

Gouvernement du Québec

O.C. 529-99, 5 May 1999

An Act respecting industrial accidents
and occupational diseases
(R.S.Q., c. A-3.001)

Use of employer experience

Regulation respecting the use of employer experience

WHEREAS under subparagraph 12.1 of the first paragraph of section 454 of the Act respecting industrial accidents and occupational diseases (R.S.Q., c. A-3.001), enacted by paragraph 9 of section 44 of the Act to amend the Act respecting industrial accidents and occupational diseases and the Act respecting occupational health and safety (1996, c. 70), the Commission de la santé et de la sécurité du travail may make regulations defining the transactions referred to in section 314.3 of the Act respecting industrial accidents and occupational diseases and prescribing the cases, terms and conditions for the determination of the experience of the employer involved in such a transaction and prescribing special assessment procedures applicable to the employer;

WHEREAS under subparagraph 12.2 of the first paragraph of section 454 of the Act respecting industrial accidents and occupational diseases (R.S.Q., c. A-3.001), enacted by paragraph 9 of section 44 of the Act to amend the Act respecting industrial accidents and occupational diseases and the Act respecting occupational health and safety, the Commission de la santé et de la sécurité du travail may make regulations determining the standards according to which the employer involved in a transaction referred to in section 314.3 of the Act respecting industrial accidents and occupational diseases is to inform the Commission;

WHEREAS in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), a draft of the Regulation respecting the use of employer experience was published in Part 2 of the *Gazette officielle du Québec* of 2 December 1998, with a notice that it would be adopted by the Commission with or without amendments upon the expiry of 45 days following that publication;

WHEREAS the Commission adopted that Regulation at the meeting of its board of directors held on 18 February 1999;

WHEREAS it is expedient to approve that Regulation as it appears attached to this Order in Council;

IT IS ORDERED, therefore, on the recommendation of the Minister of Labour and Minister responsible for the administration of the Act respecting industrial accidents and occupational diseases:

THAT the Regulation respecting the use of employer experience, attached hereto, be approved.

MICHEL NOËL DE TILLY,
Clerk of the Conseil exécutif

**Regulation respecting the use
of employer experience**

An Act respecting industrial accidents
and occupational diseases
(R.S.Q., c. A-3.001, s. 454, first par., subpar. 12.1
and 12.2)

**CHAPTER I
STATEMENT OF PURPOSE**

1. The purpose of this Regulation is to prescribe in what cases and on what terms and conditions the Commission de la santé et de la sécurité du travail may determine the experience of an employer in order to reflect the risk to which the workers will be exposed following a transaction defined in section 2, and to prescribe the special assessment procedures applicable to the employer.

A further purpose of this Regulation is to establish the procedure for notifying the Commission of such transactions.

**CHAPTER II
DEFINITIONS**

2. For the purposes of section 314.3 of the Act respecting industrial accidents and occupational diseases (R.S.Q., c. A-3.001) and for the purposes of this Regulation, a transaction is regarded as a legal transaction following which the insured risk of an initial employer (the predecessor) continues in respect of another employer (the successor) who carries on, in whole or in part, the activities of the initial employer. It also includes a merger following which the insured risk of the merging employers (the predecessors) continues in respect of the employer created by the merger (the successor) who carries on, in whole or in part, the activities of the merging employers.

3. In this Regulation:

“insurable wages”: means the gross wages taken into consideration, in accordance with sections 289 or 289.1 of the Act, up to the maximum yearly insurable earnings established under section 66 of the Act.

CHAPTER III GENERAL PROVISIONS

4. For the purposes of determining if a successor qualifies for a personalized rate or is subject to, or qualifies for, retrospective adjustment of the assessment, and in order to fix its assessment under the Regulation respecting personalized rates adopted by the Commission de la santé et de la sécurité du travail by resolution A-86-98 of September 17, 1998 (1998, *G.O.* 2, 3997), and under the Regulation respecting retrospective adjustment of the assessment, adopted by the Commission de la santé et de la sécurité du travail by resolution A-85-98 of September 17, 1998 (1998, *G.O.* 2, 4156), the Commission shall, in accordance with the rules prescribed in this Regulation, use the predecessor’s experience related to employment injury risk insured by the Commission with respect to the activities covered by a transaction where, after the transaction, the risk continues in respect of the successor.

5. For the purposes of this Regulation, a transaction takes place on the date on which the successor actually continues to carry on, in whole or in part, the predecessor’s activities where that date is not the same as that of the legal transaction pursuant to which said activities continue to be carried on.

6. For the purposes of this Regulation, the insurable wages earned in respect of a unit include the wages apportioned by the Commission in respect of that unit pursuant to the Regulation respecting the classification of employers, the statement of wages and the rates of assessment adopted by the Commission de la santé et de la sécurité du travail by resolution A-73-97 of October 16, 1997 (1997, *G.O.* 2, 5330).

CHAPTER IV DETERMINATION OF EMPLOYER EXPERIENCE RELATED TO EMPLOYMENT INJURY RISK TO BE USED FOR THE PURPOSES OF QUALIFYING FOR A PERSONALIZED RATE AND THE METHOD OF CALCULATING THAT RATE

DIVISION I DEFINITION

7. In this Chapter, “Regulation” means the Regulation respecting personalized rates.

DIVISION II QUALIFICATION FOR A PERSONALIZED RATE AND THE DETERMINATION OF A SUCCESSOR’S RISK INDICES

8. For the purposes of fixing a successor’s assessment, the Commission shall determine, in accordance with the rules prescribed in this Division, the successor’s qualification for a personalized rate, as well as the first- and second-level risk indices that shall apply, pursuant to the Regulation, to the first- and second-level unit-rates according to risk for each unit in which the successor is classified.

§1. Assessment and qualification for a personalized rate of a successor that commences its activities following a transaction

9. A successor that commences its activities following a transaction shall qualify for a personalized rate for the year in which that transaction took place if the predecessor qualified, for that year, for such a rate pursuant to the Regulation. The first- and second-level risk indices that shall be used, where applicable, to fix the personalized rate are those that applied to the predecessor on the date on which the transaction took place.

For subsequent years, the successor’s qualification for a personalized rate, as well as its first- and second-level risk indices, shall be determined in accordance with the Regulation by adding the predecessor’s actual and expected experience for any period prior to the date on which the transaction took place falling within the first- and second-level reference periods. Notwithstanding the foregoing, where a predecessor was party to an agreement contemplated by the General Regulation respecting the agreements on the grouping of employers for the purposes of applying personalized rates and the procedures for calculating those rates approved by Order-in-Council 1296-97 of October 1, 1997, its actual and expected experience shall include, for the period commencing on the date on which the transaction took place and terminating on the end of the year in which it took place, the actual and expected experience of the prevention mutual group to which it belonged for that year.

10. For the purposes of this regulation, where the predecessor has discontinued operations before the date on which the transaction took place, its qualification for a personalized rate on the date on which the transaction took place shall be determined in accordance with the Regulation as if it had not discontinued operations and the risk indices applicable to it on that date are those that would have applied to it under the Regulation had it not discontinued operations.

§2. Assessment and qualification for a personalized rate of a successor that was an employer before the date on which a transaction took place

11. A successor that was an employer before the date on which a transaction took place shall qualify for a personalized rate for the year in which the transaction took place, where, pursuant to the Regulation, it or the predecessor qualified for such a rate on the date on which the transaction took place.

The first- and second-level risk indices that shall apply to the successor from the date on which the transaction took place shall correspond respectively to the weighted average, determined under Division III, of the first-level risk index of the successor and that of the predecessor and to the weighted average, determined under the same Division, of the second-level risk index of said successor and of said predecessor determined pursuant to the Regulation.

The first- and second-level risk indices of an employer that did not qualify for a personalized rate before the transaction shall be equal to 1.

12. For each subsequent year, the qualification for a personalized rate, as well as the first- and second-level risk indices of a successor referred to in section 11, shall be determined as follows:

1) by determining the qualification for a personalized rate, as well as, where applicable, its first- and second-level risk indices, in accordance with the Regulation. Said indices shall be equal to 1 where the successor does not, for that year, qualify for a personalized rate;

2) by re-determining the qualification and, where applicable, the first- and second-level risk indices of the successor in accordance with the Regulation by using, for any period prior to the date on which the transaction took place falling within the first- and second-level reference periods, the predecessor's actual and expected experience. Notwithstanding the foregoing, where a predecessor was party to an agreement contemplated by the General Regulation respecting the agreements on the grouping of employers for the purposes of applying personalized rates and the procedures for calculating those rates, its actual and expected experience shall include, for the period commencing on the date on which the transaction took place and terminating on the end of the year in which the transaction took place, the actual and expected experience of the prevention mutual group to which it belonged for that year.

The indices shall be equal to 1 where the successor does not qualify for a personalized rate for the assessment year under this subparagraph;

3) where the successor qualifies for a personalized rate under subparagraphs 1 or 2, by determining, in accordance with Division III, the weighted average of the first-level risk index determined under subparagraph 1 and of that determined under subparagraph 2 and by determining, in accordance with that same Division, the weighted average of the second-level risk index determined under subparagraph 1 and of that determined under subparagraph 2.

13. Where the predecessor fails to furnish the Commission with the information pertaining to the predecessor allowing for the determination of the first- and second-level risk indices of the successor in accordance with sections 11 and 12, the indices shall be determined in accordance with sections 14 and 15.

For the purpose of these sections, the first- and second-level risk indices of a successor or predecessor shall be equal to 1 if either one does not qualify, pursuant to the Regulation, for a personalized rate for a given year or, where applicable, in accordance with the method prescribed in subparagraph 2 of section 12.

14. For the year in which the transaction took place, where the second-level risk index applicable to a successor on the date on which the transaction took place is equal to, or greater than, the second-level risk index applicable to its predecessor on that date, the first- and second-level risk indices that shall apply to the successor from the date on which the transaction took place shall correspond to those applicable to the successor on that date.

Where the second-level risk index applicable to a predecessor on the date on which the transaction took place is greater than the second-level risk index that applied to the successor on that date, the first- and second-level risk indices that shall apply to the successor from the date on which the transaction took place shall correspond respectively to the weighted average, determined under Division III, of the first-level risk index that applied to the successor on the date on which the transaction took place and of that applicable to the predecessor on that date, and to the weighted average, determined under the same Division, of the second-level risk index applicable to the successor on the date on which the transaction took place, as well as that applicable to the predecessor on that date.

15. For each subsequent year, the first- and second-level risk indices applicable to the successor referred to in the first paragraph of section 14 shall be calculated in accordance with the Regulation.

Where the successor falls within the second paragraph of section 14, section 12 shall apply to it for the purposes of determining its first- and second-level risk indices.

16. Sections 11 and 14 do not apply to a successor that is subject to, or qualifies for, retrospective adjustment of its assessment for the year in which the transaction took place unless it applies to qualify therefor before the date on which the transaction actually took place. Any such application becomes irrevocable as of that date.

17. For the purposes of Subdivisions 1 and 2, where a number of transactions occur simultaneously, they shall be treated as successive transactions. In such a case, where a successor falls within section 9, that section shall apply to only one of the transactions and the rules prescribed in Subdivision 2 shall apply to the other transactions.

§3. Assessment and qualification for a personalized rate of a successor following a merger

18. Where the transaction consists of a merger, the successor shall qualify for a personalized rate for each unit in which it is classified for the year in which the transaction took place, where at least one of the predecessors party to the merger qualified for such a rate pursuant to the Regulation.

The first- and second-level risk indices that shall apply to the successor as of the date on which the transaction took place shall correspond respectively to the weighted average, determined in accordance with Division III, of the first-level risk indices of the predecessors and to the weighted average of their second-level risk indices calculated for that year in accordance with the Regulation.

The first- and second-level risk indices of a predecessor that did not qualify for a personalized rate on the date on which the transaction took place, shall be equal to 1.

19. For each subsequent year, qualification for a personalized rate, as well as the first- and second-level risk indices of a successor referred to in section 18, shall be determined as follows:

1) by determining, with respect to each predecessor, qualification pursuant to the Regulation for a personalized rate, as well as, where applicable, the first- and second-level risk indices of the successor, by using, for any period prior to the date on which the transaction took place and which falls within the first- and second-level reference periods, the predecessor's actual and expected experience. Where the successor does not so qualify for one year following any such determination, the successor's first- and second-level risk indices corresponding to said determination shall be equal to 1;

2) where for the subsequent year, the successor qualifies for a personalized rate in respect of at least one of the determinations made under subparagraph 1, by determining, in accordance with Division III, the weighted average of the first-level risk indices determined under that subparagraph, and the weighted average, determined in accordance with that same Division, of the second-level risk indices determined under that same subparagraph.

DIVISION III
METHOD OF WEIGHTING

20. The weighting stipulated in sections 11 and 12 and in the second paragraph of section 14 shall, subject to the exceptions stipulated in sections 22 to 26, be determined on the basis of the successor's assessment according to risk calculated at the unit-rate for the year preceding the year in which the transaction took place and of the predecessor's assessment according to risk calculated at the unit-rate for that year.

The weighting stipulated in sections 18 and 19 shall, subject to the exceptions stipulated in sections 22 to 26 and after making the necessary adjustments, be determined on the basis of each predecessor's assessment according to risk calculated at the unit-rate for the year preceding the year in which the transaction took place.

21. For the purposes of this Regulation, the assessment according to risk calculated at the unit-rate shall correspond to the product obtained by multiplying that portion of the general unit-rate in which the employer is classified for the relevant year corresponding to the financial requirements of the Commission de la santé et de la sécurité du travail apportioned according to first- or second-level risk at the time the rate is fixed under section 304 of the Act, by the insurable wages earned by the employer's workers in respect of that unit.

Notwithstanding the foregoing, except for the situation referred to the second paragraph of section 14, where a successor carries on the predecessor's activities in part only, the predecessor's assessment according to

risk calculated at the unit-rate shall be obtained by using the insurable wages earned by its workers in respect of those activities and the corresponding unit-rates for those activities.

For the purposes of the operation contemplated in the first paragraph, where a successor or predecessor is classified in more than one unit, the aggregate results obtained for each of said units shall be taken into consideration.

22. For the purposes of this Division, where a predecessor or successor was involved in another transaction between January 1 of the year preceding the year in which the transaction took place and the actual date on which the transaction took place, its assessment according to risk calculated at the unit-rate for the year preceding the year in which the transaction took place shall be increased by the assessment according to risk calculated at the predecessor's unit-rate in respect of that other transaction, for the period commencing on January 1 of the year preceding the year in which the transaction took place and terminating on the date on which that other transaction took place or, at the latest, by December 31 of that year.

23. Where, due to a change in the nature of its activities, the predecessor or successor was not classified in the same unit or units for the year preceding the year in which the transaction took place and for the year in which the transaction actually took place, then the weighted average of the successor's first- and second-level risk indices shall be based on its assessment according to risk calculated at the unit-rate for the period commencing on January 1 of the year in which that transaction took place and ending on the date on which that transaction took place and on the predecessor's assessment according to risk calculated at the unit-rate for the same period.

24. Where the predecessor or successor has commenced its activities during the period commencing on January 1 and terminating on June 30 of the year preceding the year in which the transaction took place, and in respect of which section 9 does not therefore apply, the weighted average of the successor's first- and second-level risk indices shall be based on its assessment according to risk calculated at the unit-rate and on the predecessor's assessment according to risk calculated at the unit-rate for the period during which the successor and predecessor were both employers in the year preceding the year in which the transaction took place.

25. Where the predecessor or successor commenced its activities after June 30 of the year preceding the year in which the transaction took place, and in respect of which section 9 does not therefore apply, the weighted average of the successor's first- and second-level risk indices shall be based on its assessment according to risk calculated at the unit-rate and on the predecessor's assessment according to risk calculated at the unit-rate for the period during which the successor and predecessor were both employers in the year preceding the year in which the transaction took place and the year in which the transaction took place up to the date on which the transaction actually took place.

26. Where the predecessor or successor commenced its activities after January 1 of the year preceding the year in which the transaction took place following another transaction to which section 9 applied, the weighted average of the successor's first- and second-level risk indices shall be based on its assessment according to risk calculated at the unit-rate for the year preceding the year in which that transaction took place, increased, where applicable, by the assessment according to risk of the predecessor involved in the other transaction, calculated at the unit-rate, for the period commencing on January 1 of the year in which that transaction took place and terminating on the date of that other transaction, and on the predecessor's assessment according to risk calculated at the unit-rate for that year, increased, where applicable, by the assessment according to risk of the predecessor involved in the other transaction, calculated at the unit-rate, for the period commencing on January 1 of the year in which that transaction took place and terminating on the date of that other transaction.

DIVISION IV **DETERMINATION OF A SUCCESSOR'S** **PERSONALIZED RATE**

27. The first- and second-level risk indices of a successor qualifying for a personalized rate in accordance with the rules prescribed in this Regulation, calculated in accordance with Divisions II and III, shall be regarded as being those indices determined in accordance with the Regulation and shall be used to fix the personalized rate applicable to the insurable wages earned by the successor's workers as of the date on which the transaction took place, in respect of each unit in which the successor is classified.

CHAPTER V

EXPERIENCE APPLICABLE FOR THE PURPOSES OF DETERMINING IF A SUCCESSOR IS SUBJECT TO OR QUALIFIES FOR RETROSPECTIVE ADJUSTMENT OF THE ASSESSMENT AND FOR FIXING ITS ASSESSMENT

DIVISION I

PROVISION OF GENERAL APPLICATION

28. The rules prescribed in the Regulation respecting retrospective adjustment of the assessment shall apply, taking into account the specific rules prescribed in this Chapter, for the purposes of determining if the successor is subject to or qualifies for retrospective adjustment of the assessment, and for fixing its assessment under this Regulation.

DIVISION II

DEFINITIONS

29. In this Chapter:

“Regulation”: means the Regulation respecting retrospective adjustment of the assessment; and

“unit-rate according to risk “: means the unit-rate according to risk as that term is defined in section 4 of the Regulation.

DIVISION III

ASSESSMENT OF A SUCCESSOR AND DETERMINING IF IT IS SUBJECT TO OR QUALIFIES FOR RETROSPECTIVE ADJUSTMENT OF THE ASSESSMENT FOLLOWING A TRANSACTION WHERE THE PREDECESSOR WAS SUBJECT THERETO, OR HAD APPLIED TO QUALIFY THEREFOR, AND WHERE THE SUCCESSOR WAS NOT SUBJECT THERETO, AND HAD NOT APPLIED TO QUALIFY THEREFOR, FOR THE YEAR IN WHICH THE TRANSACTION TOOK PLACE

30. Where, under section 4 of the Regulation, the successor is not subject to retrospective adjustment of its assessment for the assessment year in which the transaction took place, and where it had not applied to qualify therefor for that year under section 5 of the Regulation, but where the predecessor had been subject thereto, or had applied to qualify therefor, for that year, the successor shall be subject to retrospective adjustment of its assessment if the product obtained by multiplying the insurable wages earned by its workers for the period commencing on the date on which the transaction took place and terminating on December 31 of the year in which the transaction took place, by the unit-rate

according to risk for the unit in which the successor is classified for that period, is at least equal to the qualifying threshold for that year.

31. Notwithstanding the foregoing, a successor contemplated in section 30 may apply for re-determination of its qualification for retrospective adjustment under section 4 of the Regulation if the predecessor has furnished the Commission with a statement of the insurable wages earned by its workers in respect of the activities that are the subject of the transaction for the year in which the transaction took place and for the two preceding years, and if the application was filed before the date on which the transaction actually took place. In such a case, the insurable wages earned by the successor’s workers during the year prior to the year preceding the assessment year shall include the insurable wages earned by the predecessor’s workers for that year in respect of the activities that are the subject of the transaction.

32. A successor contemplated in sections 30 or 31 shall be regarded as having elected the assumption limit applicable to the predecessor, unless the successor forwards to the Commission the notice indicating its election of the assumption limit, as stipulated in section 16 of the Regulation, by no later than the date on which the transaction took place. The notice becomes irrevocable as of that date.

33. The Commission shall retrospectively adjust that portion of the assessment of a successor that is subject to or qualifies for retrospective adjustment of its assessment under sections 30 or 31, in relation to the period commencing on the date on which the transaction took place and terminating on December 31 of that year, in accordance with the Regulation. Where applicable, the personalized rate applicable to the successor, for that part of the year, shall be calculated by making the adjustments stipulated in section 29 of the Regulation respecting personalized rates.

34. For each of the two assessment years subsequent to the year in which the transaction took place, a successor referred to in section 30 shall be subject to, or qualify for, retrospective adjustment of its assessment where the product obtained by multiplying the insurable wages earned by its workers for any such subsequent year by the unit-rate according to risk for the unit in which it is classified for that year is at least equal to the qualifying threshold for that year.

Notwithstanding the foregoing, where the successor has filed an application under section 31, it shall be subject to, or shall qualify for, retrospective adjustment of its assessment for each of the subsequent two assessment years if it satisfies the requirements prescribed in

the Regulation. In such a case, the insurable wages earned by its workers during the year prior to the year preceding the assessment year shall include the insurable wages earned by predecessor's workers for that year in respect of the activities that were the subject of the transaction.

35. Where a number of transactions occur simultaneously and where the assumption limits applicable to the predecessors under section 16 of the Regulation are not the same, the successor shall be regarded as having elected the assumption limit applicable to the predecessor with the highest assessment according to risk calculated at the unit-rate, as provided for in section 21, for the year prior to the year preceding the year in which the transaction took place.

DIVISION IV
ASSESSMENT OF THE SUCCESSOR AND
DETERMINING IF IT IS SUBJECT TO, OR
QUALIFIES FOR, RETROSPECTIVE
ADJUSTMENT OF ITS ASSESSMENT WHERE
THE TRANSACTION CONSISTS OF A MERGER

36. Where the transaction consists of a merger and where at least one predecessor is subject to retrospective adjustment of its assessment under section 4 of the Regulation for the year in which the transaction took place and where it has not applied for re-determination of its qualification for that year under section 6 of the Regulation, the successor shall be subject to retrospective adjustment of its assessment.

37. Where such a transaction took place and where the predecessors that were subject to retrospective adjustment of their assessments under section 4 of the Regulation for the year in which the transaction took place have applied for re-determination of their qualification for that year pursuant to section 6 of the Regulation, but where at least one other predecessor has filed an application to qualify therefor under section 5 of the Regulation for that year, the successor shall be subject to retrospective adjustment of the assessment if it satisfies the requirement prescribed in said section 5. In such a case, the Commission shall take into account, for the purposes of said section 5, the insurable wages earned by its workers, as well as the wages earned by all the workers of the predecessors that are subject to, or have applied to qualify for, retrospective adjustment of their assessments for that year, declared for the years referred to in that section in respect of the unit in which the predecessors are classified for those assessment years. The unit-rate according to risk for those units shall be used in respect of said wages for the purpose of performing the calculations contemplated in subparagraphs 1 and 2 of said section 5.

38. Where such a transaction took place and where none of the predecessors applied to qualify for retrospective adjustment of their assessments under section 5 of the Regulation for the year in which the transaction took place and where all the predecessors subject to said adjustment for that year have applied for re-determination of their qualification pursuant to section 6 of the Regulation, the successor shall be subject to retrospective adjustment of its assessment, and that qualification shall be re-determined pursuant to said section 6. In such a case, the Commission shall take into account the insurable wages earned by the successor's workers as well as the wages earned by all the workers of the predecessors subject to retrospective adjustment of their assessments for that year, declared for the assessment year in which the transaction took place in respect of the unit in which the predecessors are classified for that year. The unit-rate according to risk for the units shall be used in respect of said wages for the purpose of performing the calculation contemplated in subparagraph 1 of section 5 of the Regulation.

This section does not apply where, pursuant to section 4 of the Regulation, none of the predecessors are subject to, or qualify for, retrospective adjustment of their assessments for the year in which the transaction took place.

39. For the purposes of this Division, where the assumption limits applicable to the predecessors pursuant to section 16 of the Regulation are not the same, the successor shall be regarded as having elected the assumption limit applicable to the predecessor with the highest assessment according to risk calculated at the unit-rate for the year prior to the year preceding the year in which the transaction took place.

40. Where, in accordance with the rules prescribed in this Division, a successor is subject to, or qualifies for, retrospective adjustment of the assessment for the year in which the transaction took place, the assessment of the successor and of the predecessors shall be retrospectively adjusted in accordance with the Regulation as if they had been a single employer.

Notwithstanding the foregoing, the successor's assessment for the period prior to the date on which the transaction took place involving a predecessor that was not subject to, or had not applied to qualify for, retrospective adjustment of the assessment shall be that fixed at the rate applicable to the predecessor before that date.

41. For subsequent assessment years, the successor shall be subject to or qualify for retrospective adjustment of its assessment if it satisfies the requirements prescribed in the Regulation. In such a case, the insur-

able wages earned by the successor's workers for the year prior to the year preceding the assessment year shall include those wages earned by the predecessors' workers in respect of their activities, and the rate applicable thereto shall be the unit-rate according to risk for the unit in respect of which they have filed a statement pursuant to the Act.

CHAPTER VI NOTIFYING THE COMMISSION

42. Where a successor commences its activities following a transaction, it shall advise the Commission thereof by no later than the date on which it forwards the information as required under the second paragraph of section 290 of the Act. In all other cases, the successor shall notify the Commission thereof by no later than the date on which it forwards the statement as required under section 292 of the Act.

A successor shall, in addition to indicating the identity of the predecessor, indicate the date on which the transaction took place and, where applicable, if it is a merger.

CHAPTER VII TRANSITIONAL AND FINAL PROVISIONS

43. For 1998, the assessment according to risk calculated at the unit-rate referred to in section 21, shall correspond to the product obtained by multiplying that portion of the general unit-rate for the unit in which the employer is classified for the relevant year corresponding to the financial requirements of the Commission de la santé et de la sécurité du travail apportioned according to risk at the time of the fixing of the rate under section 304 of the Act, by the insurable wages earned by the employer's workers in respect of that unit.

44. This Regulation comes into force on the 60th day following the date of its publication in the *Gazette officielle du Québec*.

2853

M.O., 1999

Order of the Minister of State for Health and Social Services and Minister of Health and Social Services to make the Regulation to amend the Regulation respecting the conditions on which manufacturers and wholesalers of medications shall be recognized, dated 28 April 1999

An Act respecting prescription drug insurance (R.S.Q., c. A-29.01)

THE MINISTER OF STATE FOR HEALTH AND SOCIAL SERVICES AND MINISTER OF HEALTH AND SOCIAL SERVICES,

CONSIDERING section 80 of the Act respecting prescription drug insurance (R.S.Q., c. A-29.01);

CONSIDERING the Order of the Minister of Health and Social Services No. 92-06 of July 6, 1992, making the Regulation respecting the conditions on which manufacturers and wholesalers of medications shall be recognized, published in the *Gazette officielle du Québec* of 15 July 1992;

CONSIDERING that it is necessary to amend that Regulation to delete the provisions referring to the "Quad Program (Quality Assessment of Drugs)" of the Department of Health and Welfare, Health Protection Branch, since that program was abolished on 31 December 1997;

CONSIDERING that the draft Regulation to amend the Regulation respecting the conditions on which manufacturers and wholesalers of medications shall be recognized was published in Part 2 of the *Gazette officielle du Québec* of 24 February 1999, on page 185, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1);

CONSIDERING that the Conseil consultatif de pharmacologie has been consulted on the draft Regulation;

CONSIDERING that it is expedient to make the Regulation without amendments;

MAKES the Regulation to amend the Regulation respecting the conditions on which manufacturers and wholesalers of medications shall be recognized, the text of which appears below.

Québec, 28 April 1999

PAULINE MAROIS,
*Minister of State for Health
and Social Services
and Minister of Health and Social Services*