



NATIONAL ASSEMBLY

FIRST SESSION

FORTY-FIRST LEGISLATURE

Bill 1099

An Act to amend the Act respecting the Caisse de dépôt et placement du Québec

Introduction

**Introduced by
Mr. Nicolas Marceau
Member for Rousseau**

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EXPLANATORY NOTES

This bill amends the Act respecting the Caisse de dépôt et placement du Québec in various respects. To begin with, it makes contributing to the economic development of Québec, its regions and the different sectors of its economy and helping to keep company head offices in Québec or attracting them to Québec objectives the Caisse de dépôt et placement du Québec (Fund) pursues as part of its mission, in the same way as striving for optimal return on depositors' capital.

The bill also creates the Fonds des Québécois (Fonds), mandated to hold an interest in the Fund's overall portfolio that is representative of the Québec assets composing it. Under the bill, the Fonds must launch a public offering no later than one year after the bill is assented to, according to the terms and conditions determined by by-law of the Fonds' board of directors.

The bill also requires the Fonds' board of directors to adopt a plan for gradually divesting the Fund's assets in low-tax jurisdictions and in activities linked to developing oil or coal resources. The bill specifies that the divestment plan must be revised every five years.

To ensure accountability with regard to the divestment plan's realization, the bill provides that the plan is to be tabled in the National Assembly and that the competent committee of the Assembly is to hear the Fund's president and chief executive officer on the matter within three months after the plan is tabled and every year thereafter.

The bill also amends the Transport Act so that if the Fund enters into an agreement with the Government for a new transportation infrastructure, the Fund must require the transport-related rolling stock to include at least 25% local content.

LEGISLATION AMENDED BY THIS BILL:

– Act respecting the Caisse de dépôt et placement du Québec (chapter C-2);

- Act to reduce the debt and establish the Generations Fund (chapter R-2.2.0.1);
- Transport Act (chapter T-12).

REGULATION ENACTED BY THIS BILL:

- Regulation respecting the list of low-tax jurisdictions (*insert the year, chapter number and number of the section of this Act that enacts the regulation*).

Bill 1099

AN ACT TO AMEND THE ACT RESPECTING THE CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING THE CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC

1. Section 4.1 of the Act respecting the Caisse de dépôt et placement du Québec (chapter C-2) is replaced by the following section:

“4.1. The Fund’s mission is to receive moneys on deposit as provided by law in order to pursue the following objectives:

(1) achieve optimal return on depositors’ capital in accordance with their investment policy;

(2) contribute to the economic development of Québec, its regions and the different sectors of its economy; and

(3) help keep companies’ head offices in Québec or attract them to Québec if they have or could have a significant influence on the Québec economy.”

2. The Act is amended by inserting the following division after section 4.1:

“DIVISION I.1

“CONSTITUTION OF THE FONDS DES QUÉBÉCOIS

“4.2. A body is constituted under the name of “Fonds des Québécois” (Fonds).

“4.3. The Fonds des Québécois’ mission is to hold an interest in the Fund’s overall portfolio that is representative of the Québec assets composing it.

“4.4. The Government shall determine, by regulation, the composition of the Fonds des Québécois’ board of directors and the Fonds’ operating framework.

The Fonds’ board of directors shall determine, by by-law, the Fonds’ capital structure and the terms and conditions of the Fonds’ public offerings.

The securities issued by the Fonds must be sold through a dealer registered under Title V of the Securities Act (chapter V-1.1) or a person exempted from registration under that Act.”

3. The Act is amended by inserting the following section after section 13.1:

“13.1.1. The board of directors shall, by resolution, before (*insert the date that is one year after the date of coming into force of this Act*), adopt a plan for gradually divesting the Fund’s assets in low-tax jurisdictions and in activities consisting in acquiring, holding or investing in oil or coal resources, administering them and developing them through third persons. The divestment plan must be revised every five years.

The divestment plan shall be filed with the Minister of Finance within 15 days after being adopted by the board and tabled in the National Assembly within 15 days after being filed with the Minister or, if the Assembly is not sitting, within 15 days of resumption.

The competent committee of the National Assembly shall hear the president and chief executive officer within three months after the divestment plan is tabled in the Assembly and every year thereafter.

“13.1.2. The Government shall draw up a list of low-tax jurisdictions and update it periodically, by regulation, for the purpose of developing the divestment plan.”

4. The Act is amended by inserting the following section after section 19:

“19.1. The Fund shall receive on deposit the moneys paid into the Fonds des Québécois and administer them on the Fonds’ behalf.”

ACT TO REDUCE THE DEBT AND ESTABLISH THE GENERATIONS FUND

5. Section 6 of the Act to reduce the debt and establish the Generations Fund (chapter R-2.2.0.1) is amended by replacing “while contributing” by “and contribute”.

TRANSPORT ACT

6. Section 88.10 of the Transport Act (chapter T-12) is amended

(1) by adding the following sentence at the end of the fourth paragraph: “However, on acquiring transport-related rolling stock, the Caisse de dépôt et placement du Québec must require at least 25% local content.”;

(2) by adding the following paragraph at the end:

“In this section, “local content” means the ratio, expressed as a percentage, of the cost of materials produced locally and the labour cost and other expenses paid locally to the total acquisition price.”

REGULATION RESPECTING THE LIST OF LOW-TAX JURISDICTIONS

7. The Regulation respecting the list of low-tax jurisdictions, whose text appears below, is enacted.

“REGULATION RESPECTING THE LIST OF LOW-TAX JURISDICTIONS

“1. The list of low-tax jurisdictions drawn up under section 13.1.2 of the Act respecting the Caisse de dépôt et placement du Québec (chapter C-2) is the list that appears in Schedule 1 to this Regulation.

“SCHEDULE 1

“(Section 1)

“LIST OF LOW-TAX JURISDICTIONS

- Andorra
- Anguilla
- Antigua and Barbuda
- Netherlands Antilles
- Aruba
- Bahamas
- Bahrain
- Barbados
- Belgium
- Belize
- Bermuda
- Cyprus
- City of London
- Costa Rica
- Delaware
- Dominica
- Gibraltar
- Grenada
- Hong Kong
- Isle of Man
- Channel Islands
- Cayman Islands
- Cook Islands
- Marshall Islands
- Turks and Caicos Islands
- U.S. Virgin Islands

- British Virgin Islands
- Ireland
- Jordan
- Lebanon
- Liberia
- Liechtenstein
- Luxembourg
- Macau
- Maldives
- Mauritius
- Monaco
- Montserrat
- Nauru
- Niue
- Panama
- Saint Kitts and Nevis
- Saint Lucia
- San Marino
- St. Vincent and the Grenadines
- Samoa
- Seychelles
- Singapore
- Switzerland
- Tonga
- Vanuatu”

TRANSITIONAL AND FINAL PROVISIONS

8. The Fonds des Québécois must launch its initial public offering no later than *(insert the date that is one year after the date of coming into force of this Act)*.

9. This Act comes into force on *(insert the date of assent to this Act)*.