that.

**Ms. Jennifer K. French:** I appreciate that. I've seen the letter, and I think he makes his thoughts clear. I wasn't clear on his role in this beyond being an interested community member.

**The Chair (Ms. Indira Naidoo-Harris):** Further comments or questions? Are members ready to vote?

We are now looking at Bill Pr20, An Act to amend The Welland-Port Colborne Airport Act, 1976.

Shall section 1 carry? Carried.

Shall section 2 carry? Carried.

Shall section 3 carry? Carried.

Shall section 4 carry? Carried.

Shall the preamble carry? Carried.

Shall the title carry? Carried.

Shall the bill carry?

**Mr. Tim Hudak:** A recorded vote for posterity, Chair.

**The Chair (Ms. Indira Naidoo-Harris):** Okay. Shall the bill carry?

### Ayes

Bailey, Colle, French, Hudak, Kwinter, Mangat, McGarry, Vernile.

**The Chair (Ms. Indira Naidoo-Harris):** Those opposed, if any? Carried.

Shall I report the bill to the House? Yes. Thank you very much.

**Mr. Bruce Smith:** Thank you for your time.

**Mr. Tim Hudak:** I'd just like to say to my committee colleagues: Thank you very much for supporting that bill and the questions that you had. I think it is very exciting to see all three parties supporting the recognition of this leader and pioneer in the community.

The deputant for the third bill is in the building but not in committee yet, so Chair, if you want to go ahead with number 2, that's terrific.

### WEICHE ESTATES INC ACT, 2015

Consideration of the following bill:

Bill Pr21, An Act to revive Weiche Estates Inc.

**The Chair (Ms. Indira Naidoo-Harris):** Next up, we're looking at Bill Pr21, An Act to revive Weiche Estates Inc. If I could ask the sponsor and the applicant to please come up and take a seat.

We are now considering Bill Pr21, An Act to revive Weiche Estates Inc. If the sponsor could please introduce herself and also the applicants.

**Mrs. Kathryn McGarry:** Kathryn McGarry, MPP for Cambridge.

**Mr. Paul Downs:** My name is Paul Downs. I'm a lawyer for the applicant.

**Ms. Paula Downs:** I'm Paula Downs, a lawyer for the applicant.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you very much. I'd like to ask the sponsor if she has any comments.

**Mrs. Kathryn McGarry:** The lawyers are here on behalf of their applicants to try to revive a private corporation that was dissolved by their father some years back. They're seeking to revive this. I think I will have their lawyers explain some of the background behind this private bill.

**The Chair (Ms. Indira Naidoo-Harris):** Does the applicant have any comments, the lawyer?

**Mr. Paul Downs:** Chair and members of the committee, the reason that Weiche Estates Inc. is being sought to be revived is because the dissolution of the corporation rendered the corporation a non-entity. Because the cor-

poration no longer exists, it cannot participate as a party in litigation.

The corporation was dissolved in 2009 by Martin Weiche, who was the late father of Jacob Weiche, the applicant, and his brother, Alan Weiche. Martin Weiche's wife was Jeannet Weiche; she was the stepmother of Alan and Jacob.

There were a couple of companies: Weiche Estates Inc., the company that was dissolved, and there was another family company, of which Mrs. Weiche owned most of the shares—the controlling shares, in any event. There was a transfer from one corporation to the other whereby the main asset of Weiche Estates Inc.—a property, a 12.5-acre parcel in the city of London with a large residence on it—was transferred to Mrs. Weiche's company from the company that Jacob and Alan had shares in, for \$16,000, at a time when the property was worth hundreds of thousands of dollars. So we started the lawsuit on behalf of the corporation to get the property back, and also on behalf of Alan and Jacob Weiche, advancing different claims.

Mr. Wright, who acts for the defendants in that lawsuit and who is objecting to the revival of the corporation, raised as an objection in his defence the fact that the corporation did not exist and therefore cannot be a party to a lawsuit. In furtherance of that argument, Mr. Wright brought a motion before Mr. Justice Leach that was heard in, I believe it was, August 2013, to have the action of Weiche Estates Inc. dismissed on the basis that the corporation didn't exist.

In response to that argument on the motion before Mr. Justice Leach, I took the position that the court could make an order to set aside the dissolution of the corporation when the matter went to trial or on an earlier motion, or the company could simply be revived. Then, under the Business Corporations Act, the revival of the corporation has the effect of retroactively restoring the company to its status as it was on the date of the dissolution. Therefore, the company would be deemed to never have not existed and it could carry on with its lawsuit.

So we're asking that the corporation be revived so that we can then go back to the court and say, "Okay, we have the order of revival. The company now exists. The company wants to proceed with its claim to recover its property, which was wrongfully transferred by Martin Weiche to his wife's corporation."

This is a complex piece of litigation, I can tell you. There have been a number of motions that have been argued before judges. The matter is now on the trial list, so it's important for us to get the company revived so that the company can participate at trial and seek to recover its property.

This committee doesn't have to worry about the merits of the litigation. That's for the trial judge to decide. The question of the revival, though—what I would ask the committee to do is to consider what is the fair thing to do in this case. Here we have a company that has been deprived of its property, and one of the parties who is involved in the litigation—it's now the estate of Martin

Weiche—Martin Weiche was the person who dissolved the corporation, and my clients believe the reason he dissolved the corporation was to make it more difficult for them to proceed to have the company recover its property. What the revival of the company does is, it would just put the company on equal status with all other parties in the litigation. It would be a legally recognized entity with all the rights of other legal entities, and it could proceed with the litigation.

I know Mr. Leach took the position that his clients would be prejudiced by the company being revived. Well, the only prejudice to them is that the company would now be on an equal footing with them going forward, to let the courts decide the merits of the dispute between the parties. There is no other prejudice to him. It's my submission that the fair thing to do is revive the corporation and let it proceed to trial to recover its property.

**0920**

I would also point out that all the requirements of the province of Ontario have been satisfied to revive the corporation.

Those are my submissions.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you, Mr. Downs. Any further comments from the applicants? Okay.

I'd like to now ask if there are any interested parties in the room who would like to make a comment. Please come on up. I believe you are Ian Wright?

**Mr. Ian Wright:** I am.

**The Chair (Ms. Indira Naidoo-Harris):** Please introduce yourself and let us know your comments.

**Mr. Ian Wright:** My name is Ian Wright. I'm the lawyer for Jeannet Weiche. Jeannet Weiche is one of the defendants in the lawsuit started by my colleague Mr. Downs's clients, Jacob and Alan Weiche. I also represent the estate of Martin Weiche. Jeannet Weiche is Martin Weiche's personal representative. I also represent a company called Berghof Estate Inc.

I hope you have a letter which I sent to the Clerk of the Committee expressing my client's opposition to the revival of this company. The reason for their opposition is that, in my submission, the revival of the company, based on the suggestion that there has been fraud, would then put the company back into existence and would potentially prejudice my client's defence in the lawsuit brought by Mr. Downs's clients.

There were a number of comments that Mr. Downs provided to you that I don't disagree with. There are certain things that are immutable. My client is the step-parent of his clients. This property was owned by one company, the Weiche Estate company. It was transferred to Berghof Estate, which is the defendant. But there are a number of statements that Mr. Downs made, specifically that the company was deprived of property or that there was an attempt by Martin Weiche to dissolve this company to make it more difficult for his sons to obtain this property, which are vehemently, categorically denied. They are facts that have to be, in my submission, decided

in a court of law, where Mr. Downs' clients and my client will be subject to being required to call evidence and subject to cross-examination.

Mr. Downs has suggested that the fair thing to do would be to revive the company. I couldn't disagree more. The fair thing to do is, in fact, to require a trial so that if Mr. Downs's clients can prove what they allege, which, as I say, is denied by my client, a judge will have the ability to be able to order what that judge—he or she—wishes to do, but not, in my view, to pre-empt the discussion by having the company revived at this committee stage.

The thing that I want to emphasize is that there are innumerable facts that are in dispute in this case. There are massive disagreements in terms of the sequence of events. I'll just give a few, one of which is that it was Mr. Downs's client, Jacob Weiche, who authorized the sale of the property to the company that now holds it. A further issue which is in dispute is the fact that at the time the company was dissolved by Martin Weiche, both Alan Weiche and Jacob Weiche were given notice of the meeting and failed to attend. Those facts are in dispute—I want to make that clear—but we shouldn't pre-empt the discussion and we shouldn't pre-empt the trial by reviving the company at this point.

Just to be clear, Weiche Estates, the company that Mr. Downs seeks to have revived, doesn't need to be revived to have an equal footing. In fact, the judgment that Mr. Downs referred to by Justice Ian Leach preserved the rights of that company and permitted Mr. Downs to explore all of the issues related to that dissolved company, notwithstanding the fact it wasn't revived.

**The Chair (Ms. Indira Naidoo-Harris):** If I could remind you that we are looking at just the merits right now of the revival of the corporation, so if you could keep your comments brief.

**Mr. Ian Wright:** Thank you. In my submission, the prejudice to be visited on my client if the company is revived should not occur. There should be a trial to determine these issues.

**Ms. Daiene Vernile:** A point of order.

**The Chair (Ms. Indira Naidoo-Harris):** Yes, MPP Vernile.

**Ms. Daiene Vernile:** May I ask legal counsel, considering that we have received this letter from Mr. Wright and you are suggesting to the members that we vote against the revival of this company, considering that we have this in front of us, are we permitted, as a committee, to continue with this?

**Ms. Indira Naidoo-Harris:** I will refer to legislative counsel. Please go ahead.

*Interjection.*

**The Chair (Ms. Indira Naidoo-Harris):** The Clerk will speak on this and will clarify things. Go ahead, Clerk.

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Just to clarify that the matter before the committee right now is Bill Pr21. It's a request for a corporate revival, similar to the ones the committee has previously

looked at routinely. The facts and merits of the litigation are not part of the private bill application.

If you're worried about the actual discussion of the committee, there is what we call a parliamentary convention—the sub judge convention. It's also a rule in the standing orders, which is a voluntary restriction or restraint on the part of Parliament to refrain from discussing matters that are before a quasi-judicial body. This is in standing order 23(g). It has to be shown to the satisfaction of the Speaker—in this case, the Chair—that further reference would create a real and substantial danger of prejudice to the proceedings.

So there is precedent that the committees have discussed private bills even though they are in the middle of litigation, because what the committee is looking at are the merits of reviving a corporation, not what it will do after that corporation is revived—should it be revived. It is up to the committee how it will vote on the bill.

**Ms. Daiene Vernile:** Have the applicants fulfilled all of the requirements, though, for the bill?

**The Clerk of the Committee (Ms. Valerie Quioic Lim):** Yes. They fulfilled what was required for the application—

**Ms. Daiene Vernile:** Okay, thank you.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you, Clerk.

Does legislative counsel care to make any comments on this?

**Ms. Susan Klein:** No, that's okay.

**The Chair (Ms. Indira Naidoo-Harris):** Okay, so legislative counsel is fine.

In terms of what I understand from what the Clerk is saying, then, I think we are ready to proceed. My understanding is that we have met the requirements in terms of proceeding to a vote, in terms of a request for a corporate revival. This matter—

*Interjection.*

**The Chair (Ms. Indira Naidoo-Harris):** Okay. Actually, my apologies—further comments or questions from other committee members? I meant to proceed with our routine of questions and comments. Go ahead, MPP French.

**Ms. Jennifer K. French:** Quite frankly, I feel a bit uncomfortable in this proceeding. I'll just get that on the record.

Am I to understand that one of the individuals, this Jacob Weiche, who's the son of—

**Mr. Paul Downs:** Martin Weiche.

**Ms. Jennifer K. French:** —Martin Weiche, this is originally his company, was actually involved in the transferring of the property in question, of the land?

**Mr. Paul Downs:** That is a hotly contested issue.

**Ms. Jennifer K. French:** I can understand why.

**Mr. Paul Downs:** Pardon?

**Ms. Jennifer K. French:** I can understand why.

**Mr. Paul Downs:** The reason is, we say—and the evidence at trial of my clients will be—that they did not get notice of the meetings where these acts took place; that they did not even know the property had been transferred

until after they retained me and I did a sub-search of the property. All of that is a matter for the trial judge to hear all the evidence and decide all of those issues.

**Ms. Jennifer K. French:** But fundamentally, we're looking at undoing something that was done by the original, shall I say, owner?

**Mr. Paul Downs:** One of the shareholders of the corporation at that time, and I believe that he was a very minor shareholder when the dissolution occurred.

**Ms. Jennifer K. French:** Martin Weiche was a minor shareholder at the time.

**Mr. Paul Downs:** Yes, he was a minor shareholder—that's my recollection—when the dissolution took place.

**Ms. Jennifer K. French:** Okay.

**Mr. Paul Downs:** He was the one who signed the articles of dissolution and made the application to dissolve the corporation.

**Ms. Jennifer K. French:** At the time of this—again, if counsel can stop me if I'm asking things I'm not supposed to be asking because this is a grey area for me, but my question is: At the time of dissolution, was there any question as to—we're looking at the dissolution and the revival.

**The Chair (Ms. Indira Naidoo-Harris):** My understanding from the Clerk is that we are looking at the merits of the revival of this corporation. We should keep our comments and questions strictly to that.

**Ms. Jennifer K. French:** So are issues surrounding the dissolution germane to this?

**The Chair (Ms. Indira Naidoo-Harris):** No.

**Ms. Jennifer K. French:** All right.

**The Chair (Ms. Indira Naidoo-Harris):** Further questions and comments? MPP Hudak.

**0930**

**Mr. Tim Hudak:** Thank you, Chair. To Mr. Wright: Help me understand. Why would allowing this bill to pass prejudice the legal hearing?

**Mr. Ian Wright:** Because my concern is that a court or a judge would take a look at it and say—

**Mrs. Kathryn McGarry:** Point of order.

**The Chair (Ms. Indira Naidoo-Harris):** Point of order, Mrs. McGarry.

**Mrs. Kathryn McGarry:** I'm sorry. Point of order, Chair. I just want to make sure that we're not, as a committee, getting into the middle of an ongoing legal proceeding. My understanding from what the Clerk has ruled is that this particular committee is focusing on the revival of the corporation and whether the revival bill has met Ontario's requirements. I just want to ensure that we're not going too deeply into an ongoing legal dispute, of which this committee really has no jurisdiction.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you very much, MPP McGarry. Yes, the Clerk has advised that we stick to the facts in terms of the revival of the corporation and questions concerning the revival of the corporation and the merits of that.

MPP Hudak.

**Mr. Tim Hudak:** Yes, thank you. To Mr. Wright again, just to make sure I get an answer: How does al-

lowing this bill to pass or not impact on the court case in a negative way?

**Mr. Ian Wright:** My concern is that a judge would take a look at the revival and consider that to decide the issue about whether it should be revived based on the allegations of fraud.

**Mr. Tim Hudak:** Help me understand that, though.

**Mr. Monte Kwinter:** Madam Chair, on a point of order.

**The Chair (Ms. Indira Naidoo-Harris):** Yes, a point of order again, from MPP Kwinter.

**Mr. Monte Kwinter:** I think it's absolutely critical—this committee meets, and usually the sole reason for it meeting is to reinstate corporations that—whether they haven't paid their taxes or whatever it is. All we're looking at is: Do they meet the criteria to reinstate this corporation? If it does, that's all we have to deal with. To get involved in a legal case that we have no jurisdiction over, that has nothing to do with this committee, makes no sense, because we're now treading on areas that are not the responsibility of this committee. Again, I would ask legal counsel: Has the application for reinstatement for this corporation been met?

**The Chair (Ms. Indira Naidoo-Harris):** Clerk?

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** The application has been completed according to the standing orders, and that's why now it's before the committee for consideration.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you very much, MPP Kwinter. Again, everybody, please stay to the facts of the revival of the corporation. We are not going to get into the legal suits surrounding what has happened before or what could happen afterwards. This is purely on the merits of Bill Pr21, An Act to revive Weiche Estates Inc.

Are there further questions or comments based on this act to revive?

**Mr. Tim Hudak:** Chair?

**The Chair (Ms. Indira Naidoo-Harris):** Yes, MPP Hudak.

**Mr. Tim Hudak:** Thank you. With respect, I want to exercise my responsibilities and my duties as an MPP, as a member on the committee, to make sure I understand what's before us. Again, I'd ask Mr. Wright just to clarify and help me understand your point.

**Mr. Ian Wright:** The compendium that you've been provided for the revival of this bill suggests that the dissolution by Martin Weiche of the company that you're being asked to revive was in furtherance of a scheme to defraud. That's contained in the compendium. That is disputed by my clients. My concern is that if a judge were to see that Weiche Estates Inc. was revived on the basis of that, the judge might come to the conclusion that there was substance to the allegations of fraud.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you very much for your comments. Again, you're going further into what could happen in a court of law following the decision that will be made here in this committee room. So I would ask now if the committee members

have any other further comments. Are there further comments or questions? Okay.

Are we ready to proceed with the vote? All right.

In the case of Bill Pr21, An Act to revive Weiche Estates Inc., 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?

**Mr. Tim Hudak:** Recorded vote.

*Interjection.*

**The Chair (Ms. Indira Naidoo-Harris):** I'm sorry; I heard—recorded vote?

**Mr. Mike Colle:** We're in the middle of a vote. We can't have a recorded vote. You've got to call before the vote takes place.

**Ms. Jennifer K. French:** My question is, quite honestly, if I can abstain and how I would go about that.

**Mr. Mike Colle:** You're in the middle of a vote.

**The Chair (Ms. Indira Naidoo-Harris):** We're in the middle of a vote. Yes, thank you very much. We are in the middle of the vote. I did ask, "Shall the bill carry?"

**Mr. Tim Hudak:** And I said "recorded vote."

**The Chair (Ms. Indira Naidoo-Harris):** I will recognize your recorded vote. We will have a recorded vote.

Shall the bill carry?

### Ayes

Bailey, Colle, Kwinter, Mangat, McGarry, Vernile.

**The Chair (Ms. Indira Naidoo-Harris):** Shall I report the bill to the House?

**Mr. Tim Hudak:** Chair?

**The Chair (Ms. Indira Naidoo-Harris):** MPP Hudak.

**Mr. Tim Hudak:** Sorry, Chair. I was trying to get your attention before the vote. I just wanted to make this point, and maybe one of my colleagues wants to join me. I just don't feel that I have enough information to vote on this. My colleagues opposite feel they do, and they wanted to proceed with a vote, and voted according to their judgment. I just wanted, for the record, to indicate that I don't think we had enough material at committee to make a proper judgment. Given that the vote has taken place, I decided to abstain from the vote because I don't think we had information to make a proper decision.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you very much for your comments, MPP Hudak.

All right. Shall I report the bill to the House? Agreed.

Thank you very much for coming in, and thank you very much for your comments.

**Mr. Paul Downs:** Thank you.

1476263 ONTARIO INC. ACT, 2015

Consideration of the following bill:

Bill Pr22, An Act to revive 1476263 Ontario Inc.



**The Chair (Ms. Indira Naidoo-Harris):** Next up, we are going to look at Bill Pr22, An Act to revive 1476263 Ontario Inc. If the applicant and the sponsor would come forward, please, and take their seats.

Again, committee members, we are looking at Bill Pr22, An Act to revive 1476263 Ontario Inc. I'd like to ask the sponsor to please introduce himself, and then also the applicant.

**Mr. Tim Hudak:** Thank you very much, Chair and members of the committee. I'm Tim Hudak, MPP for Niagara West–Glanbrook, here as sponsor of Bill Pr22, An Act to revive 1476263 Ontario Inc. I'm joined to my right by Elaine Hristovski. Ms. Hristovski, from Brampton, Ontario, is here to revive her father's company, Neptunus Yachts. Her father—

**Ms. Elaine Hristovski:** We're reviving 147—

**Mr. Tim Hudak:** Yes, 1476263, to be absolutely accurate. Her father, William Hristovski, was the sole shareholder when the company was dissolved in 2010, which at that time transferred the shares to Elaine.

I'll tell you a little bit about her dad, William. He came from Macedonia at eight years old, along with his brothers. He accomplished many things. He was an entrepreneur. In fact, he mortgaged his mom's house and built a machine shop from the ground up, which offered services to the aerospace and military industries. Today, it is one of the top aerospace manufacturing facilities in southeastern Ontario.

In 2004, Mr. Hristovski bought a local yacht company and led it for four years. The company, Neptunus Yachts, is a yacht manufacturer in St. Catharines, Ontario, on the Niagara peninsula. It has been family-run since 2008-09.

An important part of the background here: When the economy started going downhill in 2008-09, both here and internationally, it meant that business for luxury boat vehicles—obviously, for yachts—went downhill with it. He didn't want to see the business close down or lose jobs in our province. Neptunus was going bankrupt because of a lack of a market for the business, but he decided to invest his own money to keep the company going and to keep people on the payroll. He worked hard for what it is today, and it revived. It's currently producing three to four boats a year.

Here's the issue, and Ms. Hristovski can talk a bit more about it at a technical level. The family didn't realize at the time that one of the associated companies that actually owns the St. Catharines building was going to be dissolved, and once they realized that, it was too late. Notices dissolving the company were sent to a St. Catharines building instead of their Etobicoke office, where they do business. Therefore, they never saw the notices that the company was going to be dissolved.

**0940**

Elaine did not have the resources to venture the revival process until now as she was mainly focused on keeping the yacht business going.

The company, 1476263, was dissolved under the Business Corporations Act on November 16, 2010. The province of Ontario now owns the property that manufactures

yachts in St. Catharines. Elaine only wants to revive it so she can continue to pay taxes, about \$80,000 a year, and manufacture the yachts. Neptunus can't keep operating if the company before us today is not revived.

Thank you, Chair, and I'll ask Elaine to say a few words about anything that I missed and a bit of her own story.

**The Chair (Ms. Indira Naidoo-Harris):** Yes. Go ahead.

**Ms. Elaine Hristovski:** He said everything. The main thing is that 1476263 owns the property that we manufacture these yachts out of currently.

Neptunus Yachts has kept up with all the taxes and paid all the responsibilities on the property, but technically, because it remains in this 1476263's name and we don't have control over that company anymore due to dissolution, that poses a problem for us moving forward, continuing to operate there, really. It should be made right, so I want to revive the company in order to regain control over the property and continue to operate the business and control the company that controls the property.

**The Chair (Ms. Indira Naidoo-Harris):** Are there any interested parties who would also like to make comments? Okay, we will proceed then with comments and questions from committee members. MPP Vernile.

**Ms. Daiene Vernile:** In the paperwork in front of us, it says that this company was dissolved for failure to comply with section 115 of the act. Can you provide some clarity on that?

**Ms. Elaine Hristovski:** Basically, there were notices going to the St. Catharines office, but our aerospace machine shop that Tim was mentioning resides in Oakville. That's the building that I was working out of and my father was working out of when we took over this group of companies that was this manufacturing plant in St. Catharines. I wasn't aware that there was mail going to that address that was related to this company.

By the time I collected the mail and went through it all, I saw that there were notices regarding dissolution of this numbered company. I started to investigate what that meant. I found out that it was already too late and then became aware that the company actually owned the property. But due to being focused on trying to keep the people employed and the continuity of the brand and the business going, I didn't have the resources to start the process of this private bill, which is extremely lengthy and time-consuming for myself to manage here.

We didn't appoint a director. When we questioned the lawyers, it was an oversight. There just had not been the proper paperwork filed, and it was too late by the time we tried to correct it and file it.

**Ms. Daiene Vernile:** To your knowledge, is there anyone or any interest that objects to your reviving this company?

**Ms. Elaine Hristovski:** Not to my knowledge.

**The Chair (Ms. Indira Naidoo-Harris):** Any further questions or comments from committee members? MPP French.

**Ms. Jennifer K. French:** The company that we're talking about reviving was essentially accidentally dissolved due to inappropriately filed or non-filed paperwork?

**Ms. Elaine Hristovski:** Correct.

**Ms. Jennifer K. French:** Your father held all of the shares of that, so essentially it was his company?

**Ms. Elaine Hristovski:** Yes.

**Ms. Jennifer K. French:** Okay. So there are no other interested parties in this?

**Ms. Elaine Hristovski:** No.

**The Chair (Ms. Indira Naidoo-Harris):** Further questions or comments? Okay. Are the members ready to vote, then? All right.

We are examining Bill Pr22, An Act to revive 1476263 Ontario Inc.

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?

**Mr. Tim Hudak:** Recorded vote, Chair.

#### Ayes

Bailey, French, Hudak, Kwinter, Mangat, McGarry, Vernile.

**The Chair (Ms. Indira Naidoo-Harris):** The bill is carried.

Shall I report the bill to the House? Agreed.

All right. Thank you very much, everybody. This meeting is adjourned.

*The committee adjourned at 0945.*



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