

# CANADA- MANITOBA

## WESTERN ECONOMIC PARTNERSHIP AGREEMENT

**THIS AGREEMENT** made the 22 day of January, 2009.

**BETWEEN:** THE GOVERNMENT OF CANADA (herein referred to as “Canada”), as represented by the Minister of the Environment

OF THE FIRST PART;

**AND:** THE GOVERNMENT OF THE PROVINCE OF MANITOBA (herein referred to as “Manitoba”) as represented by the Minister of Competitiveness, Training and Trade

OF THE SECOND PART.

**WHEREAS** Canada and Manitoba have an established history of collaboration and working in partnership on initiatives, and wish to further cooperate in promoting and supporting the long-term sustainable economic development of the Province of Manitoba by building on joint economic priorities;

**AND WHEREAS** Canada and Manitoba continue to discuss other areas separate from this Agreement with potential for collaboration, such as implementation of the Building Canada plan;

**AND WHEREAS** Canada and Manitoba have agreed to establish a general framework which assists the Parties to formulate strategies jointly and cooperate in the implementation of specific measures for economic growth;

**AND WHEREAS** Canada and Manitoba wish to establish a framework for collaborative review, by Ministers, of economic issues and opportunities in Manitoba;

**AND WHEREAS** pursuant to the *Western Economic Diversification Act 1988*, Canada has been authorized to enter into cooperative relationships with the western provinces;

**AND WHEREAS** the Governor in Council, by Order in Council No. 2008-0789 on the 17 day of April 2008, has authorized the Minister of the Environment to enter into this Agreement on behalf of Canada;

**AND WHEREAS** pursuant to Order in Council No. 14/2009 on the 7 day of January 2009 the Minister of Competitiveness, Training and Trade is authorized to enter into this Agreement on behalf of Manitoba.

**NOW THEREFORE** the Parties hereto mutually agree as follows:

**SECTION 1.0 DEFINITIONS**

1.1 In this Agreement, unless the context requires otherwise:

- (a) “Agreement” refers to this Agreement including all of the Schedules attached hereto;
- (b) “Agreement Effective Date” means April 17, 2008;
- (c) “Agreement Termination Date” means March 31, 2014, or such other date as may be agreed to in writing by the Federal Minister and the Provincial Minister as specified in subsection 7.3;
- (d) “Contribution Agreement” means an agreement between an Implementing Party and a Recipient stipulating the terms and conditions under which the Recipient will receive a financial contribution for a Project approved under this Agreement;
- (e) “Eligible Costs” means all reasonable costs incurred after April 17, 2008 for the purposes of this Agreement that are directly attributable to Projects under this Agreement,

but, unless expressly permitted in this Agreement, shall not include:

- costs of land or costs of acquiring land;
  - costs that involve only a change of ownership of land; and
  - operating costs related to the administration of this Agreement;
- (f) “Federal Minister” means the Minister of the Environment and includes anyone authorized to act on his/her behalf;
  - (g) “Final Claim Date” means January 31, 2014, or such other date as may be agreed to in writing by the Federal Minister and the Provincial Minister as specified in subsection 7.3;
  - (h) “Fiscal Year” means the period commencing on April 1 of any year and terminating on March 31 of the immediately following year;
  - (i) “Implementing Party” means the Party or Parties, which will take the lead in implementing a Project;

- (j) “Management Committee” means the committee established pursuant to subsection 6.1 of this Agreement;
- (k) “Ministers” means the Federal and the Provincial Minister;
- (l) “Parties” means Canada and Manitoba;
- (m) “Partnership” as used in this Agreement does not create nor is it intended to create a partnership in either a legal or literal sense, or establish a degree or magnitude of contribution, rather indicates an area of shared interest to Canada and Manitoba;
- (n) “Performance Measurement” is the ongoing monitoring of progress towards the purpose of the Agreement;
- (o) “Project” means any specific activity, undertaken by a Recipient, which is approved for funding under this Agreement;
- (p) “Project Authorization Form” means the document, which describes approved Projects as specified in subsection 7.2;
- (q) “Project Completion Date” means September 30, 2013, or such other date as may be agreed to in writing by the Federal Minister and the Provincial Minister as specified in subsection 7.3;
- (r) “Province” means the Province of Manitoba;
- (s) “Provincial Minister” means the Minister of Competitiveness, Training and Trade and includes anyone authorized to act on his/her behalf;
- (t) “Recipient” means any person, other than the Parties to this Agreement, with whom a Contribution Agreement is signed for the completion of a Project;
- (u) “Shared Costs” includes Eligible Costs and audit, evaluation, and communication costs incurred in direct relation to the implementation of this Agreement;

## **SECTION 2.0 PURPOSE**

### 2.1 The purpose of this Agreement:

- (a) is to provide a mechanism for achieving greater federal-provincial cooperation in realizing the economic and regional development potential of the Province of Manitoba by way of collaboration; and

- (b) is to pursue the joint strategic priorities described in greater detail in Schedule “A” attached hereto and forming part of this Agreement, whereby Canada and Manitoba will work together and with other interested stakeholders to help create innovative, entrepreneurial and sustainable communities.
- 2.2 The Parties agree to undertake, in the manner herein provided, the implementation of the joint strategic priorities outlined in Schedule “A” in accordance with the funding provisions set out hereinafter.
- 2.3 The Agreement provides for regular and ongoing discussions between the Parties on Manitoba’s economic development.

### **SECTION 3.0 PRINCIPLES**

- 3.1 To pursue and achieve the purposes stated in Section 2.0, each Party will apply the following basic principles in respect of this Agreement:
- (a) The total Eligible Costs for Projects under this Agreement will be shared by Canada and Manitoba on a fifty-fifty basis;
  - (b) This Agreement allows for flexibility in Project financing and participation, in that each Party may decide to finance or participate in any one Project exclusively or jointly, as long as subsection 3.1 (a) is adhered to;
  - (c) Public-private and non-profit arrangements and the leverage of funds from sources other than government will be considered;
  - (d) Projects will be reviewed in the context of their start-up and long-term self-sustainability, generally without a requirement for additional or ongoing support from either Party;
  - (e) Projects under this Agreement will respect environmental integrity while being consistent with long-term strategies to strengthen and expand the economy of Manitoba;
  - (f) Projects under this Agreement are intended to reduce overlap and duplication and contribute to improved efficiency and effectiveness in the area of economic development activities between Canada and Manitoba through increased collaboration; and
  - (g) This Agreement operates within an environment of fiscal responsibility and accountability.

## **SECTION 4.0 OBJECTIVES**

- 4.1 The Parties will cooperate and work together, in collaboration with economic sector-based organizations, non-profit community organizations and service delivery agencies, on five strategic economic priorities to promote and support the long-term, sustainable economic development of Manitoba, as described in Schedule “A”.

## **SECTION 5.0 FINANCIAL PROVISIONS**

- 5.1 Notwithstanding anything in this Agreement the total amount payable by Canada towards Projects under this Agreement shall not exceed twenty-five- million dollars (\$25,000,000).
- 5.2 Notwithstanding anything in this Agreement the total amount payable by Manitoba towards Projects under this Agreement shall not exceed twenty-five million dollars (\$25,000,000).
- 5.3 Subject to subsections 5.1 and 5.2, the Parties shall each make an overall contribution, which equals 50% of the total Eligible Costs under this Agreement.
- 5.4 The provision of contributions by Canada and Manitoba for the implementation of this Agreement is subject to the Parliament of Canada and the Legislative Assembly of Manitoba having appropriated funds for such financing in the fiscal year in which it is required.
- 5.5 In all cases, total assistance to any Project from all government sources cannot exceed 100% of the Eligible Costs of the Project.

## **SECTION 6.0 MANAGEMENT COMMITTEE**

- 6.1 (a) Upon execution of this Agreement, the Ministers shall establish a Management Committee consisting of two members, one of whom shall be appointed by the Federal Minister, and designated as Federal Co-Chairperson, and one of whom shall be appointed by the Provincial Minister, and designated as Provincial Co-Chairperson. This Management Committee shall be responsible for the general administration and management of this Agreement.
- (b) In the course of management and administration of Projects implemented under this Agreement, the Management Committee shall be guided by the Agreement Principles defined in Section 3.0, the Agreement Objectives defined in Section 4.0, the strategic priorities described in Schedule “A” and the cashflow plan set out in Schedule “B” of this Agreement, which may be amended from time to time.
- 6.2 The Management Committee shall:
- (a) provide for meetings of Ministers, as required;

- (b) appoint non-voting members, to assist the Management Committee;
- (c) approve, as may be agreed to, all operational procedures for the implementation of the Agreement, conduct of its own meetings, and the establishment and mandate of appropriate advisory, coordination and implementation sub-committees, which may be delegated to perform such tasks as the Management Committee deems necessary;
- (d) provide reports to the Ministers, as required;
- (e) discuss each Project prior to its approval and consult on the implementation status of all Projects funded under this Agreement;
- (f) confirm approval of all Projects that will be funded under this Agreement by ensuring that Project Authorization Forms are prepared and signed by both Parties for all Projects undertaken under this Agreement;
- (g) upon Management Committee's approval of the Project Authorization Forms pursuant to subsection 6.2 (f), the Implementing Party or Parties shall be afforded the authority to take such action as may be necessary to carry out Projects in accordance with normal administrative and management procedures of the Implementing Party;
- (h) for all Projects, exchange and sign amendments to approved Project Authorization Forms pursuant to subsection 6.2 (f) prepared by either Implementing Party;
- (i) exchange amendments to Project Authorization Forms approved pursuant to subsection 6.2 (f) for Projects being funded exclusively by one government (the Implementing Party) where these amendments are administrative in nature and do not provide for additional funding beyond the original amount approved;
- (j) ensure that records are maintained that show all Projects undertaken under this Agreement together with the name of the Implementing Party or Parties, total costs, Eligible Costs, the financial contribution provided by each Party, date the Project was approved, and a summary Project description;
- (k) subject to applicable privacy legislation, ensure a full and free flow of information between the Parties;
- (l) in accordance with Schedule C: Communications Protocol, develop and implement a communications plan and public information program respecting this Agreement and be responsible for the review and management thereof;
- (m) develop and implement an evaluation plan respecting this Agreement, and submit to the Ministers a final report of the evaluation of this Agreement within 30 days of the Agreement Termination Date;

- (n) meet as required, but at least once every six months for the purposes of this Agreement;
- (o) carry out any other duties, powers or functions specified elsewhere in this Agreement or, such as may be assigned to the Management Committee by both Ministers;
- (p) propose amendments to the Agreement to the Ministers, if required; and
- (q) develop and implement a strategy for measuring results and performance of the Agreement within six months of the signing of this Agreement.

6.3 The Management Committee shall operate beginning from the date of the execution of this Agreement until the Agreement Termination Date.

## **SECTION 7.0 PROJECT AUTHORIZATION**

7.1 All Projects to be undertaken under this Agreement shall be consistent with the objectives set forth in Section 4.0 and federal expenditures related to and under this Agreement are subject to and bound by the terms and conditions of the Western Diversification Program.

7.2 Each Project approved under this Agreement shall be described in an appropriate Project Authorization Form that will be developed by the Management Committee, which shall include:

- (a) the Project name and description;
- (b) the total cost and Eligible Costs of the Project;
- (c) the Implementing Party;
- (d) the purpose and objectives of the Project and a description of how it meets one or more of the strategic priorities described in Schedule "A";
- (e) the Project start date;
- (f) an outline of how the Project is to be carried out and progress reported;
- (g) the Project Completion Date;
- (h) performance data to be provided by the Recipient;
- (i) the total financial contribution required under the Agreement and the share to be borne by each of the Parties;
- (j) to whom and how payments shall be made;

- (k) the ownership and responsibility for the operation and maintenance of the Project after completion (if applicable);
- (l) an indication of whether revenue accruing from the Project, if any, is to be shared by Canada and Manitoba and, if so, in what proportion;
- (m) an indication of screening for environmental impacts;
- (n) ownership of assets at the end of a Project (if applicable); and,
- (o) such other information as may be reasonably required by the Management Committee.

7.3 No Project may be approved after March 31, 2012, and, subject to the renewal of the terms and conditions of the Western Diversification Program, no Project Completion Date shall extend beyond September 30, 2013, no Project shall be amended after September 30, 2013, no claim shall be paid by the Implementing Parties unless it is received by January 31, 2014, and no payments shall be made after March 31, 2014, or such other dates as may be agreed to in writing by the Federal Minister and the Provincial Minister

7.4 Project Authorization Forms and amendments to Project Authorization Forms shall be signed by the Management Committee Co-Chairs.

7.5 Projects must be consistent with the priorities identified in Schedule "A".

7.6 Recipients must be a legal entity and would normally include, but not restricted to:

- (a) Non-profit organizations;
- (b) Post-secondary institutions;
- (c) Hospitals and regional health centres, for purposes of undertaking research, and for development of new technology;
- (d) Indian Bands, as represented by their Chief and Council;
- (e) Federal Crown Corporations.
- (f) Provincial Government Departments, agencies and Crown Corporations; and,
- (g) Municipal Governments and organizations created by them.

## **SECTION 8.0 PAYMENT PROCEDURES**

- 8.1 Subject to subsections 3.1 (b), 5.1 and 5.2, each Implementing Party shall be responsible to contribute to Eligible Costs of approved Projects as set out in the Project Authorization Forms.
- 8.2 Notwithstanding subsection 13.1 of this Agreement, any Eligible Costs incurred on Projects under this Agreement prior to the Agreement Effective Date will be reviewed by Canada and Manitoba to ascertain their eligibility for funding and their compliance to the purpose and objectives described in Section 2.0 and subsection 4.1 of this Agreement.
- 8.3 Where payments are made under this Agreement by Canada to Manitoba, such payments may be made to any agency of Manitoba and to any account or fund administered by the agency as may be designated by the Provincial Minister. The Provincial Minister is hereby authorized to make such designation.
- 8.4 Where payments are made under this Agreement by Manitoba to Canada, such payments may be made to any agency of Canada and to any account or fund administered by the agency as may be designated by the Federal Minister. The Federal Minister is hereby authorized to make such designation.
- 8.5 Each Implementing Party shall maintain proper and accurate accounts and records relating to the Projects undertaken pursuant to this Agreement, and shall upon reasonable notice make such accounts and records available at all reasonable times for inspection and audit by the other Party.
- 8.6 Upon termination of the Agreement, a final reconciliation of federal and provincial expenditures and authorized commitments shall be made to ensure equal cost-sharing of the Agreement. If expenditures are unequal, an equalization payment will be made by the other Party within 30 days following the Agreement Termination Date, unless the Parties mutually agree in writing to some alternative equalization arrangement.
- 8.7 If, prior to the termination of this Agreement, any revenue is received by either Canada or Manitoba as a result of the recovery of a contribution or the disposition of equipment or works under a Project, such revenue shall be accounted for in the final reconciliation of expenditures.

## **SECTION 9.0 CONTRIBUTION AGREEMENT PROCEDURES**

- 9.1 The Parties shall ensure that all Contribution Agreements shall be consistent with Canada's international and domestic trade agreements.
- 9.2 The Parties shall ensure that any Contribution Agreement entered into by the Implementing Party with a Recipient for any Project hereunder shall be administered in accordance with

the administrative, management and Contribution Agreement procedures of such Implementing Party.

- 9.3 The Parties shall ensure that any Contribution Agreement entered into by the Implementing Party with a Recipient shall provide that the Recipient shall indemnify and save harmless both Parties to the Agreement and their Ministers, officers, and employees from and against all claims, demands, losses, damages, costs of any kind based upon any injury to or death of a person, or damage or loss of property arising from any willful or negligent act, omission or delay on the part of the Recipient or its servants or agents in carrying out the Contribution Agreement.
- 9.4 The Parties shall ensure that any Contribution Agreement entered into by the Implementing Party with a Recipient shall include provisions for competitive tendering processes for Eligible Costs of Projects, which comply with normal procedures of the Implementing Party or Parties.
- 9.5 The Parties shall ensure that reports, documents, plans, maps and other materials and intellectual property prepared by a Recipient who has been awarded a Contribution Agreement by the Implementing Party shall be shared with the other Party on request.

## **SECTION 10.0 PUBLIC INFORMATION**

- 10.1 The Parties shall fully cooperate in public information activities for approved Projects. They shall be guided by the principles that all interested persons should be kept informed, that the contributions of both Parties should be fairly acknowledged, and that both Parties have an opportunity to participate in all public information activities.
- 10.2 The Management Committee shall develop and implement a communications plan, a public information program and guidelines for public information activities for approved Projects and be responsible for the review and management thereof pursuant to the terms of Schedule C, Communications Protocol.
- 10.3 A specific promotional and public information activity may be delivered by the Implementing Party or jointly by both Parties.
- 10.4 All public information material developed or paid for in whole or in part by Canada, undertaken in connection with the Agreement, shall be in both official languages. The cost of translation shall be paid by Canada
- 10.5 All public information activities shall indicate that the Project is being implemented pursuant to the provisions of this Agreement and they shall fairly reflect each Party's contribution to this Agreement.

- 10.6 An appropriate Canada-Manitoba Western Economic Partnership Agreement identifier, approved by the Management Committee, shall be prominently displayed in all public information material related to this Agreement.
- 10.7 All reports, and news releases arising out of the communications plan and public information program, and initiated by the Parties, shall ensure that the public is informed that the activity has been carried out under the provisions of this Agreement.
- 10.8 The Parties shall ensure that all information material produced for or by Recipients shall clearly and prominently indicate that Project funding was provided under the provisions of this Agreement.

### **SECTION 11.0 ENVIRONMENTAL ASSESSMENT**

- 11.1 All relevant and applicable federal and provincial environmental protection legislation and policies shall apply to all Projects under this Agreement.
- 11.2 The Parties acknowledge that efforts shall be made to avoid duplication in the environmental assessment process and, where possible, the assessment shall be conducted in the most effective manner that shall fully satisfy the requirements of the other Party.
- 11.3 Both Parties shall freely exchange information on all environmental assessments carried out on Projects under this Agreement.

### **SECTION 12.0 EVALUATION**

- 12.1 Management Committee shall develop an evaluation plan for this Agreement that includes both an interim and a final evaluation, and set aside appropriate funding needed to implement such a plan.
- 12.2 The evaluation plan will provide for reporting on strategic outcomes and shall identify responsibilities for evaluation activity and data collection; the character and timing of data collection; major evaluation issues; and costs associated with implementation of the plan.
- 12.3 The Management Committee shall approve the terms of reference of the evaluation plan.
- 12.4 The Management Committee shall submit a report of the final evaluation of the Agreement on or before the Agreement Termination Date.
- 12.5 Each Party shall provide the other with all relevant information and data as may be reasonably required for the evaluation of this Agreement.

## **SECTION 13.0 ADMINISTRATION**

- 13.1 Subject to subsections 3.1 (b), 5.1 and 5.2, each Party shall be responsible for contributing to the Eligible Costs of Projects undertaken.
- 13.2 The Implementing Party of any Project hereunder shall be responsible for taking such steps as may be necessary to carry out the Project in question. In particular, the Implementing Party may enter into one or more Contribution Agreements for this purpose.
- 13.3 All relevant and applicable federal and provincial legislation and policies shall apply to all Projects undertaken under this Agreement.
- 13.4 The Parties will be responsible for cost-sharing those portions of this Agreement that are common in nature such as implementation of parts of the communications plan and evaluation plan, and as agreed to by the Management Committee.

## **SECTION 14.0 GENERAL**

- 14.1 This Agreement, including the Schedules, may be amended from time to time by the written agreement of the Ministers subject to their appropriate authorities, but no amendment to subsections 2.1, 2.2, 2.3, 3.1, 5.1 and 5.2 shall be made without the approval of the Governor-in-Council and the Lieutenant Governor-in-Council.
- 14.2 The Parties shall keep each other informed of any disagreements or contentious issues. Disagreements or contentious issues that cannot be resolved by the Management Committee or by further reference to the Ministers shall be resolved through arbitration.
- 14.3 No Member of the House of Commons of Canada or of the Senate of Canada or of the Legislative Assembly of the Province of Manitoba shall be admitted to any share or part of this Agreement or to any benefit arising therefrom.
- 14.4 The Parties shall ensure that where one Party hereto is responsible for the implementation of a Project, it shall indemnify and save harmless the other Party, its officers, servants and agents against all claims and demands of third parties in any way arising out of the implementation of such initiative, except to the extent to which such claims or demands relate to the act or negligence of any officer, employee, or agent of the other Party.
- 14.5 Where the ongoing responsibility for the operation, maintenance and repair of any Project hereunder is to be vested in a Recipient, the Contribution Agreement arrangements made between the Implementing Party and the said Recipient shall provide a clause in order to save the Parties harmless from any claims, demands, actions, and causes of action which may be made against them arising from the operation, maintenance and repair of any such Project by the Recipient.

- 14.6 Nothing in this Agreement restricts or prevents either Implementing Party from arranging with or entering into agreements with the other Party for the delivery of part or all of any Project under this Agreement.
- 14.7 Either Party to this Agreement may terminate this Agreement, without cause, by providing at least 180 days notice of such termination in writing to the other Party's member of the Management Committee.
- 14.8 Notwithstanding the termination or expiration of this Agreement, it is acknowledged and agreed that those rights and obligations that by their very nature are intended to survive such termination or expiration shall survive, including, but not limited, to Sections 5.0, 8.0, 10.0, 13.0 and 14.0.
- 14.9 This document and Schedules "A" "B" and "C" form the entire Agreement.

IN WITNESS WHEREOF this Agreement has been executed on behalf of Canada by the Minister of the Environment and on behalf of Manitoba by the Minister of Competitiveness, Training and Trade.

**IN THE PRESENCE OF:**

**GOVERNMENT OF CANADA**

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
The Honourable Jim Prentice, PC, QC, MP

Minister of the Environment

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
The Honourable Lynne Yelich, PC, MP

Minister of State (Western Economic  
Diversification)

**IN THE PRESENCE OF:**

**GOVERNMENT OF MANITOBA**

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
Andrew Swan  
Minister of, Competitiveness,  
Training and Trade