



BILL NO. 104

Government Bill

*1st Session, 63rd General Assembly
Nova Scotia
67 Elizabeth II, 2018*

An Act to Establish the Research Nova Scotia Corporation

CHAPTER 6
ACTS OF 2018

**AS ASSENTED TO BY THE ADMINISTRATOR OF THE PROVINCE
APRIL 18, 2018**

The Honourable Labi Kousoulis
Minister of Labour and Advanced Education

*Halifax, Nova Scotia
Printed by Authority of the Speaker of the House of Assembly*

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An Act to Establish the Research Nova Scotia Corporation

Be it enacted by the Governor and Assembly as follows:

- 1** This Act may be cited as the *Research Nova Scotia Corporation Act*.
- 2** In this Act,
 - (a) “Board” means the Board of Directors of the Corporation;
 - (b) “Corporation” means the Research Nova Scotia Corporation;
 - (c) “director” means a member of the Board;
 - (d) “Fund” means the Research Opportunities Fund;
 - (e) “Minister” means the Minister of Labour and Advanced Education;
 - (f) “Health Research Foundation” means the Nova Scotia Health Research Foundation as defined in the *Health Research Foundation Act*;
 - (g) “Research and Innovation Trust” means the Nova Scotia Research and Innovation Trust established March 29, 2001, by a Trust Agreement between the Province and Royal Trust Corporation;
 - (h) “public servant” means a person employed in the public service of the Province.
- 3** This Act binds Her Majesty in right of the Province.
- 4** The Minister has the general supervision and management of this Act.

CORPORATION

- 5** There is hereby established a body corporate to be known as the Research Nova Scotia Corporation.
- 6** Notwithstanding Section 71 of the *Finance Act*, the Corporation is not and may not be designated as a crown corporation under the *Finance Act* or otherwise.
- 7** The objects of the Corporation are to support, organize and co-ordinate the funding of research as prescribed by the regulations.
- 8** The Corporation shall submit to the Minister every six months a report, in the form and including such content as may be prescribed by the regulations, advising of the status of its ongoing research projects and providing a financial forecast in accordance with the regulations for the following six months.

9 The Minister may, to the extent authorized by the Legislature and subject to the approval of the Treasury and Policy Board, annually grant funds to the Corporation for its operation.

10 The management and control of the affairs of the Corporation is vested in a Board of Directors and the Board may, subject to this Act, the regulations and the by-laws of the Corporation, exercise the powers of the Corporation.

11 (1) The Board consists of not fewer than 10 nor more than 12 directors, of whom

- (a) three directors are appointed by the Governor in Council; and
- (b) seven to nine directors are appointed in accordance with the by-laws of the Corporation.

(2) Notwithstanding subsection (1), the Governor in Council shall appoint the initial directors for such terms as the Governor in Council determines.

(3) Each director remains in office, notwithstanding the expiry of the director's term, until a director is appointed in the director's place.

(4) A member of the House of Assembly or the Executive Council or a person who has been a member of the House of Assembly or the Executive Council within the last three years is not eligible to be a director.

(5) An employee of the Corporation is not eligible to be a director.

(6) No director, other than a director appointed under clause (1)(a) or three of the directors appointed pursuant to subsection (2), may be a public servant.

12 (1) The Board may appoint or, by by-law, provide for the appointment of, a director as its Chair and a director as its Vice-chair and set the terms of the Chair and Vice-chair.

(2) Notwithstanding subsection (1), the Governor in Council shall appoint the initial Chair and Vice-chair for such terms as the Governor in Council determines.

13 A majority of the directors constitutes a quorum.

14 (1) A director, who is not a public servant, may be paid such remuneration as the Board determines.

(2) A director must be reimbursed for reasonable expenses necessarily incurred in the performance of the director's duties.

15 A director or an employee of the Corporation is not personally liable for anything done or omitted to be done or for any neglect or default in

- (a) the bona fide exercise or purported exercise of a power conferred upon that director or employee pursuant to this Act or the regulations; or

(b) the bona fide performance of a duty under this Act or the regulations.

16 (1) The Corporation shall operate on a not-for-profit basis.

(2) No officer, director or employee of the Corporation may share in any operating surpluses of the Corporation.

17 (1) The Board shall appoint a Chief Executive Officer of the Corporation.

(2) The Chief Executive Officer of the Corporation shall be paid such remuneration as the Board determines and be reimbursed for reasonable expenses necessarily incurred in the performance of the duties of the Chief Executive Officer.

(3) Subject to the control and direction of the Board, the Chief Executive Officer has charge of the conduct of the business of the Corporation.

18 (1) The Corporation may employ such other officers and employees as are necessary for the proper conduct and management of the affairs of the Corporation.

(2) The Corporation may engage the services of professional persons, technical persons and experts upon such terms and conditions as the Board determines.

19 The officers and employees of the Corporation shall be paid such salary and receive such benefits as are determined by the Board.

20 Subject to this Act and the regulations, the Corporation has all of the capacity, rights, powers and privileges of a natural person necessary to carry out its objects in accordance with this Act.

21 (1) The *Companies Act* and the *Finance Act* do not apply to the Corporation except as provided by the regulations.

(2) The Corporation may, in pursuit of its objects, enter into an agreement with a government, or a department, agency or body of a government, or with an international organization, or a body of such an organization.

22 The fiscal year of the Corporation is from April 1st to March 31st in the following year.

23 The Corporation shall establish and maintain an accounting system in accordance with generally accepted accounting principles.

24 The Board shall appoint an auditor for the Corporation and the auditor shall annually audit and prepare a report on the Fund and other accounts of the Corporation.

- 25** The Board may make by-laws respecting
- (a) the appointment of directors and their terms of office other than the directors referred to in clause 11(1)(a);
 - (b) the appointment of a Chair and Vice-chair;
 - (c) the conduct of proceedings of the Board;
 - (d) the establishment of a code of ethics and conflict of interest policy for directors, officers and employees of the Corporation;
 - (e) the establishment of committees of the Board and advisory bodies;
 - (f) the management of the Corporation.

RESEARCH OPPORTUNITIES FUND

- 26 (1)** There is hereby established the Research Opportunities Fund.
- (2)** The Fund consists of
- (a) money appropriated pursuant to subsection (3);
 - (b) any contributions received by way of grant, gift, donation or bequest; and
 - (c) the investment income of the Fund.
- (3)** The Minister of Finance, on requisition of the Minister responsible for this Act and subject to the approval of the Treasury and Policy Board, may enter into agreements for deposits to the Fund out of money appropriated by the Legislature for that purpose.
- (4)** The Fund is vested in the Corporation and must be kept segregated from any other assets or funds of the Corporation.
- 27** Only expenditures permitted under this Act may be made from the Fund.
- 28** The Corporation shall select successful applicants for research funding and distribute money from the Fund in accordance with the by-laws of the Corporation.
- 29** No costs of the Corporation's operations may be paid out of the Fund.
- 30** Any surplus in the Fund must be retained in the Fund.
- 31** The Fund is not available to meet any future, current or past general obligations of Her Majesty in right of the Province.
- 32** Nothing in this Act makes the Fund, or is to be construed to cause the Fund to be considered public money subject to appropriation by the Legislature or required to be deposited into the General Revenue Fund of the Province.

33 The Corporation may

- (a) invest money in the Fund according to investment and lending policies, standards and procedures that are approved from time to time by the Board; and
- (b) borrow from any financial institution, by way of overdraft or otherwise, any sums the Board considers necessary to properly carry out the Corporation's objects.

REGULATIONS

34 (1) The Governor in Council may make regulations

- (a) prescribing areas of research of which the Board is to support, organize and co-ordinate the funding;
- (b) respecting the extent to which the *Companies Act* and the *Finance Act* apply to the Corporation;
- (c) prescribing the content and form of reports made by the Corporation pursuant to Section 8;
- (d) prescribing additional powers the Corporation may exercise;
- (e) respecting any matter or thing the Governor in Council considers necessary or advisable to effectively carry out the intent and purpose of this Act.

(2) The exercise by the Governor in Council of the power contained in subsection (1) is a regulation within the meaning of the *Regulations Act*.

TRANSITIONAL

35 The Corporation and the Government of Nova Scotia shall enter into a transition plan to address issues relating to the existing commitments of the Research and Innovation Trust and the Health Research Foundation.

EFFECTIVE DATE

36 This Act comes into force on such day as the Governor in Council orders and declares by proclamation.
