

2000 BILL 1

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Fourth Session, 24th Legislature, 49 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# BILL 1

**ALBERTA HERITAGE FOUNDATION  
FOR SCIENCE AND ENGINEERING  
RESEARCH ACT**

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THE PREMIER

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First Reading .....

Second Reading .....

Committee of the Whole .....

Third Reading .....

Royal Assent .....

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*Bill 1*

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2000

## **ALBERTA HERITAGE FOUNDATION FOR SCIENCE AND ENGINEERING RESEARCH ACT**

*(Assented to , 2000)*

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HER MAJESTY, by and with the advice and consent of the  
Legislative Assembly of Alberta, enacts as follows:

- Definitions      **1** In this Act,
- (a) “Endowment Fund” means the Alberta Heritage Science and Engineering Research Endowment Fund;
  - (b) “Foundation” means the Alberta Heritage Foundation for Science and Engineering Research.
- Establishment of Foundation      **2(1)** A corporation called the “Alberta Heritage Foundation for Science and Engineering Research” is established consisting of the following individuals appointed by the Lieutenant Governor in Council as trustees, each for a term of not more than 5 years:
- (a) one member of the board of governors of The University of Alberta;
  - (b) one member of the board of governors of The University of Calgary;
  - (c) one member of the board of governors of The University of Lethbridge;
  - (d) one member of the Council of Board Chairs of the Public Colleges and Technical Institutes of Alberta;
  - (e) one member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta;
  - (f) one registered member of the Alberta Institute of Agrologists;
  - (g) not more than 6 other individuals.
- (2)** The Lieutenant Governor in Council must designate one of the trustees as chair.
- (3)** The trustees of the Foundation must elect one of the trustees as vice-chair.
- (4)** Notwithstanding subsections (1), (2) and (3), on and after April 1, 2005,
- (a) the Foundation consists of the following individuals appointed by the Lieutenant Governor in Council as trustees, each for a term of not more than 5 years:
    - (i) the trustees referred to in subsection (1)(a) to (f);

- (ii) not more than 5 other individuals;
- (iii) one nominee of the trustees appointed under subclauses (i) and (ii),

and

- (b) the trustees of the Foundation must elect a chair and vice-chair from among themselves.

(5) Only persons who are Canadian citizens or who have been lawfully admitted to Canada for permanent residence are eligible to be appointed as trustees of the Foundation.

(6) The Lieutenant Governor in Council may fill a vacancy on the Foundation by appointing an individual to serve for the unexpired term of office of the former trustee, but no vacancy on the Foundation impairs the right of the remaining trustees to act while the vacancy exists.

(7) A trustee of the Foundation is eligible for reappointment for a 2nd term of office, but not for a further term of office until the expiration of 5 years after the trustee's 2nd term has ended.

(8) Notwithstanding subsection (7), a trustee who is appointed to serve for the unexpired term of office of a former trustee is eligible for reappointment for a 2nd and 3rd term of office, but not for a further term of office until the expiration of 5 years after the trustee's 3rd term has ended.

(9) The vice-chair must act as chair of the Foundation when the chair is absent or unable to act or when there is a vacancy in the office of chair.

Objects

**3** The objects of the Foundation are to establish and support a balanced long-term program of science and engineering research based in Alberta directed to the discovery of new knowledge and the application of that knowledge to improve the quality of Alberta's economy, communities and environment and, without limiting the generality of those objects, to

- (a) stimulate research in science and engineering,
- (b) promote effective means of using in Alberta the science and engineering resources available in Alberta,
- (c) support science and engineering research laboratories and related facilities in Alberta,

- (d) promote co-operation in research in science and engineering in order to minimize duplication in, and promote concentration of, effort in that research in Alberta, and
- (e) encourage young Albertans to pursue careers in research in science and engineering.

Foundation not agent of Crown	<b>4</b> The Foundation is not an agent of the Crown in right of Alberta.
Meetings	<p><b>5(1)</b> The Foundation must meet at least once each year.</p> <p><b>(2)</b> A majority of the trustees of the Foundation present in person at a meeting of the Foundation constitutes a quorum.</p> <p><b>(3)</b> If the chair and vice-chair are absent from a meeting of the Foundation, the trustees present must elect one of their number to preside at the meeting.</p> <p><b>(4)</b> A by-law signed by a majority of the trustees of the Foundation is as valid and effective as if passed by a majority of the trustees present at a meeting at which a quorum was present.</p>
Expenses of trustees	<b>6</b> The trustees of the Foundation may be paid remuneration for their services and may be reimbursed for reasonable travelling and living expenses necessarily incurred by them in the performance of their duties under this Act at rates prescribed by the Foundation.
Endowment Fund	<p><b>7(1)</b> A fund called the “Alberta Heritage Science and Engineering Research Endowment Fund” is established.</p> <p><b>(2)</b> On the coming into force of this Act, the Provincial Treasurer must, as soon as it is practicable, transfer \$500 000 000 from the General Revenue Fund to the Endowment Fund.</p> <p><b>(3)</b> If the Legislature appropriates money to be transferred from the General Revenue Fund to the Endowment Fund in addition to the amount referred to in subsection (2), the money must be transferred to the Endowment Fund.</p> <p><b>(4)</b> The Provincial Treasurer must hold and administer the Endowment Fund and has the same powers of investment with respect to the Endowment Fund that the Provincial Treasurer has</p>

with respect to the General Revenue Fund under the *Financial Administration Act*.

(5) The income of the Endowment Fund derived from investments made under subsection (4) accrues to and forms part of the Endowment Fund.

(6) The Provincial Treasurer must, as soon as practicable after the end of each fiscal year of the Crown, prepare a report summarizing the transactions and affairs of the Endowment Fund during the preceding fiscal year and must lay a copy of it before the Legislative Assembly if it is then sitting, and if it is not then sitting, within 15 days after the commencement of the next ensuing sitting.

Payments from Endowment Fund

**8(1)** The Provincial Treasurer must, at the request of the Foundation made on reasonable notice, pay from the Endowment Fund to the Foundation money that, in the opinion of the trustees, is required by the Foundation for the furtherance of its objects.

(2) The Provincial Treasurer shall not pay money out of the Endowment Fund if in the opinion of the trustees of the Foundation, on consultation with the Provincial Treasurer, the payment would impair the real value of the Endowment Fund over the long term.

Payments by Foundation

**9** The expenses incurred by the Foundation and any grant made by it must be paid out of money held by the Foundation.

Foundation as depositor

**10** The Foundation may be designated as a depositor in the Consolidated Cash Investment Trust Fund under the *Financial Administration Act*.

Fiscal year

**11** The fiscal year of the Foundation is April 1 to the following March 31.

Auditor

**12** The Auditor General is the auditor of the Foundation.

Offices of Foundation

**13(1)** The Foundation may by by-law designate the offices of the Foundation, appoint persons to those offices, fix the remuneration to be paid to persons so appointed and delegate to those persons any powers required to manage the business and affairs of the Foundation, except the power to make by-laws.

- (2) Two or more offices of the Foundation may be held by the same person.
- (3) The principal officer, if not a trustee of the Foundation, is entitled to notice of and to be present at meetings of the Foundation and committees of the Foundation.

Executive  
Committee

**14(1)** There is to be an Executive Committee of the Foundation consisting of

- (a) the chair, and
  - (b) 2 other trustees of the Foundation elected annually by the trustees of the Foundation in accordance with the by-laws.
- (2) The Executive Committee may exercise the powers and must perform the duties that the Foundation, by by-law, assigns to it, but the Foundation shall not assign to the Executive Committee the power to make by-laws.
- (3) The Executive Committee must submit to each meeting of the Foundation minutes of any proceedings of the Executive Committee that have taken place subsequent to the last meeting of the Foundation.
- (4) The principal officer of the Foundation, if not a member of the Executive Committee, is entitled to notice of and to be present at meetings of the Executive Committee.

Powers of  
Foundation

**15(1)** In addition to its other powers as a corporation and without limiting the generality of section 16 of the *Interpretation Act*, the Foundation may

- (a) make grants to any person or organization for a purpose consistent with the objects of the Foundation;
- (b) fund in whole or in part research professorships or chairs established for a purpose consistent with the objects of the Foundation at any university, college or technical institute in Alberta;
- (c) publish, produce or distribute books, pamphlets, films or other productions that relate to any matter pertaining to the objects of the Foundation;
- (d) acquire real or personal property;

- (e) hold, manage and dispose of its real and personal property;
  - (f) enter into a contract with any person in relation to any matter pertaining to the objects of the Foundation;
  - (g) enter into any patent agreements, royalty agreements or commercial marketing agreements that are considered by the trustees to be in the best interests of the Foundation;
  - (h) borrow money from any person or enter into overdraft or line of credit arrangements with a bank, treasury branch, credit union, loan corporation or trust corporation for the purpose of meeting its obligations as they come due, and give security for a loan, overdraft or line of credit;
  - (i) draw, make, accept, endorse, execute or issue promissory notes, bills of exchange or other negotiable instruments;
  - (j) solicit and receive donations.
- (2) The Foundation may, as a condition of making a grant,
- (a) require the recipient of the grant to enter into an agreement with respect to any matter relating to the grant, or
  - (b) prescribe conditions to which the grant is subject.

Regulations re reports

- 16** The Lieutenant Governor in Council may make regulations
- (a) respecting the reports that are to be prepared by the Foundation;
  - (b) prescribing additional information to be contained in an annual report under section 21 and a triennial report under section 24.

By-laws

- 17(1)** The Foundation may make by-laws
- (a) respecting the conduct of the business and affairs of the Foundation;
  - (b) respecting the calling of meetings of the Foundation and the conduct of business at those meetings;
  - (c) prescribing the remuneration and expenses payable to trustees of the Foundation;



- (d) designating the offices of the Foundation;
- (e) respecting the appointment, removal, functions, powers, duties, remuneration and fringe benefits of officers and employees of the Foundation;
- (f) delegating to the officers of the Foundation any powers of the Foundation required to manage the business and affairs of the Foundation, except the power to make by-laws;
- (g) respecting the establishment of annual and other budgets of the Foundation and the amendment of those budgets;
- (h) respecting the election of trustees of the Foundation to the Executive Committee;
- (i) respecting the establishment, membership, duties and functions of special, standing and other committees;
- (j) respecting the making of grants by the Foundation for purposes consistent with its objects;
- (k) prescribing the information that is to be included in or is to accompany an application for a grant from the Foundation and the form in which the application is to be made;
- (l) respecting the procedures to be followed for the approval of projects within the research priorities established by the Foundation.

(2) The *Regulations Act* does not apply to a by-law of the Foundation.

Services of experts

**18** The Foundation may engage the services of experts or persons having special technical or other knowledge to advise or to inquire into and report to the Foundation or any committee established by the Foundation on any matter pertaining to the objects of the Foundation.

Science and Engineering Advisory Council and committees

**19(1)** The Foundation must establish a Science and Engineering Advisory Council and may establish any committee that it considers appropriate to act in an advisory, administrative or technical capacity in connection with any matter pertaining to the objects of the Foundation.

(2) The Foundation may, with respect to the Science and Engineering Advisory Council or a committee established under subsection (1),

- (a) appoint or provide for the appointment of its members and prescribe their terms of office;
- (b) designate a chair and other officers of the Council or committee;
- (c) fix the remuneration, if any, payable to its members and provide for the payment of the remuneration and the expenses of the Council or the committee and its members;
- (d) make rules of procedure governing the calling of meetings of the Council or the committee and the conduct of its business and affairs;
- (e) in writing delegate to the Council or the committee any of the powers and duties of the Foundation, except the power to make by-laws.

(3) The Science and Engineering Advisory Council or a committee established under subsection (1) must, in the exercise of a power delegated to it by the Foundation, conform to any directions or restrictions given or imposed by the Foundation with respect to the exercise of the power so delegated.

Membership

**20(1)** The Science and Engineering Advisory Council must consist of not fewer than 11 members appointed by the Foundation who are representative of the national or international science community.

(2) The duties of the Science and Engineering Advisory Council are as follows:

- (a) to review and advise the Foundation on applications for grants;
- (b) to review and advise the Foundation on research projects that may be funded by the Foundation;
- (c) to advise the Foundation on the publication, production and distribution of books, pamphlets, films or other productions by the Foundation;
- (d) to review and advise the Foundation on the funding of research professorships or chairs at universities, colleges and technical institutes in Alberta.

- (3) The Science and Engineering Advisory Council may appoint subcommittees of one or more members of the Council.
- (4) The Science and Engineering Advisory Council may in writing delegate any of the powers or duties conferred or imposed on it by or under this Act to a subcommittee appointed under subsection (3).
- (5) The Science and Engineering Advisory Council may establish one or more review panels to advise the Council with respect to the funding of research projects by the Foundation, and a review panel so established may consist of members of the Council or other individuals or both.

Annual report **21** The Foundation must, as soon as practicable after the end of each fiscal year, prepare a report summarizing its transactions and affairs during the preceding fiscal year and containing an audited financial statement and any additional information prescribed by regulation.

Tabling of annual report **22** The Foundation must, as soon as an annual report is prepared under section 21, forward it to the member of the Executive Council determined under section 16 of the *Government Organization Act* as the Minister responsible for this Act, and that member of the Executive Council must lay a copy of it before the Legislative Assembly if it is then sitting, and if it is not then sitting, within 15 days after the commencement of the next ensuing sitting.

International Board of Review **23(1)** Within 3 months of the receipt of a written request by the Foundation made not later than October 1, 2004, the Science and Engineering Advisory Council must forward to the Foundation the number of nominations of persons for membership in an International Board of Review specified in the Foundation's request.

(2) The Foundation must, within 3 months of receiving the nominations of the Science and Engineering Advisory Council under subsection (1), appoint an International Board of Review of not fewer than 6 members from among those persons nominated, each for a term not exceeding 6 years.

(3) Subsequent members of the International Board of Review must be nominated by the Science and Engineering Advisory Council and appointed by the Foundation in the same manner as the initial appointments made under subsections (1) and (2).

(4) The members of the International Board of Review appointed under subsections (2) and (3) must review the operation of the Foundation at intervals of 6 years starting from April 1, 2000 and must report and make recommendations to the Foundation on the Foundation's operations.

(5) Notwithstanding subsections (2) and (3), the appointments of the members of the International Board of Review lapse on the passing of a resolution of the Foundation, made after the receipt by the Foundation of a report and recommendations of the International Board of Review under subsection (4), discharging the members from further duties.

Triennial  
report of  
Foundation

**24(1)** As soon as practicable after the end of each 3-year period starting from April 1, 2000, the Foundation must prepare a report for that 3-year period containing

- (a) a comprehensive statement of the activities of the Foundation in terms of its objects,
- (b) a summary of the financial statements for each year in the 3-year period,
- (c) a report of projects undertaken and the grants approved for those projects, and
- (d) a summary of all projects approved and the funds expended on those projects.

(2) The report for the 2nd 3-year period after April 1, 2000 and each subsequent 2nd report must include the report to the Foundation from the International Board of Review prepared under section 23 for the immediately preceding 6-year period.

(3) The Foundation must, as soon as a triennial report is prepared under subsection (1), forward it to the member of the Executive Council determined under section 16 of the *Government Organization Act* as the Minister responsible for this Act, and that member of the Executive Council must forthwith furnish copies of it to all members of the Legislative Assembly and to the Clerk of the Legislative Assembly and on so doing must make the report public.

**Consequential Amendments  
and Coming into Force**

Amends RSA  
1980 cF-9

**25 The *Financial Administration Act* is amended**

**(a) in section 2(5) by adding the following after clause (e.1):**

(e.2) the Alberta Heritage Foundation for Science and Engineering Research;

**(b) in section 50(3) by adding the following after clause (c):**

(c.1) the Alberta Heritage Science and Engineering Research Endowment Fund;

## Explanatory Notes

(section 25) Amends chapter F-9 of the Revised Statutes of Alberta 1980. Sections 2(5) and 50(3) presently read:

*2(5) This Act, except this section and sections 1, 5, 6, 7, 17(3), 77(2), 80.1 and 81, does not apply to the following:*

- (a) the board of a university under the Universities Act,*
- (a.1) the interim governing body of a university under the Universities Act,*
- (b) the board of a public college under the Colleges Act,*
- (b.1) the interim governing authority of a public college under the Colleges Act,*
- (c) repealed 1994 c35 s16,*
- (c.1) the board of a technical institute under the Technical Institutes Act,*
- (c.2) the interim governing authority of a technical institute under the Technical Institutes Act,*
- (d) the Alberta Heritage Foundation for Medical Research,*
- (d.1) a provincial health board under the Regional Health Authorities Act,*
- (e) repealed 1994 cR-9.07 s25(13),*
- (e.1) a mental health hospital board under the Mental Health Act,*
- (f) the Alberta Cancer Board, or*
- (g) repealed 1994 cR-9.07 s25(13),*
- (h) a corporation that is a subsidiary of a corporation referred to in clauses (a) to (f) or that is controlled by a corporation referred to in clauses (a) to (f) directly or indirectly through one or more intermediary corporations.*

*50(3) This section applies with respect to the following:*

- (a) the General Revenue Fund;*
- (b) the Alberta Heritage Scholarship Fund;*

Amends RSA  
1980 cP-33

**26** The *Public Service Employee Relations Act* is amended in the Schedule in section 1 by adding the following after clause (l):

(l.1) the Alberta Heritage Foundation for Science and Engineering Research;

Coming into  
force

**27** This Act comes into force on April 1, 2000.

## Explanatory Notes

- (c) *the Alberta Heritage Foundation for Medical Research Endowment Fund;*
- (d) *any other fund approved for the purposes of this section by the Lieutenant Governor in Council.*

(section 26) Amends chapter P-33 of the Revised Statutes of Alberta 1980. The Schedule presently reads:

### SCHEDULE

*1 All the following employers and all of the persons employed by them:*

- (a) *The Alberta Government Telephones Commission;*
- (e) *The Board of the Northland School Division No. 61;*
- (f) *every board of administrators of a new town formed under the New Towns Act;*
- (f.1) *the Special Areas Board;*
- (h) *Irrigation Land Manager;*
- (i) *every board of trustees of a drainage district formed or continued under the Drainage Districts Act;*
- (j) *every housing authority incorporated under section 42 of the Alberta Mortgage and Housing Corporation Act or management body within the meaning of the Alberta Housing Act;*
- (k) *the Glenbow-Alberta Institute;*
- (l) *the Alberta Heritage Foundation for Medical Research;*
- (m) *the Alberta Special Waste Management Corporation;*
- (n) *the board of management of a hospital established or continued by or under the Provincial General Hospitals Act;*
- (o) *the Alberta Cancer Board under the Cancer Programs Act;*
- (p) *the University Hospitals Board under the University of Alberta Hospitals Act.*