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Mercredi 21 juin 2006

**Standing committee on
regulations and private bills**

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

Chair: Andrea Horwath
Clerk: Susan Sourial

Présidente : Andrea Horwath
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LEGISLATIVE ASSEMBLY OF ONTARIO

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**STANDING COMMITTEE
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The committee met at 1005 in committee room 1.

The Chair (Ms. Andrea Horwath): Let's call the meeting to order, if I can. My understanding is, if it's the will of the committee, there has been a request to alternate the two items on the agenda today, so we'll start with the second item and finish with the first. Is that all right with the members of committee? Is that all right with the sponsor?

Mr. Mario Sergio (York West): It's okay with the applicant as well.

The Chair: Okay. Thank you very much.

**MASTER'S COLLEGE AND SEMINARY
ACT, 2006**

Consideration of Bill Pr28, An Act respecting Master's College and Seminary.

The Chair: I'll call the first item on the agenda, which is now number 2 on the paper in front of you, Bill Pr28, An Act respecting Master's College and Seminary. The sponsor of the bill is Bob Delaney. The sponsor can come to the end of the table with the applicants, if you wish.

Mr. Bob Delaney (Mississauga West): No.

The Chair: Or you can stay here, actually, as a committee member.

The applicants are Mary Ruth O'Brien, who is legal counsel representing the applicant, and Evon Horton, president of Master's College and Seminary; is that right?

Ms. Mary Ruth O'Brien: Yes, it is.

The Chair: Welcome, both of you. I'm wondering if the sponsor wanted to make any initial comments to get us started.

Mr. Delaney: No.

The Chair: Okay. Then it's up to the applicant, if you want to give us some of your information and walk us through your request.

Ms. O'Brien: As indicated, I represent Master's College and Seminary, which has been around in Ontario since 1939, first in Toronto, then in Peterborough and now back in Toronto. In Peterborough, it owned its campus and there were very few issues under the provisions of the Assessment Act on its tax considerations. In Toronto, it is leasing space at Yonge Street and Lawrence. The address is in the draft bill.

The situation is that now, of course, it is paying tax on this property and has been inquiring for up to two years, I believe, about ways and means of doing this, and it has had the city of Toronto's support in this tax application throughout that period. Dr. Horton can give you some details of the ins and outs of his inquiries with the city, but the end result was that he was told by the city that he had to get the act under which the college is governed amended to include a specific provision that it be exempt from taxes. We drafted a bill on that basis, and that is the bill that was introduced last week.

We have since learned that the Ministry of Finance has some concerns both with the very fact of the proposed amendment itself and possibly with the way it is worded. I think the ministry, if it supports this bill at all, would prefer a two-step process, whereby the legislation is amended so that the city of Toronto council then has an opportunity to pass a bylaw to deal with both the future and past tax consequences on this property and the rebate.

Our preference is that this all be dealt with in one step. It's been a very long process, one encouraged by the city, in fact. I do have a letter here indicating what the city's support is, and I would like to present it to the Chair. Our position is that if this committee and then the Legislature are prepared to accept our bill as drafted, we would be happy. However, if there are some serious concerns about this and the committee and Legislature would prefer the two-step process, I understand that Ms. Hopkins has prepared a motion, and we would certainly be prepared to entertain that. Our only concern with the motion is that this has been a long process for the college to this point, and if we have to go through the second step, it's going to be a longer process, particularly as this is an election year for the municipalities in Ontario.

That essentially is our position. I think Dr. Horton, if he wishes, can expand on his contacts with the city. The letter from Councillor Karen Stintz, who has been kind of leading the charge for the college as far as the city is concerned, indicates what the city's position is on this. We would just like to see if we can get this done as soon as possible.

1010

Dr. Horton can speak further about the issue that the city does in fact want something from the province to amend the bill, because under the Assessment Act, of

course, this college would not be eligible for a tax exemption, and the city wants something in the college's own legislation that would permit this.

The Chair: Dr. Horton, did you have a few comments you wanted to add?

Dr. Evon Horton: Yes, please. First of all, I want to thank Mr. Delaney for sponsoring the bill for us and getting it to this point. I appreciate everyone's input. We've been on this journey since November 2004, going back and forth between city and province as to what is the best route to handle this and care for this.

Through this process, we have found recommendations to go back to the city for 100% tax relief, and then the city sent us back to the province. They said, "We'll consider it," once an amendment to our charter has occurred. We were dealing with Mr. Delaney's office, Minister Colle's office, as well as Karen Stintz's office. Then the city tax department, Carmela Romano, has talked to us numerous times, particularly last summer, on this 100% issue, of making application directly to the city, saying they would be glad to consider it and the best route to go would be through a private member's bill amending our charter. So we began that journey, and we are at this point now of wanting to see this through.

If the amendment that legislative counsel has put together to have us go back to the city for a bylaw for the tax relief—we would support that if that's the best route to go, but as Mary Ruth has said, this has been a journey for us. We've just been working very hard to get this through and appreciate any due consideration the committee can give us.

The Chair: Thank you very much. I don't know if there's anyone else who wanted to make any comments, any other interested parties on this particular issue. So I believe the next step would be to open it up to committee members, if there are any comments, starting with the parliamentary assistant for the government.

Mr. Sergio: I can appreciate the applicant's effort in bringing the bill to the House, and I know it's been quite some time; 2004 has been mentioned. I'm sure that they would like to see the bill go through and be dealt with. The time that it has taken—I'm a bit taken aback that some of the hitches that still are within the bill have not been cleared with the city of Toronto. So you could have had, indeed, a very fast approval quite some time ago and not a year later and stuff like that.

I have to bring to the attention of the applicant and the committee that, indeed, the Ministry of Finance and the Ministry of Municipal Affairs and Housing both have concerns with it, two to three things which emanate from that. One is that the applicant is leasing a space in a commercial building where the tax rebate would go directly to the owner of the building, the landlord, if you will, and we have no idea of and no control over what happens from there on. That tax relief may be passed on to the applicant; it may not. We are not aware of that.

If we were to go ahead with it, this would create, I would say, a very unwelcome precedent indeed for the province to deal with in cases such as this one here. We

do deal on a case-by-case basis at the committee and would do it to speed it up, indeed providing the service as quickly as possible to the applicants.

The other—and we are trying to find out as well from legal, because a similar problem existed with the other bill—is why the cities cannot deal directly, because I believe the municipalities have been given the power to deal with cases such as this. The reason why the cities, municipalities, had been granted this power is so they don't have to waste time and come over here, where the process takes much longer.

Amending the bylaws: This is something I believe our legal is looking into. If the city has the power to amend its own bylaws, they would go to one place and deal with one place only, which is the local municipalities.

The other: If we have a concern, it's perhaps that the applicant is not meeting the requirements of the local municipality. If that is the case, then it is not our place to deal with the application here when the applicant does not meet the local municipal requirements. If that were the case, I don't see why, and the legal doesn't see why, if they don't meet the local requirements, the local municipality cannot deal directly with the application. These are the concerns that have been brought. I know that time has been left to the last minute—I can feel for the applicants as well—and we are at the end of the session, but this is the problem we are facing. At this stage, I would recommend either a deferral or a withdrawal, and to go back to the city, but under the present circumstances, with the information provided, I would recommend not to approve the application.

Mr. Gerry Martiniuk (Cambridge): If I may direct a question to the parliamentary assistant, are you saying that the city of Toronto presently does have the power to exempt this property without the intervention of the Legislature?

Mr. Sergio: This is what the Municipal Act, 2001, does indeed say. We have to clarify—if I don't clarify it well enough, then perhaps we have staff here who can clarify that. What the applicants are seeking now is tax relief for one year, on a year-to-year basis. What they would like to see is a permanent exemption, and I think that's where they have a problem with the city. In order to allow that, the city would have to amend their own bylaws where they can't exempt the taxation forever, so they are coming to us.

It's not clear to me. I believe the city has the power to amend their own bylaws, which would let the applicants directly at the city or municipal level amend their own local bylaws, saying, "We're going to amend the bylaws that would give you an exemption on a permanent basis." I believe they have that power. If it's not so, then I call on legal to explain it to us. So that's the problem.

Mr. Martiniuk: Thank you very much, because in my own riding I came to a similar problem. It was not academic, but with a particular use. The city took the position they did not have the power. So possibly I will follow that up with a letter to you for clarification, if you don't mind.

The Chair: I believe there are staff here who want to provide some information, if that's all right with the committee.

Mr. Sergio: Sure, absolutely.

The Chair: If you want to come forward, please indicate your name for the Hansard.

Mr. Mark Osbaldeston: My name is Mark Osbaldeston. I'm a lawyer at the Ministry of Finance. I was just going to confirm that Mr. Sergio's view is the same as finance's, that there is the power in section 361 of the Municipal Act to provide—it's not an exemption, though; it's a rebate that has to be applied for yearly, and it doesn't allow for retroactivity, which is another that both of these bills today allow for.

Mr. Gilles Bisson (Timmins–James Bay): My understanding is that the church, for example, has an exemption currently, so they don't pay municipal taxes, and that's not on a year-for-year basis, is it?

Mr. Osbaldeston: A church? That's an exemption in the Assessment Act.

Mr. Bisson: Oh, that's why. So various organizations have exemptions from paying municipal taxes: Legions etc. They don't have to vote on it every year; it just automatically happens. My question is, why wouldn't that happen for them? I don't understand.

Mr. Osbaldeston: For Master's College?

Mr. Bisson: Yes.

Mr. Osbaldeston: If Master's College owned its property and occupied it, it would fit within the exemption in the Assessment Act. If it leased its premises from another exempt entity, it would fall within the exemption of the Assessment Act. Because it's leasing from a commercial landlord, it doesn't fall within the exemption, and the policy reason behind that, and the reason that the ministry's view is that therefore the appropriate thing is to apply for the rebate, is because the rebate goes directly to the tenant, whereas the tax exemption and the bill will go to the commercial landlord.

1020

Mr. Bisson: Okay. Don't disappear or run away just yet. So to understand clearly, you're saying that even if this bill were passed the rebate would go to the landlord?

Mr. Osbaldeston: Yes. If this bill were passed, the property would be exempt, and it's the landlord who has the property tax liability. That might get flowed through in the—

Mr. Bisson: No, I understand. I just want to understand technically.

Number two, if the city of Toronto today decided to give the property owner an exemption on taxes, you're saying that because that's not one of the ones that it's allowed to do by way of current legislation, it can only do it on a year-by-year basis?

Mr. Osbaldeston: Yes. To put a fine point on it, it's a rebate on account of taxes, because the tenant doesn't pay taxes but they pay an amount to the landlord on account of taxes.

Mr. Bisson: Now I've got questions for you, if it's okay, Chair?

The Chair: Okay. Sure. Go ahead. Thank you very much.

Mr. Bisson: I take it you guys know all about this. You're here, so you must know. I'm just trying to clarify something in my own mind. You've obviously talked to the city of Toronto. The city of Toronto has asked you to do this?

Dr. Horton: Yes, that's right. They've asked us. We've gone to them twice about this, because when we first started the process, the city said, "No. You need to get an amendment to your charter for the 100% exemption." We said okay. So we started with Minister Colle's office, and he referred us to Mr. Delaney's office. As they worked it through, they said, "No. The city does have the ability to do 100%." So we went back to the city. We worked it through the process. We went to the tax department of the city. We went to MPAC and checked it through there three or four times. It took about two or three months. They said, "No, we can't. You need to get an amendment to your charter. Do that. Then come back to us, and we can give it to you." So they have sent us back here twice.

Mr. Bisson: So the city of Toronto feels it's not in a position to give you the rebate on the account of the landlord?

Dr. Horton: They said they can't do that, just as the honourable member over here mentioned. In his case, when he inquired with the city, it said no. That's the same response we got. They can't do that.

Mr. Bisson: I've got a letter here from the councillor of ward—I'm sorry, I don't have my glasses on me—who supports it. But the city of Toronto supports this Bill Pr28?

Dr. Horton: That's right. They do.

Mr. Bisson: All right. I know how I'm voting.

The Chair: Are there any other comments or questions?

Mr. Sergio: I'd like to add one thing. We have two very similar cases here today, and I don't think it's fair that applicants waste a year or over a year being sent back and forth, when some of this situation could and should have been cleared a long time ago.

I think we have to send a message to the city of Toronto that, in order to avoid other applications in the future, it should seriously look at amending its own bylaws. This would give them the power to deal exactly with similar problems, so they would serve the applicant in a much more direct and quicker way.

Having said that and having heard the legal counsel, I have no other choice but to recommend either a deferral, if the applicant would accept that, or a refusal of the application.

The other thing is that the city refuses, in a way, to deal with it, because the applicant does not meet the full requirements of the city. That's where the city should be looking at to change its own requirement or change the bylaws so that, indeed, the applicant meets the city's requirements.

The Chair: Mr. Bisson?

Mr. Bisson: Just that if you want to comment on that point first, then I've got a point that I want to make myself.

Dr. Horton: The only thing to add to that would be, as we got word from legal counsel last February about going back to the city and having it change its bylaw, Councillor Stintz checked that with the city—legal as well as the tax department—and said, “No, they really want it to come here first.” So it would be three times we went to the city.

Mr. Bisson: Which brings me to my point, which is that I hear what the parliamentary assistant is saying in trying to get the city of Toronto to change its bylaws. But there seems to be some Ping-Pong playing—I guess the best way to explain it—between the city and whatever. Why hold these people hostage? That's probably too strong of a term, but you know what I'm saying. If we have to wait for the city of Toronto to do whatever, in the meantime these good people are stuck in the situation they're in for God knows how long. I would much prefer we deal with this on a case-by-case basis. If the ministry rightfully feels that the city of Toronto should change its bylaws, then the minister should write a letter to the mayor of Toronto and council and say, “Please, in the future, so we don't have to do this on an ongoing basis, we ask you to amend your bylaws,” and take it from there. But I don't think we should hold these people up.

Mr. Sergio: I feel for what the member is saying and I feel for the applicant as well. But this would create a terrible precedent for us—for the province, for our committee—to deal with such an application. It is not a case of, “We're going to go with this one here and then we are done with it.” If we do it once, we'll have to do it another time.

The fact is that the applicant is renting space in a private building, in an office building where the tax rebate goes to the owner of the building, to the landlord. Frankly, I have no idea, we have no idea and the government has no idea if at the end the applicant will be getting its fair share of the tax rebate or not. This would set a terrible precedent, and I don't think we should be dealing with it.

Mr. Martiniuk: We have a motion on the floor made by Mr. Sergio to defer this matter.

The Chair: Actually, there's no motion yet.

Mr. Martiniuk: Is there not?

The Chair: He's making the recommendation, but before I entertain a motion on deferral, I'm going to get the applicant's feedback.

Mr. Martiniuk: I'll make such a motion, because I think it's fairly obvious that it's going to be defeated. If it is defeated—no?

Mr. Bisson: Hang on, there's the sponsor of the bill sitting on the other side—

Interjections.

The Chair: Hold on, could I get some order, please? Mr. Martiniuk, are you finished?

Mr. Martiniuk: I'm done. We'll wait.

The Chair: Mr. Bisson?

Mr. Bisson: That kind of threw me off a little bit. I was going to ask—oh, yes. To legislative counsel: I'm just trying to remember, with the various bills I've seen come through here, have we done something similar in the past? It seems to me we have. To the point that this is going to create a precedent, I think the precedent has already been established.

Ms. Laura Hopkins: Since the Municipal Act was amended to give municipalities authority to create these tax exemptions, there have been a couple of bills that have come before this committee. I don't think that there have been any bills that are similar to this one in the sense that the applicant in the previous bills was the owner of the property, not a tenant in the property.

Mr. Bisson: I remember dealing with something similar, but it might have been before the amendment to the current act.

Mr. Hopkins: Yes. In the 1990s, it was a more frequent application, but then the Municipal Act was amended.

Mr. Bisson: My point to the parliamentary assistant is that I know over the years on this committee we've seen this type of request come before us, which is almost the same in the sense that they were the tenants. You could say, “We don't want to create a precedent since we've amended the act,” but it's been the same act for as long as I've been here. The only difference is we've amended it every now and then—seven times or whatever it is.

I just repeat, in fairness to these people, they've done what they were supposed to be doing, and the city of Toronto keeps on sending them back here. They're stuck. If we want to take the position where the ministry feels that the city of Toronto should deal with it, we should be specifically telling applicants before they come before us for a private bill that we will not support it, and not waste their time. In this case, they've done everything they've had to do, with the expectation that this is where they've got to be. I think it's a little bit unfair to these people to turn it down. I sympathize with the parliamentary assistant's point, but I just don't want to see these people go through any more than what they've had to. I would just say that in the future, if it's at all possible, if that's the position that the ministry wants to take, we've got to be really clear with applicants as they come for a private bill that it will not be supported, because we refer them right at that point back to the city.

Mr. Sergio: Just to conclude, I concur with those views. I think I was very clear myself at the beginning when I said that we shouldn't be putting applicants in such a situation. That is why we have just recently given more power to the local municipalities to deal with their own affairs in such a way that municipalities can provide quicker service to the applicants. This is not the same case. I think legal counsel was explaining, Mr. Bisson, that the applicant in that case was the owner of the building as well. That is the difference here.

I know what you're saying—that they've been wasting a lot of time, that they've been used like a Ping-Pong or whatever—but the fact is that this still would create a

precedent and I have difficulties. I wouldn't want to see the application refused because, again, this would create more problems for the applicant as well. I would support the motion that is on the floor for a deferral, and hopefully the city will still be going on and it can be cleared up with the city. I think that is our position.

1030

The Chair: Thank you, Mr. Sergio, but I believe Ms. O'Brien wanted to make another comment.

Ms. O'Brien: Yes. First of all, on the point of the premises being part of a commercial building, I would point out that, as is with most standard leases, the tax issue is called additional rent—it's an add-on—and there is a specific provision in the lease that any tax relief offered in connection with the premises is, of course, applied to Master's College and their tax liability is reduced through paying their rent.

In making some of the inquiries myself, I also learned from an MPAC official that in this very same building there is another part of the building that is exempt from tax. This would be just standard under the Assessment Act, but it is quite common to have parts of buildings exempted from tax. I believe that's space rented by Sunnybrook and Women's College hospital for office or other purposes.

Mr. Bisson asked if there were recent precedents of this kind of application. I was able to find an act, the Ronald McDonald House (London) Act, 2005, which basically is giving the kind of relief we would be getting if the motion I discussed earlier, which we'd be prepared to accept, a kind of two-step process, was followed through, because that was given for Ronald McDonald House. It's S.O. 2005, so it's certainly more recent than the 2001 amendments.

Mr. Khalil Ramal (London–Fanshawe): I understand what you're talking about; I understand where you're coming from. I was also listening to Mr. Bisson talk about fairness to the parliamentary assistant. Since you're referring to Ronald McDonald House, I think the city of London had no objections and was clear on the issue. That's why this committee passed the Ronald McDonald House act. I had a chance to sponsor that bill back then.

I would recommend—I don't know if it's possible to please all the committee members—to defer this bill until a later time, until we have some clarification from the city of Toronto in order to be on equal footing with everybody else.

Mr. Tony C. Wong (Markham): I want to support the deferral motion, and I just want to say—

The Chair: Can I just interrupt you for a moment? I don't really have a deferral motion as such on the floor. There's been some discussion about it. When Mr. Martiniuk was talking about possibly moving the deferral, discussion ensued and the motion never did actually hit the floor. So if we want to start speaking to the deferral motion, perhaps we should put that motion on the floor.

I would actually prefer to have some understanding from the applicants, as you can understand where this discussion is going, whether or not that deferral is going to be in your interest. The problem is that if the deferral motion passes, you know what happens: More time will go by and you'll have to deal with the issue again, probably back at the city of Toronto. If the deferral motion doesn't pass, though, and the bill doesn't pass, then you're into a whole other problem. I'm sure you're aware of that.

Mr. Wong: I was merely expressing my desire and intention to support such a motion when and if it's tabled.

The Chair: But there is no motion on the floor, and it's getting a little bit back and forth here.

Mr. Wong: That's fine.

If I could continue, I want to speak to the applicants with respect to a comment they've made, that there is a technical difference, although I know, pursuant to the lease, that these exemptions or reimbursement benefits would likely flow to the applicant. It is one thing to say that conceptually the applicant would benefit from this bill, if passed, but it's technically significant for us to do this, because we don't want to look at all kinds of leases. We are not your council, so technically there is a difference, although I note the point that has been raised. And as a solicitor by profession, I know that when we decide to support or not support this motion or this bill, it would be difficult for us to argue later on, because we are now dealing with a separate lease and there are different provisions, and there would be extraneous arguments to that effect. I'm not saying that I'm not supporting this conceptually; I'm just saying that that point has to be dealt with in a fairly cautious manner.

Mr. Delaney: I move that consideration of Bill Pr28 be deferred.

The Chair: Thank you, Mr. Delaney. I appreciate that being formally on the table. Discussion about the deferral motion?

Mr. Bisson: I'm disappointed that the sponsor of the bill moved that motion. I don't know whether to read into that that you're getting a direction from the government or what the heck is going on, but it seems to me that these people have been bounced around between the city of Toronto and the province for long enough. You've heard the arguments. You know more than I do; you've been dealing with the bill. I would be more than prepared to vote against the deferral, should you decide to vote against your own motion, and vote positive on the bill in support of Mr. Delaney's attempt to give these people what they should be getting, because as I said earlier, there is precedent. I don't buy the argument that we're going to create some sort of dangerous precedent; we've created that precedent over and over and over again on this committee. I know I've dealt with similar bills on a number of occasions since I've been here in 1990 and, as was pointed out, as recently as 2005—

Mr. Sergio: Madam Chair—

Mr. Bisson: You'll get a chance. I would just like to hear from Mr. Delaney if he would be prepared to vote

against his own motion, which is kind of odd, knowing that the opposition, both the Conservatives and the New Democrats, would vote in support of your PR bill to give these people what they want.

Mr. Sergio: Let's be clear: We don't want to politicize this particular bill at this committee here, but we heard from legal counsel that we have had no similar precedents at this level. We have not had any similar cases to this one. All right? This came from legal. I would rather take it from legal counsel than from other sources. Having said that, I will support the deferral motion.

Mr. Bisson: Listen, I disagree. There has been precedent. I would ask for the presenters to read the precedent once again. This is not about politicizing; far from the point. We're trying to help these people. Maybe you want to comment to that, presenters?

Ms. O'Brien: I've just been handed a copy of the Ronald McDonald House act. It was dealing with leased land. It was giving relief as long as they were operating Ronald McDonald House in London on land it leases from the London Health Sciences Centre and carrying on the activities that Ronald McDonald House gives: temporary housing.

The wording of this act, just from my scan, is practically identical to the amending motion that has been suggested to come to it, basically allowing the matter to be considered by the municipality by bylaw. It's the same situation: Ronald McDonald House was leasing land. That's why they had to bring this application. The bill was assented to December 15, 2005, just six months ago.

The Chair: Thank you, Ms. O'Brien. I appreciate that. If I could maybe turn to staff for some clarification as to whether or not there's an actual precedent here?

Ms. Hopkins: I apologize. Apparently, I gave the committee incorrect advice about the precedent of a tenant applying for an exemption. I'm sorry.

The Chair: Is there any comment from the Ministry of Finance staff in terms of whether or not this is a similar situation?

Mr. Osbaldeston: I actually didn't recall that that was a lease. I know the reason the ministry didn't oppose that was there had been other Ronald McDonald Houses in other municipalities which had had their private exemptions.

The Chair: If I can ask the indulgence of the committee, is there anything to do with the fact that it's a hospital, and hospitals don't pay taxes; they pay payments in lieu? Or is it all the same?

1040

Mr. Osbaldeston: Sorry, I don't understand the question

The Chair: Direct taxes usually are not paid by hospitals. They make payments in lieu, basically a head tax, or a bed tax, actually.

Mr. Osbaldeston: That's right. I don't know that that would apply to Ronald McDonald House, however. I think it had to do more with the fact that there was

precedent already for the other Ronald McDonald Houses affiliated with the other hospitals.

The Chair: Okay. I'm not sure if that clarifies much at all, but I appreciate that.

Mr. Bisson: It does clarify, because Ronald McDonald House is a not-for-profit organization that, like these people, was basically attempting to do the same thing. My argument is—and I'd remembered that, because I remember on a number of occasions having to deal with similar situations where we've given exemptions to people who are tenants. So the precedent is there.

I just repeat—and I'd just ask the members. I don't want to politicize this. I understand the government is trying to do the right thing here, but so are we in the opposition. If there's an issue—and I repeat it again—between the ministry wanting the city of Toronto and other municipalities to do something different, such as amend their bylaws, then we should make that very clear to them by getting the minister to draft the letter and not using these people as a pawn in trying to pressure the municipalities to do what you want. We shouldn't put them in the middle of this situation. We should allow this to happen.

Then we should, through the minister, suggest to municipalities that, rather than sending people here for private bills to deal with this issue, they amend their bylaws. And number two, we should have a fairly clear policy, and do that as the committee, to say to anybody that if the government does take that position, they want the municipalities to change their bylaws and they want the applicants to go to the municipality first. This committee should be very clear to those people wanting to sponsor bills that what's going to happen in the end if they come here would be the result of what the ministry policy was. So, Bob, we support you.

Mr. Martiniuk: If I may, I'm trying to assist the applicants, and I'd like to hear from them. I'll do anything to vote to assist them, but if the motion to defer is defeated and we go to the bill and the bill is defeated, you're going to start all over again, which would be a catastrophe, in my opinion. Therefore, I'd like your indication as to what course of action you feel we should follow under the circumstances at this stage of the game.

Dr. Horton: I appreciate very much the opportunity to address that question. We have been on a long journey, and we have been back and forth a number of times. I do not want to see the bill defeated, of course, and I do not want to start all over again. So if this is what we need to do in order to keep this alive, then I'm certainly willing to accept that. That's not what I want. It's not what's best for the school. It's not the journey we've been on, and we've been given some very difficult and perhaps inappropriate advice along the way, because we have worked very hard for about 19 months on this.

I do appreciate Mr. Delaney's willingness to defer this to help us keep it alive. I appreciate that very much. So I would be open to the advice of the committee and what you think is best for us, because we're just trying to get this done and I need your help.

Mr. Bisson: My strong advice is to not defer it, because if you defer it, it will go into the Black Hole of Calcutta. My experience is that there's not going to be any pressure on the government to do anything, and I don't mean this Liberal government, an NDP government or a Conservative government. I'm just saying that if we defer this thing, there's no mechanism that you have, other than your good efforts at lobbying, to get this dealt with. I think you're better off to bring this to a vote. If it's defeated, you're not any worse off. All you have to do is reintroduce the bill. That's not that bad a thing to do.

Mr. Martiniuk: I have a question.

The Chair: Certainly.

Mr. Martiniuk: Can we defer this with a time limit, to say, "Returnable before this committee by October 1—or November 1, to be on the safe side—2006"? At least there's a time limit. It will have to come before this committee and we can deal with it.

Dr. Horton: If I just may ask, I would be interested in what our member of Parliament, Mr. Delaney, does think about this.

The Chair: That's my job.

Dr. Horton: I would appreciate that.

The Chair: And yes, I do understand that would be a friendly amendment to the deferral motion. Is that acceptable, Mr. Delaney?

Mr. Delaney: Go ahead. Agreed.

The Chair: On the amendment, then, to—

Mr. Bisson: Just while we're still on the discussion of the motion, you're telling me that you're prepared to go that way—

Dr. Horton: I would like to know what Mr. Delaney thinks is the best to follow, if you may ask.

The Chair: I'm sorry?

Dr. Horton: If you could ask Mr. Delaney, as Chair, what is appropriate and what he would support and feel comfortable with.

Mr. Bisson: That was my point. I'd ask Mr. Delaney if he's prepared to vote against the motion. I would vote and Mr. Martiniuk would vote in favour, which means to say you would get this.

The Chair: There's a deferral motion on the floor with a friendly amendment to add the date of November 1, 2006. So first, on the amendment to the motion, which is November 1, 2006.

Mr. Bisson: Recorded vote.

Ayes

Delaney, Martiniuk, Ramal, Sergio, Wong.

Nays

Bisson.

The Chair: The amendment passes.

I'm going to ask for the vote on the main motion, assuming that the debate around the table has exhausted itself.

Mr. Bisson: Recorded vote.

The Chair: A recorded vote has been requested on the main motion, which is the deferral of this item until a later date.

Mr. Sergio: I think there is a—

The Chair: That's the amendment that's already passed.

Ayes

Delaney, Martiniuk, Ramal, Sergio, Wong.

Nays

Bisson.

The Chair: Thank you very much, committee members and applicants. The item is deferred now until not later than November 1, 2006.

SHEENA'S PLACE ACT, 2006

Consideration of Bill Pr29, An Act respecting Sheena's Place.

The Chair: Could I ask the representatives to come forward regarding the next item of business, which is Sheena's Place. The sponsor of the bill is Mr. Marchese. The applicant for Bill Pr29, An Act respecting Sheena's Place, is David Bronskill, the legal counsel. I believe there is someone else. Could you introduce the other people with you, Mr. Marchese, and make your comments?

Mr. Rosario Marchese (Trinity-Spadina): Yes, I can. To my right, Donna Shoom-Kirsch and David Bronskill, who is going to be speaking to this bill as soon as I introduce it.

I move that leave be given to introduce a bill entitled An Act respecting Sheena's Place and that it now be read for the first time.

The Chair: Go ahead.

Mr. Marchese: Quickly, to read from the compendium of background that some people might have read, the Hospice for Eating Disorders of Toronto, Sheena's Place, is North America's first community-based, non-profit organization to provide support services at no cost to people with eating disorders and their families. I support their work and I support this motion that we have here today. We're going to have David Bronskill speak to this bill. There are some differences with the previous bill that we have just addressed, and David will make that clear.

The Chair: Mr. Bronskill, go ahead.

Mr. David Bronskill: I'm going to walk through three key differences for you between our bill and the one that came here before.

First, I'd like to deal with the issue of the rebate. I understand the issue of the rebate. It's section 361 of the Municipal Act. I don't know if you have our compendium of information before you. We actually have a city staff report where city staff comment on our request. In the report, at page 3, city of Toronto staff specifically mention the rebate program. It's a rebate program that allows rebates "payable by eligible veterans' clubhouses and ethnocultural centres. While not a true tax exemption"—and I would emphasize that—"these programs provide rebates in an amount equivalent to the total property taxes payable. Sheena's Place does not meet the eligibility criteria for either of these programs." So we do not qualify for their rebate program.

Secondly, under the legislation, paragraph 7 in subsection 361 (3), "An application for a taxation year must be made after January 1 of the year and no later than the last day of February of the following year." I'd like to emphasize that. There is a time limit within which you can make these rebate applications, and that will become important when we come back to the substance of the bill.

We have been at this for eight years. The last applicant said 19 months was a journey. We have been at this for eight years. We have filed appeals with the Assessment Review Board, we have negotiated with MPAC, we have tried our hardest to fit a square peg into a round hole, and it does not fit. We don't fit any of the exemptions under the Assessment Act. MPAC has said to us, "You fit the spirit of those exemptions, but you do not fit the letter." The city of Toronto and MPAC have both said to come here and get that exemption. That's the second thing I wish to say to you.

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The rebate would require Sheena's Place, an entity that relies entirely on private donations, to have to file for a rebate every year. They operate with volunteers and a limited budget, and every hour that is spent doing something like a rebate application is an hour that cannot be spent on fulfilling their mandate and delivering their programs. That's why they are asking for a permanent exemption.

The bill, you will also see, asks for an exemption on the back taxes. These are the taxes that have been in place since we started this process eight years ago and, quite frankly, the rebate that Mr. Osbaldeston has mentioned to you will not qualify. We will not qualify for those back taxes. There's no way the city of Toronto can amend its bylaw to give us a rebate for something that is over a year ago or over eight years ago. Simply, that avenue is not available to us.

The third difference: We own the property. So this would be an exemption that would come directly to us. This is not a case of a lease. Sheena's Place owns the property. What we are asking—and the bill is very limited. It has been crafted through consultation with legislative counsel, and we appreciate the assistance in doing it. It has been invaluable. It would allow the city of Toronto the discretion to enact a bylaw to pass an exemp-

tion. This Legislature would not be granting the exemption. It would be giving authority to the city of Toronto to enact an exemption for the back taxes. That is all we are asking. We are asking this Legislature to give the city of Toronto that authority, and we have a council resolution where the city of Toronto is asking you to do that, saying, "This square peg doesn't fit in any of the round holes. Please give us that authority. We will then pass the bylaw and grant the exemption."

If you're worried about this exemption being transferable, again, through the assistance of legislative counsel, it applies only to Sheena's Place and only so long as it is a registered charity. We are closing this off.

The final thing I'll say is in terms of precedent. I do think it is a little bit unfair for this government to draw a line in the sand now and say to us, "Go back to the city of Toronto; try and make that rebate program work," when we have been at this for eight years. We relied on two bills that came into force and effect at the end of 2005. I've got two of them here: An Act respecting The Kitchener-Waterloo Young Men's Christian Association, assented to June 13, 2005; the other bill, the Ronald McDonald bill.

If I can read from the legislative debate, which included some Liberals on this standing committee: Mr. Dave Levac from Brant, who votes for it, says, "I deeply appreciate the work you do." This is with respect to the Ronald McDonald House. "We're very impressed ... I would vote for it." Mrs. Maria Van Bommel: "I want to say thank you very much, but I'm not going to say it as parliamentary assistant, simply as the MPP for Lambton-Kent-Middlesex." Voted for by everybody on the committee, regardless of political stripe.

I've also got the text of the debate regarding the Kitchener-Waterloo YMCA Act that was assented to June 13, 2005. Again, unanimous, no matter the colour of political stripe.

If you are worried about a precedent, draw the line in the sand today, after us. It is a very easy thing to do. We've been at this for eight years. Please don't send us back. Please don't defer us. Please don't send us back to the city of Toronto to try and use the rebate program, which we know now cannot get us the relief we need. Draw the line after us. Say to all the MPPs, "We cannot keep having these bills come forward. That is our new policy." Send a letter to the city of Toronto and say, "We cannot have these come forward. Use your rebate program." Or amend the Municipal Act or the City of Toronto Act and give the city the ability to pass bylaw exemptions if you don't want to have to deal with this issue. But, quite frankly, an exemption is different from a rebate, and the way the legislation reads now, you have to deal with this issue.

You've got our local member, to whom we are so grateful for his assistance, supporting it. You've got the local councillor in the city of Toronto—two of them, I might add—first, Ms. Olivia Chow, and then her fill-in, Mr. Silva. You've got the entire city council resolution saying, "Pass this exemption." It just seems to me

obvious on the face of it that to send us back based on a technical argument about a rebate is unfair in the extreme. We would ask for your support today. Help us end this eight-year journey here today. Thank you.

Mr. Marchese: Madam Chair, before we get the parliamentary assistant to speak, could we get the lawyer from finance to comment on what he just heard?

The Chair: Actually, I'd like to have the parliamentary assistant first and then the staff, because the parliamentary assistant might bring some issues that the staff can address as well.

Mr. Sergio: I will have some issues but I think it's proper that we hear from the ministry staff to respond to some of the questions that have been raised.

The Chair: All right. That's fine.

Mr. Sergio: I believe that this may serve another purpose. There were some negotiations going on, so I think we'd like to know as a committee if there was any fruitful negotiation that came out of it.

The Chair: Thank you, then. Can you join us again, please?

Mr. Osbaldeston: Basically, the ministry's position on this is the same as on Master's College; that is, there is a provision in the Municipal Act that is the appropriate provision to use. Mr. Bronskill mentioned the city staff report said that Sheena's Place wouldn't fit into that provision. My reading of it is that it wouldn't fit into it under the municipality's bylaws as currently enacted, because it only allows 100% rebate for an ethnocultural club or a veterans' club. The ministry's view would be that the municipal bylaw could be amended. I guess that's the response to that. Otherwise, yes, I agree that program wouldn't allow for retroactivity; it would require an application every year.

One other difference is that the Master's College counsel offered to make this amendment. This bill does allow for a municipal option, so basically the decision becomes a municipality's option, which addresses one of the concerns that the ministry originally had with the Master's College bill, over and beyond the fact that it's the wrong vehicle.

The Chair: Thank you. Mr. Bronskill?

Mr. Bronskill: Two very quick things. I actually agree with much of what Mr. Osbaldeston said except for one thing, and that's the rebate program. I want the committee to be very clear about the extent of the rebate program. There is a timeline within which you can apply. It says quite clearly, "An application for a taxation year must be made after January 1 of the year"—so January 1 of that taxation year—"and no later than the last day of February of the following year," so February the year after. We are in June 2006. We are out of time for 2005. There's no retroactivity so we cannot go back the eight years. We will gladly apply for a rebate in 2007 if that is the wish of this committee, but the rebate program will not do anything to help us with the relief that we are seeking here today. It will not do a thing. So the city of Toronto could amend its bylaw all it wants to include us

within the rebate program; it won't help us one bit with what's before this committee today.

The Chair: Mr. Sergio?

Mr. Sergio: Shall we hear from the sponsor of the bill first?

The Chair: I don't know if the sponsor of the bill had any further comments. It seemed to me—

Mr. Marchese: I think the arguments that David has made with respect to the rebate program and with respect to the exemption—the exemption has to be dealt with here. It cannot be dealt with at the city level. The city sent them here with their resolution saying it has to be dealt with by this committee. This is a charitable organization; it's a registered charity. So whatever rebate or exemption applies, applies to them as a charity. If they didn't exist as a charity any longer, that exemption would not apply to that building any longer.

This is a worthy cause that I think we can and need to support. I'm not sure that there ought to be any difficulties that should stand in the way. I'm just hoping the parliamentary assistant has heard enough from the lawyer and from the finance lawyer that might persuade him and the committee members that we're on the right track here.

The Chair: Mr. Sergio, comments from the government?

Mr. Sergio: I know eight years is a long time. I wonder why we are put in a situation ourselves and the applicant when matters, I believe—there should be a way to expedite applications such as this. It isn't fair. But we're facing certain realities, and the question is tax rebate or tax exemptions. We understand the difference between the two. It amazes me that with all the powers—I'm going to ask this question of our legal staff—that municipalities and the city of Toronto now have and have had before, they don't have the power to approve, to pass their own bylaw which would give them not only tax rebates but tax exemptions as well. My question to legal staff is, within the existing Municipal Act and laws and bylaws and powers that we have given the municipalities, especially the city of Toronto, do they have the power to amend, to create a new bylaw, to pass a new bylaw that would amend their own municipal bylaws, giving them a full exemption instead of just a rebate?

1100

Mr. Osbaldeston: They could amend their bylaw under section 361 so that they could provide a 100% rebate to Sheena's Place.

Mr. Sergio: They don't have to ask provincial approval, if you will, to make an amendment to an existing bylaw?

Mr. Osbaldeston: Not to do that. They could also, under section 107 of the Municipal Act, make a grant to Sheena's Place on account of the back taxes. So they couldn't give a rebate, but they could go under another section and give a grant. As the staff report points out, they probably wouldn't want to do that in respect of the education portion, which is essentially provincial.

Mr. Sergio: Two things here: Number one, I will indeed take into consideration and bring this to the attention of the ministry and try to clear up the situation with the city of Toronto once and for all, because I don't think it's fair that we put applicants through similar situations. The other is that they are coming here under the assumption that it is us and not them. I think we have to put an end to that as well.

If it takes another deferral and an application for a rebate for one year, because they can get it but they have to apply every year, I would say, instead of getting a refusal, defer the application, apply for this year's or last year's rebate, and then try to solve it, try to finalize it either there or here, once and for all, so they can indeed get the tax exemption they are asking for.

I do appreciate all the wonderful work of these various organizations. I think that every member doesn't want to see these people being put through a routine where they have to be bounced back and forth. I think we have to deal very seriously with the matter, not only to alleviate our workload, if you will, but also to serve the community better through their own agencies. So I take it upon myself to bring this to the attention of the proper ministry, but at the same time, having heard the advice I've heard this morning, I advise that the municipalities do have the power.

I would say it is inconvenient for them always to apply on a year-to-year basis to get this rebate. In order to get the exemption, I would say, let's dig into it, let's do it and let's direct the applicant, if they so wish, to apply for the rebate for this year, because municipalities have the power, and then let's finally decide who can do it, when and how, and get to the bottom of it. So I make a motion for deferral.

The Chair: I have a motion for deferral on the floor, but Mr. Marchese wanted to respond to that, and then Mr. Martiniuk.

Mr. Marchese: I was hoping he wouldn't move deferral yet.

The Chair: He's done so.

Mr. Marchese: I wanted to ask him and the lawyer to speak to the fact that—David made reference to two bills. The board of directors of the Kitchener-Waterloo Young Men's Christian Association has applied for special legislation to exempt from taxation for municipal and school purposes any land occupied for the purposes of the association of the city of Waterloo—an exemption, it's what we're asking for—and the board of directors of Southwestern Ontario Children's Care Inc. has applied for special legislation to exempt certain land from taxation for municipal purposes. Those are two bills applying for exemption, and they came before this committee. We're doing the same. We're making an argument that says the city can. I'm just not clear. Maybe the lawyer could comment on these again?

The Chair: Could you clarify what it is that makes this application different from the two that the committee has already passed?

Mr. Osbaldeston: Yes. I had mentioned the Ronald McDonald House. On that, finance made no submissions. Again, it was on the basis that, while finance still believes the proper vehicle is a 361, there was the precedent for the Ronald McDonald Houses in other municipalities; and the same with the YMCA insofar as the YMCAs and YWCAs in other municipalities have this treatment.

Mr. Marchese: How do you make a different argument for different organizations? I don't get it.

The Chair: I have another question from a committee member, so if it's all right with the committee, if we could give them the time to work through some of these issues, as we did with the previous applicant, it might be helpful.

Mr. Martiniuk: My question to legal counsel is very simple. I have an identical case in my riding with a hospice which, in effect, is a hospital except it happens to be a hospital for persons with terminal illness. All the legal opinions we've received to date say that it does not fall within the exemptions of section 361 of the Municipal Act.

You have heard the use that this particular application has been put to: Sheena's Place. It's a treatment centre for persons with eating disabilities or illnesses or whatever you want to call it. Are you saying it is the legal opinion of the Ministry of Finance that this particular use falls within the uses to which rebates would be eligible under the Municipal Act?

Mr. Osbaldeston: Our view is that, under 361, the municipality would have the ability to amend its bylaw so that Sheena's Place could get the 100% rebate. It's a registered charity and it fits within the other—

Mr. Martiniuk: Amend what bylaw?

Mr. Osbaldeston: The city has to pass a bylaw under the Municipal Act to set up its rebate program for charities. There are certain parameters that they have to meet as minimum requirements. They have to give a 40% rebate, but they could go up to 100%. They could give a uniform percentage to all kinds of charities; they could differentiate. Those are their decisions.

The city of Toronto has decided it will only give 100% to two different kinds of institutions, neither of which Sheena's Place falls into.

Mr. Martiniuk: So you're saying that the municipalities are in fact defining the uses, and this use may not fall within the municipality's bylaw.

Mr. Osbaldeston: Yes, that's our view.

Mr. Martiniuk: So is there any use prohibited by the statute itself?

Mr. Osbaldeston: Yes. It has to be a registered charity or it has to be—I have to find the exact wording. It's something along the lines of an entity that is akin to a registered charity. It may not have to be registered, but basically a charitable organization.

Mr. Martiniuk: Madam Chair, historically, I believe, there are about 25 Ronald McDonald Houses that have gone through this committee. Surely we have better things to do than pass exemptions for individual charities in Ontario. This committee should not be in the position

of—we don't hear evidence. We hear representations; we do not hear evidence. We shouldn't be put in this situation. However, the precedent has obviously been set by a number of them. I can only say that this is a valued use being put forth by the applicant, and I will certainly support the bill.

The Chair: Go ahead.

Mr. Bronskill: Thank you, sir. I just wanted to follow that up because I want to be clear again about the distinction between a rebate and an exemption. The parliamentary assistant suggested that we could go and apply for a rebate. We can, next year, for 2006. We can apply in February 2007 for a rebate for the 2006 tax year. We cannot apply for a rebate for the years from 2005 all the way back to 1996, which is what this bill would address. That is not available to us. There is nothing that the municipality can do in amending any of its bylaws. That's the difference between a rebate and an exemption.

What we're asking the Legislature to do is respond to the request of the city of Toronto; give the city of Toronto the ability to choose whether it wants to grant the exemption. It would still have to pass a bylaw, as Mr. Osbaldeston says, about the rebate program. This would just be a bylaw to grant an exemption. Give it that authority; let it be the city of Toronto. Let it be the big city that this government wants it to be and let us have that exemption, please.

1110

A deferral means we have to come back in a number of months, we have to invest more time and more energy that could be put into the charitable programs of this institution, and it means that potentially we're not applying for any type of financial relief through a rebate until February 2007. With an institution that has a budget like Sheena's Place, that is a long time.

If there's a concern about a precedent, draw the line in the sand after us. But please, it's been eight years. I do not understand why we would not pass this bill to give the city of Toronto the power it wants, when I think we are all in agreement that the city of Toronto does not have any authority to give us any relief from 2005 back to 1996.

The Chair: Are there any other comments?

Mr. Marchese: If the position of the government or the ministry was, "We've exempted other entities before and we simply do not want to do it again," I would understand it. But it's not the position being put forth. So either the city could be doing this, I presume, based on the legal position of the finance ministry, or we could be doing this and we have. If we have, we can continue to do it. It's not as if we're putting the parliamentary assistant in a position he or previous parliamentary assistants have not been in before. It's been done. It's either we do not do this any longer, and I would understand that, or we've done it and we continue to do it because it's in the interest of an organization that does a public good for a whole lot of people who have eating disorders. They need the help to continue doing the work they do.

It's not that complicated, in my view. I understand the parliamentary assistant is in a difficult position, but precedent is there. There is no direction saying, "No, don't do it anymore." Therefore, I think the members are free to say, "It's okay for us to do."

The Chair: Are there any other comments from members of the committee?

Mr. Sergio: Madam Chair, I know we're stretching it. Just a question of the applicant: You said that you've been dealing with this for eight years. When were you in front of this committee last time?

Mr. Bronskill: We've never been in front of this committee.

Mr. Sergio: You've never been to this committee in eight years?

Mr. Bronskill: No.

Mr. Sergio: And you have never applied on a year-to-year basis for your tax relief?

Mr. Bronskill: We have appealed and dealt with appeals before the Assessment Review Board to deal with assessments on a year-to-year basis with MPAC.

Mr. Sergio: Why were you not granted tax relief?

Mr. Bronskill: Because we do not fit with any of the exemptions. MPAC cannot grant it if we don't fit within the legislative exemptions.

Mr. Sergio: Thank you. This is the problem. As it is, I would recommend not to support the application.

On page 1, it's very clear. It says:

"Taxpayers who do not meet the requirements for exemption under the Assessment Act can seek property tax relief from their municipalities through the rebate program for charities and non-profit organizations under section 361 of the Municipal Act, 2001, or through the general grant program under section 107 of the act.

"The provisions in the Municipal Act, 2001 are intentionally designed to give municipalities broad powers to provide property tax relief to charitable and non-profit organizations...."

It is amazing that it's been eight years and this committee has never dealt with an application, that the applicant has never applied for tax relief for the first, second, third, fourth or seventh year of tax rebate. In all honesty, I appreciate what this does to the applicant, but I cannot recommend approval; I would suggest a deferral. Hopefully, if they want to come back in the fall, if they want to come back with some changes, by all means, the committee is prepared to deal with it as soon as possible. In the meantime, as I said before, I will inform the proper ministries to send out some clear signals not only to applicants in general, but to the city of Toronto. I think we have to send a very clear message on where we stand with respect to such applications. So the motion for deferral stands.

The Chair: Is there any further comment from committee members?

Ms. Donna Shoom-Kirsch: Can I—

The Chair: Before you do, and I have no problem having some comments from you, but just to be clear, if the committee decides on deferral, you're not dead in the

water, but if the committee turns down the deferral and votes against the bill, then you're back to square one, which is probably a worse position, just so you're clear about that. So I'll let you have the comments, and then I'll have to turn it back to the committee for a decision.

Ms. Shoom-Kirsch: I just want to make a response to what has just been said. I'm the executive director of this organization and I have been with them for less than a year. I have made an effort in this year to move it forward, because I saw the eight years, but the reason—I understand why it's taken seven years.

We have a core staff. There are only five people who are paid, but mostly we do our work with volunteers, people from the community who have expertise that we need, and they give of their time for no remuneration, but it's over and above their workload. So sometimes they weren't timely in their responses in those seven years, sometimes they weren't able to get the papers in to meet deadlines, and oftentimes the response that they got on phone, by e-mail, by correspondence, in meetings just discouraged them so much that they got tired and sat for a few months.

But I think Laura Hopkins and Susan Sourial will attest to the fact that in the last eight months I have been dogged and diligent in the pursuit of getting this to the attention of the city and to the attention of you today. That meant that I used my time during the day to make phone calls to Laura, e-mails, and to get what was written, to get what was needed in on time so that we could get here before this session ended in June, but that meant I had to work at night and I had to work on weekends to get the job done that was necessary for our clients.

So you ask why it took eight years, but where is the responsibility on your part to be responsive too? There was a precedent set. In 2005, there was a decision made that was similar to our organization. Why can't the line be drawn after us in respect to what we've been put through?

The Chair: Thank you very much. Mr. Marchese, you had a final comment?

Mr. Marchese: David Bronskill made reference to this, and I'd like to repeat it, because I know that Mr. Sergio was talking to another member at the time. It's not a bad thing; it's just that you didn't hear it. This is from the deputy city manager and chief financial officer from the city of Toronto and the report that David was making reference to, with respect to these things:

"And finally, the city of Toronto has established rebate programs to provide a 100% rebate of taxes payable by eligible veterans' clubhouses and ethno-cultural centres. While not a true tax exemption, these programs provide rebates in an amount equivalent to the total property taxes payable. Sheena's Place does not meet the eligibility criteria for either of these programs.

"As such, in order for Sheena's Place to be made exempt from taxation, they would have to either meet the requirements for an exemption under section 3(1) of the Assessment Act"—and I was just trying to review it

quickly here, which the city could do, but I'm reading that they can't apply there, because it says, "Land owned, used and occupied solely by a non-profit philanthropic, religious or educational seminary of learning or land leased and occupied by any of them if the land would be exempt from taxation if it was occupied by the owner;" they do not fit into that subsection 3(1) of the Assessment Act—"or be made exempt through property-specific legislation, i.e. via a private member's bill," which is what they've done.

So Mr. Sergio's going to send us back to the city. We have a report from the city whose title I've read into the record. I don't know what we're going to go back to the city to do. They've already written a report; they've already directed what we can and can't do. It's either through that subsection 3(1), which we don't fit into, or via this private member's bill. What else can we do? Mr. Sergio, I read this for the record to try to help you think this through, because we have no other way of dealing with this. If you don't reconsider, I'm terribly disappointed in the direction that you've taken on this issue.

The Chair: I don't know if there are any other comments from committee members.

Mr. Sergio: I don't want to respond because I will have to repeat the same thing. Therefore—

Mr. Marchese: How could you repeat the same things based on what you just heard me say? I don't get it.

The Chair: Are there any other comments from the committee members? It doesn't look like there are any other questions or comments. There's a deferral motion on the table at this point in time.

Mr. Bronskill: Can I just say, Madam Chair, if the choice is between deferral and defeat, we would grudgingly accept deferral. We still don't quite understand, but we'd rather that than have it defeated. Hopefully a meeting with the government will help speed things along. I will say that my client is going to go away quite distraught and upset and frustrated, but we would accept deferral if that's the choice.

The Chair: Okay. Thank you very much. If there are no other comments from the committee members, the deferral motion is on the table and I would—

Mr. Martiniuk: Recorded vote, please.

Ayes

Delaney, Ramal, Sergio, Wong.

Nays

Martiniuk.

The Chair: The deferral carries. Thank you for your time.

Mr. Bronskill: Thank you again to staff. They have been absolutely wonderful in this process.

The Chair: Thank you. Can I just ask, before we adjourn, which we haven't done quite yet—I guess there's no obligation, but my understanding is that these

bills will continue to come forward. I'm wondering if the government can provide some kind of written assessment or some kind of report to the committee that will help us in the future to deal with these kinds of matters; if you could take that under advisement, I'd appreciate it.

Mr. Sergio: Yes. As I said, I think it's my duty and responsibility to see that applicants are well aware of the situation, what to expect. I think it's important for members of the committee as well, and for the public in general. So I will be advising the ministry to give us some directions, as well as to the community in general.

The Chair: That's much appreciated. Thank you very much, Mr. Sergio.

Mr. Bronskill: Madam Chair, before you adjourn, the bill before us had a specific date to come back. There was no similar amendment for ours. I don't know if you

have adjourned or whether the government would prefer to—

Mr. Sergio: If I may, I said as soon as possible, which means—

Mr. Bronskill: That's fine. Thank you, sir.

Mr. Sergio: I think there was a date of November 1 in the first bill.

The Chair: In the previous bill, yes.

Mr. Sergio: And I'm saying as soon as possible, even before November 1.

The Chair: Okay, that's fine. Thank you very much. It's been a difficult morning and I appreciate everyone's time.

Mr. Sergio: And the efforts of the local member, as well.

The Chair: The meeting is adjourned.

The committee adjourned at 1124.

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