1981

c 34 IDEA Corporation Act, 1981

Ontario
CHAPTER 34

An Act to establish
a Corporation to Promote Innovation
Development for Employment Advancement

Assented to October 30th, 1981

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

INTERPRETATION

1. In this Act,

(a) “Board” means the Board of Directors of the Corporation;

(b) “Corporation” means the IDEA Corporation;

(c) “equity share” means any share of any class of shares of a corporation carrying voting rights under all circumstances;

(d) “industrial property” means all patents of invention, copyrights, industrial designs, and any other intellectual or industrial property rights in every country where the same exist from time to time, all applications therefor arising from or acquired in connection therewith and all right to make such applications;

(e) “Minister” means the Treasurer of Ontario and Minister of Economics or such other member of the Executive Council to whom the administration of this Act is assigned by the Lieutenant Governor in Council.

2. Except as herein otherwise provided, the Corporations Act does not apply to the Corporation.

INCORPORATION

3. There is hereby established a corporation without share capital under the name of “IDEA Corporation” to promote innovation development for employment advancement.
4.—(1) There shall be a Board of Directors of the Corporation consisting of not fewer than five and not more than fifteen members who shall be appointed by the Lieutenant Governor in Council to hold office for a term not exceeding three years.

(2) Directors of the Corporation shall be selected from among representatives of industry, labour, universities and government.

(3) The Lieutenant Governor in Council shall designate one of the directors as chairman of the Board and another of the directors as president and chief executive officer of the Corporation.

(4) Each of the directors is eligible for reappointment upon the expiration of his term of office.

(5) The Corporation may pay those of its directors who are not officers in the public service of Ontario such remuneration and expenses as may from time to time be fixed by the Lieutenant Governor in Council and such remuneration and expenses shall be part of the administration expense of the Corporation.

(6) Notwithstanding anything in the Legislative Assembly Act, a member of the Assembly who is appointed a member of the Board is not thereby rendered ineligible as a member of the Assembly or disqualified from sitting or voting in the Assembly.

5.—(1) The chairman shall preside at all meetings of the Board and, in his absence, one of the directors present thereat who is chosen so to act by the directors present shall preside and has and may exercise the powers of the chairman.

(2) A majority of the directors constitutes a quorum for the transaction of business at meetings of the Board.

(3) The Board may make by-laws regulating its proceedings and generally for the conduct and management of the affairs of the Corporation.

6.—(1) The Board shall elect from amongst their number an executive committee consisting of not fewer than three directors, one of whom shall be the chairman of the Board, and may dele-
gate to the executive committee any powers of the Board subject to any restrictions which may be imposed by the Board.

(2) A majority of the number of members of the executive committee, or such greater number as the Board by by-law pre-

Quorum

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Quorum

scribes, constitutes a quorum.

7. Any by-law or resolution consented to by the signatures of all of the directors is as valid and effective as if it had been passed at a meeting of the Board held for that purpose.

8. The Board shall manage or supervise the management of the affairs of the Corporation, but in accordance with the policy of the Government of Ontario relating to technology, research and development and innovation, the Board shall comply with any directions from time to time given to it in writing by the Lieutenant Governor in Council or the Minister with respect to the accomplishment of any of its objects or the exercise of any of its powers.

9. Every director and each officer or employee of the Cor-

Indemnification of directors

poration and his heirs, executors and administrators shall be indemified and saved harmless by the Corporation from and against all costs, charges and expenses that he sustains or incurs in or about any action, suit or proceeding that is brought, com-

Indemnification of directors

menced or prosecuted against him for or in respect of any act, deed, matter or other thing, made, done, or permitted by him in or about the execution of the duties of his office or employment and any payments made by the Corporation with respect to such costs, charges and expenses shall be part of the administration expense of the Corporation.

OBJECTS AND POWERS OF THE CORPORATION

10.—(1) The objects of the Corporation are to,

Objects

(a) promote the process of technological innovation in Ontario, both on a province-wide and a regional basis;

(b) bring together the research capacities of the public sec-

tor with the commercial and industrial sector;

(c) enhance the growth and employment prospects of the Ontario economy, both on a province-wide and a reg-

ional basis.

(2) The Corporation, for the objects set out in subsection (1), possesses power to,

Powers

(a) encourage and promote programs of research, design, development and demonstration of all types of tech-
nology applicable to industry and commerce and of economic benefit to Ontario;

(b) promote and develop co-operation in research and its application among corporations, governments, universities, research centres and individuals;

(c) acquire, develop and deal in industrial property, licences, inventions and processes and the royalties and benefits flowing therefrom;

(d) promote and improve the capacity of universities to respond to the skill requirements of high technology industries;

(e) provide advice to the Minister on issues related to the enhancement of technological innovation in Ontario; and

(f) do anything that, in the opinion of the Board, can be done advantageously by the Corporation in connection with or ancillary to the carrying out of the objects of the Corporation set out in clauses (a) to (e).

(3) Notwithstanding anything contained in subsection (1) or (2), the Corporation shall not directly or actively engage in programs of research and development itself but shall commission all such programs through the facilities of industry, universities or other government agencies.

(4) In carrying out the objects of the Corporation under subsection (1), the Corporation may provide financial assistance by way of grant, loan, guarantee or purchase of equity shares or other securities.

(5) The Lieutenant Governor in Council may, by regulation, require the approval by the Lieutenant Governor in Council to the exercise of all or any of the powers of the Corporation conferred under subsection (4).

(6) Every guarantee executed under the seal of the Corporation and signed by the Treasurer of Ontario and given or purporting to be given under the authority of this section is binding upon the Province of Ontario.

11.—(1) In exchange for participating in the funding of any research and development, the Corporation may require the recipient to provide for and to issue equity shares to the Corporation and the Corporation may acquire, hold and otherwise deal in such shares.
(2) The Corporation may, as a condition of providing any funding,

(a) require repayment of the whole or any part of a grant where the grant is used to acquire property and the property is disposed of, lost, damaged or destroyed, or ceases to be used by the recipient for purposes of research and development in Canada within a prescribed period; or

(b) enter into an agreement with the recipient to provide for participation by the Corporation in the ownership, licensing, royalties or use of any industrial property flowing from research and development by the recipient.

(3) Any net income of the Corporation may be paid into the Consolidated Revenue Fund at such time and in such manner as the Lieutenant Governor in Council may direct.

12. The Corporation possesses as incidental and ancillary to its objects those powers contained in subsection 23 (1) of the Corporations Act, except clauses (b), (j), (k), (l), (q), (r) and (t) of that subsection.

13.—(1) In exercising its powers under this Act, the Corporation shall, where appropriate, make use of the services and facilities of any ministry, board, commission or agency of the Government of Ontario.

(2) The Corporation may engage persons under contract or otherwise or obtain the appointment under the Public Service Act of such persons as are considered necessary from time to time for the proper conduct of the affairs of the Corporation.

14. The Corporation shall have a seal which shall be adopted by resolution or by-law of the Board.

15. The fiscal year of the Corporation commences on the 1st day of April in each year and ends on the 31st day of March in the following year.

ANNUAL REPORT AND AUDIT

16.—(1) The Corporation shall, after the close of each fiscal year, deliver to the Minister an annual report upon the affairs of the Corporation signed by the chairman and one other director of
the Board, and the Minister shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

(2) In addition to making an annual report under subsection (1), the Corporation shall make to the Minister such other report on its affairs as the Minister from time to time may require.

(3) At least in every third annual report made under subsection (1), the Corporation shall report to the Minister on whether or not the mandate of the Corporation has been completed and whether or not the Corporation should continue in existence.

(4) Where the Corporation reports under subsection (3) that its mandate has been completed, the Corporation shall recommend the most expeditious means by which the business and affairs of the Corporation may be terminated.

17. The accounts and financial transactions of the Corporation shall be audited annually by the Provincial Auditor, and reports of the audit shall be made to the Corporation and to the Minister.

18. The Corporation is a Crown agency within the meaning of the Crown Agency Act.

19. The Lieutenant Governor in Council may make regulations,

(a) providing for the termination of the affairs of the Corporation and the transfer of all assets, rights, obligations and liabilities of the Corporation to Her Majesty the Queen in right of the Province of Ontario;

(b) for the purposes of subsection 10 (5), requiring the approval of the Lieutenant Governor in Council to the exercise of any or all of the powers of the Corporation.

20. This Act comes into force on the day it receives Royal Assent.

21. The short title of this Act is the IDEA Corporation Act, 1981.