

chapter G-1.02

ACT RESPECTING THE GOVERNANCE OF STATE-OWNED ENTERPRISES**TABLE OF CONTENTS**

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SCHEDULE I
REPEAL SCHEDULE

GOVERNANCE OF STATE-OWNED ENTERPRISES

CHAPTER I**PURPOSE AND SCOPE**

1. The purpose of this Act is to establish corporate governance principles so as to strengthen the stewardship of state-owned enterprises with a view to enhancing the effectiveness, transparency and accountability of the officers and bodies that make up their management.

2006, c. 59, s. 1.

2. This Act applies to the enterprises and agencies listed in Schedule I, subject to the provisions set out in their constituting Acts.

2006, c. 59, s. 2; 2007, c. 21, s. 34.

3. In this Act,

“enterprise” means an enterprise or other agency listed in Schedule I to this Act;

“Minister” means the minister responsible for the administration of the Act constituting an enterprise referred to in section 2;

“officer” of an enterprise referred to in section 2 means the president and chief executive officer, who is the most senior officer of the enterprise, or any person with management responsibilities who reports directly to the president and chief executive officer;

“wholly-owned subsidiary” means a legal person all of whose voting shares are held directly or indirectly by an enterprise.

2006, c. 59, s. 3; 2007, c. 21, s. 35.

CHAPTER II**BOARD OF DIRECTORS****DIVISION I****RULES RELATING TO MEMBERS OF THE BOARD OF DIRECTORS**

4. At least two thirds of the members of the board of directors, including the chair, must qualify as independent directors in the opinion of the Government.

Board members qualify as independent directors if they have no direct or indirect relationships or interests, for example of a financial, commercial, professional or philanthropic nature, which are likely to interfere with the quality of their decisions as regards the interests of the enterprise.

A board member

(1) who is in the employ of the enterprise or one of its wholly-owned subsidiaries or has been in such employ in the three years preceding appointment to office,

(2) who is in the employ of the Government or a government agency within the meaning of section 4 of the Auditor General Act (chapter V-5.01), or

(3) whose immediate family member is a senior officer of the enterprise or one of its subsidiaries

is deemed not to be an independent director.

2006, c. 59, s. 4; 2013, c. 16, s. 107.

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5. The Government may adopt a policy concerning situations it intends to examine to determine if a board member qualifies as an independent director. The Government may specify the meaning it intends to assign to the expression “immediate family member”.

2006, c. 59, s. 5.

6. For a board member having the status of independent director, the sole fact of being in a limited and specific conflict of interest situation does not disqualify the board member as an independent director.

2006, c. 59, s. 6.

7. A board member appointed as an independent director must disclose in writing to the board and to the Minister any situation likely to affect the member’s status.

2006, c. 59, s. 7.

8. No act or document of an enterprise or decision of the board of directors of an enterprise is invalid because less than two thirds of the board members are independent directors.

2006, c. 59, s. 8.

9. A board member who exercises functions on a full-time basis within an enterprise may not have a direct or indirect interest in a body, enterprise or association that places the board member’s personal interests in conflict with the enterprise’s interests. If such an interest devolves to the board member, including by succession or gift, it must be renounced or disposed of with dispatch.

Any other board member who has a direct or indirect interest in a body, enterprise or association that places the board member’s personal interests in conflict with the enterprise’s interests must disclose it in writing to the chair of the board and abstain from participating in any discussion or decision involving that body, enterprise or association. The board member must also withdraw from a meeting for the duration of the discussion or vote on such a matter.

This section does not prevent a board member from expressing an opinion on general measures relating to conditions of employment within the enterprise which would also apply to the board member.

2006, c. 59, s. 9.

10. If a board member is sued by a third party for an act done in the exercise of the functions of office, the enterprise assumes the board member’s defence and pays any damages awarded as compensation for the injury resulting from that act, unless the board member committed a gross fault or a personal fault separable from those functions.

In penal or criminal proceedings, however, the enterprise pays the defence costs of the board member only if the board member was discharged or acquitted, or if the enterprise judges that the board member acted in good faith.

2006, c. 59, s. 10.

11. If the enterprise sues a member of the board of directors for an act done in the exercise of the functions of office and loses its case, it pays the board member’s defence costs if the court so decides.

If the enterprise wins its case only in part, the court may determine the amount of the defence costs it must pay.

2006, c. 59, s. 11.

12. Board members may be reappointed twice to serve in that capacity only for a consecutive or non-consecutive term.

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In addition to terms served as a board member, the chair of the board of directors may be reappointed twice to serve in that capacity for a consecutive or non-consecutive term.

2006, c. 59, s. 12.

DIVISION II

OPERATION AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

13. Depending on its priorities, the board of directors designates the chair of a committee established under section 19 to act as a replacement when the chair of the board is absent or unable to act.

2006, c. 59, s. 13.

14. The board of directors determines the enterprise's strategic directions, sees to their implementation and inquires into any issue it considers important.

The board is accountable to the Government for the enterprise's decisions and the chair is answerable to the Minister for such decisions.

2006, c. 59, s. 14.

15. The functions of the board of directors also include

- (1) adopting the strategic plan;
- (2) approving the capital plan, the operating plan, the financial statements, the annual report and the annual budget of the enterprise;
- (3) approving the governance rules of the enterprise;
- (4) approving the code of ethics applicable to the board members and the codes applicable to the officers appointed by the enterprise and to the employees of the enterprise and of its wholly-owned subsidiaries, subject to a regulation made under sections 3.0.1 and 3.0.2 of the Act respecting the Ministère du Conseil exécutif (chapter M-30);
- (5) approving the expertise and experience profiles to be used in appointing board members;
- (6) approving the criteria for evaluating board members and those applicable to the president and chief executive officer;
- (7) approving the criteria for assessing the performance of the board;
- (8) establishing the policies for management of the risks associated with the conduct of the operations of the enterprise;
- (9) seeing to it that the audit committee exercises its functions properly;
- (10) determining delegations of authority;
- (11) approving, in accordance with the applicable legislative provisions, human resources policies, as well as the standards and scales of remuneration, including, where applicable, a variable pay policy, and other conditions of employment of employees and officers appointed by the enterprise, if such employees and officers are not subject to the Public Service Act (chapter F-3.1.1);
- (12) approving the succession planning program for officers appointed by the enterprise;

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(13) approving the appointment of officers other than the president and chief executive officer, and that of the most senior officer of each wholly-owned subsidiary of the enterprise, if such officers are not subject to the Public Service Act;

(14) approving human resources policies, as well as the standards and scales of remuneration, including a variable pay policy, if any, and other conditions of employment of the employees and officers of each wholly-owned subsidiary of the enterprise, if such senior officers and employees are not subject to the Public Service Act; and

(15) in the case of La Financière agricole du Québec, Investissement Québec, the Régie de l'assurance maladie du Québec, the Société de l'assurance automobile du Québec, the Société des alcools du Québec, the Société des loteries du Québec and the Société québécoise des infrastructures, adopting measures to assess the effectiveness and performance of the enterprise, including benchmarking against similar enterprises; such measures are to be carried out every three years by the Auditor General or, if the Auditor General considers it appropriate and has so informed the board of directors, by an independent firm.

2006, c. 59, s. 15; 2008, c. 23, s. 15; 2010, c. 37, s. 104; 2013, c. 23, s. 164.

16. The enterprise submits the variable pay policy referred to in paragraphs 11 and 14 of section 15 to the Government for approval.

2006, c. 59, s. 16.

17. The board of directors reviews the integrity of internal controls, information disclosure controls and information systems, and approves a financial disclosure policy.

2006, c. 59, s. 17.

18. The board of directors makes sure that initiation and ongoing training programs for board members are implemented.

2006, c. 59, s. 18.

CHAPTER III**COMMITTEES OF THE BOARD OF DIRECTORS****DIVISION I****ESTABLISHMENT OF COMMITTEES**

19. The board of directors must establish the following committees:

- (1) a governance and ethics committee;
- (2) an audit committee; and
- (3) a human resources committee.

The committees are to be composed solely of board members who are independent directors.

2006, c. 59, s. 19.

20. The board of directors may establish other committees to examine specific issues or facilitate the proper operation of the enterprise.

2006, c. 59, s. 20.

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21. The chair of the board of directors may take part in board committee meetings.

2006, c. 59, s. 21.

DIVISION II

GOVERNANCE AND ETHICS COMMITTEE

22. The functions of the governance and ethics committee include

- (1) formulating governance rules and a code of ethics for the conduct of the operations of the enterprise;
- (2) formulating a code of ethics applicable to the board members, the officers appointed by the enterprise and the employees of the enterprise and its wholly-owned subsidiaries, subject to any applicable provision of a regulation made under sections 3.0.1 and 3.0.2 of the Act respecting the Ministère du Conseil exécutif (chapter M-30) and subject to the Public Service Act (chapter F-3.1.1);
- (3) developing expertise and experience profiles to be used in appointing board members, except the chair and the president and chief executive officer; the profiles must include management experience that is relevant to the position;
- (4) formulating criteria for evaluating the members of the board;
- (5) formulating criteria for assessing the performance of the board; and
- (6) developing initiation and ongoing training programs for board members.

The committee conducts the evaluation referred to in subparagraph 5 of the first paragraph in accordance with the criteria approved by the board.

2006, c. 59, s. 22.

DIVISION III

AUDIT COMMITTEE

23. The audit committee must include members with accounting or financial expertise.

At least one committee member must be a member of the professional order of accountants governed by the Professional Code (chapter C-26).

2006, c. 59, s. 23; 2012, c. 11, s. 32.

24. The functions of the audit committee include

- (1) approving the annual internal audit plan;
- (2) making sure that a plan for the optimal utilization of the enterprise's resources is put in place, and following up on that process;
- (3) seeing to it that internal control mechanisms are put in place and making sure that they are appropriate and effective;
- (4) making sure that a risk management process is put in place;
- (5) reviewing any activity likely to be detrimental to the enterprise's financial health that is brought to its attention by the internal auditor or an officer;

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(6) examining the financial statements with the Auditor General and the external auditor appointed by the Government; and

(7) recommending the approval of the financial statements by the board of directors.

2006, c. 59, s. 24.

25. The audit committee must notify the board of directors in writing on discovering operations or management practices that are unsound or do not comply with the law or the regulations or with the policies of the enterprise or its wholly-owned subsidiaries.

2006, c. 59, s. 25.

26. The internal audit department operates under the authority of the audit committee.

The head of the internal audit department is under the administrative authority of the president and chief executive officer.

2006, c. 59, s. 26.

DIVISION IV

HUMAN RESOURCES COMMITTEE

27. The functions of the human resources committee include

(1) making sure that human resources policies are put in place, subject to the Public Service Act (chapter F-3.1.1) where applicable;

(2) developing and proposing an expertise and experience profile to be used in appointing the president and chief executive officer;

(3) formulating and proposing criteria for evaluating the president and chief executive officer, and making recommendations to the board regarding the remuneration of the president and chief executive officer in keeping with parameters set by the Government;

(4) assisting in the selection of officers; and

(5) establishing a succession planning program for officers appointed by the enterprise.

2006, c. 59, s. 27.

CHAPTER IV

CHAIR OF THE BOARD OF DIRECTORS AND PRESIDENT AND CHIEF EXECUTIVE OFFICER

28. The positions of chair of the board of directors and president and chief executive officer of the enterprise may not be held concurrently.

2006, c. 59, s. 28.

29. The chair of the board of directors presides at meetings of the board and sees to its smooth operation. In the case of a tie vote, the chair has a casting vote.

The chair also sees to the smooth operation of the board committees.

2006, c. 59, s. 29.

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30. The chair of the board of directors evaluates the performance of the other board members according to criteria established by the board.

The chair assumes any other function assigned by the board.

2006, c. 59, s. 30.

31. The president and chief executive officer is responsible for the direction and management of the enterprise within the framework of its by-laws and policies.

The president and chief executive officer proposes strategic directions to the board of directors, as well as a capital plan and an operating plan for the enterprise.

The president and chief executive officer assumes any other function assigned by the board.

2006, c. 59, s. 31.

32. The president and chief executive officer must make sure that the board of directors is given, at its request, adequate human, material and financial resources to perform its functions and for its committees to perform their functions.

2006, c. 59, s. 32.

33. In French, the president and chief executive officer may be designated by the title “président-directeur général” or “président et chef de la direction”.

2006, c. 59, s. 33.

CHAPTER V

STRATEGIC PLAN

34. The strategic plan of an enterprise that is not subject to the obligation to establish such a plan under the Public Administration Act (chapter A-6.01) is established according to the form, content and timetable determined by the Government. The strategic plan must state

- (1) the context in which the enterprise operates and the main challenges it faces;
- (2) the enterprise’s objectives and strategic directions;
- (3) the results targeted over the period covered by the plan;
- (4) the performance indicators to be used in measuring results; and
- (5) any other element determined by the Minister.

2006, c. 59, s. 34; 2007, c. 37, s. 21.

35. The strategic plan of an enterprise described in section 34 must be submitted to the Government for approval.

2006, c. 59, s. 35.

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CHAPTER VI**DISCLOSURE AND PUBLICATION OF GOVERNANCE INFORMATION****DIVISION I****INFORMATION CONCERNING THE OPERATION OF BOARD COMMITTEES**

36. The annual report of an enterprise must contain a summary of the following reports, submitted to the board of directors:

- (1) the report of the governance and ethics committee on its activities during the fiscal year, including a summary of its assessment of the performance of the board of directors;
- (2) the report of the audit committee on the discharge of its mandate and on the optimal resource utilization plan; and
- (3) the report of the human resources committee on the discharge of its mandate.

The report must also state the results obtained from the benchmarking measures adopted by the board of directors.

2006, c. 59, s. 36.

37. The enterprise must make public the code of ethics applicable to its employees.

2006, c. 59, s. 37.

DIVISION II**INFORMATION CONCERNING BOARD MEMBERS**

38. The annual report of an enterprise must comprise a section on its governance, including the following information concerning the board members:

- (1) the dates of appointment and expiry of term of all board members, as well as the identification of those with the status of independent director;
- (2) the identification of any other board of directors on which a board member sits;
- (3) a summary of the expertise and experience profile of each board member and a statement of the board members' attendance at board and committee meetings; and
- (4) the code of ethics and rules of professional conduct applicable to board members.

2006, c. 59, s. 38.

DIVISION III**INFORMATION CONCERNING REMUNERATION**

39. The annual report of an enterprise must state

- (1) the remuneration and benefits paid to each board member;
- (2) the remuneration, including variable pay and other benefits, paid to each of the enterprise's five most highly remunerated officers;

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(3) the remuneration, including variable pay and other benefits, paid to the directors and the five most highly remunerated officers of every wholly-owned subsidiary of the enterprise; and

(4) the fees paid to the external auditor.

2006, c. 59, s. 39.

CHAPTER VII

POWERS AND RESPONSIBILITIES OF THE MINISTER

40. The Minister may issue directives on the direction and general objectives to be pursued by the enterprise.

The directives must be approved by the Government, and come into force on the day of their approval. Once approved, they are binding on the enterprise and the enterprise must comply with them.

The directives must be tabled in the National Assembly within 15 days after they are approved by the Government or, if the Assembly is not sitting, within 15 days of resumption.

2006, c. 59, s. 40.

41. At least once every 10 years, the Minister must report to the Government on the carrying out of the Act constituting an enterprise for which the Minister is responsible. The report must include recommendations concerning a review of the mission of the enterprise.

The report must include an assessment of the effectiveness and performance of the enterprise, including benchmarking measures.

The Minister tables the report in the National Assembly.

2006, c. 59, s. 41; 2008, c. 23, s. 16.

42. The Government designates the minister responsible for the administration of this Act.

2006, c. 59, s. 42.



The Minister of Finance is responsible for the administration of this Act. Order in Council 1278-2018 dated 18 October 2018, (2018) 150 G.O. 2 (French), 7378.

CHAPTER VIII

GOVERNMENT POLICIES

43. The Government establishes a policy whose objectives are

(1) that the boards of directors of the enterprises as a group be composed of members whose cultural identity reflects the various segments of Québec society;

(2) that the boards of directors of the enterprises as a group include an equal number of women and men as of 14 December 2011; and

(3) that the board of directors of each enterprise include at least one member who is 35 years of age or under at the time of appointment, as of 7 December 2021.

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In this section, “enterprises” includes, in addition to the enterprises and bodies listed in Schedule I, the Caisse de dépôt et placement du Québec and Hydro-Québec.

2006, c. 59, s. 43; 2008, c. 5, s. 28; 2016, c. 27, s. 1.

CHAPTER IX**AMENDMENTS TO SPECIFIC ACTS****HYDRO-QUÉBEC ACT**

44. *(Amendment integrated into c. H-5, s. 1).*

2006, c. 59, s. 44.

45. *(Amendment integrated into c. H-5, s. 9).*

2006, c. 59, s. 45.

46. *(Amendment integrated into c. H-5, ss. 13-15).*

2006, c. 59, s. 46.

47. *(Amendment integrated into c. H-5, s. 3.6).*

2006, c. 59, s. 47.

48. *(Amendment integrated into c. H-5, s. 4).*

2006, c. 59, s. 48.

49. *(Amendment integrated into c. H-5, ss. 4.0.1-4.0.10).*

2006, c. 59, s. 49.

50. *(Amendment integrated into c. H-5, s. 4.2).*

2006, c. 59, s. 50.

51. *(Amendment integrated into c. H-5, s. 5).*

2006, c. 59, s. 51.

52. *(Amendment integrated into c. H-5, ss. 7.1-7.14).*

2006, c. 59, s. 52.

53. *(Omitted).*

2006, c. 59, s. 53.

54. *(Amendment integrated into c. H-5, ss. 11.6-11.13).*

2006, c. 59, s. 54.

55. *(Amendment integrated into c. H-5, heading of Division II.4)..*

2006, c. 59, s. 55.

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56. *(Amendment integrated into c. H-5, heading of Division II.5).*

2006, c. 59, s. 56.

57. *(Amendment integrated into c. H-5, ss. 18.1, 18.2).*

2006, c. 59, s. 57.

58. *(Amendment integrated into c. H-5, s. 19).*

2006, c. 59, s. 58.

59. *(Amendment integrated into c. H-5, heading of Division II.6).*

2006, c. 59, s. 59.

60. *(Amendment integrated into c. H-5, s. 20).*

2006, c. 59, s. 60.

61. *(Amendment integrated into c. H-5, ss. 20.1-20.4).*

2006, c. 59, s. 61.

62. *(Omitted).*

2006, c. 59, s. 62.

63. *(Amendment integrated into c. H-5, s. 21.1).*

2006, c. 59, s. 63.

64. *(Omitted).*

2006, c. 59, s. 64.

65. *(Amendment integrated into c. H-5, s. 21.5).*

2006, c. 59, s. 65.

66. *(Amendment integrated into c. H-5, ss. 61.1, 61.2).*

2006, c. 59, s. 66.

ACT RESPECTING INVESTISSEMENT QUÉBEC AND LA FINANCIÈRE DU QUÉBEC

67. *(Amendment integrated into c. I-16.1, s. 4).*

2006, c. 59, s. 67.

68. *(Amendment integrated into c. I-16.1, s. 5).*

2006, c. 59, s. 68.

69. *(Amendment integrated into c. I-16.1, s. 6).*

2006, c. 59, s. 69.

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70. *(Amendment integrated into c. I-16.1, s. 8).*

2006, c. 59, s. 70.

71. *(Amendment integrated into c. I-16.1, s. 9).*

2006, c. 59, s. 71.

72. *(Amendment integrated into c. I-16.1, ss. 9.1-9.3).*

2006, c. 59, s. 72.

73. *(Amendment integrated into c. I-16.1, s. 10).*

2006, c. 59, s. 73.

74. *(Amendment integrated into c. I-16.1, s. 15).*

2006, c. 59, s. 74.

75. *(Amendment integrated into c. I-16.1, s. 19).*

2006, c. 59, s. 75.

76. *(Amendment integrated into c. I-16.1, s. 20).*

2006, c. 59, s. 76.

77. *(Omitted).*

2006, c. 59, s. 77.

78. *(Amendment integrated into c. I-16.1, s. 22).*

2006, c. 59, s. 78.

79. *(Omitted).*

2006, c. 59, s. 79.

80. *(Amendment integrated into c. I-16.1, s. 42).*

2006, c. 59, s. 80.

81. *(Amendment integrated into c. I-16.1, heading of Division IV).*

2006, c. 59, s. 81.

82. *(Amendment integrated into c. I-16.1, s. 46).*

2006, c. 59, s. 82.

83. *(Amendment integrated into c. I-16.1, s. 47).*

2006, c. 59, s. 83.

84. *(Amendment integrated into c. I-16.1, s. 48).*

2006, c. 59, s. 84.

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85. *(Amendment integrated into c. I-16.1, s. 49).*

2006, c. 59, s. 85.

86. *(Amendment integrated into c. I-16.1, s. 52.1).*

2006, c. 59, s. 86.

87. *(Omitted).*

2006, c. 59, s. 87.

ACT RESPECTING THE SOCIÉTÉ DE L'ASSURANCE AUTOMOBILE DU QUÉBEC

88. *(Amendment integrated into c. S-11.011, s. 7).*

2006, c. 59, s. 88.

89. *(Omitted).*

2006, c. 59, s. 89.

90. *(Amendment integrated into c. S-11.011, s. 8).*

2006, c. 59, s. 90.

91. *(Amendment integrated into c. S-11.011, ss. 8.1, 8.2).*

2006, c. 59, s. 91.

92. *(Amendment integrated into c. S-11.011, s. 9).*

2006, c. 59, s. 92.

93. *(Amendment integrated into c. S-11.011, ss. 10-10.2).*

2006, c. 59, s. 93.

94. *(Amendment integrated into c. S-11.011, s. 11).*

2006, c. 59, s. 94.

95. *(Amendment integrated into c. S-11.011, s. 12).*

2006, c. 59, s. 95.

96. *(Amendment integrated into c. S-11.011, s. 13).*

2006, c. 59, s. 96.

97. *(Amendment integrated into c. S-11.011, s. 14).*

2006, c. 59, s. 97.

98. *(Amendment integrated into c. S-11.011, s. 15).*

2006, c. 59, s. 98.

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99. *(Amendment integrated into c. S-11.011, s. 16).*

2006, c. 59, s. 99.

100. *(Amendment integrated into c. S-11.011, s. 16.3).*

2006, c. 59, s. 100.

101. *(Amendment integrated into c. S-11.011, s. 17.1).*

2006, c. 59, s. 101.

102. *(Amendment integrated into c. S-11.011, s. 17.6).*

2006, c. 59, s. 102.

103. *(Amendment integrated into c. S-11.011, s. 19).*

2006, c. 59, s. 103.

104. *(Amendment integrated into c. S-11.011, s. 20).*

2006, c. 59, s. 104.

105. *(Amendment integrated into c. S-11.011, s. 23.0.13.1).*

2006, c. 59, s. 105.

106. *(Amendment integrated into c. S-11.011, s. 23.0.17).*

2006, c. 59, s. 106.

107. *(Amendment integrated into c. S-11.011, s. 23.0.18).*

2006, c. 59, s. 107.

108. *(Amendment integrated into c. S-11.011, s. 23.0.19).*

2006, c. 59, s. 108.

ACT RESPECTING THE SOCIÉTÉ DES ALCOOLS DU QUÉBEC

109. *(Amendment integrated into c. S-13, s. 7).*

2006, c. 59, s. 109.

110. *(Amendment integrated into c. S-13, ss. 7.1, 7.2).*

2006, c. 59, s. 110.

111. *(Amendment integrated into c. S-13, s. 8).*

2006, c. 59, s. 111.

112. *(Amendment integrated into c. S-13, s. 9).*

2006, c. 59, s. 112.

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113. *(Omitted).*

2006, c. 59, s. 113.

114. *(Amendment integrated into c. S-13, ss. 12-12.2).*

2006, c. 59, s. 114.

115. *(Omitted).*

2006, c. 59, s. 115.

116. *(Amendment integrated into c. S-13, s. 59).*

2006, c. 59, s. 116.

117. *(Amendment integrated into c. S-13, s. 60).*

2006, c. 59, s. 117.

ACT RESPECTING THE SOCIÉTÉ DES LOTERIES DU QUÉBEC

118. *(Amendment integrated into c. S-13.1, ss. 6.1, 6.2).*

2006, c. 59, s. 118.

119. *(Amendment integrated into c. S-13.1, s. 7).*

2006, c. 59, s. 119.

120. *(Amendment integrated into c. S-13.1, s. 8).*

2006, c. 59, s. 120.

121. *(Amendment integrated into c. S-13.1, s. 8.1).*

2006, c. 59, s. 121.

122. *(Amendment integrated into c. S-13.1, ss. 9-9.3).*

2006, c. 59, s. 122.

123. *(Omitted).*

2006, c. 59, s. 123.

124. *(Amendment integrated into c. S-13.1, s. 14).*

2006, c. 59, s. 124.

125. *(Amendment integrated into c. S-13.1, s. 21.1).*

2006, c. 59, s. 125.

126. *(Amendment integrated into c. S-13.1, s. 24).*

2006, c. 59, s. 126.

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127. *(Amendment integrated into c. S-13.1, s. 25).*

2006, c. 59, s. 127.

ACT RESPECTING THE SOCIÉTÉ GÉNÉRALE DE FINANCEMENT DU QUÉBEC

128. *(Amendment integrated into c. S-17, s. 14).*

2006, c. 59, s. 128.

129. *(Amendment integrated into c. S-17, s. 14.0.1).*

2006, c. 59, s. 129.

130. *(Amendment integrated into c. S-17, ss. 14.0.1.1-14.0.1.3).*

2006, c. 59, s. 130.

131. *(Amendment integrated into c. S-17, ss. 14.0.2-14.0.5).*

2006, c. 59, s. 131.

132. *(Amendment integrated into c. S-17, s. 14.1).*

2006, c. 59, s. 132.

133. *(Omitted).*

2006, c. 59, s. 133.

134. *(Amendment integrated into c. S-17, s. 14.5).*

2006, c. 59, s. 134.

135. *(Omitted).*

2006, c. 59, s. 135.

136. *(Amendment integrated into c. S-17, s. 15.1).*

2006, c. 59, s. 136.

137. *(Amendment integrated into c. S-17, s. 15.2).*

2006, c. 59, s. 137.

138. *(Amendment integrated into c. S-17, s. 15.3).*

2006, c. 59, s. 138.

139. *(Amendment integrated into c. S-17, s. 17).*

2006, c. 59, s. 139.

GOVERNANCE OF STATE-OWNED ENTERPRISES

CHAPTER X**OTHER AMENDING PROVISIONS****ACT RESPECTING THE CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC**

140. *(Amendment integrated into c. C-2, s. 13.8).*

2006, c. 59, s. 140.

141. *(Amendment integrated into c. C-2, s. 46).*

2006, c. 59, s. 141.

142. *(Amendment integrated into c. C-2, s. 48).*

2006, c. 59, s. 142.

AUDITOR GENERAL ACT

143. *(Amendment integrated into c. V-5.01, s. 23).*

2006, c. 59, s. 143.

144. *(Amendment integrated into c. V-5.01, s. 24).*

2006, c. 59, s. 144.

145. *(Amendment integrated into c. V-5.01, s. 28).*

2006, c. 59, s. 145.

CHAPTER XI**TRANSITIONAL AND FINAL PROVISIONS**

146. The requirements relating to the number of independent directors on a board of directors and those relating to the independence of the chair provided for in the first paragraph of section 4 of this Act and in the first paragraph of section 4.0.6 of the Hydro-Québec Act (chapter H-5) enacted by section 49 of this Act as well as the requirement provided for in the second paragraph of section 19 of this Act and the requirements provided for in the second paragraph of section 7.6 of the Hydro-Québec Act enacted by section 52 of this Act apply as of the date set by the Government in respect of each of the enterprises referred to in section 2 and Hydro-Québec. That date must be set as soon as possible and the provisions referred to in this section are to apply not later than 14 December 2011.

The same applies to the requirement that the audit committee include a member of the professional order of accountants as set out in the second paragraph of section 23 of this Act and in the second paragraph of section 7.10 of the Hydro-Québec Act enacted by section 52 of this Act.

2006, c. 59, s. 146; 2012, c. 11, s. 32.

147. The Government may, in accordance with this Act, determine that a member of the board of directors of an enterprise referred to in section 2 or of Hydro-Québec, in office on 13 December 2006, has the status of independent director.

2006, c. 59, s. 147.

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148. A board member in office on 13 December 2006 who has not obtained the status of independent director under section 147 may, despite section 19, be a member of a committee referred to in that section until two thirds of the members of the board of directors are independent directors.

2006, c. 59, s. 148.

149. The members of the board of directors of Hydro-Québec in office on 13 December 2006 continue in office on the same terms, for the unexpired portion of their term, until they are replaced or reappointed.

The president and chief executive officer and the chairman of the board of directors of Hydro-Québec continue in office on the same terms, for the unexpired portion of their term, until they are replaced or reappointed.

2006, c. 59, s. 149.

150. The members of the board of directors of Investissement Québec in office on 13 December 2006 continue in office on the same terms, for the unexpired portion of their term, until they are replaced or reappointed.

The chief executive officer and the chair of the board of directors of Investissement Québec continue in office on the same terms, for the unexpired portion of their term, until they are replaced or reappointed.

2006, c. 59, s. 150.

151. The members of the board of directors of the Société de l'assurance automobile du Québec in office on 13 December 2006 continue in office on the same terms, for the unexpired portion of their term, until they are replaced or reappointed.

The chairman and general manager of the Société continues in office on the same terms, for the unexpired portion of his term, as president and chief executive officer. He exercises the functions of chair of the board of directors until that office is filled in accordance with section 8 of the Act respecting the Société de l'assurance automobile du Québec (chapter S-11.011) as enacted by section 90 of this Act.

2006, c. 59, s. 151.

152. The vice-chairmen of the Société de l'assurance automobile du Québec appointed by the Government and in office on 13 December 2006 continue in office on the same terms, for the unexpired portion of their term, until they are replaced or reappointed by the Société.

Sections 8 to 11, 15 and 16 of the Act respecting the Société de l'assurance automobile du Québec (chapter S-11.011), as they read on 13 December 2006, continue to apply to those vice-chairmen.

2006, c. 59, s. 152.

153. The members of the board of directors of the Société des alcools du Québec in office on 13 December 2006 continue in office on the same terms, for the unexpired portion of their term, until they are replaced or reappointed.

The president and managing director and the chairman of the board of directors of the Société continue in office on the same terms, for the unexpired portion of their term, until they are replaced or reappointed.

2006, c. 59, s. 153.

154. The members of the board of directors of the Société des loteries du Québec in office on 13 December 2006 continue in office on the same terms, for the unexpired portion of their term, until they are replaced or reappointed.

GOVERNANCE OF STATE-OWNED ENTERPRISES

The president and managing director of the Société continues in office on the same terms, for the unexpired portion of his term, as president and chief executive officer. He exercises the functions of chair of the board of directors until that office is filled in accordance with section 9 of the Act respecting the Société des loteries du Québec (chapter S-13.1) as enacted by section 122 of this Act.

2006, c. 59, s. 154.

155. The members of the board of directors of the Société générale de financement du Québec in office on 13 December 2006 continue in office on the same terms, for the unexpired portion of their term, until they are replaced or reappointed.

The chief executive officer of the Société continues in office on the same terms, for the unexpired portion of the term, until he is replaced or reappointed. He exercises the functions of chair of the board of directors until that office is filled in accordance with section 14.0.2 of the Act respecting the Société générale de financement du Québec (chapter S-17), enacted by section 131 of this Act.

2006, c. 59, s. 155.

156. For the purposes of sections 34 and 35 of this Act, an enterprise referred to in section 2 of this Act that has a strategic plan in place on 14 December 2006 must meet the requirements of those sections not later than on the plan's expiry date. If such an enterprise has no strategic plan in place on 14 December 2006, it must meet those requirements not later than 31 March 2008.

For the purposes of section 11.13 of the Hydro-Québec Act (chapter H-5), enacted by section 54 of this Act, Hydro-Québec must submit its strategic plan to the Government for approval on the plan's expiry date.

2006, c. 59, s. 156.

157. Enterprises referred to in section 2 of this Act and Hydro-Québec must submit to the Government for approval the variable pay policy applicable to their officers and employees and the variable pay policy applicable to the officers and employees of their wholly-owned subsidiaries not later than 31 December 2007.

Enterprises referred to in section 2 of this Act and Hydro-Québec may not change their variable pay policy in force on 15 November 2006 unless the change is approved by the Government.

2006, c. 59, s. 157.

158. Sections 36, 38 and 39 of this Act and sections 20.1, 20.3 and 20.4 of the Hydro-Québec Act (chapter H-5), enacted by section 61, apply in regard to enterprises referred to in section 2 of this Act and Hydro-Québec, respectively, from their respective fiscal years ending after 31 March 2007.

2006, c. 59, s. 158.

159. In addition to the transitional provisions provided in this Act, the Government may, by a regulation made before 14 December 2007, enact any other transitional provision or measure conducive to the carrying out of this Act.

A regulation made under this section is not subject to the publication requirement of section 8 of the Regulations Act (chapter R-18.1) or to the date of coming into force set out in section 17 of that Act.

2006, c. 59, s. 159.

160. Section 21.5 of the Hydro-Québec Act (chapter H-5), sections 20 and 23.0.18 of the Act respecting the Société de l'assurance automobile du Québec (chapter S-11.011), section 60 of the Act respecting the Société des alcools du Québec (chapter S-13), section 24 of the Act respecting the Société des loteries du Québec (chapter S-13.1) and section 48 of the Act respecting the Caisse de dépôt et placement du Québec (chapter C-2), respectively enacted by sections 65, 104, 107, 117, 126 and 142 of chapter 59 of the statutes of 2006, apply, as regards joint auditing requirements, to fiscal years ending in or after the year 2010.

GOVERNANCE OF STATE-OWNED ENTERPRISES

However, the Government may determine that an enterprise referred to in section 2 of this Act, Hydro-Québec or the Caisse de dépôt et placement du Québec is subject, as of any date between 14 December 2006 and 1 January 2010, to the provisions referred to in the first paragraph that are applicable to it.

2006, c. 59, s. 160.

161. *(Omitted).*

2006, c. 59, s. 161.

GOVERNANCE OF STATE-OWNED ENTERPRISES

SCHEDULE I*(Section 2)***ENTERPRISES AND AGENCIES****Conseil des arts et des lettres du Québec****Investissement Québec****La Financière agricole du Québec****Régie de l'assurance maladie du Québec****Régie des installations olympiques****Retraite Québec****Société d'habitation du Québec****Société de développement des entreprises culturelles****Société de la Place des Arts de Montréal****Société de l'assurance automobile du Québec****Société de télédiffusion du Québec****Société des alcools du Québec**

GOVERNANCE OF STATE-OWNED ENTERPRISES

Société des établissements de plein air du Québec

Société des loteries du Québec

Société des Traversiers du Québec

Société du Centre des congrès de Québec

Société du Grand Théâtre de Québec

Société du Palais des congrès de Montréal

Société du Plan Nord

Société québécoise de récupération et de recyclage

Société québécoise des infrastructures

Transition énergétique Québec

2006, c. 59, Schedule I; 2007, c. 13, s. 13; 2007, c. 21, s. 36; 2007, c. 23, s. 15; 2007, c. 24, s. 17; 2007, c. 26, s. 34; 2007, c. 28, s. 17; 2007, c. 37, s. 22; 2008, c. 3, s. 10; 2008, c. 5, s. 29; 2008, c. 17, s. 14; 2009, c. 20, s. 10; 2009, c. 41, s. 7; 2010, c. 37, s. 105; 2013, c. 23, s. 117; 2014, c. 16, s. 76; 2015, c. 20, s. 61; 2016, c. 35, s. 1.

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REPEAL SCHEDULE

In accordance with section 9 of the Act respecting the consolidation of the statutes and regulations (chapter R-3), chapter 59 of the statutes of 2006, in force on 1 January 2007, is repealed, except section 161, effective from the coming into force of chapter G-1.02 of the Revised Statutes.

