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Bill 155

An Act to amend the Agricultural Research Institute of Ontario Act

The Hon. L. Thompson

Minister of Agriculture, Food and Rural Affairs

Government Bill

1st Reading November 27, 2023

2nd Reading

3rd Reading

Royal Assent





EXPLANATORY NOTE

The Bill amends the Agricultural Research Institute of Ontario Act with respect to various matters including the following:

- 1. The title of the Act is changed to the *Agricultural Research and Innovation Ontario Act* and the Corporation is renamed as Agricultural Research and Innovation Ontario.
- 2. New subsection 2 (1.2) provides that the Corporation is an agent of the Crown. Other corporate matters, including the objects of the Corporation, are provided for in sections 2 to 3.
- 3. The powers of the Corporation are set out in new sections 3.1 and 3.2 and new sections 3.3 to 3.7 set out financial matters with respect to the Corporation.
- 4. Section 9 is amended to provide for the appointment of a Managing Director and the duties of the Managing Director.
- 5. New sections 13.1 to 13.3 provide for various matters respecting Crown liability and liability of the Corporation.
- 6. Authority for the Minister to make regulations is provided for in new section 15.

Bill 155 2023

An Act to amend the Agricultural Research Institute of Ontario Act

Preamble

The Agricultural Research Institute of Ontario has played a valuable role in furthering the agricultural industry in Ontario. The Government of Ontario believes that the amendments in this Act, including the renaming of the Agricultural Research Institute of Ontario as Agricultural Research and Innovation Ontario, will further Ontario's commitment to excellence in agriculture, food processing and the development of agricultural and food technology.

In particular, the amendments will facilitate the pursuit and commercialization of high-impact research and innovation, the management of properties for agriculture and food research, the cultivation of strategic relationships and the support of the growth of the agriculture and food sectors. Emerging crop and livestock sectors and new technologies stand to benefit from such areas of research.

Therefore, His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1 The title of the Agricultural Research Institute of Ontario Act is repealed and the following substituted:

Agricultural Research And Innovation Ontario Act

2 (1) The Act is amended by adding the following heading immediately before section 1:

INTERPRETATION

- (2) The definition of "Director of Research" in section 1 of the Act is repealed.
- (3) Section 1 of the Act is amended by adding the following definitions:

"board of directors" means the board of directors of the Corporation; ("conseil d'administration")

"Corporation" means Agricultural Research and Innovation Ontario continued under section 2; ("société")

"innovation" means new and emerging research, technology and processes or other products or services; ("innovation")

"knowledge translation and transfer" means transformation of knowledge into use through synthesis, exchange, dissemination, dialogue, collaboration and brokering among researchers and research users; ("application et transfert des connaissances")

"Managing Director" means the administrator of the Corporation appointed under section 9; ("directeur général")

(4) The definition of "research" in section 1 of the Act is repealed and the following substituted:

"research" means a systematic investigation designed to develop or establish principles, facts or generalizable knowledge, or any combination of them, and includes the development, testing and evaluation of research; ("recherche")

- (5) The definition of "Research Institute" in section 1 of the Act is repealed.
- 3 (1) The Act is amended by adding the following heading immediately before section 2:

CORPORATE MATTERS

(2) Subsections 2 (1) and (1.1) of the Act are repealed and the following substituted:

Corporation continued

(1) The Agricultural Research Institute of Ontario, a body corporate without share capital responsible to the Minister, is continued under the name Agricultural Research and Innovation Ontario in English and Recherche et innovation agricoles Ontario in French.

Members

(1.1) The Corporation is composed of the members of its board of directors.

Crown agent

(1.2) The Corporation is an agent of the Crown.

Application of certain Acts

(1.3) The *Not-for-Profit Corporations Act*, 2010 and the *Corporations Information Act* do not apply to the Corporation, except as specifically made applicable by this Act or the regulations.

Standard of care, indemnification

- (1.4) Subsection 43 (1) and section 46 of the *Not-for-Profit Corporations Act*, 2010 apply to the Corporation and its directors and officers.
- (3) Subsection 2 (2) of the Act is repealed and the following substituted:

Composition

- (2) The board of directors shall be composed of at least seven and no more than 15 members appointed by the Minister.
- (4) Subsections 2 (3) to (6) of the Act are amended by striking out "Research Institute" wherever it appears and substituting in each case "Corporation".
- (5) Subsection 2 (7) of the Act is repealed and the following substituted:

Acting chair

- (7) If the chair is absent or unable to act or if the office of chair is vacant, the vice chair shall act as chair.
- (6) Subsection 2 (8) of the Act is amended by striking out "Research Institute" and substituting "Corporation".
- 4 The Act is amended by adding the following sections:

By-laws

2.1 (1) Subject to the approval of the Minister, the board of directors may make by-laws governing the management of the Corporation's affairs.

Committees

(2) The board of directors may, by by-law, establish committees of the board.

Same

(3) A by-law establishing a committee shall provide for the committee's composition, functions and operation, and may provide that persons who are not members of the board of directors may serve on the committee.

Delegation

(4) The Corporation may delegate duties to a committee that is composed entirely of members of the board of directors.

Financial by-laws

2.2 (1) A by-law of the Corporation with respect to borrowing, temporary investing or managing financial risks does not take effect until it is approved in writing by the Minister and the Minister of Finance.

Co-ordination of financing activities

(2) All borrowing, temporary investment of funds and financial risk management activities of the Corporation shall be coordinated and arranged by the Ontario Financing Authority, unless the Minister of Finance, in writing, approves otherwise.

By-laws re borrowing, contents

- (3) A by-law with respect to borrowing by the Corporation shall not be approved unless the by-law includes the following information:
 - 1. The maximum principal amount of borrowing that may be outstanding at any time under the authority of the by-law.
 - 2. The period, not to exceed five years, during which the Corporation may borrow under the authority of the by-law.
 - 3. The date after which no debts are permitted to remain unpaid under the authority of the by-law.
 - 4. Such other terms and conditions as the Minister of Finance may specify.

5 Section 3 of the Act is repealed and the following substituted:

Objects

- 3 The Corporation's objects are,
 - (a) to provide advice to the Minister on research and innovation with respect to agriculture and food, including on matters such as equipment and technology, veterinary medicine and the needs of rural communities as those matters relate to agriculture and food;

- (b) to establish programs for research and innovation with respect to agriculture and food, including with respect to matters such as equipment and technology, veterinary medicine and the needs of rural communities as those matters relate to agriculture and food, and to encourage and facilitate such programs;
- (c) to consult with academic and research experts, producers, processors, industry and other organizations in the agricultural and food sectors to determine emerging research needs and to promote and co-ordinate research;
- (d) to establish and strengthen relationships that enhance research and innovation with respect to agriculture and food, including with respect to enhancing research and innovation with respect to matters such as equipment and technology, veterinary medicine and the needs of rural communities as those matters relate to agriculture and food;
- (e) to stimulate interest in research as a means of increasing innovation and commercialization with respect to agriculture and food, including with respect to matters such as equipment and technology, veterinary medicine and the needs of rural communities as those matters relate to agriculture and food; and
- (f) to encourage and facilitate knowledge translation and transfer with respect to agriculture and food, including with respect to matters such as equipment and technology, veterinary medicine and the needs of rural communities as those matters relate to agriculture and food.

6 The Act is amended by adding the following sections:

POWERS

Powers

3.1 (1) The Corporation has the capacity, rights, powers and privileges of a natural person for carrying out its objects, except as limited by this Act and the regulations.

Same, property

(2) Without limiting the generality of subsection (1), and despite section 11 of the *Ministry of Infrastructure Act*, 2011, the Corporation has the power to acquire, own, control, maintain, dispose of or otherwise deal with property in accordance with this Act.

Limits

Subsidiaries

3.2 (1) The Corporation shall not create or acquire a subsidiary.

Approval of Managing Director

(2) The Corporation shall not borrow, lend or invest money without the approval of the Managing Director.

Powers re borrowing

(3) The Corporation shall not borrow or manage financial risks unless a by-law described in section 2.2 authorizes the activity.

Temporary investments

- (4) The Corporation may temporarily invest money not immediately required to carry out its objects, but only if a by-law described in section 2.2 authorizes the investments, which shall be selected from,
 - (a) securities issued or guaranteed as to principal and interest by Ontario, Canada or another province or territory of Canada;
 - (b) guaranteed investment certificates of a trust corporation that is registered under the Loan and Trust Corporations Act;
 - (c) deposit receipts, term deposits, deposit notes, certificates of deposit or investment, banker's acceptances or other similar instruments issued, guaranteed or endorsed by a bank listed in Schedule I or II to the *Bank Act* (Canada); or
 - (d) guaranteed investment certificates, deposit receipts, term deposits, deposit notes, certificates of deposit or investment or other similar instruments that are issued, guaranteed or endorsed by a credit union within the meaning of the *Credit Unions and Caisses Populaires Act*, 2020.

FINANCIAL MATTERS

Fiscal year

3.3 The Corporation's fiscal year begins on April 1 in each year and ends on March 31 in the following year.

Authority re income

3.4 Despite Part I of the *Financial Administration Act*, the revenues and assets of the Corporation do not form part of the Consolidated Revenue Fund and shall be applied to carrying out the Corporation's objects.

Expenditures, liabilities

3.5 Except with the approval of the Managing Director, the Corporation shall not incur any liability or make any expenditure that is not provided for in the Corporation's budget.

Comptroller

3.6 (1) The Public Service Commission shall appoint a public servant employed under Part III of the *Public Service of Ontario Act, 2006* as Comptroller who shall be responsible to the Corporation through the Managing Director.

Duties of Comptroller

- (2) The Comptroller shall,
 - (a) supervise the Corporation's business affairs;
 - (b) prepare the Corporation's budget for the Managing Director's approval;
 - (c) prepare such financial reports and statistical surveys as may be required by the Managing Director; and
 - (d) perform such other duties and functions as may be assigned from time to time by the Managing Director.

Budget

- 3.7 The Managing Director shall submit the Corporation's budget for the next fiscal year to the Minister.
- 7 (1) Subsection 4 (1) of the Act is amended by striking out "the Research Institute, subject to any trust affecting the same" at the end and substituting "the Corporation and under its control".
- (2) Subsection 4 (2) of the Act is amended by striking out "The Research Institute" at the beginning and substituting "The Corporation".
- (3) Subsection 4 (3) of the Act is amended by striking out the portion before clause (a) and substituting the following: Powers with respect to property
- (3) With the Managing Director's approval, the Corporation may,

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- (4) Subsection 4 (3) of the Act is amended by adding the following clause:
- (a.1) enter into agreements, covenants and easements with owners of real property or owners of interests in real property, or assign such agreements, covenants and easements, for the conservation, protection or preservation of agricultural lands; and
- (5) The English version of clause 4 (3) (b) of the Act is amended by striking out "may".
- (6) Subsection 4 (4) of the Act is repealed and the following substituted:

Direction

- (4) If the Managing Director directs it to do so, the Corporation shall take one or more actions mentioned in subsection (3).
- (7) Subsection 4 (5) of the Act is repealed and the following substituted:

Approvals, directions

- (5) An approval under subsection (3) and a direction under subsection (4) must be given in writing.
- (8) Subsection 4 (6) of the Act is repealed.
- $8\,(1)$ Subsection 4.1 (1) of the Act is amended by striking out "by the Research Institute under subclause 3 (f) (i)" and substituting "by the Corporation under clause 4 (3) (a.1)".
- (2) Subsection 4.1 (2) of the Act is amended by striking out "the Research Institute" and substituting "the Corporation".
- (3) Subsection 4.1 (3) of the Act is amended by striking out "the Research Institute" and substituting "the Corporation" and by striking out "the Director of Research" and substituting "the Managing Director".
- (4) Subsection 4.1 (4) of the Act is amended by striking out "the Research Institute" and substituting "the Corporation".
- (5) Subsection 4.1 (5) of the Act is amended by striking out "the Research Institute" and substituting "the Corporation" and by striking out "the Director of Research or the Research Institute's assignee" and substituting "the Managing Director's or the Corporation's assignee".
- 9 Section 5 of the Act is repealed.
- 10 Section 6 of the Act is repealed and the following substituted:

ADMINISTRATIVE MATTERS

Audits

6 (1) The Managing Director shall appoint one or more licensed public accountants to audit the Corporation's accounts and financial transactions annually.

Auditor General

(2) The Auditor General may also audit the Corporation's accounts and financial transactions for any fiscal year.

Minister-appointed auditor

- (3) The Minister may at any time appoint a licensed public accountant, other than the person appointed under subsection (1), to audit the Corporation's accounts and financial transactions for any period of time specified by the Minister.
- 11 Section 7 of the Act is amended by striking out "The Research Institute" wherever it appears and substituting in each case "The Corporation".
- 12 Section 7.1 of the Act is amended by striking out "the Research Institute's" and substituting "the Corporation's".
- 13 Section 8 of the Act is repealed and the following substituted:

Information to Minister

8 (1) The Corporation shall provide the Minister with such information as the Minister may require from time to time, in the time and manner the Minister specifies, respecting the Corporation's financial affairs and on matters such as agriculture, food, research, innovation, knowledge translation and transfer and the commercialization of research.

Same

(2) The Managing Director shall provide the Minister with such information as the Minister may require from time to time, in the time and manner the Minister specifies, on matters such as agriculture, food, research, innovation, knowledge translation and transfer and the commercialization of research.

14 (1) Subsection 9 (1) of the Act is repealed and the following substituted:

Managing Director

- (1) The Public Service Commission shall appoint a public servant employed under Part III of the *Public Service of Ontario Act*, 2006 as Managing Director to be the administrator of the Corporation's business and affairs.
- (2) Subsection 9 (2) of the Act is amended by striking out "Director of Research" in the portion before clause (a) and substituting "Managing Director".
- (3) Clauses 9 (2) (a) and (b) of the Act are repealed and the following substituted:
 - (a) to co-ordinate the Corporation's research programs with programs in comparable areas of research by other institutions and organizations;
 - (b) to select, develop and maintain research programs with respect to agriculture and food, including on matters such as equipment and technology, veterinary medicine and the needs of rural communities as those matters relate to agriculture and food:
- (4) Clauses 9 (2) (e) and (f) of the Act are repealed and the following substituted:
 - (e) to establish the Corporation's operating budget for research programs;
 - (f) to encourage, enable and facilitate knowledge translation and transfer of research and innovation in connection with the duties described in clauses (a) to (e);
- (f.1) to inform the Minister about the impact of the research programs the Corporation funds, including on the impact of knowledge translation and transfer in respect of those research programs; and
- (5) Subsection 9 (3) of the Act is amended by striking out "the Director of Research may require the Research Institute" in the portion before clause (a) and substituting "the Managing Director may require the Corporation".
- (6) Subsection 9 (4) of the Act is amended by striking out "The Director of Research" at the beginning and substituting "The Managing Director".
- (7) Subsections 9 (6) and (7) of the Act are repealed.
- 15 The Act is amended by adding the following section:

Annual business plan

9.1 (1) The Managing Director shall prepare an annual business plan for the Corporation, provide it to the Minister and make it available to the public.

Same

(2) The Corporation shall include key performance measures in the business plan as well as such additional content as the Minister may require.

16 Section 10 of the Act is repealed and the following substituted:

Supervision over programs

10 The Managing Director shall supervise every program funded by the Corporation.

17 Sections 11 and 12 of the Act are repealed.

18 Section 13 of the Act is repealed and the following substituted:

Intellectual property

13 Subject to the approval of the Managing Director and subject to any applicable laws or government directives, the Corporation may enter into agreements respecting, and may use, arrange for the use of, apply for, purchase or otherwise acquire, dispose of, assign, grant or possess, intellectual property.

19 The Act is amended by adding the following sections:

Crown liability

13.1 (1) No cause of action arises against any current or former member of the Executive Council or employee or agent of the Crown for any act done in good faith in the exercise or performance, or intended exercise or performance, of the person's powers, duties or functions under this Act or for any alleged neglect, default or other omission in the exercise or performance in good faith of those powers, duties or functions.

Crown remains vicariously liable

(2) Despite subsection 8 (3) of the *Crown Liability and Proceedings Act, 2019*, subsection (1) of this section does not relieve the Crown of liability to which it would otherwise be subject as a result of the acts or omissions of a person specified in subsection (1).

No liability for acts or omissions of others

(3) No cause of action arises against the Crown or any person specified in subsection (1) for an act or omission of a person other than the Crown or a person specified in that subsection, if the act or omission is related, directly or indirectly, to the exercise or performance, or intended exercise or performance, of a power, duty or function under this Act.

Employment, etc. with Corporation

(4) If a person who is an employee of the Crown is appointed as Comptroller or Managing Director or is employed in or assigned to or otherwise performs duties directly for the Corporation, the person is deemed to be an employee of the Corporation and not an employee of the Crown specified in subsection (1) in relation to the person's acts or omissions arising from the employment, assignment or performance for the purposes of this section and sections 13.2 and 13.3 as well as any claim for vicarious liability.

Proceedings by Crown not prevented

(5) This section does not apply with respect to proceedings brought by the Crown.

Liability of Corporation

No personal liability

13.2 (1) No cause of action arises against any current or former Comptroller, Managing Director, member of the board of directors of the Corporation, member of a committee of the board or officer or employee of the Corporation for any act done in good faith in the exercise or performance, or intended exercise or performance, of the person's powers, duties or functions under this Act or for any alleged neglect, default or other omission in the exercise or performance in good faith of those powers, duties or functions.

Corporation vicariously liable

(2) Subsection (1) does not relieve the Corporation of liability to which it would otherwise be subject as a result of the acts or omissions of a person specified in subsection (1).

Proceedings by Crown not prevented

(3) This section does not apply with respect to proceedings brought by the Crown.

Proceedings barred

- **13.3** (1) No proceeding shall be commenced,
 - (a) against any person specified in subsection 13.1 (1) in respect of a matter referred to in that subsection;

- (b) against the Crown or any person specified in subsection 13.1 (1) in respect of a matter referred to in subsection 13.1 (3); or
- (c) against any person specified in subsection 13.2 (1) in respect of a matter referred to in that subsection.

Same

(2) Subsection (1) does not apply with respect to an application for judicial review but does apply with respect to any other court, administrative or arbitral proceeding claiming any remedy or relief, including specific performance, an injunction, declaratory relief, a remedy in contract, restitution, unjust enrichment or tort, a remedy for breach of trust or fiduciary obligation or any equitable remedy, enforcement of a judgment, order or award made outside Ontario or any form of compensation or damages including loss of revenue or profit.

Proceedings by Crown not prevented

(3) This section does not apply with respect to proceedings brought by the Crown.

20 The Act is amended by adding the following section:

Regulations

- 15 The Minister may make regulations,
 - (a) making any provision of the *Not-for-Profit Corporations Act*, 2010 or the *Corporations Information Act* applicable to the Corporation, with such modifications as the Minister considers necessary or advisable;
 - (b) prescribing limitations on the Corporation's powers;
 - (c) authorizing the Corporation to establish and impose fees and to implement other mechanisms to generate revenue for the purposes of the Corporations objects,
 - (i) for doing anything the Corporation is required or permitted to do under this Act, subject to any limitations and restrictions set out in the regulation, or
 - (ii) for any purpose that is consistent with the Corporation's objects.

CONSEQUENTIAL AMENDMENTS

Conveyancing and Law of Property Act

21 Clause 61 (4) (a) of the Conveyancing and Law of Property Act is amended by striking out "Agricultural Research Institute of Ontario Act" at the end and substituting "Agricultural Research and Innovation Ontario Act".

Land Titles Act

22 Subsection 119 (11) of the Land Titles Act is amended by striking out "Agricultural Research Institute of Ontario Act" in the portion before paragraph 1 and substituting "Agricultural Research and Innovation Ontario Act".

Commencement

23 This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

24 The short title of this Act is the Agricultural Research Institute of Ontario Amendment Act, 2023.