



PRINCE EDWARD ISLAND
ÎLE-DU-PRINCE-ÉDOUARD

INNOVATION PEI ACT

PLEASE NOTE

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This document is *not* the official version of the Act. The Act and the amendments as printed under the authority of the King's Printer for the province should be consulted to determine the authoritative statement of the law.

For more information concerning the history of this Act, please see the *Table of Public Acts* on the Prince Edward Island Government web site (www.princeedwardisland.ca).

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INNOVATION PEI ACT

CHAPTER I-2.2

1. Definitions

In this Act,

- (a) “**Audit Committee**” means the Audit Committee established under subsection 11(1);
- (b) “**Board**” means the Board of Directors of the Corporation;
- (c) “**Chief Executive Officer**” means the Chief Executive Officer appointed under subsection 9(1);
- (d) “**Corporation**” means the corporation known as Innovation PEI continued under section 2;
- (e) “**Department**” means the Department of Economic Development, Innovation and Trade;
- (f) “**economic sector**” means a sector of the economy of Prince Edward Island referred to in section 14;
- (g) “**financial assistance**” means assistance by way of a grant or contribution, the purchase or guarantee of bonds, debentures, notes or other debt obligations or the purchase or other acquisition of any common or preferred shares or other equity securities;
- (h) “**Minister**” means the Minister of the Crown designated by the Lieutenant Governor in Council to administer this Act;
- (i) “**private sector members**” means, in respect of the Board, the members of the Board appointed under clause 4(1)(d). *2014,c.35,s.1; 2015,c.28,s.3; 2019,c.1,s.3; 2023,c.20,s.2.*

CORPORATION

2. Crown corporation established

Innovation PEI is hereby continued as a Crown corporation with the same general powers as conferred upon companies incorporated under the *Companies Act* R.S.P.E.I. 1988, Cap. C-14, except where such powers are inconsistent with this Act. *2014,c.35,s.2.*

3. Agent of the Crown

- (1) The Corporation is for all purposes an agent of the Crown in right of the Province of Prince Edward Island and its powers pursuant to this Act may be exercised only as an agent of the province.

Property

- (2) Property acquired by the Corporation is the property of the Government of Prince Edward Island, and title thereto may be vested in the Government of Prince Edward Island or in the name of the Corporation.

Actions in name of Corporation

- (3) Actions, suits or other legal proceedings in respect of any right or obligation acquired or incurred by the Corporation, whether in its name or in the name of the Government, may be brought or taken by or against the Corporation in the name of the Corporation in any court that would have jurisdiction if the Corporation were not an agent of the Government.
2014, c.35, s.3; 2022, c.62, s.38.

BOARD OF DIRECTORS

4. Board of Directors

- (1) The affairs of the Corporation shall be conducted by a Board of Directors consisting of
- (a) the Deputy Minister of Department of Economic Development, Innovation and Trade;
 - (b) the President of University of Prince Edward Island;
 - (c) the President of Holland College; and
 - (d) six persons appointed by the Lieutenant Governor in Council from the private sector.

Chairperson

- (2) The Lieutenant Governor in Council shall designate one of the private sector members of the Board to be the chairperson of the Board.

Term of office and reappointment

- (3) The private sector members of the Board shall be appointed to hold office for a term not exceeding three years and may be reappointed for one additional term only.

Vacancy

- (4) A vacancy on the Board caused by the death, resignation, removal or incapacity to act of a private sector member may be filled by the appointment by the Lieutenant Governor in Council under clause (1)(d) of a person to hold office for the unexpired portion of the term of office of the member.

Compensation for expenses

- (5) All members of the Board are entitled to be reimbursed out of the funds of the Corporation for the expenses reasonably incurred in carrying out their duties as members of the Board.

Private sector members, remuneration

- (6) The private sector members of the Board are entitled to receive remuneration out of the funds of the Corporation in the amount determined by the Lieutenant Governor in Council.

Quorum

- (7) Five members of the Board, at least three of whom shall be private sector members, constitute a quorum.

Board decisions

- (8) A decision of the majority of the members of the Board present and constituting a quorum is the decision of the Board.

Voting

- (9) Subject to subsection (10), each member of the Board is entitled to one vote.

Chairperson

- (10) The chairperson of the Board shall exercise his or her voting rights only to break a tie on a vote among the members of the Board. *2014,c.35,s.4; 2015,c.28,s.3; 2016,c.43,s.1; 2019,c.1,s.3; 2023,c.20,s.2.*

5. Bylaws and policies

- (1) The Board may make bylaws and policies, not inconsistent with this Act, for its internal organization and the regulation of its operations, including bylaws and policies respecting
- (a) the functions of all officers, agents and employees of the Corporation;
 - (b) the operations of the Audit Committee; and
 - (c) the conduct of the affairs of the Corporation not otherwise provided for in this Act or the regulations.

Policy directions

- (2) The Minister may issue policy directions to the Board where, in the opinion of the Minister, it is in the public interest to do so, and the Board shall comply with the policy directions. *2014,c.35,s.5.*

ADMINISTRATION

6. Administration

- (1) The Minister has the general supervision and management of this Act.

Delegation

- (2) The Minister may delegate the administration of any function of the Corporation upon terms and conditions the Minister may determine. *2014,c.35,s.6.*

7. Advisory committees

- (1) The Minister may
- (a) establish advisory committees; and
 - (b) appoint individuals to advisory committees,
- for the purpose of providing the Minister with advice regarding policy with respect to any matter governed by this Act.

Term of advisory committee

- (2) The term of an advisory committee shall be determined by the Minister at the time the advisory committee is constituted.

Advisory committees, no remuneration

- (3) Members of advisory committees
- (a) shall serve without remuneration; and
 - (b) shall be entitled to reimbursement of expenses reasonably incurred in carrying out their duties as members of the advisory committee. *2014,c.35,s.7.*

8. Meetings

The Minister may, at any time, require the Board, the officers and staff of the Corporation and the Audit Committee to meet with the Minister in respect of any matter mentioned in the last annual report of the Board or any other matter relating to the economy of Prince Edward Island that is of concern to the Minister, and the Minister may invite to such a meeting any persons from the private sector or persons representing the economic sectors that the Minister considers appropriate. *2014,c.35,s.8.*

CHIEF EXECUTIVE OFFICER

9. Chief Executive Officer

- (1) The Lieutenant Governor in Council shall appoint a Chief Executive Officer of the Corporation who, under the direction of the Minister, shall
- (a) supervise the administration and management of the Corporation;
 - (b) supervise the management and processing of all applications for financial assistance;
 - (c) serve as secretary to the Board; and
 - (d) perform other duties as the Board or the Lieutenant Governor in Council may assign.

Remuneration, Chief Executive Officer

- (2) The Chief Executive Officer shall be paid out of the funds of the Corporation such remuneration as may be determined by the Lieutenant Governor in Council. *2014,c.35,s.9.*

10. Annual report

- (1) Not later than September 30 in each year, the chairperson, with the assistance of the Chief Executive Officer, shall prepare and file with the Board an annual report respecting the activities and operations of the Corporation during the fiscal year ending on March 31 in that year, which shall include
- (a) the annual audit report for the immediately preceding fiscal year that has been approved by the Audit Committee; and
 - (b) if the chairperson considers it appropriate to do so, a statement respecting any matter pertaining to the activities and operations of the Corporation that, in the opinion of the chairperson, should be brought to the attention of the Minister and the Legislative Assembly.

Submission of annual report to the Minister and the Legislative Assembly

- (2) The Board shall, after the receipt of a report under subsection (1), forward the report to the Minister who shall
- (a) lay the report before the Legislative Assembly if it is then in session; and

- (b) if it is not then in session, lay the report before the Legislative Assembly within fifteen sitting days following the commencement of the next ensuing session.
2014,c.35,s.10; 2016,c.43,s.2.

AUDIT COMMITTEE

11. Audit Committee, continued

- (1) The committee known as the Audit Committee established under the *Innovation PEI Act* R.S.P.E.I. 1988, Cap. I-2.1, is hereby continued.

Audit Committee

- (2) The Audit Committee shall consist of three persons appointed by the Lieutenant Governor in Council from among the private sector members of the Board.

Chairperson

- (3) The chairperson of the Audit Committee shall be appointed by the Lieutenant Governor in Council from among the members of the Audit Committee.

Term of office and reappointment

- (4) The members of the Audit Committee shall be appointed to hold office for a term not exceeding three years and may be reappointed.

Vacancy

- (5) A vacancy on the Audit Committee caused by the death, resignation, removal or incapacity to act of a member may be filled by the appointment by the Lieutenant Governor in Council under subsection (2) of a person to hold office for the unexpired portion of the term of office of the member.

Expenses

- (6) The members of the Audit Committee shall be entitled to be reimbursed out of the funds of the Corporation for the expenses reasonably incurred in carrying out their duties as members of the Audit Committee.

Exception

- (7) The members of the Audit Committee are entitled to receive such remuneration as the Lieutenant Governor in Council may determine.

Quorum

- (8) Two members of the Audit Committee constitute a quorum.

Decisions

- (9) A decision of the majority of the members of the Audit Committee present and constituting a quorum is the decision of the Audit Committee.

Voting

- (10) Each member of the Audit Committee is entitled to one vote. *2014,c.35,s.11.*

12. Duties

- (1) On the request of the Board, the Audit Committee shall

- (a) review and audit any program, service or activity of the Corporation; and
- (b) provide recommendations to the Board
 - (i) for improving the accountability of the Corporation,
 - (ii) for improving the risk management of the programs, services or activities of the Corporation, and
 - (iii) for maximizing the economic benefit obtained for Prince Edward Island from the programs, services, and activities of the Corporation.

Annual audit report

- (2) Not later than June 30 in each year, the Chief Executive Officer shall
 - (a) prepare, in accordance with the regulations, an annual audit report for all programs, services and activities of the Corporation for the fiscal year ending on March 31 in that year;
 - (b) submit the annual audit report to the Audit Committee for its approval; and
 - (c) after the annual audit report is approved by the Audit Committee, submit it to the chairperson for inclusion in the Corporation's annual report.

Audit Committee, review of annual report

- (3) On receipt of the annual audit report submitted by the Chief Executive Officer under clause (2)(b), the Audit Committee shall
 - (a) review the report; and
 - (b) approve the report if the Audit Committee is satisfied that
 - (i) the report presents fairly the financial position, results of programs, services, activities and changes in financial position of the Corporation for the fiscal year ending on March 31 in that year in accordance with the disclosed basis of accounting, and
 - (ii) the report meets any other requirements established by the regulations.
2014, c.35, s.12.

OBJECTS OF THE CORPORATION

13. Objects of the Corporation

The objects of the Corporation are

- (a) to implement the economic strategy of the Government of Prince Edward Island;
- (b) to recommend changes in economic strategy to the Minister;
- (c) to facilitate cooperation and communication amongst Government, the research and development community, educational and training institutions, and the business community;
- (d) to provide financial assistance to Prince Edward Island businesses and entrepreneurs in order to create, maintain and expand business activity in Prince Edward Island;
- (e) to provide business development advice, information, infrastructure and services to the private sector, public sector and industry associations to assist in the promotion of innovation, commercialization, productivity, competitiveness, and wealth creation in Prince Edward Island;

- (f) to provide leadership with respect to the prospecting and locating of off-Island firms in support of the economic sectors referred to in section 14 and areas of potential wealth generation in new economic sectors;
- (g) to provide leadership in the research, development and implementation of marketing and trade strategies for Prince Edward Island goods and services;
- (h) to work with economic development agencies, including federal and municipal bodies, to develop policies and agreements in support of innovation and economic development in Prince Edward Island;
- (i) to promote strategic partnerships in commercial ventures;
- (j) to work with the Department, other departments and agencies of the Government of Prince Edward Island, the Government of Canada, the governments of other provinces or jurisdictions, educational and training institutions, industry associations and the public to develop and to deliver a human resources development strategy in support of the Government's economic strategy. *2014,c.35,s.13.*

14. Economic sectors

The economic sectors for the purposes of this Act are the following sectors of the economy of Prince Edward Island:

- (a) biosciences;
- (b) aerospace and defence;
- (c) information and communications technology;
- (c.1) creative and cultural industries;
- (d) advanced manufacturing and processing, including value-added food development and production;
- (e) renewable energy and clean technology; and
- (f) an economic sector designated as such in the regulations. *2014,c.35,s.14; 2018,c.123,s.1.*

POWERS OF THE CORPORATION

15. Powers

- (1) Subject to the economic development policies issued by the Lieutenant Governor in Council, the Corporation may
 - (a) provide financial assistance to qualified applicants out of the funds of the Corporation;
 - (b) borrow, and receive, by way of a grant or loan, money from the Government or any corporation and give as security for it bills of exchange, promissory notes and other negotiable instruments and securities;
 - (c) borrow, and receive, by way of a grant or loan, money from the Government of Canada or any department or agency of the Government of Canada and give as security for it bills of exchange, promissory notes and other negotiable instruments and securities;
 - (d) develop programs, strategies and partnerships that encourage the creation, maintenance and expansion of business activity in Prince Edward Island;
 - (e) enter into agreements for the performance, on behalf of the Corporation, of research projects or the conduct of investigations and studies, as it considers advisable;

- (f) conduct research in subjects that may be beneficial to the development of resources or industry in the province;
- (g) cause the Corporation to be registered and recognized in a foreign country or place, and designate persons there, according to the laws of the foreign country or place, to represent the Corporation and to accept service for or on behalf of the Corporation of any process or suit;
- (h) invest, either directly or through companies established for the purpose, in Prince Edward Island businesses;
- (i) acquire, hold, deal with and dispose of shares, stocks, bonds, debentures and other securities as if the Corporation were an individual;
- (j) invest any surplus funds in such securities as the Minister may determine;
- (k) do any other thing as may be required to be done and exercise any of the power required to be exercised for the purposes of carrying out the provisions and intent of this Act.

Mandate conferred by Cabinet

- (2) The Corporation shall carry out any mandate entrusted to it by the Lieutenant Governor in Council to achieve any project of economic importance to the province. *2014,c.35,s.15.*

16. Agreements

For the purpose of carrying into effect the objects of the Corporation or any project referred to in subsection 15(2), the Corporation may enter into and carry out agreements with any person, including any body corporate and any corporation of the Crown in right of Canada or of any province. *2014,c.35,s.16.*

STAFF

17. Staff

- (1) The Corporation may
 - (a) employ administrative, accounting, clerical and professional staff; and
 - (b) engage consultants and professional specialists,that the Chief Executive Officer considers necessary to carry out the functions of the Corporation.

Application *Civil Service Act*

- (2) The *Civil Service Act* R.S.P.E.I. 1988, Cap. C-8 shall not apply to any person employed by the Corporation. *2014,c.35,s.17.*

REGULATIONS

18. Regulations

The Lieutenant Governor in Council may make regulations

- (a) designating one or more sectors of the economy of Prince Edward Island as economic sectors for the purposes of clause 14(f);
- (b) respecting the making of applications for financial assistance;

- (c) respecting the review, assessment and approval of applications for financial assistance;
- (d) respecting the advancement of financial assistance to any person whose application for such assistance has been approved;
- (e) respecting the annual audit reports required by section 12, including the requirements for the approval of such reports under clause 12(3)(b);
- (f) defining, for the purposes of this Act and the regulations, any word or expression that is used but not defined in this Act;
- (g) respecting any other matter that the Lieutenant Governor in Council considers necessary or advisable to carry out the intent and purposes of this Act. *2014, c.35, s.18.*

19. Transitional provisions

- (1) A person who was appointed under the *Innovation Act* R.S.P.E.I. 1988, Cap. I-2.1 to one of the following positions under that Act and whose appointment has not expired or been terminated on the coming into force of this Act is hereby deemed to have been appointed under this Act, and the person's appointment continues according to its original terms until it expires or is terminated under this Act:
- (a) a private sector member of the Board;
 - (b) the Chief Executive Officer of the Corporation;
 - (c) a member of the Audit Committee.

Idem

- (2) The chairperson of the Board designated under *Innovation Act* R.S.P.E.I. 1988, Cap. I-2.1, is hereby deemed to have been designated as chairperson of the Board under this Act. *2014, c.35, s.19.*

20. Repeal

The *Innovation PEI Act* R.S.P.E.I. 1988, Cap. I-2.1 is repealed. *2014, c.35, s.20.*