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# NATIONAL ASSEMBLY

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FIRST SESSION

THIRTY-FIFTH LEGISLATURE

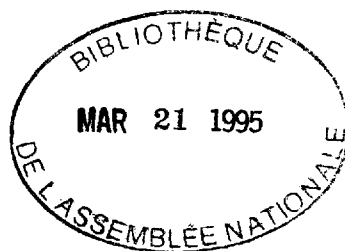
Bill 63

## **An Act respecting Société Innovatech du sud du Québec**

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### **Introduction**

**Introduced by  
Mr Daniel Paillé  
Minister of Industry, Trade, Science and Technology**



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#### EXPLANATORY NOTES

*This bill establishes the Société Innovatech du sud du Québec. The mission of the Société will be to promote and support initiatives capable of increasing the capacity for technological innovation in the territory of southern Québec and thus to improve the competitiveness and economic growth of Québec.*

*The bill establishes the method of operation of the Société, particularly with respect to the composition of its board of directors and the remuneration and other terms of employment of its directors.*

*It provides that, for the carrying out of its mission, the Société will have at its disposal an amount not exceeding 40 million dollars over the next five years.*

*In addition, the bill provides for the dissolution of the Société at the end of the five-year period and establishes the dissolution procedure.*

*Finally, the bill amends the Act respecting Société Innovatech du Grand Montréal and the Act respecting Société Innovatech Québec et Chaudière-Appalaches to allow support of initiatives in all regions of Québec. It also amends certain provisions of those Acts for concordance purposes.*

#### ACTS AMENDED BY THIS BILL:

- Act respecting Société Innovatech du Grand Montréal (R.S.Q., chapter S-17.2);
- Act respecting Société Innovatech du Grand Montréal (1992, chapter 33);
- Act respecting Société Innovatech Québec et Chaudière-Appalaches (1993, chapter 80).

# Bill 63

## **An Act respecting Société Innovatech du sud du Québec**

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

### CHAPTER I

#### ESTABLISHMENT AND ORGANIZATION

**1.** The “Société Innovatech du sud du Québec” is hereby established.

**2.** The head office of the Société is in the territory described in Schedule A.

Notice of the location of the head office of the Société and of any change of location shall be filed with the Inspector General of Financial Institutions for publication in the *Gazette officielle du Québec*.

**3.** The affairs of the Société are administered by a board of directors composed of nine members, appointed by the Government, representing, in particular, the research, university, college and business communities.

**4.** Two persons shall be delegated to the board of directors, one by the Minister of Industry, Trade, Science and Technology and one by the Minister of Education.

**5.** The delegates are not members of the board of directors. However, they are entitled to receive notice of the meetings of the board of directors and to attend and speak at the meetings.

**6.** The Government shall designate a chairman from among the members of the board of directors.

The chairman of the board of directors shall preside over the meetings of the board, oversee its operation and assume any other duties assigned to him by by-law of the Société.

**7.** The members of the board of directors shall designate a vice-chairman from among themselves. The vice-chairman shall perform the duties of the chairman of the board in his absence.

**8.** The members of the board of directors shall appoint a president of the Société who shall, by virtue of his office, be the chief executive officer. The chief executive officer shall perform his duties on a full-time basis. He is responsible for the management of the Société within the scope of its by-laws and policies.

The board of directors shall fix the remuneration, social benefits and other conditions of employment of the chief executive officer. The remuneration of the chief executive officer must be approved by the Government.

**9.** The chief executive officer is not a member of the board of directors. However, he is entitled to receive notice of the meetings of the board and to attend and speak at the meetings.

**10.** The term of office of the members of the board of directors, the delegates and the chief executive officer is of not more than five years.

At the end of their term, they remain in office until they are replaced or reappointed.

**11.** Any vacancy occurring in the course of the term of office of a member of the board of directors or of a delegate to that board shall be filled in accordance with the rules governing appointments under sections 3 and 4.

In particular, a vacancy shall arise through absence from a number of meetings of the board of directors determined by the internal management rules of the Société, in the cases and circumstances indicated therein.

**12.** The members of the board of directors are not remunerated, except in the cases, on the conditions and to the extent which may be determined by the Société. However, they are entitled to the reimbursement of expenses incurred in performing their duties, on the conditions and to the extent determined by the Société.

The remuneration and the procedure of reimbursement of expenses of the members of the board of directors must be approved by the Government.

**13.** A majority of the members, including the chairman and vice-chairman, is a quorum at the meetings of the board of directors.

**14.** The decisions of the board of directors shall be made by a majority of the votes cast by the members present.

If votes are equally divided, the person presiding over the meeting has a casting vote.

**15.** The members of the board of directors, the chief executive officer and the delegates may, if they all agree, take part in a meeting using means which allow them to communicate with one another orally, in particular by telephone. They are, in that case, deemed to have attended the meeting.

**16.** No document binds the Société unless it is signed by the chairman of the board or by the person authorized by by-law of the Société to sign it, in the cases determined therein.

**17.** The minutes of the meetings of the board of directors, approved by it and certified by the chairman of the board or by any other person authorized to do so by by-law of the Société, are authentic. The documents or copies emanating from the Société or forming part of its records are authentic if they are so certified.

**18.** Any member of the board of directors having a direct or indirect interest in an enterprise which places his personal interest in conflict with that of the Société shall, on pain of forfeiture of office, disclose his interest and withdraw from the meeting for the duration of the debate and of the making of a decision bearing upon any question relating to the enterprise in which he has such an interest.

When the chairman and vice-chairman of the board of directors must withdraw from the meeting, the other members of the board shall designate from among themselves a person to act as chairman.

**19.** The chief executive officer may not, on pain of forfeiture of office, have any direct or indirect interest in an enterprise which places his personal interest in conflict with that of the Société. However, forfeiture is not incurred if such an interest devolves to him by succession or gift, provided he renounces or disposes of it with diligence.

Any member of the staff of the Société who has a direct or indirect interest in an enterprise which places his personal interest in conflict with that of the Société must, on pain of forfeiture of office, disclose his interest in writing to the chairman of the board of directors.

**20.** The members of the board of directors may not be prosecuted by reason of official acts performed in good faith in the performance of their duties.

**21.** The secretary and other members of the staff of the Société are appointed and remunerated in accordance with the scales, standards and staffing plan established by by-law of the Société. This by-law must be approved by the Government.

**22.** The Société may, by by-law, determine the exercise of its powers and the other aspects of its internal management. It may form an executive committee.

## CHAPTER II

### MISSION AND POWERS

**23.** The mission of the Société is to promote and support initiatives likely to increase the capacity for technological innovation in southern Québec and thus to improve the competitiveness and economic growth of Québec.

**24.** In order to carry out its mission, the Société may, in particular, within the scope of governmental objectives,

(1) elicit, receive and evaluate initiatives which may increase the capacity for technological innovation in southern Québec;

(2) associate partners from the private and public sectors with the initiatives and foster joint action between them;

(3) participate financially in the realization of such initiatives;

(4) participate in the financing of any person, association, partnership or body whose object is to contribute in the realization of such initiatives;

(5) promote the financial participation of individuals, partnerships and legal persons in the initiatives;

(6) make the population of southern Québec aware of the importance of initiatives supported by the Société by informing it of the achievements being made possible;

(7) advise the Minister with regard to policies and strategies related to technological innovation in southern Québec and propose means of implementing them.

**25.** The Société shall determine, by by-law subject to approval by the Government, the criteria of eligibility applicable to initiatives presented to it, and the form, modalities and, where applicable, the limits of its financial participation.

**26.** The Société shall determine the form of applications for financial participation, the information they must contain and the documents that must accompany them.

**27.** The Société must obtain the approval of the Minister when the amount of its financial participation in an initiative, out of the contribution paid to it by the Minister of Finance, is more than 5 million dollars or, when the amount is more than 10 million dollars, the approval of the Government.

**28.** The Société shall inform the Minister of Industry, Trade, Science and Technology and the Minister of Education of the initiatives it intends to support among those which are admissible.

**29.** The Société may solicit and receive gifts, legacies, grants or other contributions to the extent that no charge or condition is attached to them. Where there is a charge or condition, the Société may exercise these rights only in the cases and on the conditions determined by the Government.

**30.** The Société may acquire and hold shares, bonds and other securities of legal persons and may sell or otherwise dispose of them.

However, it may not hold more than 50 % of the voting rights attached to the shares of a legal person or of the rights allowing it to elect a majority of the directors.

**31.** The Société may require, in consideration of its financial participation, dues or any other form of compensation that it determines by by-law.

The by-law may prescribe the methods of administering and disposing of the sums collected by the Société.

**32.** The Société may enter into an agreement with any person, association, partnership or body and with the Government or one of its departments or agencies.

It may also enter, as provided by law, into an agreement with a government in Canada or abroad, or a department or agency thereof, or with an international organization or an agency of such an organization.

**33.** The Société and every municipality whose territory is included in the territory described in Schedule A may enter into an agreement. Such an agreement may derogate from the Municipal Aid Prohibition Act (R.S.Q., chapter I-15).

### CHAPTER III

#### FINANCING

**34.** The Société shall finance its activities out of the sums it receives.

**35.** The Minister of Finance is authorized to pay to the Société, for the carrying out of its mission, a contribution not exceeding 40 million dollars for the period from (*insert here the date of assent to this Act*) to 31 March 2000. This contribution is payable in several instalments, the dates, amounts and conditions of which are determined by the Government.

**36.** The Société may not, without the authorization of the Government, contract any loan or other financial commitment which brings the amount of its commitments beyond the limits determined by the Government or which does not meet the conditions determined by the Government.

### CHAPTER IV

#### ACCOUNTS AND REPORTS

**37.** The fiscal year of the Société ends on 31 March.

**38.** The Société shall submit to the Minister, before 15 December each year, its development plan for the following fiscal year.

**39.** The Société shall, before 15 December each year, submit to the Minister, for approval by the Government, its budget estimates



for the following fiscal year and the statement of its financial commitments, in accordance with the form and tenor that the Minister determines.

**40.** The Société must, not later than 30 September each year, file with the Minister its financial statements and a report of its activities for the preceding fiscal year.

The financial statements and the report of activities shall contain, in addition, any information that may be required by the Minister.

**41.** The Minister shall table the report of activities and the financial statements of the Société before the National Assembly within 15 days of receiving them if the Assembly is in session or, if it is not sitting, within 15 days of resumption.

**42.** The books and accounts of the Société shall be audited each year and whenever so ordered by the Government, by the Auditor General or, with the approval of the Government, by an auditor designated by the Société.

The auditor's report must accompany the report of activities and the financial statements of the Société.

**43.** The Société must, in addition, provide the Minister with any information he requires on its activities.

## CHAPTER V

### FINAL PROVISIONS

**44.** The Société shall be dissolved on 31 March 2000, unless authorized by the Government to pursue its activities beyond that date, for the period and on the conditions determined by the Government. From the dissolution of the Société, the Government shall assume its rights and obligations, and its property shall devolve to the public domain.

The Government may, however, authorize a body or legal person with objects similar to those of the Société to continue the mission of the Société under this Act, in which case the body or legal person so authorized assumes the rights and obligations of the Société and is vested with all its property.

**45.** This Act will cease to have effect on the date determined by the Government, which may not be before 1 April 2000.

**46.** The Minister of Industry, Trade, Science and Technology shall be responsible for the administration of this Act.

**47.** Section 2 of the Act respecting Société Innovatech du Grand Montréal (R.S.Q., chapter S-17.2) is amended by striking out the words "of Greater Montréal" in the first line of the first paragraph.

**48.** Section 4 of the said Act, amended by section 72 of chapter 51 of the statutes of 1993 and by sections 50 and 51 of chapter 16 of the statutes of 1994, is replaced by the following section:

**"4.** Two persons shall be delegated to the board of directors, one by the Minister of Industry, Trade, Science and Technology and one by the Minister of Education."

**49.** Section 23 of the said Act is amended by replacing the words "of Greater Montréal" in the second and third lines by the words "described in Schedule A".

**50.** Section 24 of the said Act is amended

(1) by replacing the words "of Greater Montréal" in the second line of paragraph 1 by the words "described in Schedule A";

(2) by inserting, after paragraph 3, the following paragraph:

"(3.1) participate in the financing of any person, association, partnership or body whose object is to contribute in the realization of such initiatives;"

(3) by replacing the words "Greater Montréal" in the first line of paragraph 5 by the words "the territory described in Schedule A";

(4) by replacing the words "of Greater Montréal" in the second line of paragraph 6 by the words "described in Schedule A".

**51.** Section 28 of the said Act, amended by section 72 of chapter 51 of the statutes of 1993 and by sections 50 and 51 of chapter 16 of the statutes of 1994, is replaced by the following section:

**"28.** The Société shall inform the Minister of Industry, Trade, Science and Technology and the Minister of Education of the initiatives it intends to support among those which are admissible."

**52.** Section 33 of the said Act is amended by replacing the words “Communauté urbaine de Montréal and every municipality whose territory is” in the first and second lines by the words “urban communities and the municipalities whose territories are”.

**53.** Section 35 of the said Act is amended by replacing the figure “1997” in the third line by the figure “2000”.

**54.** Section 44 of the said Act is amended by replacing the figure “1997” in the first line of the first paragraph by the figure “2000”.

**55.** Section 46 of the said Act is amended by replacing the words “designated by the Government” in the first line by the words “of Industry, Trade, Science and Technology”.

**56.** Schedule A to the said Act is replaced by the following schedule:

#### “SCHEDULE A

“The aggregate of the territories of the following municipal bodies:

Communauté urbaine de Montréal  
 Communauté urbaine de l’Outaouais  
 Regional county municipality of Abitibi  
 Regional county municipality of Abitibi-Ouest  
 Regional county municipality of Antoine-Labelle  
 Regional county municipality of Argenteuil  
 Regional county municipality of Beauharnois-Salaberry  
 Regional county municipality of Champlain  
 Regional county municipality of D’Autray  
 Regional county municipality of Deux-Montagnes  
 Regional county municipality of Joliette  
 Regional county municipality of Lajemmerais  
 Regional county municipality of La Rivière-du-Nord  
 Regional county municipality of L’Assomption  
 Regional county municipality of La Vallée-de-la-Gatineau

Regional county municipality of La Vallée-du-Richelieu  
 Regional county municipality of Bas-Richelieu  
 Regional county municipality of Haut-Richelieu  
 Regional county municipality of Haut-Saint-Laurent  
 Regional county municipality of Collines-de-l'Outaouais  
 Regional county municipality of Jardins-de-Napierville  
 Regional county municipality of Laurentides  
 Regional county municipality of Maskoutains  
 Regional county municipality of Moulins  
 Regional county municipality of Pays-d'en-Haut  
 Regional county municipality of Matawinie  
 Regional county municipality of Montcalm  
 Regional county municipality of Papineau  
 Regional county municipality of Pontiac  
 Regional county municipality of Roussillon  
 Regional county municipality of Rouville  
 Regional county municipality of Rouyn-Noranda  
 Regional county municipality of Témiscamingue  
 Regional county municipality of Thérèse-De-Blainville  
 Regional county municipality of Vallée-de-l'Or  
 Regional county municipality of Vaudreuil-Soulanges  
 Ville de Laval  
 Ville de Mirabel".

**57.** Section 45 of the Act respecting Société Innovatech du Grand Montréal (1992, chapter 33) is amended by adding, at the end, the words “, which may not be before 1 April 2000”.

**58.** Section 47 of the said Act is amended by striking out the words “, with the exception of section 45 which will come into force on 1 April 1997” in the first and second lines.

**59.** Section 2 of the Act respecting Société Innovatech Québec et Chaudière-Appalaches (1993, chapter 80) is amended by striking out the words “of the Québec and Chaudière-Appalaches regions” in the first and second lines of the first paragraph.

**60.** Section 4 of the said Act, amended by sections 50 and 51 of chapter 16 of the statutes of 1994, is replaced by the following section:

“4. Two persons shall be delegated to the board of directors, one by the Minister of Industry, Trade, Science and Technology and one by the Minister of Education.”

**61.** Section 23 of the said Act is amended by replacing the words “of the Québec and Chaudière-Appalaches regions” in the third line by the words “described in Schedule A”.

**62.** Section 24 of the said Act is amended

(1) by replacing the words “of the Québec and Chaudière-Appalaches regions” in the second and third lines of paragraph 1 by the words “described in Schedule A”;

(2) by inserting, after paragraph 3, the following paragraph:

“(3.1) participate in the financing of any person, association, partnership or body whose object is to contribute in the realization of such initiatives;”;

(3) by replacing the words “the Québec and Chaudière-Appalaches regions” in the first and second lines of paragraph 5 by the words “the territory described in Schedule A”;

(4) by replacing the words “of the Québec and Chaudière-Appalaches regions” in the second and third lines of paragraph 6 by the words “described in Schedule A”.

**63.** Section 28 of the said Act, amended by sections 50 and 51 of chapter 16 of the statutes of 1994, is replaced by the following section:

“28. The Société shall inform the Minister of Industry, Trade, Science and Technology and the Minister of Education of the initiatives it intends to support among those which are admissible.”

**64.** Section 35 of the said Act is amended by replacing the figure “1999” in the fourth line by the figure “2000”.

**65.** Section 44 of the said Act is amended by replacing the figure “1999” in the first line of the first paragraph by the figure “2000”.

**66.** Section 45 of the said Act is amended by adding, at the end, the words “, which may not be before 1 April 2000”.

**67.** Section 46 of the said Act is amended by replacing the words “designated by the Government” in the first line by the words “of Industry, Trade, Science and Technology”.

**68.** Section 48 of the said Act is amended by striking out the words “, with the exception of section 45 which will come into force on 1 April 1999” in the first and second lines.

**69.** Schedule A to the said Act is replaced by the following schedule:

#### “SCHEDULE A

“The aggregate of the territories of the following municipal bodies:

Communauté urbaine de Québec  
Regional county municipality of Avignon  
Regional county municipality of Beauce-Sartigan  
Regional county municipality of Bécancour  
Regional county municipality of Bellechasse  
Regional county municipality of Bonaventure  
Regional county municipality of Caniapiscau  
Regional county municipality of Charlevoix  
Regional county municipality of Charlevoix-Est  
Regional county municipality of Denis-Riverin  
Regional county municipality of Desjardins  
Regional county municipality of Francheville  
Regional county municipality of La Côte-de-Beaupré

Regional county municipality of La Côte-de-Gaspé  
 Regional county municipality of Lac-Saint-Jean-Est  
 Regional county municipality of La Haute-Côte-Nord  
 Regional county municipality of La Jacques-Cartier  
 Regional county municipality of L'Amiante  
 Regional county municipality of La Nouvelle-Beauce  
 Regional county municipality of Centre-de-la-Mauricie  
 Regional county municipality of Domaine-du-Roy  
 Regional county municipality of Fjord-du-Saguenay  
 Regional county municipality of L'Érable  
 Regional county municipality of Chutes-de-la-Chaudière  
 Regional county municipality of Etchemins  
 Regional county municipality of Îles-de-la-Madeleine  
 Regional county municipality of L'Île-d'Orléans  
 Regional county municipality of L'Islet  
 Regional county municipality of Lotbinière  
 Regional county municipality of Manicouagan  
 Regional county municipality of Maria-Chapdelaine  
 Regional county municipality of Maskinongé  
 Regional county municipality of Mékinac  
 Regional county municipality of Minganie  
 Regional county municipality of Montmagny  
 Regional county municipality of Nicolet-Yamaska  
 Regional county municipality of Pabok  
 Regional county municipality of Portneuf  
 Regional county municipality of Robert-Cliche  
 Regional county municipality of Sept-Rivières  
 Municipality of Côte-Nord-du-Golfe-Saint-Laurent

Municipalities established under the Act respecting the  
 municipal reorganization of the territory of the municipality of the  
 North Shore of the Gulf of St. Lawrence (1988, chapter 55)".

**70.** This Act comes into force on (*insert here the date of assent to this Act*).

## SCHEDULE A

The aggregate of the territories of the following regional county municipalities:

Regional county municipality of Acton  
Regional county municipality of Arthabaska  
Regional county municipality of Asbestos  
Regional county municipality of Brome-Missisquoi  
Regional county municipality of Coaticook  
Regional county municipality of Drummond  
Regional county municipality of La Haute-Yamaska  
Regional county municipality of Granit  
Regional county municipality of Haut-Saint-François  
Regional county municipality of Val-Saint-François  
Regional county municipality of Memphrémagog  
Regional county municipality of Sherbrooke