

**CANADA–PRINCE EDWARD ISLAND AGREEMENT
ON FRENCH-LANGUAGE SERVICES
2013–2014 TO 2017–2018**

THIS AGREEMENT was concluded in English and in French
this ____ day of _____ 2013,

BETWEEN: **HER MAJESTY THE QUEEN IN RIGHT OF CANADA**, hereinafter called
“Canada,” represented by the Minister of Canadian Heritage,

AND: **THE GOVERNMENT OF PRINCE EDWARD ISLAND**, hereinafter called
“Prince Edward Island,” represented by the Premier of Prince Edward Island.

WHEREAS English and French are the official languages of Canada, as recognized in the Constitution of Canada, the *Canadian Charter of Rights and Freedoms* and the *Official Languages Act* (Canada), and Canada acknowledges its responsibilities and commitments to them;

WHEREAS Prince Edward Island adopted its *French Language Services Act*, giving the public the right to communicate with and to receive services in French from government institutions and committing to supporting the province’s Acadian and Francophone community and the French language on Prince Edward Island for future generations;

WHEREAS Canada co-operates within the framework of its *Official Languages Act* and its official languages policy with provincial and territorial governments and with organizations and institutions in Canada to advance the equality of status and use of English and French and to promote the development and ensure the full participation of official language communities in Canadian society;

WHEREAS the Department of Canadian Heritage has the mandate on behalf of the Government of Canada to co-operate with provincial and territorial governments in order to foster the full recognition and use of English and French in Canadian society and to enhance the vitality and support the development of official language minority communities across Canada, and to promote a coordinated approach by federal institutions in pursuit of these objectives;

WHEREAS Canada wishes to continue its collaboration with the provinces and territories on minority-language services;

WHEREAS Canada and Prince Edward Island wish to establish, through this agreement, a general framework for the planning and implementation of various measures to support the development and vitality of the Francophone and Acadian community of Prince Edward Island through the delivery of French-language services;

AND WHEREAS Prince Edward Island, as a member of the Ministerial Conference on the Canadian Francophonie, agreed in 2002 to a series of principles to provide a supportive environment for life in French in Canada;

THEREFORE, this agreement confirms that the parties hereto agree as follows:

1. PURPOSE OF THE AGREEMENT

1.1 The purpose of this agreement is to provide a multi-year collaboration framework between Canada and Prince Edward Island to support the planning and delivery of French-language provincial services aimed at contributing to the development and enhancing the vitality of the Francophone and Acadian community of Prince Edward Island, as presented in the strategic plan set out in Schedule B of this agreement.

2. PURPOSE OF THE CONTRIBUTION

2.1 Subject to the provisions of this agreement, Canada agrees to pay a portion of the eligible expenditures made by Prince Edward Island to implement its strategic plan (Schedule B).

3. MAXIMUM AMOUNT OF THE CONTRIBUTION

3.1 Subject to the appropriation of funds by Parliament, to the maintenance by the federal minister of current and forecasted budget levels to March 31, 2018, of the sub-component of the Development of Official-Language Communities Program under which this agreement is funded, and to the Administrative Procedures and Conditions in Schedule A of this agreement, Canada agrees to contribute to the eligible expenditures incurred by Prince Edward Island in implementing its strategic plan (Schedule B) for the purposes described in Section 1 of this agreement, for the next five fiscal years (2013–2014 to 2017–2018), an amount not to exceed the lesser of six million eight hundred and thirty-seven thousand five hundred dollars (\$6,837,500) or 50% of the total eligible expenditures for each year, or:

2013–2014	\$1,562,500
2014–2015	\$1,562,500
2015–2016	\$1,237,500
2016–2017	\$1,237,500
2017–2018	\$1,237,500

- 3.2 In the event that additional funds for the federal contribution outlined in paragraph 3.1 are made available during this agreement, the present agreement may be modified accordingly. Any increase in Canada’s financial envelope will be conditional upon Prince Edward Island providing an equivalent or greater financial contribution than Canada’s to meet the goals set out in its revised strategic plan (Schedule B). Canada and Prince Edward Island agree to update the strategic plan (Schedule B) for 2013–2014 to 2017–2018 to reflect these new investments.
- 3.3 For each fiscal year covered by this agreement, Canada may provide Prince Edward Island with financial support over and above the amounts identified in paragraph 3.1 of this agreement for special measures or projects proposed by Prince Edward Island, subject to approval by the federal minister. These measures and projects will be included in a document to be attached to Prince Edward Island’s strategic plan (Schedule B) and will form an integral part thereof.
- 3.4 Subject to the appropriation of funds by the Legislative Assembly of Prince Edward Island and the maintenance of current and forecasted budget levels of the Executive Council Office, Prince Edward Island agrees to contribute to the eligible expenditures incurred under the terms of its strategic plan (Schedule B) for 2013–2014 to 2017–2018.
- 3.5 The Administrative Procedures and Conditions governing the payment of Canada’s contribution are included in Schedule A of this agreement.

4. ELIGIBLE EXPENDITURES

4.1 For the purposes of this agreement, eligible expenditures may include, among others, expenditures related to the planning, study, research, development and implementation of the activities supporting the execution of Prince Edward Island’s strategic plan (Schedule B).

5. COORDINATION

5.1 Canada and Prince Edward Island agree to meet in the sixty (60) days preceding the close of each fiscal year covered by this agreement to discuss results and activities conducted within the framework of this agreement. The two parties may at that time, if necessary, agree to any modifications to be made to the strategic plan (Schedule B).

6. APPROVED ACTIONS/MEASURES AND BUDGETS

6.1 Canada and Prince Edward Island agree that the contributions referred to in paragraphs 3.1 and 3.3 of this agreement apply only to the actions/measures described in Prince Edward Island’s strategic plan (Schedule B), based on the federal and provincial budget breakdown included in this agreement.

7. PARTNERSHIP

7.1 The parties recognize that this agreement does not constitute an association with the intent to establish a partnership or a joint venture, nor to create an agency relationship between Canada and Prince Edward Island.

8. MEMBERS OF THE HOUSE OF COMMONS, THE SENATE AND THE LEGISLATIVE ASSEMBLY OF PRINCE EDWARD ISLAND

8.1 No member of the House of Commons, the Senate or the Legislative Assembly of Prince Edward Island may take part in this agreement or benefit from it in any way.

9. FORMER FEDERAL PUBLIC OFFICE HOLDERS OR FEDERAL PUBLIC SERVANTS

9.1 No official or employee of Canada shall be admitted to share in this agreement or to benefit from it without the written consent of the official's or employee's minister. No former public office holder or public servant who is not in compliance with the *Conflict of Interest Act*, S.C. 2006, c.9 or the *Values and Ethics Code for the Public Sector* may receive a direct benefit from this agreement.

10. LIABILITY OF CANADA AND PRINCE EDWARD ISLAND

10.1 Canada shall not be liable for any injury, including death, or for any loss or damage to the property of Prince Edward Island or anyone else, that occurs through the execution of this agreement by Prince Edward Island, unless such injury, loss or damage is caused by the negligence, wilful misconduct or bad faith of Canada, the federal minister, or their employees, officers or agents.

10.2 Prince Edward Island shall not be liable for any injury, including death, or for any loss or damage to the property of Canada or anyone else, that occurs through the execution of this agreement by Canada, unless such injury, loss or damage is caused by the negligence, wilful misconduct or bad faith of Prince Edward Island, the provincial minister or their employees, officers or agents.

10.3 Canada disclaims itself from any liability in the event that Prince Edward Island concludes a loan, rent-to-own contract or any other long-term contract involving the project for which the contribution is granted in this agreement.

11. INDEMNIFICATION

11.1 Prince Edward Island shall indemnify Canada, the federal minister and their employees, officers or agents, and release them from any liability for claims, losses, damages, expenditures and costs related to any injury or death, or loss or damage to property caused by Prince Edward Island or its employees, officers or agents in carrying out the activities described in this agreement.

11.2 Canada shall indemnify Prince Edward Island, the provincial minister and their employees, officers or agents, and release them from any liability for claims, losses, damages, expenditures and costs related to any injury or death, or loss or damage to property caused by Canada or its employees, officers or agents in carrying out the activities described in this agreement.

12. DISPUTE RESOLUTION

12.1 In the event of a dispute arising under the terms of this agreement, the parties agree to try to make a good faith attempt to settle the dispute. In the event that the parties cannot resolve the dispute through negotiation, they agree to submit to mediation. The parties shall bear the cost of mediation equally.

13. BREACH OF COMMITMENTS AND RECOURSE

13.1 The following constitute breach of commitments:

13.1.1 Prince Edward Island, directly or through its representatives, makes or made, otherwise than in good faith, a false declaration or a misrepresentation to Canada; or

13.1.2 One of the conditions or commitments included in this agreement has not been fulfilled;
or

13.1.3 Canada suspends or withholds for no legitimate reason payments of its contribution with respect to amounts already owing or future payments.

13.2 In the event of breach of commitments, Canada may avail itself of the following remedies:

13.2.1 Reduce Canada's contribution to Prince Edward Island and inform it accordingly;

13.2.2 Suspend any payment of Canada's contribution, either with respect to amounts already owing or future payments; and

13.2.3 Rescind this agreement and immediately terminate any financial obligation arising out of it.

13.3 In the event of breach of commitments, Prince Edward Island may avail itself of the following remedies:

13.3.1 Suspend some activity provided for in the strategic plan (Schedule B);

13.3.2 Rescind this agreement and immediately terminate any financial obligation arising out of it.

13.4 The fact that one of the two parties refrains from exercising a remedy it is entitled to exercise under this agreement shall not be considered to be a waiver of such right and, furthermore, partial or limited exercise of a right conferred on it shall not prevent it in any way in the future from exercising any other right or remedy under this agreement or other applicable law.

14. ASSIGNMENT

14.1 This agreement, and any benefit thereunder, may not be assigned without prior written approval from Canada.

15. APPLICABLE STATUTES

15.1 This agreement shall be governed by and interpreted in accordance with the applicable statutes in Prince Edward Island.

16. COMMUNICATIONS

16.1 Any communication concerning this agreement intended for Canada shall be sent by mail to:

Director, Operations and Regional Coordination
Official Languages Branch
Department of Canadian Heritage
15 Eddy Street, 7th floor
Gatineau, Quebec
K1A 0M5

16.2 Any communication concerning this agreement intended for Prince Edward Island shall be sent by mail to:

Director
Acadian and Francophone Affairs
Post Office Box 58
Wellington, Prince Edward Island
C0B 2E0

16.3 Any communication sent in this way shall be deemed to have been received after the time required for a letter to reach its destination.

17. DURATION

17.1 This agreement binds Prince Edward Island and Canada for the period starting April 1, 2013, and ending on March 31, 2018, and all contributions to be provided by Canada in accordance with the provisions of this agreement are to be applied only to the measures implemented and the expenditures incurred by Prince Edward Island in carrying out its strategic plan (Schedule B).

18. AMENDMENT OR TERMINATION

18.1 The parties may, with mutual written consent, amend or terminate this agreement during the life of the said agreement.

19. DESCRIPTION OF THE CONTRIBUTION AGREEMENT

19.1 This agreement, including the following schedules that form an integral part of it and subsequent amendments to them, constitutes the entire agreement between the parties and supersedes all previous and future documents, negotiations, understandings and undertakings related to its subject matter. The two parties acknowledge having read the agreement and agree with its contents.

SCHEDULE A – Administrative Procedures and Conditions
SCHEDULE B – Strategic Plan

IN WITNESS WHEREOF, the parties hereto have signed this agreement on the date that appears on the first page.

ON BEHALF OF CANADA

ON BEHALF OF PRINCE EDWARD ISLAND

The Honourable Shelley Glover
Minister of Canadian Heritage and
Official Languages

The Honourable Robert Ghiz
Premier

Witness

Witness

Name in block letters

Name in block letters

Signature

Signature

ADMINISTRATIVE PROCEDURES AND CONDITIONS

1. PAYMENT TERMS

1.1 Strategic Plan

1.1.1 Canada's contributions to Prince Edward Island's strategic plan (Schedule B) referred to in paragraph 3.1 of this agreement shall be paid as follows:

- (a) an initial advance payment representing one half (50%) of Canada's contribution for fiscal year 2013–2014 shall be made following the production of Prince Edward Island's strategic plan (Schedule B) and signing of this agreement provided that requirements for the previous payments related to the *Canada – Prince Edward Island Agreement on the Provision of French-Language Services 2009-2010 – 2012-2013* have been met;
- (b) for each subsequent fiscal year, a first advance payment representing one half (50%) of Canada's contribution for that fiscal year shall be made on or about April 15 following the production, if necessary, of an updated strategic plan (Schedule B) provided that requirements for the previous payments have been met;
- (c) for the first four fiscal years of this agreement, a second and final advance payment not exceeding the balance of Canada's contribution for that year shall be made following the production of:
 - i) a final report on results and actual expenditures for the previous fiscal year; and
 - ii) an interim financial statement reporting actual expenditures made by Prince Edward Island during the period ending September 30 of the current fiscal year and anticipated expenditures up to March 31 of the same fiscal year;
- (d) for the final fiscal year, a second advance payment representing forty percent (40%) of Canada's contribution for that fiscal year shall be made following the production of:
 - i) a final report on results and actual expenditures for the previous fiscal year; and
 - ii) an interim financial statement reporting actual expenditures made by Prince Edward Island during the period ending September 30 of the current fiscal year and anticipated expenditures up to March 31 of the same fiscal year;
- (e) for the final fiscal year, a third and final payment not exceeding the balance of Canada's contribution for that year shall be made following the production of a final report on results and actual expenditures for the fiscal year in question.

1.2 Special Projects

Canada's contribution to Prince Edward Island for the special projects referred to in paragraph 3.3 of this agreement shall be paid in accordance with the following breakdown:

1.2.1 For one-year projects:

- (a) an initial advance payment representing one half (50%) of Canada's contribution for that fiscal year shall be made following approval of the federal minister;
- (b) a second and final payment not exceeding the balance of Canada's contribution for that fiscal year shall be made following the production of a final report on results and actual expenditures made by Prince Edward Island for the fiscal year in question.

1.2.2 For multi-year projects:

- (a) an initial advance payment representing one half (50%) of Canada's contribution for the current fiscal year shall be made following approval of the federal minister;
- (b) for each subsequent fiscal year, a first advance payment representing one half (50%) of Canada's contribution for that year shall be made on or about April 15 provided that requirements for the previous payments have been met;
- (c) for the first fiscal year, a second and final advance payment not exceeding the balance of Canada's contribution for that fiscal year shall be made following the production of an interim financial statement reporting actual expenditures made by Prince Edward Island during the period ending September 30 of the current fiscal year and anticipated expenditures up to March 31 of the same fiscal year;
- (d) for each subsequent fiscal year except the last, a second and final advance payment not exceeding the balance of Canada's contribution for that year shall be made following the production of:
 - i) a final report on results and actual expenditures for the previous fiscal year; and
 - ii) an interim financial statement reporting actual expenditures made by Prince Edward Island during the period ending September 30 of the current year and anticipated expenditures up to March 31 of the same fiscal year;
- (e) for the final fiscal year, a second advance payment representing forty percent (40%) of Canada's contribution for that fiscal year shall be made following the production of:
 - i) a final report on results and actual expenditures for the previous fiscal year; and
 - ii) an interim financial statement reporting actual expenditures made by Prince Edward Island during the period ending September 30 of the current fiscal year and anticipated expenditures up to March 31 of the same fiscal year;
- (f) for the final fiscal year, a third and final payment not exceeding the balance of Canada's contribution for that year shall be made following the production of a final report on results and actual expenditures for the fiscal year in question.

2. TRANSFERS

- 2.1 Prince Edward Island can transfer funds between measures for the same objective.
- 2.2 Prince Edward Island can transfer funds between objectives in the strategic plan (Schedule B) if none of the objectives impacted by the transfer(s) is subject to an increase or decrease exceeding 15% of the amount of the annual contribution allocated to each one.
- 2.3 Canada and Prince Edward Island can agree, no later than February 15 of the fiscal year in question, to transfer funds between objectives in the strategic plan (Schedule B) if at least one objective impacted by the transfer(s) is subject to an increase or decrease exceeding 15% of the annual contribution allocated to each one.
- 2.4 Canada and Prince Edward Island agree that the transfers targeted by paragraphs 2.1, 2.2 and 2.3 shall not jeopardize achievement of the expected results in the strategic plan (Schedule B).

3. FINANCIAL STATEMENTS AND REPORTS ON RESULTS

- 3.1 It is agreed that, no later than March 31 of each fiscal year of this agreement, Prince Edward Island shall provide Canada with interim financial statements of Prince Edward Island's expenditures relating to Canada's financial contribution. The interim financial statement shall provide details on actual expenditures incurred prior to September 30 of the year in question and on expenditures anticipated until March 31 of the year in question.

- 3.2 It is agreed that within six (6) months following the end of each fiscal year of this agreement, Prince Edward Island shall provide Canada with a final report on the results of each fiscal year, based on the measures, performance indicators and outcomes set forth in the strategic plan (Schedule B), and on actual expenditures.
- 3.3 The interim financial statements and final reports on results and actual expenditures shall be approved by a duly authorized person from Prince Edward Island. Prince Edward Island shall provide the financial statements and reports in the manner it considers most appropriate to its particular situation. Canada and Prince Edward Island will hold further discussions in the event that clarifications or additional information are requested.
- 3.4 The financial statements shall separately present the budget established for each of the objectives provided for in the province's strategic plan (Schedule B), the provincial and federal contributions, and for each objective, all expenditures incurred by the province, including those incurred before the signing of this agreement. The financial statements shall be prepared in accordance with generally-accepted accounting principles.
- 3.5 In the context of this agreement, Prince Edward Island agrees to keep accounts and documents up to date and in due form in accordance with provincial records management standards.

4. NATIONAL REPORTS ON RESULTS

- 4.1 Canada reserves the right to produce and publish a national report on best practices and progress made within the framework of the Development of Official-Language Communities Program.
- 4.2 Canada agrees to consult Prince Edward Island through the Intergovernmental Network of the Canadian Francophonie on the report's development and production schedule.
- 4.3 Canada agrees to consult Prince Edward Island to agree on the content of the elements of the national report that are specific to Prince Edward Island.

5. INFORMATION TO THE PUBLIC

- 5.1 Canada and Prince Edward Island agree to make the text of this agreement and its schedules available to the Canadian public.
- 5.2 Prince Edward Island agrees to make available to the public copies of the final report on results and actual expenditures as part of this agreement. Interested individuals may contact Prince Edward Island in accordance with the provisions of paragraph 16.2 of this agreement.
- 5.3 Prince Edward Island agrees to give recognition to Canada's participation when conducting publicity for the measures for which financial assistance was provided by Canada. For the purpose of this agreement, publicity includes, without being limited to, news releases and provincial departmental and agency reports. Prince Edward Island agrees to provide Canada with samples of these various types of publicity.
- 5.4 Prince Edward Island and Canada agree to share, at the time of its publication, any public report on services in French that may be produced, to be used as complementary information.
- 5.5 Canada and Prince Edward Island agree that communications with and publications for the general public regarding this agreement will be issued in both official languages.

6. OVERPAYMENT

- 6.1 The parties agree that, if payments made to Prince Edward Island under this agreement exceed the amounts to which Prince Edward Island is entitled, the overpayment shall be returned to Canada, failing which Canada may reduce its future contributions to Prince Edward Island by an equivalent amount.

7. FINANCIAL AUDITS

7.1 In the event a financial audit is deemed necessary within a period of up to five (5) years after the end of this agreement, Canada and Prince Edward Island agree that it would be conducted by the Auditor General of Prince Edward Island or an external auditor practicing in the province.

8. EVALUATION

8.1 Prince Edward Island is responsible for evaluating the measures funded under this agreement, and shall determine the scope of the evaluation and the methodology and procedures to be used. Prince Edward Island shall provide Canada with a report on the measures evaluated.

8.2 Canada is responsible for evaluating the Development of Official-Language Communities Program. Information relevant to this evaluation will be drawn from the annual reports on results produced by Prince Edward Island.

8.3 Canada and Prince Edward Island may agree on a joint evaluation for all or some of the measures funded under this agreement. In such cases, the two parties shall fund the evaluation in compliance with the cost-sharing procedures provided for in paragraph 3.1 of this agreement.

9. CONSULTATIONS

9.1 Prince Edward Island has included in the preamble to its strategic plan (Schedule B) information on the level of community involvement in the development of its overall strategy and preparation of the plan.