



NEWSLETTER – November 2017

Membership Renewal – Enclosed is your invoice for 2018. Please remit by December 31, 2017

New Membership - We are pleased to welcome Suzanne Aboud of Le Maitre Nettoyeur from Montreal, Quebec, Brian Athens of Fabricare Systems in Georgia, U.S. A. and Thomas Ferris of Tilson Cleaners in Tillsonburg, Ontario as new members of OFA.

News of our Members

I was fortunate to receive an invitation to inspect the Exttox Recycling building in Mississauga. For those who may not know it, Exttox is the major supplier of Perchloroethylene in Ontario and is the only licensed company that I am aware of that is picking up sludge and used cartridges. I was extremely impressed with the layout and cleanliness of the plant, as well as the cheerful employees that work there. One can see that a great deal of knowledge and effort went into putting this plant together. Congratulations to Artur Keyes for his dedication to the industry and using his knowledge in chemistry to put up and operate this environmentally safe operation.

In addition, I accepted on behalf of the OFA a gift of a laptop computer and accessories by Artur in order to allow the OFA to store the valuable information that we have gathered over the years and to use at our meetings and conferences. On behalf of OFA, I thank you Artur for your most generous gift.

Congratulations again to **Clark McDaniel**, one of our biggest supporters and active member of our board of directors. The following article appeared in the Huntsville newspapers.

\$750,000 invested in downtown Huntsville plaza

Councillor Bob Stone is optimistic about the potential for redevelopment of Huntsville's Brendale Square Plaza following \$750,000 in upgrades being made to by Clark McDaniel to the Main Street East core plaza. - Roland Cilliers/Metroland. This could be the start of something huge.

Williams and McDaniel Property Management celebrated the investment of over \$750,000 in upgrades to the Huntsville's Brendale Square adjacent the Main Street East Core Plaza building. The extensive upgrades include the replacement of 4,800 bricks, a repaved parking lot and new LED lighting. This plaza has our largest Fabricare Cleaning store at 7,000 sq. ft. Owner Clark McDaniel said they want to keep their properties in a high standard and encourage others in the community to do the same.

“Most cities and towns that have had the big box invasion the downtown cores tend to suffer. They need lots of investment to keep and attract new customers and clients and we're doing our part to do that,” said McDaniel.

The company has owned the building for 27 years now and thanked their tenants with a barbecue on Sept. 22.

Huntsville Councillor. Bob Stone praised the company for the redevelopment and saw the move as potentially being the start of a far bigger development in the area.

“Planning is looking at having eight university students from Ryerson University do a design charrette of Brendale Square to discuss possibilities of what can be done over there. McDaniel's redevelopment here and the advent of the microbrewery about to go into the old dollar store may be the stepping stones that get us some fabulous redevelopment here,” said Stone.

Our sincere thanks to **Jordan Cohen of MacDonald, Sager, Manis LLP**, our corporate lawyers, for waiving their fees for filing corporate matters on our behalf to the government. This courtesy is much appreciated by our board and the membership. We are proud to have you as one of our members.

For all cleaners operating in the GTA, Jacquelyn Stevens reminds us that it is required that you report to ChemTRAC for all alternative solvents.

Report on OFA Conference October 14 & 15, 2017

Major Sponsor – Fabricare Canada Magazine

Friday, October 14, 2017

Friday night cocktail party sponsored by Richard & Margaret Rivard in memory of Art Rivard and Michelle Krulicki and Donna Renaud in memory of Bill Renaud.

Saturday, October 15, 2017

Breakfast sponsored by Sparkle Solutions

Executive director's Remarks to Conference Attendees:

Since I became Executive Director, I have been fortunate enough to have worked with both Brad Maxwell and Rob McConnell as presidents of OFA. They have been a great source of knowledge and assistance in furthering the goals of OFA. With their confidence in me and my recommendations over the years, we have been able to grow as an association and present many benefits to our membership. Our conferences have become valued centres of knowledge and learning for those who attend them. I look forward to another year of growth for our association as word gets out of the valuable work done by our association on behalf of the members and the industry.

In addition, I would be remiss if I did not officially thank my son Brian Chelsky for his continued assistance in preparing the monthly bookkeeping statements that are required and in the transferring of all of the OFA records from my computer to the new laptop computer that was donated by Extox Industries. Also, I would like to express my appreciation to the assistant to the Executive Director, my wife Brenda for all her help on OFA work and this conference. As well, my thanks go out to your Board of Directors who continue to attend meetings at their own travel expense and giving up their valuable time in order to give good advice in deciding the best way for the association to go forward.

Lastly, I would like to express my appreciation to our membership and specifically those members who communicate with me continuously and advise me of concerns in the industry and take the time to thank me for continuing on my mission to help and protect our membership and our industry.

President's Report including presentation of year end statement

Good morning and welcome to the 2017 OFA Annual Convention

My name is Rob McConnell and I have the privilege of being the president of the OFA. A special welcome to our 1st time attendees. Please raise your hand if this is your 1st OFA convention. We hope you will make it an annual like many OFA supporters in this room. Today we have 90 attendees! It's been many years since we've sold out a conference and you should all be congratulated for taking an interest in the OFA and the betterment on the Fabricare industry. This morning I would like to share with you some of the significant accomplishments the OFA executive team has achieved this year.

To begin, one of the most notable is the increase in membership. While many associations' numbers are declining I'm please to confirm the OFA is growing. This past year we've added 13 members bringing our total to 110 members. As well, we now have members in New Brunswick, Nova Scotia, Quebec, Manitoba, United States, as well as Ontario. This growth would not have been possible without the dedication and passion of our executive director, Mr. Sidney Chelsky. Well done Sid!!

The increased membership combined with a focus on fiscal responsibility has resulted in improved financials. As many of you know, for the past few years we've experiences an operating deficit. I'm thrilled to report that for our fiscal year ending October 31, 2017 we are projecting a small surplus and a balanced statement. More on financials later.

We continue to correspond and meet with representatives of the Ministry of Environment and Climate Change (MOE) representing the interests of the fabricare industry. Our goal is to work with, inform and advise the MOE so that they can make educated and responsible decisions and policy. Currently we await feedback in our request to be the regulator of the dry cleaning industry as we believe we are best suited to handle this important responsibility.

This year, significant effort went into creating a strategic alliance and partnership with Seneca College in organizing the Symposium being held at Seneca College tomorrow. This event will be webcast across Canada. We thank Environment Canada for providing the

funding to put on this important event. As well, I would like to recognize and thank Bill Humber of Seneca College for allowing us to partner with them for the betterment of the industry. Bill is with us today. Thank you, Bill. Please stand and be recognized.

In June, with the support of Fabricare Canada, Sid attended the Clean Show in Las Vegas promoting the benefits of the OFA. I can assure you he didn't miss a day on the floor and most importantly attracted new members.

This year we've strengthened our relationship with the TSSA. In January, Sid participated as a panelist in a roundtable discussion where we were able to foster a number of positive relationships with their directors while advising them on the professionalism of our association and industry.

In June, representation was made to Environment Canada and to the Minister of Environment to inform them of negative issues caused by the interpretation of the rules of Regulation 323/94. As a result of the OFA efforts, Ontario continues to have reputable distributors providing distribution of perchloroethylene. Many thanks go to Artur Keyes of Exttox for his continued commitment and support of the OFA and Dry Cleaning industry. Thank you, Artur.

In February Brad Maxwell, Sid Chelsky, and myself met with principals of ChemTRAC, a division of the Department of Health of the City of Toronto to discuss reporting and future policy. It was a positive meeting with ChemTRAC agreeing to support and assistance dry cleaners in completing necessary documentation. Most importantly, they expressed their appreciation for our proactive and collaborative approach.

As recently as last month we have re-opened dialogue with representatives of the WSIB to identify ways to reduce rates for depot locations.

Some tangible initiatives and benefits that the OFA have achieved this past year include:

- Up to 30 minutes of Free legal advice with Our Corporate law firm MacDonald, Sager, Manis LLP
- Special automotive discounts with the Policaro Auto Group
- The creation of an OFA Hotline for immediate assistance for OFA members who require timely information and support. Sid has confirmed that the hotline phone rings daily.

In closing, I would like to thank Sid Chelsky and the board of directors for their dedication and commitment to the OFA and Fabricare industry. Without them, these accomplishments would not have been possible.

Once again, thank you for coming to this convention and please feel free to discuss with any of the board members the things you like and the things that could be improved about this conference and the OFA.

Before I introduce our first speaker, I encourage all of our attendees to take the time to visit with as many of the Table Top presentations as possible. These allied trade members are vital to our association as they continue to support us in our various programs.

As well, we cannot express our thanks enough for the great sponsors that came forward to subsidize the cost of putting on this conference. We have tried hard to keep the registration fees as low as possible to allow as many operators to attend. This was only accomplished by the funds we received from our sponsors.

The following motion was made by Dick Rivard and seconded by Tony Kantzvelos to ratify and accept the list of nominees for the current board of directors and was passed unanimously.

The following motion was made by Robert Keunzlen and seconded by Dick Rivard to accept the audited statement presented. The motion was passed unanimously.

There being no further business, we began the speakers program.

Jon Meijer of DLI

Jon discussed the customer service that DLI provides its members and explained all the apps that are available to members of OFA free, as well as the use of the encyclopedia and video library that is available to OFA members. He also commented on the use of social media including the use of a Facebook* page and the chat line.

Mike Adams, TSSA

Mike explained the mandate and responsibilities of the Technical Standards Safety Association. He explained the role of inspectors for the Boiler Pressure Vessels and Operating Engineers, as well as the fee schedule. He advised us that Ontario has the highest safety record in the world for boiler pressure vessels being operated.

Richard Fitzpatrick of Kreuzler “K4”

Richard explained the product and system Solvon K4. He discussed the safety of its use and talked about the items that can be cleaned in the solvent and various other aspects of the product.

Coffee Break sponsored by Robert Kuenzlen GreenEarth Cleaning Canada

Trevor Holmes of Seitz Solvent “INTENSE,”

Trevor introduced a new product called “Intense”, which is a product produced by Seitz. It is a hydrocarbon based solvent, halogen free and a thermally stable solvent and can be used in any class 111A dry cleaning machine. He talked about the cleaning performance of the product and the high degree of water soluble stain removal. He discussed the operating costs and technical support provided by his company.

Tim Maxwell of GreenEarth Cleaning Systems, solvent “GreenEarth”

Tim discussed current regulations and how their system was considered eco safe to the environment and had the blessings of Environment Canada, garment manufacturers and landlords. He explained the lower energy costs of using his system and the stringent best practices that they demand of their licensees. He alluded to the possibility of other alternative solvents being regulated in the future.

Lunch sponsored by Clark McDaniel Fabricare Cleaning Centers and Soft Drinks sponsored by Laundrapp

Greg Reinhardt of Streets/Adco/Puritan/Laidlaw, “KTEX Class 111A Solvent”

Greg introduced the newest solvents called K-Text* and the Hydrocarbon HC Boost*, which is a class 111A halogenated solvent and discussed the advantages of both products. He advised us how the companies merged into one company.

Sherry K Emmrich, Technical Services Mgr. Chlorinated Organics & Chlor Alkaline Division, Olin “Chlorinated Solvent”

Sherry talked about the safe use of perchloroethylene in drycleaning. She said that there is better education about perc in the industry now and that Olin was committed to producing perc for the near future. Sherry informed us of the many uses of perc throughout different industries and why it is the preferred solvent.

Dino Kantzavelos of TSC Wetcleaning on Wetcleaning

Dino gave a passionate talk on how and why he is a wetcleaner. He described the meaning of the word “clean” and customers’ expectations of green clean technology. He talked about his company’s growth in the wet cleaning sector and that he offers seminars and workshops in his wet cleaning plant.

Mary Ellen Perkins of Environment Canada – Tetrachloroethylene (PERC) (Use in Dry Cleaning and Reporting Requirements) Regulations

Mary Ellen explained EC’s assessment of perchloroethylene and the objectives of the risk management plan. She reviewed the regulations including the mandatory sealed containers, drain plugs, and containment containers. Mary Ellen explained the resources that Environment Canada has to help dry cleaners understand and obey the regulations. She alluded to the possible future assessment of other solvents after a careful analysis of their effect on the environment.

Coffee break sponsored by Robert Kuenzlen GreenEarth Cleaning Canada

Jacquelyn Stevens of (Willms & Shier)

Jacquelyn discussed the use of alternative solvents from perc as well as the threat of civil liabilities including huge fines from being found in conflict with Federal, Provincial, and Municipal regulations. She talked about the obligation to report spills to the Ontario EPA. Jacquelyn advised us that it is far cheaper to follow the regulations than be subject to the fines imposed that could bankrupt your business.

Karen Maxwell of GreenEarth – Customer Service

Karen discussed what customers are looking for when they come to your company. She provided many scenarios and gave a number of recommendations to improve your customer retention. She provided slogans such as “Whatever you do, remember the customer’s point of view” and “Do not let a customer leave angry;” She empowers her staff to make decisions to protect the company image. Karen highlighted the importance of conducting surveys to keep on top of what your customers want and need and to do so on a frequent basis as customers change. Her talk was an excellent wake up call to our industry.

The meeting was followed by a cocktail party and a gala dinner which was heavily attended.

Closing Remarks

I would like to thank all of our speakers who participated in our conference today, many who came at their own expense and paid their registration fees for the conference. This has helped us as not for profit association to keep our fees low.

As well, I would like to thank all the allied trades who took Table Tops to demonstrate their products and services. It is important that all of our members support these allied trade members, because they continue to support the OFA.

Again, I must thank all of our sponsors for this event. Your contribution is greatly appreciated.

Comments received on Conference:

I just wanted to say that we have it on our phones and also as an app on the computers for use. We are very happy with the app and the help that DLI gave to our staff. They were very helpful, and thanks to them we were able to salvage a sport coat 55% covered in blood. Our staff had tried everything that they should have. When they explained to DLI what they had done they agreed everything should have worked; however, being DLI they had one more trick up their sleeve. Result? Not a spot of blood left anywhere. Thanks DLI! **Debbie, Lindsay Dry Cleaner**

You did an outstanding job with the convention. I know you worked your tail off. It was very enjoyable and informative. What a great crowd! **Jon Meijer, DLI**

Thanks again for a wonderful event. I will be sure to make myself more available! **Derron Bodell, Georgian Bay Wet Cleaners**

A great event, well done! **Trevor Holmes, Seitz**

Thank you and Sid for the opportunity to get out and meet with the OFA. I am glad that folks thought it useful, even if not all my answers were what folks wanted to hear. Apologies for not staying longer, but I was a bit under the weather on Saturday. I look forward to continuing to work with OFA to keep Ontario safe and clean.

Mike Adams, M.Eng, P.Eng, PMP, OE 1st | Director Boilers Pressure Vessels, and Operating Engineers

Yet again, I came back with a notebook (thanks Green Earth) full of points, ideas, inspiration, and get at it lists and more. I recognize that I do not have the technical background that many of you do, but I share your passion and pride for our industry. The conference did not disappoint, and I enjoyed talking to our New Brunswick couple who sat behind me at on Saturday. I know Marc visited the tables, as he will be on a quest to purchase another solvent or follow in Dino's footprints. Echoing all others - we are so fortunate to have Sid and Rob lead us at OFA. Well done gentlemen. **Michelle Krulicki, Newtex**

Congratulations on what seemed to be a great successful OFA conference this past weekend... Saturday was very informative and I enjoyed it very much. Thanks. **David Alonzi, Green Clean Cleaners**

Just a short note to say “Thank You” for a job very well done. The OFA Annual Meeting this past weekend was superb. You both deserve our gratitude for all the effort and planning that went into making the weekend such a huge success. It is so nice to see our membership going in the “up” direction after so many years going the other way. Thanks once again. **Dick Rivard**

I too was very impressed with the quality of the conference, and did not get any negative feedback. Everybody said it was well worth the money and the time. A first time attendee told me he was sorry he has never come to one of these conferences before, but will definitely be back next year. Well done Sid and Rob. **Brad Maxwell**

Thank you for the compliment Rob. The OFA Conference this past weekend was a huge success, in large part to your leadership and the diligent work done by Sid. I heard positive feedback from absolutely everyone that I came across. We left an amazing impression on all attendees. We are so fortunate for your expertise and hard work Sid. Rob, you really set the tone with your opening remarks and positive words. You provided us with a great start. I feel honored to be a part of this team and look forward to an exciting future for the OFA and our industry as a whole. I am available in any capacity to assist and provide positive energy whenever required. Great job to everyone!!! **Konstadin Dino Kantzavelos, TSC WETCLEAN - CLEANER CLOTHES; CLEANER PLANET**

Indeed the conference was a huge success. I was impressed. Congratulations to all. Sid you deserve a big round of applause
Betty Skoutakis, Sketchley Cleaners

Good morning everyone. I would just agree with Dino's (and everyone else's) comments as to the success of the conference. Some feedback I did receive was that members did not realize the benefit that the DLI membership provides. They were aware they had membership but not what that meant. **Shelley Clair, Orr Cleaners**

Good morning OFA Executive Team, I'm sure you will agree that the 2017 was a huge success. Many commented to me how impressed they were with the entire day. I heard comments like, "it was the best conference I've attended" "the speakers were outstanding", "the food was delicious", "it is so well organized", "so great to see a packed room...and everyone stayed until the end". I expect that you heard many positive comments as well.

Sid, on behalf of the Board of Directors, I congratulate and thank you for organizing an outstanding conference. As always, your passion for the OFA and attention to detail was on full display and appreciated by everyone in attendance. I know I am not alone when I say I feel fortunate and proud to be a member of the board and to be able to play a role in this important day.

Fellow board members, I know Monday is a busy day however I have a small request. Please take a moment today and reflect on the conference and the impact it had on those who attended and give yourself a well-deserved pat on the back for a job well done!

Finally, please forward to Sid and I any feedback that you feel will help with the planning of next year's conference. I look forward to seeing you at our meeting on Thursday November 9th. And yes, our very own Dino rocked it as a speaker on Saturday and Sunday at the Symposium. Well done Dino!!! **Rob McConnell, President**

Great conference, thank you for pulling it together. I know you processed the payment for Kelly on my credit card, which is perfect. **Darcy Griffith, President, Clean Scene Inc. - Dry Cleaners, Uniform and Mat Rental Service**

Thank you all for your feedback. **Sidney Chelsky, Executive Director**

Words of Wisdom

A beautiful post by Brigette Hyacinth. Her latest book is available: *The Future of Leadership: Rise of Automation, Robotics and Artificial Intelligence*

I called an EMPLOYEE to a meeting. The look on her face was, "Did I do something wrong?" When she sat down, I told her, "Thank You for the great job you are doing." Her response was, "but I didn't do anything out of the ordinary." She then gave the biggest smile. We shouldn't only thank employees when they achieve goals or accomplish targets. How about just thanking them for being part of the team? I started doing this for all my employees and it really strengthened our relationship. We are so quick to call employees to a meeting when they do something wrong. How about quickly calling them to your office to thank them when they do something right or just for their role on the team. It's good to thank your team collectively and in group settings but this adds a personal touch. A simple 'THANK YOU' goes a long way. It is always nice when your manager calls you to his/her office and tells you how happy he/she is with your work."

"If you want to see the true measure of a man, watch how he treats his employees, not his equals." J.K. Rowling

DCLI (Ont.) Insurance Coverage

Do you have any archive information going back to the origins of DCLI regarding the insurance coverage provided by Constitution Insurance and Hartley Curry for members of DCLI? This information can prove most helpful to one of our members now and other members in the future. If so, contact Sidney.

This is the response to my discussions with WSIB:



September 20, 2017

Sidney Chelsky
910-120 Promenade Circle
Thornhill, Ontario
L4J 7W9

**Workplace Safety
& Insurance Board**

**Commission de la sécurité
professionnelle et de l'assurance
contre les accidents du travail**

Head Office:
200 Front Street West
Toronto, Ontario
Canada M5V 3J1

Siège social :
200, rue Front Ouest
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☎ (416) 344-1000 📠 1-888-313-7373
TTY/ATS : 1-800-387-0050
1-800-387-0750
www.wsib.on.ca

Dear Sidney:

SUBJECT: WSIB classification

Thank you for contacting the Workplace Safety and Insurance Board (WSIB) via email to discuss the WSIB classification related to laundry depots. The questions were specific to the difference between a Laundry Depot and a Dry Cleaning Plant. In addition we discussed the impact of when a Dry Cleaning depot is associated through ownership to a Dry Cleaning Plant. The following information was communicated to you verbally on 20 September 2017.

- WSIB does offer 2 different classifications and rates for a Laundry Depot and a Dry Cleaning Plant.
 - Laundry Depot – Rate Group 944 and CU 9724-000 cost of 2.81%
 - Dry Cleaning Plant – Rate Group 975 and CU 9721-000 cost of 3.55%
- If a Dry Cleaning Plant operates a Dry Cleaning Depot, WSIB applies the owners association rule and the outcome of the classification will be of a Dry Cleaning Plant CU 9721-000.
- Franchisee owner would not be impacted by the association rule. The key is that the legal entities do not share common ownership. Therefore a Dry Cleaning Plant that franchises out Dry Cleaning Depot, the franchise owner of the Dry Cleaning depot would receive CU 9724-000.

If you have any questions, please contact the toll free number below.

Sincerely,

Kevin Engineer
Account Specialist
1-800-387-0750

Report on Symposium held at Seneca College

The attendees were welcomed by Bill Humber of Seneca College and Sid Chelsky, the Executive Director of the Ontario Fabricare Association and advised that this was a joint program by both and funded by the Ministry of Environment and Climate Change for Canada. The Symposium will be videotaped and presented in about a month as a webcast and the date and information to access the webcast will be circulated. Congratulations go out to Bill Humber and his staff and volunteers for all the work and effort that went into preparing for this event.

There were three videos shown, one on the safe use of perchloroethylene (perc), one on the use of alternative solvents, and one on wet cleaning. Each video was followed by knowledgeable speakers on the various solvents and systems available. The speakers, who appeared and spoke at our conference the day before reiterated the information available for the Symposium attendees and the podcast that will be circulated across the industry in Canada and elsewhere.

A very important question came up as to the possible regulations on alternative solvents, but the Ministry said that until they do an extensive analysis of the possible problems of many of the alternative solvents, there are none in the pipeline. If future findings prove otherwise, then those solvents will also be regulated.

Jon Meijer of DLI summed up the day with his report that all systems work. Some have more benefits and more limitations, however if you follow the equipment manufacturers and chemical companies' instructions dutifully, do proper maintenance on your equipment, good housekeeping on and around your equipment and solvents, and do the regular service to your equipment and solvents (i.e. distillation and filtration to insure the clarity of the solvent and a good flow rate), then your system will work for you. He also reminded us that you cannot hide behind a care label and what it tells you. You are supposed to be the expert and if you test those fabrics that are of concern, then you will know how to process them.

Please support our Allied and Associate Members They support the Ontario Fabricare Association

Cleaner's Supply Inc	cgranish@cleanersupply.com	Crystal Granish
Compass Max (Mainline Technology)	michael@compassmax.com	Michael Duchaine
Computer Systems Int'l	al@computersystemsint.com	Al Anjavi
Crescent Commercial Corp.	nlarosa@c3.com	Jasen Kisber
Dalex Canada Inc.	amcconvey@dalex.ca	Ashlynn McConvey
Dalex Canada Inc.	lmignardi@dalex.ca	Lou Mignardo
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Fabricare Systems	bathens@fabsyspos.com	Brian Athens
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The following information may affect you now or in the future. Be aware of the ruling and the appeal. Many thanks to Jordan Cohen of MacDonald, Sager, Manis LLP, the solicitor for OFA and his student -at-law Brigitte Barsalou for their research and report on the following information. One interesting side note—the tenant represented himself in the court of appeal.

The decision of the Ontario Court of Appeal in the case of *Jay-Pee Drycleaners Inc. v. 2321324 Ontario Inc.*, released on October 18, 2017 will be of interest to cleaning establishments that have regulatory obligations.

This was an appeal for wrongful termination of a lease to operate a dry-cleaning business in the premises. The landlord terminated the lease due to the tenant failing to complete a course in the operation of dry cleaning equipment, which would then deem him to be a “trained person” with respect to operating a commercial establishment, as is required by the *Dry Cleaners Regulation* under the *Environmental Protection Act*. **It was a requirement of the lease that the appellant comply with all applicable statutes and regulations affecting the premises**, which is a fairly standard provision.

The landlord’s property manager initially wrote to the tenant in April, 2012 advising **him that he had to "successfully complete a course approved by the Director** in the Management of Contaminants and Wastes in connection with the operation of dry cleaning equipment". The tenant was sent subsequent letters **reminding him to complete the course and that a failure to do so would put him in breach of the lease**.

When the landlord had not received proof of completion by the end of August, the tenant was told that as of September 30, 2012, the lease would be terminated. **The failure to complete the course was the only specified grounds for termination.**

Despite the Ministry of the Environment confirming that the Ontario Dry Cleaners Training Course had not been available since March, 2012 and that they anticipated that the course would only be available again early in 2013, the landlord changed the locks in October and posted notice on the door that the tenant had five days to deliver vacant possession. The tenant brought an action for unlawful termination of the lease, the landlord counterclaimed for damages flowing from failure to deliver vacant possession and then moved for summary judgment dismissing the tenant’s claim.

Subsection 2(1) of the *Dry Cleaners Regulation* provides that: "[n]o person shall operate dry cleaning equipment at a commercial establishment unless a trained person works full-time at the establishment." The Regulation defines "trained person" as a person who has successfully completed a course approved by the Director **or otherwise satisfied the Director that he or she is qualified to manage contaminants and wastes** in connection with the operation of dry cleaning equipment. This meant that under the Regulation, the requirement to complete the course could also be fulfilled if the Director in the Management of Contaminants and Wastes was satisfied that there was a full-time trained individual capable of operating the dry cleaning equipment.

Nonetheless, the motion judge granted judgment in favour of the landlord and dismissed the appellant’s claim. The motion judge found that the landlord had lawfully terminated the tenancy due to the tenant failing to provide evidence that he had taken a dry cleaning course or that he had a trained person working at all times on the premises. **The tenant appealed the decision and the Ontario Court of Appeal ruled in favour of the tenant, setting aside the motion judge’s decision.**

The Court of Appeal explained that the notice requirements set out in s. 19(2) of the *Commercial Tenancies Act* provide that a landlord’s right of re-entry for breach of any covenant or condition in the lease, other than in respect of the payment of rent, is not enforceable unless:

- (1) The landlord serves on the tenant a notice specifying the breach, and
- (2) If the breach is capable of remedy, the tenant has failed within a reasonable time thereafter to remedy the breach.

In his reasoning, the motion judge relied in part on the tenant’s failure to provide evidence that he had a trained person working at all times on the premises. However, as the Court of Appeal noted, the tenant was not made aware of this issue in the notice of termination, and the courts are adamant upon strict compliance with the notice requirement in s. 19(2) of the Act.

The motion judge also failed to consider the tenant’s evidence that the course was unavailable and the breach was incapable of being remedied in the time provided. The landlord therefore did not give the tenant a reasonable amount of time to remedy the breach before exercising its right of re-entry, as required by s. 19(2) of the *Act*.

In the end, the court set aside the previous judgment and granted judgment in favour of the tenant that the lease had been wrongfully terminated. It remitted the matter back to the court below to quantify damages for the wrongful termination.

While the tenant was successful on appeal, the case itself should stand as a warning and reminder to cleaners that they have to comply with regulatory obligations, not only to stay on side of regulators, but also of their landlords.

Announcement

Effective immediately, our new email address takes effect.

When contacting or remitting payments to OFA, please use the following email:

ontariofabricare@hotmail.com

Please update your contact list

We have been fortunate that Artur Keyes of Exttox has donated a laptop computer to Ontario Fabricare Association. This will allow me to isolate all OFA information and billing into a separate computer and as a result, OFA will now have its own email address and be able to archive important information. You can still email me at chelsky@sympatico.ca for other matters.

Your TFSA – Mid-Year Checkup

Segal LLP



Tax-free savings accounts (TFSAs) have been part of the Canadian tax system for nearly a decade, and millions of Canadians utilize them as a savings vehicle, whether for short-term or long-term purposes.

Of all tax-deferral or tax-savings plans available to Canadians, TFSAs undoubtedly provide the greatest flexibility, as the TFSA rules allow taxpayers to carryover allowable contribution room to future years and to re-contribute amounts withdrawn. However, that very flexibility, especially the ability to re-contribute previous withdrawals, also has the potential to cause taxpayers to run afoul of the rules by getting into an inadvertent over contribution position, resulting in the imposition of penalty taxes.

A brief recap of the TFSA rules: every Canadian aged 18 years of age and older can contribute a specified annual amount to a TFSA (\$5,500 for 2017). Funds contributed to the TFSA are not deductible from income, but investment income earned by those funds is not taxed, either as it accrues or on withdrawal. Where a taxpayer does not contribute to a TFSA within a particular year, the contribution not made can be carried forward and made in any subsequent year. TFSA holders can withdraw funds from their plan at any time, free of tax, and funds withdrawn can be re-contributed, but not until the following year.

Calculating one's current year contribution room can be complex. The Canada Revenue Agency does not provide taxpayers of their current year TFSA contribution limit on the annual Notice of Assessment; taxpayers can access that information through the CRA's automated telephone service, online portal or have their service provider do the calculation for them.

Once the taxpayer knows their contribution limit for 2017, it's necessary to calculate how much has already been contributed in 2017. The difference between those two figures represents the balance which can be contributed before the end of the year without getting into an over contribution position and incurring penalties. It is important to remember that if withdrawals have been or will be made during 2017, those amounts cannot be re-contributed until after the end of this year.

If it's necessary to adjust regular contributions in order not to go "offside" by the end of the year, the best time to do it is obviously before getting into that over contribution position. As soon as a taxpayer is in an over contribution position, the 1% penalty tax is imposed for that month, even if the excess funds are withdrawn before the end of the month - in other words, as explained in the Canada Revenue Agency guide to TFSAs "[I]f, at any time in a month, you have an excess TFSA amount, you are liable to a tax of 1% on your highest excess TFSA amount in that month."

Especially where TFSA contributions are set up to occur regularly, by automatic deposit or bank transfer, it's easy to assume that everything has been taken care of and nothing further needs to be done with respect to such arrangements. However, an "out of sight and out of mind" approach rarely makes for good financial and tax planning, and checking on the status of one's TFSA on a periodic, at least quarterly, basis can help to ensure that everything is as it should be, and that unnecessary penalties are avoided.

Congratulations to Segal LLP who continues to provide me with important accounting and tax matters that are relevant to our members.

INSIDE Public Accounting (IPA) has named Segal LLP a Best of the Best Canadian Firm for the second consecutive year. Segal is honoured to be one of only 5 Canadian CPA firms ranked as a 2017 Best of the Best firm based on a wide variety of financial and operational performance.

For those of you with more sensitive humor!!

1. Two antennas met on a roof, fell in love and got married. The Ceremony wasn't much, but the reception was excellent.
2. A jumper cable walks into a bar. The bartender says, "I'll serve you, but don't start anything."
3. A woman has twins and gives them up for adoption. One of them goes to a family in Egypt and is named "Ahmal." The other goes to a family in Spain ; they name him "Juan." Years later, Juan sends a picture of himself to his birth mother. Upon receiving the picture, she tells her husband that she wishes she also had a picture of Ahmal. Her husband responds, "They're twins! If you've seen Juan, you've seen Ahmal."
3. A dyslexic man walks into a bra.
4. Did you hear about the man in France who jumped on the bridge? He was in Sein.
5. A man walks into a bar with a slab of asphalt under his arm and says: "A beer please, and one for the road."
6. Two cannibals are eating a clown. One says to the other: "Does this taste funny to you?"
7. "Doc, I can't stop singing 'The Green, Green Grass of Home.'" "That sounds like Tom Jones Syndrome." "Is it common?" Well, "It's Not Unusual."
8. Two cows are standing next to each other in a field. Daisy says to Dolly, "I was artificially inseminated this morning." "I don't believe you," says Dolly. "It's true, no bull!" exclaims Daisy.
9. An invisible man marries an invisible woman. The kids were nothing to look at either.
10. Deja Moo: The feeling that you've heard this bull before.
11. I went to buy some camouflage trousers the other day but I couldn't find any.
12. I'm reading a book about anti-gravity. It's impossible to put down.
13. I went to a seafood disco last week... and pulled a mussel.
14. What do you call a fish with no eyes? A fsh.
15. Two fish swim into a concrete wall. The one turns to the other and says "Dam!"
16. Two Eskimos sitting in a kayak were chilly, so they lit a fire in the craft. Unsurprisingly it sank, proving once again that you can't have your kayak and heat it too.
17. A group of chess enthusiasts checked into a hotel and were standing in the lobby discussing their recent tournament victories. After about an hour, the manager came out of the office and asked them to disperse. "But why," they asked, as they moved off. "Because," he said, "I can't stand chess-nuts boasting in an open foyer."
18. Two peanuts walk into a bar, and one was a salted.
19. Mahatma Gandhi, as you know, walked barefoot most of the time, which produced an impressive set of calluses on his feet. He also ate very little, which made him rather frail and with his odd diet, he suffered from bad breath. This made him. (Oh, man, this is so bad, it's good...) A super calloused fragile mystic hexed by halitosis.
20. And finally, there was the person who sent twenty different puns to his friends, with the hope that at least ten of the puns would make them laugh. No pun in ten did!!!!!!!

And at last – A family of tomatoes is walking down the road, Baby tomato falls behind, Daddy tomato goes back, smacks him on the head and says 'Ketchup'