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**Official Report  
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(Hansard)**

**Wednesday 6 April 2016**

**Journal  
des débats  
(Hansard)**

**Mercredi 6 avril 2016**

**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 6 April 2016

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*The committee met at 0904 in committee room 1.*

**COMMITTEE BUSINESS**

**The Chair (Ms. Indira Naidoo-Harris):** Good morning, everybody. This committee will now come to order.

Before we begin this morning, we actually have to deal with a bit of an organizational matter. Yesterday's change in committee memberships has created a vacancy on our subcommittee on committee business, and we need a motion for someone to replace Ms. Vernile as the Liberal representative.

Would someone like to move a motion? MPP Joe Dickson.

**Mr. Joe Dickson:** I will move that the one and only Kathryn McGarry replace Ms. Daiene Vernile on the subcommittee on committee business.

**The Chair (Ms. Indira Naidoo-Harris):** Is everybody in agreement on that? All agreed? Agreed. Carried.

**CORPORATION  
OF THE MUNICIPALITY OF HURON  
SHORES AND THESSALON FIRST  
NATION ACT (TAX RELIEF), 2016**

Consideration of the following bill:

Bill Pr38, An Act respecting the Corporation of the Municipality of Huron Shores and the Thessalon First Nation.

**The Chair (Ms. Indira Naidoo-Harris):** We are here this morning to consider three private bills.

I would ask the sponsors of Bill Pr38, An Act respecting the Corporation of the Municipality of Huron Shores and the Thessalon First Nation, to please come on up and take a seat. I ask that the sponsor please introduce himself and then have the applicants introduce themselves, too.

**Mr. Michael Mantha:** My name is Michael Mantha, the MPP for Algoma-Manitoulin, and I'm here with my guests from—

**Mr. Paul Cassan:**—Huron Shores. My name is Paul Cassan. I'm counsel for the municipality.

**Mr. Gil Reeves:** My name is Gil Reeves, mayor of the municipality of Huron Shores.

**The Chair (Ms. Indira Naidoo-Harris):** Does the sponsor have any comments that you would like to make about this?

**Mr. Michael Mantha:** Well, this has been a very long process and there has actually been a lot of work that has been done here on behalf of counsel and the mayor. I think what needs to be commended is the amount of work that has gone into establishing the relationship and the partnership that has developed between Huron Shores and Thessalon First Nation. They've worked extremely hard for the common interest of themselves. This is what you see from that product. Putting that dedication and that commitment of caring and being neighbours towards communities, you develop this type of paper, which will essentially help in assisting to resolve the issue.

I'll turn it over to the counsel in order to provide a more detailed explanation.

**Mr. Paul Cassan:** I'm not sure how much the committee knows about this bill, but as Mr. Mantha indicates, Huron Shores and Thessalon First Nation have an excellent relationship to date.

The issue that faces the municipality is that the First Nation has a land claim over a large portion of the area of Huron Shores and some area to the north. They own two properties that they received as a result of giving up their rights to the roads and the right-of-ways within Huron Shore. Part of the exchange was that they got these two properties within Huron Shores, and they're registered owners on title.

The problem with that, for the municipality, is that then makes those properties assessable for taxes. So the properties have been assessed for taxes since the year 2000. Of course, the First Nation takes the position that they're not subject to the municipal tax, and they have not paid any of the municipal taxes at all. That gives rise to a large account receivable for the municipality, but the biggest problem for the municipality is that they have to pay the assessment-based levies for the OPP and for the DSSAB for education, notwithstanding that there's no money coming in from the properties.

There are very few remedies that are available for the municipality. There are essentially three remedies under the Municipal Act that they could use—and, well, decide whether or not they would use. They could sue the First Nation, which would end up with a judgment that they would not likely be able to enforce. They could attempt to seize property; however, property of the First Nation on the reserve is not seizable, so that doesn't work. The third option is that they could put the property up for a

tax sale, which they did do. Last month, Thessalon First Nation brought an application before the Superior Court and obtained an injunction to prevent the municipality from going ahead with the tax sale. So the municipality is in the position now where there is no way that they can recover the arrears or otherwise take any effort to solve this problem.

The bill of process started more than a year ago, and it would solve the problem for the municipality because if the properties in question became exempt from taxation then the municipality would not have to pay the education tax or the assessment-based levies. So this solves the problem in a manner that avoids litigation and acrimony between my client and the First Nation. It's a way to preserve the neighbourhood, if you will, and solves the problem for the municipality, so we're certainly asking the committee for your support in this instance.

**0910**

I know that this is an unusual situation in that, most of the time that you're dealing with an application for a tax-relief bill, there's a charity involved and it's the owner of the property that's coming forward to seek the private bill. That's not the case in this situation because it's the municipality themselves that are suffering because of the situation that they find themselves in. But we're certainly hopeful that the committee will assist us to solve this problem.

**The Chair (Ms. Indira Naidoo-Harris):** Are there any other interested parties in attendance that would like to make a comment? Any interested government parties in attendance that would like to make a comment? Okay, we're now going to go to questions and comments from committee members. MPP McGarry.

**Mrs. Kathryn McGarry:** I wanted, first of all, to commend your municipality in working very closely with the First Nation, offering that arm of friendship. Working collaboratively is one of the best solutions to begin with.

One of the questions I would have: I know that First Nations don't pay tax on-reserve but they have to pay tax off-reserve. If I understand correctly, these two properties are not adjacent to the reserve lands; they are actually separate?

**Mr. Paul Cassan:** The answer to that is yes and no. There are two properties. The one property—we call it the bushland or the waterfront property—is adjacent to the reserve as it is laid out right now. The other property, which is the tree nursery, is a commercial property a fair ways north of the reserve, so it's not adjacent to the reserve.

All of that being said, the First Nation takes the position that these properties are actually within the boundaries of the reserve that was negotiated with the treaty in 1850. That's the basis for their claim that this property is not subject to tax.

They have brought forward a land claim, both with the federal and the provincial government. The federal government has now been required to come back to the table to negotiate that, and we understand from speaking with legal counsel for the First Nation that the province's

mandate to negotiate is imminent but it has not hit the table yet.

They are, according to the Thessalon First Nation, within their reserve. Does that answer your question?

**Mrs. Kathryn McGarry:** Yes. And again, the status of the claim, as you said right now, is pending. Is that correct?

**Mr. Michael Mantha:** Actually, just to add to the conversation, I did receive confirmation from the Ministry of Aboriginal Affairs that there has been merit that has been indicated on the claim, which would reopen it so that they can pursue an ongoing discussion on settling the land claim.

**Mrs. Kathryn McGarry:** I appreciate that. So because you don't have a date yet you decided to come forward with this bill, if I'm correct.

**Mr. Michael Mantha:** As you can appreciate, this has been going on for quite some time, and it's creating a big financial hardship on the municipality. This is going to get resolved one way or another. Again, a lot of work went into this with the First Nation to set this aside as the decision gets resolved both at the federal and provincial levels.

**Mrs. Kathryn McGarry:** You were talking about one of the ways a municipality can deal with this is to send the First Nations a tax bill annually and then deem it uncollectible. So far, if I understand correctly, the municipality hasn't done that. How much would that cost per year, to deem it uncollectible on the books?

**Mr. Paul Cassan:** There is a process under section 364 of the Municipal Act that allows the municipality to cancel the taxes, which is, I think, the process that you're talking about.

At least one of these properties is not eligible for that process because it is a commercial property. It's a tree nursery that's being operated by the First Nation. So it's not eligible for that process.

The other factor with respect to that process is that the owner of the property has to apply to the municipal council for cancellation of those taxes and has to satisfy the municipality, on an annual basis, that the taxes are unduly burdensome.

The First Nation takes the position that they're not subject to that, so they're not bringing those applications forward. So we don't have an applicant, even if the property was eligible for that. So that process doesn't solve our problem.

As for the amounts of money—do you want to speak to the amounts of money that this is causing to the municipality?

**Mr. Gil Reeves:** The current receivable is about 30% of our annual tax levy. Therefore, it's crippling, to say the least, in terms of our financial position. The First Nation's position is that these lands that we're talking about are unsurrendered lands, based on what happened with Robinson-Huron in 1850. The chief and I have worked together for years now to cause our communities to be one, and we're trying to get through this process with our communities as one.

Huron Shores envelops Thessalon First Nation, and that's a top priority. Our people live and work together every day, and we want that to be the case going forward. We need to have a remedy for this particular situation.

**The Chair (Ms. Indira Naidoo-Harris):** Sorry, any further questions and comments? MPP McGarry.

**Mrs. Kathryn McGarry:** Yes. At the moment, the Ministry of Aboriginal Affairs is creating a process to allow First Nations communities to add lands to their reserve. It's not ready yet, but it's under discussion right now. You said that one of those lands is adjacent to it, so I think that will help to resolve it.

One of the issues that I would have an issue with and I think may be an issue is that this situation may set a precedent in Ontario while we're undergoing this review. If we set this up as a precedent, it may be cited in further issues across the province where this kind of solution wouldn't be appropriate.

I'm going to recommend that we disallow this bill from going forward right now, send this to the Minister of Aboriginal Affairs and ensure that they can give you a timeline as to where their review is coming up. I certainly understand and recognize the issue for the municipality—it's been going on since 2000—but I'm at least satisfied that our Ministry of Aboriginal Affairs is already undergoing some of these processes in the near future, to be able to allow these things to occur.

I am also concerned with land claims issues. Some of those claims are coming forward to be resolved in the fairly near future as well, as you were saying.

At the moment, I think it's more appropriate to look at these kinds of situations over the whole province rather than just a one-off. As I said, I'm concerned that the precedent would set up some other unintended, consequential issues in another part of the province where it wouldn't work.

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

MPP Walker.

**Mr. Bill Walker:** I find it very interesting that, for a government that professes to always want to have collaboration and co-operation and to resolve things for First Nations, they're actually going to drag this out.

It seems to me that they've found a workable solution that is agreeable to both parties. In the documents that we've been provided, it says, "It is appropriate to grant the application." I find it very troubling that the government would actually delay and potentially cause rifts within the community when it's trying so hard to resolve a situation and has put a lot of time and energy into it.

I would ask the government to reconsider and allow this bill to go through.

**The Chair (Ms. Indira Naidoo-Harris):** MPP Yurek and then MPP French.

**Mr. Jeff Yurek:** MPP Mantha, thank you very much for bringing this forward. Coming from another bench than where you sit, I think you do a wonderful job at

representing your constituents, and I'm glad you brought this forward.

The way I see this bill is, it doesn't affect First Nations at all. They're not getting any extra tax or any lien. What this is doing is saving the municipality some money at the end of the day—saving the community some offset of money.

**0920**

I believe that this government needs to return some autonomy back to the municipalities in this province. There's a lack of it. We saw it with wind turbines, where no municipality has a say in what occurs at any time. It has been proven in the last round of giving out turbine contracts.

This is a municipality that is looking to solve its own problems, which will find a savings for the community. It will take care of a tax issue which cannot be solved. And the government's only pronouncement is, "Somewhere down the road, somewhere when the bureaucrats get things together and maybe we get around to it, we might have a solution to this, but you're going to have to suffer until that happens." I find that outrageous. I think the government needs to rethink this idea and maybe send it back to the staffers who are sitting over there to run up to the minister or run up to your House leader. This is ridiculous.

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

**Ms. Jennifer K. French:** I have a couple of points of clarification, as well, in terms of what the government has just put forward in saying that the Ministry of Aboriginal Affairs is working on something that has to do with adjacent properties. Just for clarification's sake, the federal piece of the land claims is obviously separate from the provincial level, but if I understand correctly, based on the treaty of 1850, the Thessalon First Nation is saying that these two properties are part of their lands. So it isn't about being adjacent. It isn't geographic. It's part of their land, but that has yet to be resolved formally through the federal claim. Is that correct, give or take?

**Mr. Gil Reeves:** The federal government still recognizes the claim. They have done so for this whole century, pretty much. The claim rose in 1997. Ontario rejected the claim in 2007, and now, from what I've heard, is reconsidering granting a mandate to look into this particular situation. Just to supplement what you had said, we had already proposed to Thessalon First Nation that they do additions to reserve, as you had suggested. The parliamentary secretary in Ottawa made the same suggestion. Thessalon First Nation declined, in that "It's unsundered land, so why should we do that?"

**Ms. Jennifer K. French:** So recognizing the land as part of reserve doesn't necessarily say that it is adjacent; it says that it is "a part of." Back to my colleague across the way suggesting that the Ministry of Aboriginal Affairs is looking at this and what lands are adjacent: I have concerns because if that's the process, this will never be found to be adjacent. Following that line, I think, would end up further and forever disqualifying

you, so I have significant concerns about that. I have concerns that they would come to the table all ready to disallow the bill. That I find concerning before we've had the process.

To echo my colleagues in the opposition benches here, I'd like to be on record saying that we should allow this bill. We do have partners who have come to the table saying that there is a workable solution. As the government had asked the question of you, could you deem it uncollectible? You've said no, so whatever government workaround they were hoping to suggest is not an option in this case. You've come to the table with a solution, as you've mentioned. You said that the current receivables are about 30%. I've never run a municipality, but that sounds like an awful lot of money to be talking about, so I would also be in favour of allowing this bill. I find it very disappointing and concerning on the greater scale that the government is suggesting to disallow it.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you for your comments, MPP French. First MPP McGarry, and then MPP Walker.

**Mrs. Kathryn McGarry:** Thank you very much, Chair. I wanted to reiterate a couple of things. Number one, land claims issues are a very complex issue and require some co-operation between the federal and the provincial governments. Only just recently do we have a federal government in place that's going to be actually looking at these issues seriously with the provinces. To date, we've had a federal government—up until last October—who were uninterested in pursuing a collaborative work space.

I know that the Minister of Aboriginal Affairs is meeting with his federal counterpart and finally getting some co-operation to be able to look at some of these solutions in a more holistic way. That's why I'm saying that this is a new day, compared with even a year ago, where we are at with land claims issues.

The second thing that I wanted to reiterate is that the Ministry of Aboriginal Affairs is creating the process. They're not thinking about it; they're not discussing it. They are creating the process to add lands to the reserve as we speak. I don't know if it's adjacent or not adjacent. That is not determined yet. I just want to clarify that they are creating the process as we speak. For myself, it doesn't mean that this issue may not go forward in the future. I can't know that for sure. But I do know that the ministry is creating that process right now that may address this.

The concern is, because each First Nation—I think you would be very familiar with this. Each band, each First Nation community, is quite unique and quite individual, and one First Nations solution may not fit the other one. I have First Nations in my own area as well. I live along the Grand River watershed, where the Six Nations has issued some land claims on those sites. The solution that you're proposing here may not work for the one in my area.

All I'm suggesting is that the ministry is already working on that solution. We have a federal partner in

place now that's willing to work with us, which is a first in a few years, and we're already seeing some of the results of that.

I'm not saying that it may or may not be adjacent. I understand one of these lands is, and one piece isn't. But that's not something that I can preclude, because I don't understand the work that they're doing right now, because I'm not in that ministry.

I just really want to reiterate that it's more appropriate at this time. I know you've waited a long time to come to a solution with this issue—as you said, since the year 2000—but we're close on that in our own ministry. I would be reluctant to see an inappropriate solution for another land claim that may reopen and delay some of this work coming forward because one First Nation may say, "Well, it worked over there, so I want that," and it derails it. So I'm just asking for a bit of patience while we complete this process, and go from there.

**The Chair (Ms. Indira Naidoo-Harris):** If the sponsor of the applicant wants to make a comment, please go ahead, and then we'll move on.

**Mr. Michael Mantha:** Yes, I'd like to. I'm trying not to express my frustration with your response that you're not going to permit this to go forward. What you have here—in a way, I'm looking at it as precedent-setting for many First Nations. In your comment that you just made, you're absolutely correct that not each of the First Nations out there would agree. However, we've seen that Huron Shores and Thessalon have showed leadership in regard to how this addresses their particular issue. In no way, shape or form would this be imposed on anybody else.

You talk about the process that the government has in place, or has engaged into place. I've talked with aboriginal affairs, and I would encourage you to go back to them. We're looking at four to five years down the road. This is four to five years of just establishing what that process will look like. This is four to five years more of financial hardship that is going to be expected and imposed on this First Nation, along with Huron Shores.

These land claims can take years before this happens. This is a remedy to address the situation right now. This is what we are always encouraging our communities and our First Nations communities—we should be taking an example from these First Nations and these communities, who have actually sat down and engaged in a process as far as addressing a concern. We should be embracing this, is what we should be doing.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you for your comments. We'll move on to MPP Walker and then MPP French.

**Mr. Bill Walker:** Mr. Mantha and I, as in many cases, are on the same wavelength. I find this very strange that you have a First Nations that has actually agreed to this—they want this to happen—and yet the government is going to stand up and say yet again, "No, we know best. We're going to hold this up"—my colleague Ms. McGarry said she's unsure how long. Anything with First Nations is a long, drawn-out process. It's not going to be

solved just because the minister is having a couple of nice conversations with his federal counterpart. That's playing a bit of politics, frankly.

If they're going to deny this bill, they need to go to Huron Shores and explain to the residents of that community why they are going to miss out on other very valued services, that the money that they're currently paying could go to other services for four or five years or even longer.

**0930**

As my colleague Mr. Yurek said, it needs to give accountability back to local government. You've done the right thing, you've gone to the table, you've worked with your partner and you both agree. Why does the provincial government deem that they need to come in and say, "No, no, no. We know best for you"?

Here's the resolve. This is what we should be doing more and more of. You can actually make this happen today by doing the right thing and staying out of the affairs of something that's already a solution. I strongly suggest that you give reconsideration to this and allow this bill to pass. At the end of the day, if not, then I think some of you and your cabinet ministers need to go to Huron Shores and explain face-to-face to the people there why you denied something that they collaboratively worked on to find a solution that can work today.

**Mr. Michael Mantha:** Chair, can we—

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

**Mr. Michael Mantha:** Can we—

**The Chair (Ms. Indira Naidoo-Harris):** Of course, you can respond to the comments and questions being posed by the committee members.

**Mr. Paul Cassan:** Ms. McGarry, I'd like to answer the comments that you've made with respect to the process, and I'd like the whole committee to understand what this bill does. First of all, the process that you're coming forward with for additions to reserves is interesting and it will probably help a lot of other First Nations, but it's not applicable to this one. The reason for that is that the First Nation takes the position that these are already part of their reserve, so they're not going to be going through an addition-to-reserve process. The addition-to-reserve process is one that's used if a First Nation acquires some property that is not part of the reserve and it adds it in to be part of their reserve so that they can grow their land area. That's not applicable in this situation, because they're taking the position that it's already part of their reserve. So that solution isn't going to solve this problem.

The other important thing to understand is that this doesn't really have a precedential value for most cases, because this land claim is based on unsurrendered land. For most of the treaties that were negotiated, the First Nations surrendered the land and then the provincial government held the reserve in trust for the First Nation. This was negotiated differently, and so it has different language. In that respect, it's not precedential.

But the important point to realize is that this bill doesn't really have anything to do with the land claim.

What this bill solves is that the First Nation is not paying any tax on this. What that means is that the residents of Huron Shores—because of the education levy, because of the DSSAB, because of the OPP billing—are having to pay out of their taxes the amounts to satisfy those bills. And I'm not talking about legislative bills; I'm talking about bills for services. So the other people in the municipality are paying for the services that are being given to this property. It hasn't got anything to do with the land claim; this is entirely a tax solution issue.

I fear that the solution that you're putting forward, while it may be commendable, isn't going to solve this problem. The problem is that my client continues the financial bleeding on an ongoing basis until it's resolved. This bill doesn't speak to the land claim, whether it's good, bad, successful, likely to succeed or not. It only solves the tax problem for the municipality, so I hope that you'll reconsider as well.

**The Chair (Ms. Indira Naidoo-Harris):** Okay. I am just going to ask the applicants and the sponsors to keep your comments directed to the ones posed by the committee member just before you.

We are moving to MPP French and then MPP McGarry. MPP French.

**Ms. Jennifer K. French:** I appreciate the clarity on some of those points. I think we all do. To the point made earlier by the member opposite, all of these situations are going to require a unique lens, and they're going to have unique pieces to them. So I think what is commendable is that here we have a unique solution. It's not going to be a one-size-fits-all across the province, obviously. It's very specific to these partners who have brought this issue here.

Certainly I think that while the government is creating a process to add lands—perhaps not adjacent; I take the point there—that process is going to be a solution for the whole province. What works for one may not work for another. I think this is a case that, when we're presented with a unique solution that fits, we should not just take it under advisement but appreciate it.

I have concerns any time the government says, "Don't worry; we'll look after it"—the government-knows-best kind of thing. I think that that feeling would negate the process that you have been engaging in, certainly, outside of this room and for years. You have come to the table with a solution. We should be saying, "Thank you so much for coming up with this solution," and we should be allowing it.

I do appreciate the additional understanding that that government process is never going to be relevant in this unique situation—I hope that they're listening to this part—that government—

*Interjections.*

**Ms. Jennifer K. French:** Excuse me. Okay. That government process is never going to be—

*Interjections.*

**Ms. Jennifer K. French:** Colleagues? I just want them to be clear, because I appreciate what you had said.

Ms. McGarry and the others—I want them to hear this. Well, they can read it in Hansard.

The additions to reserves—this government process of adding lands to reserves—is never going to be relevant to your situation, so telling you to just sit tight and be patient is irrelevant—it is, I think, disrespectful—because that is never going to connect with this situation. Your situation, as you have said, is a tax exemption. You're not adding land. The point is, it's already part of the land.

Thank you for coming to the table with a solution that fits a unique situation, because I am seeing that the government would not ever be breaking it down into appropriate, unique solutions. They're going to look at a strategy that works for most or many, and that's not what we have here. I would recommend that the government change their mind.

I do have a question for the Clerk. If this is disallowed today, will they ever be able to come to this table again with the same or a similar solution that fits, once the government goes back, does their homework and realizes, "Oops, we made a mistake"? Will they have a recourse?

**The Clerk of the Committee (Mr. Christopher Tyrell):** My understanding is that they could reapply for this, but it will go through the same process, so it will end up back here. The committee at that point would have to determine whether they would want to allow that bill to go forward or not.

**Ms. Jennifer K. French:** So potentially, if the government had done its homework and realized that adding additions to reserves is irrelevant when it comes to this particular situation—that they should have allowed it initially—they could then change their mind if they decide to truck on through today. Is that correct?

**The Clerk of the Committee (Mr. Christopher Tyrell):** They would be eligible to reapply for a similar, or the same, private bill at some point in the future, yes.

**Ms. Jennifer K. French:** Hopefully that won't be necessary, but thank you.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you, MPP French. I am keeping track of who is next. I don't know if the committee members wanted to respond, but MPP McGarry is next to make a comment.

**Mrs. Kathryn McGarry:** Again, I'm reiterating the fact that the Ministry of Aboriginal Affairs is creating that process. But I know that when we get these one-off situations, it has implications not just for the Ministry of Aboriginal Affairs but also for the Ministry of Finance, which is responsible for managing taxation and arrears and all those pieces that we are talking about.

Again, if we make the decision to allow some of these precedent-setting cases to go ahead, we end up sometimes with unintended consequences across the province that can really unfairly advantage another property owner, whether it be a First Nation or someone else. This is why I'm encouraging you to continue to work with both ministries to locate a solution. At the moment, because of those unintended consequences that may occur, and because the two ministries that are affected

right now are in the midst of this process, I'm reluctant to let this go forward at this time. Thank you.

**The Chair (Ms. Indira Naidoo-Harris):** Please go ahead.

**Mr. Paul Cassan:** Ms. McGarry, I have had conversations with three legal counsel for the Ministry of Finance who did come up with some options, and that's one of the reasons that I was able to answer your question now about the fact that this is not property that is eligible for us to cancel the taxes on. That was the suggestion that they had put forward. We have been speaking to them, and I understood that that resolved the questions from the Ministry of Finance.

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

**Mr. Bill Walker:** It seems to me that we have a solution in front of us. In the spirit of effective and efficient government, I think what we should do is actually defer for a week, allow Ms. McGarry to go and get further clarification from her finance minister and aboriginal affairs minister, allow the government to go forward to their two ministers.

We have a solution. It's in front of us. Why would we put the municipality and the First Nations, frankly, through undue duress and burden that they don't need to go through? The reality is that if they vote this down today, they're going to have to go back through this whole process for who knows how long before they can come back and even do it.

I just can't fathom that this government is going to interfere when we have a solution in front of us that has actually been negotiated between the two parties most impacted. I can't believe that you're going to let the residents of Huron Shores suffer longer and for more time again when we have it here. We have a solution.

If this was the issue, why didn't we come with answers today, that you're absolutely not going to deny it, and with clarity of when a decision—

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

**The Chair (Ms. Indira Naidoo-Harris):** I understand I have a point of order. Go ahead, MPP McGarry.

**Mrs. Kathryn McGarry:** Thank you, Chair. I understand that committee members and our delegations should be speaking through the Chair. It's not up to Ms. McGarry to go back on behalf of the government; it's up to the committee members. I just want to point that out.

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

**Mr. Bill Walker:** Chair, I will rephrase my thought process. I would ask the members of the government to go back to their cabinet ministers, the two who have been named so far, and have a solution to this within a week, so that these folks from Huron Shores and Thessalon First Nation do not have to go through any more time, frustration and stress.

There's a solution in front of us. We believe that it has been negotiated in good spirit. The two parties most impacted are agreeable to this. Why can the government not see that this is an isolated, one-off incident that can actually clean up something that has been going on for



way too long? The people of that municipality are paying taxes and losing out on other very valuable services that they could be receiving because they're actually still stuck in this situation.

The resolve is here. If the government doesn't want to do it today—I sure hope they don't vote this down and put them backwards for however long, because Ms. McGarry, in her words, did say she is unsure how long it would be. I'm a pretty optimistic person, but I'm not thinking that in the next couple of months this whole First Nations issue that she is talking about is going to be resolved regardless.

I have First Nations in my backyard. They are in court cases. That has been dragging on for years and years and years. There's great intent. There's great spirit. I'm glad to hear you have a wonderful relationship with the new federal government, but at the end of the day, let's talk about Huron Shores and Thessalon First Nation and do the right thing that has to be done.

**The Chair (Ms. Indira Naidoo-Harris):** MPP Walker, I just want to clarify: Are you proposing to put a motion on the table right now?

**Mr. Bill Walker:** Yes, I would.

**The Chair (Ms. Indira Naidoo-Harris):** Okay. Do you have that motion ready to go?

**Mr. Bill Walker:** My motion is that—if the government is not prepared to support this motion—we defer for a week and they come back with a black-and-white, realistic and defensible reason why they are not going to allow an agreement to go forward that has been negotiated by the two parties most impacted by the situation they find themselves in.

**The Chair (Ms. Indira Naidoo-Harris):** I suggest that we recess for a few minutes so we can write this motion out properly and get the wording correct. We will recess for five minutes.

*The committee recessed from 0943 to 0949.*

**The Chair (Ms. Indira Naidoo-Harris):** All right, our five-minute recess is up. I will ask everyone to come back to the table, please, so we can continue.

We have a motion on the table right now. MPP Walker, please go ahead and read your motion on the table.

**Mr. Bill Walker:** Thank you very much, Madam Chair. Again, just in the spirit of effective and efficient government, I propose a motion on the floor that the vote on this matter be deferred for one week or the next meeting of this committee.

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

**Mrs. Kathryn McGarry:** I might just ask the member if he would allow a friendly amendment that we could ask the Ministry of Finance officials to come and answer questions of the committee at that time.

**Mr. Bill Walker:** I would be fine with that. In fact, as I said in my earlier preamble, I think both the Ministry of Finance and the Ministry of Aboriginal Affairs should be here so we can actually get clarity, make a decision—a good decision—allow this bill to move on, and let the

people of Huron Shores and Thessalon First Nation get on with their lives.

*Interjection.*

**The Chair (Ms. Indira Naidoo-Harris):** If all committee members are fine with that, the Clerk advises me that we don't need to write it down. We can just go ahead and go to a vote on that.

MPP McGarry.

**Mrs. Kathryn McGarry:** If it is a friendly amendment, then, yes, I would make the friendly amendment that we have officials from both the Ministry of Finance and the Ministry of Aboriginal Affairs come before the committee to answer our questions.

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

**Mr. Bob Delaney:** Chair, would you please read the full motion, as amended, prior to the vote?

**The Chair (Ms. Indira Naidoo-Harris):** That's what I was going to do.

MPP French?

**Ms. Jennifer K. French:** I'm sorry, I just got a little confused. I thought that you just said there was no need to make a formal amendment. Are we amending, are we friendly amending, are we not amending?

**The Chair (Ms. Indira Naidoo-Harris):** If we are all agreed, once I read out what the amended motion is, then we can move forward, or we can move forward with a vote. That's what I understand—

**Ms. Jennifer K. French:** I thought you said it wasn't required.

**The Chair (Ms. Indira Naidoo-Harris):** No. I will have to read the amended motion.

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

*Interjection.*

**The Chair (Ms. Indira Naidoo-Harris):** All right. The Clerk advises me that the motion on the floor is the one from MPP Walker. There is an amendment being proposed by MPP McGarry. If MPP McGarry is okay to move forward with reading out to the rest of the committee members what that amendment would be and what the full motion would be, that would be the way to proceed.

**Mrs. Kathryn McGarry:** I move that the vote on this matter be deferred until the next meeting of committee. Oh, I'm sorry. I didn't read the whole motion. Strike that. Let me start again.

I move that the vote on this matter be deferred for one week or to the next meeting of the committee, and ask officials to come from the Ministry of Finance and the Ministry of Aboriginal Affairs to answer questions that committee may have.

Is that okay?

**Mr. Jeff Yurek:** Question.

**The Chair (Ms. Indira Naidoo-Harris):** We have a motion on the table right now.

You can go ahead, MPP Yurek.

**Mr. Jeff Yurek:** With respect to the amendment to the motion, I just want clarity on how this is going to operate. We're going to have the delegation from Mr.

Mantha's riding here as well, in this discussion. This is what you're proposing? Or are you proposing that this amendment will remove them from the process?

**The Chair (Ms. Indira Naidoo-Harris):** We will still be considering the bill. This is just an amendment to postpone, essentially, this conversation until we have ministry officials at the table at the next meeting or a week from now.

**Mr. Jeff Yurek:** But they will still be able to participate in the debate—

**The Chair (Ms. Indira Naidoo-Harris):** Oh, yes. The applicants will be able to come for that and present, yes.

**Mr. Jeff Yurek:** Okay.

**The Chair (Ms. Indira Naidoo-Harris):** It's part of the process.

MPP French.

**Ms. Jennifer K. French:** Just a clarification question here: Do we have the opportunity to weigh in on this motion? Because I've been seeing my colleague, the MPP from Algoma-Manitoulin, wanting to weigh in. Is that a possibility before we vote?

**The Chair (Ms. Indira Naidoo-Harris):** It's debatable but, yes, people can make comments.

**Ms. Jennifer K. French:** Okay, because I had seen him—

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

**Mr. Michael Mantha:** Yes. With the indulgence of the committee, I think it would be fair that—my constituents are here. Huron Shores is not just down the street, a subway ride away. The fact is, they come from long distances. There has been a huge, huge amount of work that has gone into this. I think, in all due fairness, having His Worship here on behalf of his community, that I need you to hear from the mayor in regard to the amount of time, the patience, how much work has gone into this bill in order to assist you in making your decision. With all due fairness, I'm asking the Chair to provide His Worship, Mayor Gil Reeves, the opportunity to express himself to the committee.

**The Chair (Ms. Indira Naidoo-Harris):** I'm fine with the mayor making some further comments on this issue. Go ahead.

**Mr. Gil Reeves:** Thank you, Madam Chair.

I wanted to speak briefly or re-underline a couple of things. One was that our council has been in communication with the Ministry of Finance very recently, with three different lawyers from the Ministry of Finance. I particularly wanted to talk about patience. This has been a long-standing difficulty, not between our two communities but among the parties involved here: Canada, Ontario, Thessalon First Nation and the municipality of Huron Shores.

I first met with Minister of Aboriginal Affairs Chris Bentley and described the situation, talked about the MPAC assessability, various solutions that might be instituted in order to solve this situation between our friends and neighbours in Thessalon First Nation and

Huron Shores. Then I met with Minister of Aboriginal Affairs and now Premier Kathleen Wynne and described the situation and various solutions that might be able to come forward to help my neighbours and my community. And then I met with Mr. Zimmer, PA to Minister Wynne, and described the situation and what I said before.

We're looking for solutions to this, and in each of those cases that I've described to that point, I was told, "We're working on this; have patience." I've met repeatedly with Minister Zimmer, described the situation and given updates as to what has occurred in the interim, what efforts we've made and the fact that we've been able to maintain excellent relations with our First Nations neighbours and friends who we live and work with every day.

I just wanted to underline the fact that we have been exercising patience and we've been repeatedly told that something is forthcoming, and that's what's caused us to invest in this effort that we're presenting today to the committee.

**The Chair (Ms. Indira Naidoo-Harris):** Thank you very much. We do have a motion the table right now for the discussion. MPP Walker?

**Mr. Bill Walker:** Chair, in light of what I just heard—and it seems that obviously the time frame is fairly significant and long—out of respect for the folks who have travelled here from Huron Shores, I was hoping that the government would actually, by deferring for a week that would give more sober second thought, respect the process that has happened so far. But at the end of the day, I don't want to put the folks who have travelled here a long distance and have invested a lot of time, energy and heart into this—I'm going to withdraw my motion.

I think we're going to call and make this happen today so they have some clarity. I believe and I hope that the government opposite will actually do the right thing and look at this on the merits of a stand-alone case. It has been negotiated by two parties that truly have found a solution. The mayor has talked to every single person who has had the file. They have collectively found a solution to a problem that impacts Thessalon First Nation and Huron Shores. We don't need to be any further involved. I believe this is a bill that we can support; we should all support it and allow them to move forward and have the solution that they've found.

**The Chair (Ms. Indira Naidoo-Harris):** Ms. French, go ahead.

**Ms. Jennifer K. French:** I appreciate that you've withdrawn your motion, because I think that while we're here—as we've heard, we're here. We know how difficult it is in terms of travel and transit, and I think it would be disrespectful to drag this out. I'm going to say the same thing I said before, because I want the government to be very clear on the information you've brought forward.

**1000**

What the government had come to this table today with—whether it's their staffers and the people who help to advise us had suggested we talk about—is to deem this

amount uncollectible. You have said clearly, on the record, through all of the legal opinions that you have been able to get, that it is not an option. That is not an option. So the government suggestion, that would be the fix, is not a fix. It cannot happen.

The other government solution is, “Please wait, because we’re creating a process to add lands.” While that has merit, and that is a process that I’m sure will benefit many people down the road, it is irrelevant in this case because this is not a land issue. This is a tax issue. You will never benefit or be part of that process, because we’re not talking about part of reserves or additions to reserves, ever. So that will never be relevant, even if you wait those four or five years.

The other issue that the government has put up as a barrier is that this is a complicated issue because it is a land claims issue. You have made it clear that this is not a land claims issue before us. This is a tax exemption issue. So all of the homework that had been done on behalf of the government before today’s conversation is irrelevant—all three counts.

Government: Please. They are here. They have a solution. You talk about the unique nature of our partnerships with First Nations and municipalities. We have a unique solution here that is not going to be precedent-setting. No one else will be in this situation with commercial lands, and adjacent or non-adjacent, or a treaty from 1850. This is a specific, one-off, unique situation. Let’s not pretend that this going to have far-reaching effects. Let’s solve this problem today and allow this bill. I can’t imagine how you are going to argue that.

**The Chair (Ms. Indira Naidoo-Harris):** Just to remind everyone, MPP Walker has a motion on the table, and he is advising that he would like to withdraw it.

We have an amendment on the table now. MPP McGarry.

**Mrs. Kathryn McGarry:** I just really wanted to do one last comment. I certainly understand the issues that you’ve been through, that you’ve met with ministry officials from finance and aboriginal affairs. I agree it is complex issue. It’s a tax issue as well as a potential land claims issue, so both ministries need to weigh in.

As committee members, Chair, I understand that it’s incumbent upon us to make these decisions. I feel that the committee could have an opportunity to ask both ministries and their officials how they weigh in on this particular issue. I feel I can do a better decision with those ministries here to ask questions of. That’s why I’m suggesting that they come and speak to the committee. This is the first time that it’s come to our committee’s attention, and so I think that we can make a better-informed decision with ministry officials to answer our committee questions.

**The Chair (Ms. Indira Naidoo-Harris):** MPP McGarry, just to clarify: I’ve been chatting with the Clerk, and since MPP Walker is suggesting that he wants to withdraw his motion, there is the amendment on the table right now, so I do need to ask you if you’re interested in withdrawing your amendment.

*Interjection.*

**The Chair (Ms. Indira Naidoo-Harris):** Because we have to deal with the amendment first—just to clarify.

**Mrs. Kathryn McGarry:** I’m sorry, can you repeat that?

**The Chair (Ms. Indira Naidoo-Harris):** Sure. I’m going to ask the Clerk to just explain the situation to everyone.

**The Clerk of the Committee (Mr. Christopher Tyrell):** Mr. Walker moved a motion. Ms. McGarry moved an amendment to that motion. Mr. Walker has now indicated that he would like to withdraw his motion, but the amendment is what’s currently being debated. I believe the Chair is asking whether you would like to withdraw your motion, so that Mr. Walker can withdraw his motion.

*Interjections.*

**Mrs. Kathryn McGarry:** Chair, can I have a two-minute recess, please?

**The Chair (Ms. Indira Naidoo-Harris):** A five-minute recess.

*The committee recessed from 1005 to 1010.*

**The Chair (Ms. Indira Naidoo-Harris):** All right, our five-minute recess is now over.

Ms. McGarry, you have the floor.

**Mrs. Kathryn McGarry:** Thank you, Chair. I will also withdraw my motion.

**The Chair (Ms. Indira Naidoo-Harris):** All right. MPP McGarry is withdrawing her motion. We are now considering Bill Pr38—

*Interjection.*

**The Chair (Ms. Indira Naidoo-Harris):** Apparently, according to the way things are done—MPP Walker, do you withdraw? Now we have to ask you.

**Mr. Bill Walker:** Yes, I do, Madam Chair. I withdraw my motion.

**The Chair (Ms. Indira Naidoo-Harris):** Do we have unanimous consent, then—everybody agrees—that the original motion and the amended motion are now withdrawn? Agreed. All right, okay.

Moving forward, any further debate, or are we ready to start considering Bill Pr38?

MPP French.

**Ms. Jennifer K. French:** I’m hoping that the government will change its mind and that we can vote to allow this bill. We appreciate their travelling all the way here. I have no idea what it costs to travel here. My understanding is that you’re a small municipality and that this been quite an arduous process. I apologize for that part of it. But, anyway, here we are. Thank you for your presentations.

I certainly would challenge the government to realize that the three arguments they brought to the table have all been taken off the table, so I hope that they realize that there’s an opportunity here to embrace a unique solution and to make a decision that impacts so many people. I hope that they do right by you and your communities.

**The Chair (Ms. Indira Naidoo-Harris):** In the interests of time, MPP Walker, I’m just letting you know that we are—

**Mr. Bill Walker:** I definitely agree. All I want to do, Madam Chair, is ask for a recorded vote.

**The Chair (Ms. Indira Naidoo-Harris):** All right. On each section, or just the final?

**Mr. Bill Walker:** Each.

**The Chair (Ms. Indira Naidoo-Harris):** Each section. All right, we are now going to move forward with our votes.

Bill Pr38, an Act respecting the Corporation of the Municipality of Huron Shores and the Thessalon First Nation: Shall section 1 carry? This is a recorded vote, so, please, hands up.

**Ayes**

French, Walker, Yurek.

**Nays**

Delaney, Dickson, Mangat, McGarry.

**The Chair (Ms. Indira Naidoo-Harris):** Shall section 2 carry?

**Ayes**

French, Walker, Yurek.

**Nays**

Delaney, Dickson, Mangat, McGarry.

**The Chair (Ms. Indira Naidoo-Harris):** Sections 1 and 2 are lost.

Shall section 3 carry?

**Ayes**

French, Walker, Yurek.

**Nays**

Delaney, Dickson, Mangat, McGarry.

**The Chair (Ms. Indira Naidoo-Harris):** Section 3 is lost.

Shall section 4 carry?

**Ayes**

French, Walker, Yurek.

**Nays**

Delaney, Dickson, Mangat, McGarry.

**The Chair (Ms. Indira Naidoo-Harris):** Section 4 is lost.

Shall section 5 carry?

**Ayes**

French, Walker, Yurek.

**Nays**

Delaney, Dickson, Mangat, McGarry.

**The Chair (Ms. Indira Naidoo-Harris):** Section 5 is lost.

Shall the preamble carry?

**Ayes**

French, Walker, Yurek.

**Nays**

Delaney, Dickson, Mangat, McGarry.

**The Chair (Ms. Indira Naidoo-Harris):** The preamble is lost.

Shall the title carry?

**Ayes**

French, Walker, Yurek.

**Nays**

Delaney, Dickson, Mangat, McGarry.

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

**Ayes**

French, Walker, Yurek.

**Nays**

Delaney, Dickson, Mangat, McGarry.

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

Thank you very much, everybody. That will wrap up this session of the committee. We will reconvene next week to consider the other two bills before us, Bill Pr39 and Bill Pr40. Thank you very much.

*The committee adjourned at 1014.*







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