The amount of the benefits established under sections 18 and 21 of the Act respecting parental insurance and the Regulation under the Act respecting parental insurance is then increased by any amount necessary to enable the person to receive the equivalent of the aggregate amount of benefits to which the person would have been entitled under the Employment Insurance Act or its regulations.

3. For the purposes of section 105 of the Act to amend the Act respecting parental insurance and other legislative provisions, a recipient who receives earnings during a week of benefits may apply to the Minister for a deduction from the benefits payable of an amount corresponding to the fraction of the earnings received during that week in excess of \$75, or in excess of 40% of the weekly benefits if they amount to \$200 or more, whichever amount is greater.

If the recipient would have been entitled to a raise in his or her earnings threshold under the Employment Insurance Act or its regulations, the amount of the benefits established under sections 18 and 21 of the Act respecting parental insurance and sections 41 to 43 of the Regulation under the Act respecting parental insurance is increased by any amount necessary to enable the recipient to receive the equivalent of the aggregate amount of benefits to which the recipient would have been entitled under the Employment Insurance Act or its regulations.

4. This Regulation comes into force on 1 January 2006.

7076

Draft Regulation

An Act respecting parental insurance (2001, c. 9; 2005, c. 13)

Regulation

Notice is hereby given, in accordance with section 10 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation under the Act respecting parental insurance, adopted by the Conseil de gestion de l'assurance parentale and appearing below, may be approved by the Government with or without amendment on the expiry of 15 days following this publication.

Notice is also given, in accordance with section 13 of the Regulations Act, that the Regulation is published with a consultation period shorter than the period prescribed by section 11 of that Act, pursuant to section 107 of the Act to amend the Act respecting parental insurance and other legislative provisions (2005, c. 13). To determine eligibility under the parental insurance plan established under the Act respecting parental insurance (2001, c. 9), the Regulation specifies the extent to which a person must contribute under the plan established under the Employment Insurance Act (Statutes of Canada, 1996, chapter 23), defines an interruption in earnings and determines the work that comes within the scope of the Act and the work that is excluded.

The Regulation specifies the manner in which applications, including claims for benefits, are to be made with the Minister of Employment and Social Solidarity, and enumerates exemptions. It prescribes the information to be provided by an employer to employees for the purpose of determining whether an employee is entitled to benefits.

The Regulation determines the rules for allocating benefit weeks if both parents take the weeks concurrently, do not agree on how they should be allocated, or do not reside in the same province.

The Regulation provides for the cases in which a person's qualifying period may be extended or differ from the period set out in section 20 of the Act respecting parental insurance.

The Regulation specifies, in relation to the benefit period, the time at which the qualifying period ends and the reasons that may justify an extension of the qualifying period.

The Regulation prescribes the manner in which insurable earnings from employment, from a business or from both sources are to be apportioned for the purpose of calculating average weekly earnings.

The Regulation includes provisions relevant to the payment of benefits and the recovery of amounts owing to the Minister. It sets out the conditions on which benefit payment may be suspended and the duration of the suspension. It also determines the circumstances and manner in which a person's benefits are reduced if, while receiving benefits, the person also receives income replacement indemnities or other benefits, or work income.

The Regulation contains provisions relating to increased benefits in cases where the recipient's family income is below the determined threshold.

Lastly, the Regulation contains transitional provisions that pertain to the qualifying period of certain selfemployed workers and to deferral of coverage in the case of persons holding the office of judge or presiding justice of the peace. The Regulation will have no significant financial impact on enterprises. Administrative implications will involve a requirement for employers to furnish various information necessary to determine employees' entitlement to benefits if no record of employment has been issued pursuant to the Employment Insurance Regulations (SOR/96-332).

Further information may be obtained by contacting Jean-François Bernier, 1122, chemin Saint-Louis, 1^{er} étage, bureau 104, Sillery (Québec) G1S 1E5; telephone: (418) 528-8818; fax: (418) 643-6738.

Any person having comments to make on the matter is asked to send them in writing, before the expiry of the 15-day period, to the President and Director General of the Conseil de gestion de l'assurance parentale, 1122, chemin Saint-Louis, 1^{er} étage, bureau 104, Sillery (Québec) G1S 1E5; telephone: (418) 643-1052; fax: (418) 643-6738.

DENIS LATULIPPE, President and Director General Conseil de gestion de l'assurance parentale

Regulation under the Act respecting parental insurance

An Act respecting parental insurance (2001, c. 9, s. 3, 1st par., subpars. 1 and 4, ss. 4, 7 and 8, 13, 16, 17.1, 18 to 21, 23, 26, 30, 34, 38, 83, 88, 1st par., subpars. 1 to 4 and 6; 2005, c. 13, s. 2, par. 1, ss. 5 and 6, 10, 15, 20, 47 and 50)

DIVISION I

GENERAL

I• Every application made to the Minister of Employment and Social Solidarity may be made in writing, by telephone or by any other electronic means, subject to section 9. The applicant must provide any information required by the Minister in support of the application. The application is deemed to be made on the day it is received by the Ministère de l'Emploi et de la Solidarité sociale, duly signed and accompanied by any required documents.

2. A person who provides his or her personal identification number and password by telephone or by any other electronic means is deemed to have signed the application.

3. Any information or document must be communicated to the Minister in writing, by telephone or by any other electronic means.

4. Any notice given directly to a person or sent to the last known address is validly given.

DIVISION II

ELIGIBILITY UNDER THE PLAN

5. For the purposes of subparagraph 1 of the first paragraph of section 3 of the Act, a person who, in respect of benefits related to a pregnancy, a birth or an adoption, is required to pay premiums under the plan established under the Employment Insurance Act (Statutes of Canada, 1996, chapter 23) is eligible under the parental insurance plan.

6. For the purposes of subparagraph 4 of the first paragraph of section 3 of the Act, a person whose income is derived from employment has an interruption of earnings if his or her usual weekly income is reduced by at least 40%.

The same applies in the case of a person whose income is derived from a business and who declares having reduced the time devoted to his or her business activities by at least 40%.

A person whose income taken into account is derived from both employment and a business has an interruption of earnings if the reductions described in the first and second paragraphs apply to the person at the same time.

7. Employment covered by the plan is employment in the service of Her Majesty in Right of Canada or of an agent of Her Majesty in Right of Canada if the Government of Canada agrees with the Conseil de gestion that the employment is covered.

8. Employment excluded from the plan is

(1) the employment of a member of a religious order who has taken a vow of poverty and whose remuneration is paid directly or by the member to the order;

(2) employment for which no cash remuneration is paid where the person employed is the child of, or is maintained by, the employer;

(3) employment as a teacher on exchange from a country other than Canada; and

(4) employment that constitutes an exchange of work or services;

(5) employment in agriculture, an agricultural enterprise, horticulture, fishing, hunting, trapping, forestry, logging or lumbering either by an employer who pays the employee less than \$250 in cash remuneration in a year or employs the employee in the year for cash remuneration, for fewer than 7 working days;

(6) casual or short-term employment by the Government, a municipality or a school board with respect to any referendum or election, if the employee is not in the regular employment of the employer and is so employed by the employer for fewer than 35 hours with respect to such referendum or election;

(7) casual or short-term employment, other than as an entertainer, in a circus, show, fair, parade, carnival, exposition, exhibition or other like activity, if the employee is not in the regular employment of the employer and is so employed by the employer for fewer than 7 days in the year;

(8) employment in abating a disaster or effecting a rescue, if the employee is not in the regular employment of the employer;

(9) employment as part of an exchange program, if the employee receives remuneration from an employer not resident in Canada; and

(10) employment not performed in the course of the employer's business or usual trade.

Despite subparagraph 6 or 7 of the first paragraph, employment is included employment from its commencement if the employment is performed for the benefit of a single employer during one or more periods whose total duration exceeds, in the course of a year,

(a) 34 hours, in the case of employment described in subparagraph 6; and

(*b*) 6 days, in the case of employment described in subparagraph 7.

DIVISION IIII CLAIM FOR BENEFITS

9. A person wishing to receive benefits under the parental insurance plan must file a claim in writing or by any electronic means, excluding the telephone, using the form made available by the Minister and must provide the Minister with the information required under the second paragraph of section 13 of the Act, particularly any information on the net family income required to determine the amount of the increase in benefits provided for in Division IX.

10. A person who files a claim for benefits by any electronic means is deemed to have provided, in response to the questions asked, the information appearing on the dated form produced by the Department's automated benefit allocation system.

11. A person who files a claim on behalf of the succession of a person who is deceased or unable to manage his or her affairs must declare his or her quality and, on request by the Minister of Employment and Social Solidarity, prove his or her title.

12. The liquidator of a succession may file a claim for the weeks of benefits payable on the date of death provided that the deceased person had filed a claim for benefits.

13. The following persons are exempt from filing an initial claim for benefits:

(1) a person who files a claim for maternity, paternity or parental benefits and who, at the time of the claim or during the benefit period referred to in section 23 of the Act, informs the Minister of his or her intent to receive paternity or parental benefits, the intended number of weeks of benefits and the time elected;

(2) a parent who, pursuant to section 17 of the Act, is entitled to have the number of weeks of maternity or paternity benefits of the deceased parent that were not used on the date of the parent's death added to the total number of weeks of parental benefits, and who, at the time of the death, had filed an initial claim for benefits;

(3) a person who suspends the payment of his or her benefits or who terminates his or her benefit period;

(4) a person who modifies the intended number of weeks of benefits; and

(5) a parent already eligible for parental or adoption benefits for a previous event, with respect to the weeks of parental or adoption benefits provided for in section 15 of the Act.

DIVISION IV GRANTING OF BENEFITS

14. If there is no agreement between the parents on the division of the weeks of parental or adoption benefits, the unused weeks are divided equally between the parents.

If applicable, the remaining week at a higher rate or the last week is granted to the first parent who received benefits in connection with the birth or adoption. That week is allocated to the parent with the higher average weekly earnings if both parents began to receive their benefits in the same week.

15. Where both parents take weeks of parental or adoption benefits concurrently, in whole or in part, the remaining week at a higher rate or the last week is granted in the manner provided in the second paragraph of section 14.

16. Despite the second paragraph of section 17.1 of the Act, the application to a parent of the plan established under the Act respecting parental insurance does not entail the application of that plan to the parent who is not resident in Québec at the time a first claim for benefits is filed under the parental insurance plan.

In that case, each week of parental or adoption benefits taken by the other parent under the employment insurance plan is subtracted from the maximum number of benefit weeks provided for in sections 10 and 11 of the Act.

If there is no agreement between the parents, the number of unused weeks is reduced by half. If that number is odd, the remaining week is allocated to the parent who is resident in Québec if that parent was the first to file a claim for benefits.

DIVISION V EMPLOYERS' OBLIGATIONS

17. In this Division, "employer" includes any person vested with the rights and obligations incumbent on an employer, such as a trustee, a court appointed receiver, a monitor under the Companies' Creditors Arrangement Act (R.S.C. 1985, c. C-36) or a liquidator.

18. Where an employee has an interruption in earnings in connection with a pregnancy, a birth or an adoption, the employer must provide the following information using the information statement form made available by the Minister which will be used to establish the employee's entitlement to benefits:

(1) the employer's name, address and telephone number;

(2) where applicable, the employer's business number in Québec obtained from the enterprise registrar;

(3) the employee's name, address and social insurance number;

(4) the date on which the employee's earnings were interrupted and the reasons therefor;

(5) the dates of the first and last days of paid work;

(6) the end date of the last pay period;

(7) the total insurable earnings during the 52 weeks preceding the interruption of earnings and, where applicable, during the qualifying period as extended;

(8) the frequency of the pay periods during the 52 weeks preceding the interruption of earnings and, for each, the amount of the employee's insurable earnings;

(9) any pay period without earnings;

(10) any amount payable to the employee after the last payday and the reason for the payment;

 $\left(11\right)$ any amount paid to the employee as salary insurance; and

(12) the name of the contact person for more information.

19. Within 5 days of an interruption of earnings in connection with a pregnancy, a birth or an adoption, the employer must deliver the information statement required by section 18 to the employee, using the form.

If the employer is unable to deliver the statement to the employee within that time for reasons beyond the employer's control, the employer must mail the statement to the employee if the employer knows the employee's mailing address; otherwise, the employer must retain the statement until whichever of the following events occurs first:

(1) the statement is requested by the Minister;

(2) the statement is requested by the employee; or

(3) 52 weeks have elapsed since the statement was completed.

20. An employer who complies with subsections 2 to 4 of section 19 of the Employment Insurance Regulations (SOR/96-332) respecting the completion and distribution of a record of employment is deemed to have fulfilled the obligations incumbent on the employer under sections 18 and 19.

21. Where a person has an interruption of earnings for a reason not referred to in section 18, the employer or former employer must, on request by the person, deliver to the person the statement referred to in that section used to establish the person's entitlement to benefits under the plan within 10 days of the request.

22. On request by the Minister, an employer to whom section 18 or 21 applies must provide the Minister within 10 days with the information statement referred to in section 18.

DIVISION VI

CALCULATION FOR THE PURPOSES OF ELIGIBILITY FOR OR PAYMENT OF BENEFITS

23. For the purposes of section 21 of the Act, the average weekly earnings of a person is the average of the person's insurable earnings apportioned over a week.

24. A person who wishes to elect for weekly benefits equal to 75% of the person's average weekly earnings must so declare in the initial claim for benefits. In the absence of a declaration, the amount of weekly benefits is calculated in accordance with the first paragraph of section 18 of the Act.

25. In the case of a birth or adoption occurring while at least one parent is entitled to parental or adoption benefits for a previous event, the parent wishing to have a different method of calculation applied to his or her weekly benefits added pursuant to the second paragraph of 15 of the Act, must so inform the Minister. If the Minister is not so informed, the amount of weekly benefits is calculated according to the method used for the benefits payable in respect of the first event.

26. A person who earned income from employment after an interruption in the benefit period may, if the person is entitled to parental benefits in respect of the same event or in the case referred to in the second paragraph of section 15 of the Act, file an initial claim for benefits so that his or her average weekly earnings may be recalculated.

The foregoing applies to a person who earned income from a business if the person is entitled to parental benefits in the case referred to in the second paragraph of section 15 of the Act.

27. Where insurable earnings from employment and insurable earnings from a business are considered, the average of the insurable earnings is equal to $\frac{1}{s_2}$ of the total of the insurable earnings from employment and the insurable earnings from a business for the calendar year preceding the benefit period.

28. In the case provided for in section 30, where only earnings from a business are considered, the average of the insurable earnings is equal to $\frac{1}{52}$ of the insurable earnings established for the qualifying year.

If insurable earnings from employment and insurable earnings from a business are considered, the average of the insurable earnings is equal to $\frac{1}{s_2}$ of the total of the insurable earnings from employment and the insurable earnings from a business established for the qualifying year.

29. If the qualifying year of a person is the calendar year preceding the benefit period and that qualifying period is extended in accordance with section 31, the average of the insurable earnings is established

(1) by determining the average of the weekly insurable earnings for the calendar year preceding the person's qualifying year;

(2) by multiplying the amount obtained under paragraph 1 by the number of weeks for which the qualifying period is extended; and

(3) by adding to the income of the qualifying year the amount obtained under paragraph 2 and by dividing the total by 52.

30. Despite the first paragraph of section 20 of the Act, the qualifying period of a person whose earnings are derived from a business is the same year as the year in which the person's benefit period begins if the person's business is in its first calendar year of operation.

31. The qualifying period of a person may be extended by the number of full weeks comprised in that period and for which the person proves to the Minister's satisfaction that he or she was unable to have insurable earnings for any of the following reasons:

(1) the person was unable to work, provided that the inability

(*a*) results from illness, injury, quarantine or pregnancy, even if the person received income replacement indemnities under a statute or a group wage-loss indemnity plan, paid solely by a third person during that period;

(b) results from detention in a prison, a penitentiary or another similar institution; or

(c) has given the person entitlement to assistance in the form of employment benefits under a plan established by the Employment Insurance Act or under an employment assistance measure implemented by Emploi-Québec; (2) the person was receiving benefits under the parental insurance plan or the employment insurance plan in respect of the arrival of a child, or would have received such benefits had there been no waiting period, and was not receiving other insurable earnings during that period;

(3) the person was receiving indemnities under the Act respecting occupational health and safety (R.S.Q., c. S-2.1) by reason of the fact that the person had ceased to work because continuation of work entailed physical dangers for the person, the person's unborn child or the child the person was breast-feeding;

(4) the person was receiving regular employment insurance benefits or special benefits under the Employment Insurance Act; or

(5) the person was receiving income replacement indemnities.

The qualifying period of a person who, during the extension of the person's qualifying period, is again in a situation referred to in the preceding paragraph is extended by the number of weeks that the situation lasts, subject to the second paragraph of section 20 of the Act.

This section does not apply to the qualifying period referred to in section 30.

DIVISION VII BENEFIT PERIOD

32. The benefit period ends on the date of the earliest of the following occurrences :

(1) the recipient is no longer entitled to benefits during his or her benefit period, in particular because they were paid for the number of weeks provided for in sections 7 to 11, 15 or 17 of the Act;

(2) the benefit period is over; and

(3) the recipient requests that the benefit period be ended.

33. The period during which paternity, parental or adoption benefits may be paid is extended if

- (1) the person's child is hospitalized;
- (2) the person is ill or injured in an accident;

(3) the person's presence is required with the person's child, spouse, spouse's child, father, mother, father's or mother's spouse, brother, sister or a grandparent because of a serious illness or a serious accident; or

(4) the person is entitled to the benefits that were not used by the other parent on the date of the other parent's death, pursuant to section 17 of the Act.

The benefit period is extended by the number of full weeks that the situation lasts, except that that number may not exceed 15 weeks in the case provided for in subparagraph 2 of the first paragraph or 6 weeks in the case provided for in subparagraph 3 of the first paragraph.

In the case provided for in subparagraph 4 of the first paragraph, the benefit period is extended by the number of weeks required to attain the maximum number of weeks of benefits to which the parent is entitled, subject to the parent's right to request an extension of that period pursuant to the first and second paragraphs.

If a person is again in the situation referred to in subparagraph 1 of the first paragraph during the extension of the benefit period, the benefit period is extended by the number of weeks that the situation lasts, subject to the third paragraph of section 23 of the Act.

34. On request, a person must provide the Minister with any document justifying an extension of the benefit period for the reasons referred to in the first paragraph of section 33.

DIVISION VIII PAYMENT OF BENEFITS

35. For the purposes of the third paragraph of section 7 of the Act, the payment of maternity benefits may end after the expiry of the period provided for in the first paragraph of that section, if the person so requests and if

(1) the person has an accident or an illness unrelated to pregnancy; or

(2) the person's presence is required with the person's child, spouse, spouse's child, father, mother, father's or mother's spouse, brother, sister or a grandparent because of a serious illness or a serious accident.

The payment of benefits is suspended for the number of full weeks that the situation lasts, except that that number may not exceed 15 weeks in the case provided for in subparagraph 1 of the first paragraph or 6 weeks in the case provided for in subparagraph 2 of the first paragraph.

36. For the purposes of section 8 of the Act, the payment of benefits may end after the expiry of the prescribed 18 weeks if the person who so requests is in one of the situations referred to in the first paragraph of section 35.

Part 2

Payment is suspended for the time referred to in the second paragraph of section 35, but it must end on the expiry of the thirty-ninth week following a termination of pregnancy.

37. On request, a person must provide the Minister with any document justifying a suspension of benefit payments for the reasons referred to in the first paragraph of section 35.

38. Payment for a week of benefits is made by cheque or by direct deposit into the bank account of the recipient.

The recipient must inform the Minister should he or she wish to terminate the direct deposit of benefits.

No payment is made if the amount payable is \$1 or less.

39. Where a claim for benefits is filed on behalf of a person unable to manage his or her affairs, the Minister shall authorize the payment of the benefits to the person acting in the name of the unable person if that latter person meets the requirements of the law.

Where a claim for benefits is made by the liquidator of the succession of a deceased person, the Minister shall authorize payment of the benefits to the liquidator.

40. A week is a period of seven consecutive days beginning on Sunday.

41. If the recipient receives earnings during a week of benefits, an amount corresponding to the fraction of the earnings received during the week in excess of \$50, or in excess of 25% of the weekly benefits if they are \$200 or more, whichever amount is greater, is deducted from the benefits payable.

Despite the first paragraph, all the earnings payable to a female recipient are deducted from maternity benefits.

42. For the purposes of section 41, "earnings" means the amounts payable to recipients and derived from the following sources:

(1) work income within the meaning of section 43 of the Act;

(2) amounts payable in respect of wages, benefits or other remuneration;

(3) full income replacement indemnities received or to be received by a recipient for an industrial accident or an occupational disease, other than a lump sum or pension paid in full and final settlement of a claim; (4) full income replacement indemnities that a recipient has received or, on application, is entitled to receive under the plan established by the Automobile Insurance Act (R.S.Q., c. A-25) in respect of the actual or presumed loss of income from employment income due to injury;

(5) the moneys paid or payable on a periodic basis or in a lump sum on account of or in lieu of a pension;

(6) an amount received because of the complete severance of the relationship with the employer if the amount is considered in calculating the average weekly earnings; and

(7) a retroactive increase in wages or salary if the increase is considered in calculating the average weekly earnings.

43. For the purposes of section 41, the following are not taken into account:

(1) compensation paid to a victim of a criminal act;

(2) a pension not resulting from employment;

(3) support payments;

(4) disease, disability, maternity or adoption indemnities paid under a group or individual wage-loss indemnity plan;

(5) relief grants;

(6) last resort financial assistance;

(7) transportation allowances for handicapped persons;

(8) strike benefits; and

(9) an employment assistance allowance paid by Emploi-Québec under the "Support for Self-Employment" measure.

DIVISION IX

BENEFIT INCREASES

44. For the purposes of this Division,

(1) "spouse" has the meaning assigned by the Taxation Act (R.S.Q., c. I-3). It includes the person who will be the father or mother of the child to be born or adopted and who, at the time the first claim for benefits is filed under the plan, cohabits with the person who files the claim; (2) the family is composed only of the parent and that parent's spouse at the time the first claim for benefits under the plan is filed in respect of the same event;

(3) "net family income", for a year, is equal to the total income for the year, calculated in accordance with Part I of the Taxation Act, of the parent and the parent's spouse at the time the first claim referred to in subparagraph 2 is filed.

However, if at the time the first claim referred to in subparagraph 2 is filed, the persons who are or will be the father and mother of the child to be born or adopted are not spouses, the net family income of those persons is established taking into account the family of each of those persons at the time they respectively file their first claim for benefits in respect of the same event.

45. Where the net family income is lower than \$25,921, the weekly benefits are, on request, increased by the lump sum in respect of the net family income determined under this section.

If the claim for maternity, paternity, parental or adoption benefits is filed within the first 6 months of the year, the net family income considered is that of the second taxation year preceding the claim.

If the claim for benefits is filed within the six last months of the year, the net family income considered is that of the taxation year preceding the claim.

Weekly lump sum
\$67.00
\$66.80
\$61.30
\$57.20
\$53.15
\$49.20
\$45.40
\$41.55
\$37.90
\$34.35
\$30.90
\$27.55

Weekly lump sum
\$24.30
\$21.15
\$18.10
\$15.15
\$12.25
\$9.40
\$6.75
\$4.15
\$1.70

46. Despite section 45, the increased weekly benefits may not exceed 80% of the average weekly earnings of the person who filed a claim for benefits.

47. The increase is paid to either parent, as they choose. If they make no choice or disagree, the increase for the unused weeks is paid to the parent who first receives benefits in connection with the birth or adoption. If both parents receive their benefits beginning in the same week, the increase is paid to the parent with the higher average weekly earnings.

Despite the first paragraph, the increase is paid to each parent if custody of the child is shared, provided that each parent is entitled to the increase and receives benefits.

48. The net family income considered for the increase applies to all benefits regardless of any change in the composition of the family.

DIVISION X CHANGE OF SITUATION

49. The Minister considers having been informed of a change of situation if the Minister receives information likely to affect a person's eligibility, communicated pursuant to section 84 of the Act.

DIVISION XI RECOVERY

50. Subject to an agreement or deduction under section 30 of the Act, the debtor of a recoverable amount must repay to the Minister every month, as of the date of issue of the certificate provided for in section 31 of the Act, an amount sufficient to repay the debt within not more than 36 months.

The amount repaid every month may not be lower than \$56.

However, if the recoverable amount is owing because of a false statement, the amount to be repaid may not be less than \$112 per month or, in the case of more than one false statement, \$224 per month.

51. The recoverable amount must be repaid in full, without delay or further formality or notice, as soon as the debtor fails to comply with section 50 or with the agreement reached with the Minister pursuant to section 30 of the Act.

52. For the purposes of section 30 of the Act, the Minister shall deduct from each payment an amount equal to 20% of the amount of the benefits to be paid to the debtor. That amount corresponds to the benefits established under Division II of the Act, with the necessary modifications, less the income tax deductions payable under the Taxation Act and the Income Tax Act (R.S.C. 1985, c. 1, 5th Supp.).

However, where an amount is owing because of a false statement, the Minister shall deduct from each payment an amount equal to 50% of the amount of the benefits to be paid to the debtor.

DIVISION XII TRANSITIONAL AND FINAL

53. Despite the second paragraph of section 20 of the Act, the qualifying period of a self-employed worker whose qualifying period is the 2005 calendar year may not be extended.

54. Despite section 4 of the Act respecting the parental insurance plan, the office of judge or presiding justice of the peace appointed in accordance with the Courts of Justice Act (R.S.Q., c. T-16) or the Act respecting municipal courts (R.S.Q., c. C-72.01) will become covered by the parental insurance plan only upon the requirements of Part VI.4 of the Courts of Justice Act being met as regards the inclusion in the judges' conditions of employment of a parental insurance plan providing for indemnities or benefits supplementary to the basic plan established by the Act respecting parental insurance.

The Order in Council establishing such a supplementary plan will determine a date as of which that office is to become covered by the Act respecting parental insurance. **55.** This Regulation comes into force on 1 January 2006.

7075

Draft Regulation

An Act respecting parental insurance (2001, c. 9; 2005, c. 13)

Parental insurance plan — Premium rates

Notice is hereby given, in accordance with section 10 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation respecting premium rates under the parental insurance plan, the text of which appears below, may be made by the Government with or without amendment on the expiry of 15 days following this publication.

Notice is also given, in accordance with section 13 of the Regulations Act, that the Regulation is published with a consultation period shorter than the period set out in section 11 of that Act, pursuant to section 107 of the Act to amend the Act respecting parental insurance and other legislative provisions (2005, c. 13).

The Conseil de gestion de l'assurance parentale having failed to make a regulation on the premium rates under the parental insurance plan within a period the Government considers reasonable, the Government may make the regulation pursuant to section 88 of the Act respecting parental insurance, amended by section 50 of the Act to amend the Act respecting parental insurance and other legislative provisions (2005, c. 13).

The Regulation determines the premium rates that will apply to employees, persons referred to in section 51 of the Parental Insurance Act (2001, c. 9), employers and self-employed workers, as of 1 January 2006.

The majority of persons and all businesses in Québec will be affected by the proposed premium rates which will have financial and administrative consequences. The financial implications of the parental insurance premium rate retained for 2006 for the purposes of the parental insurance plan will be in the order of 298 million dollars in additional costs reflecting the increase in maximum insurable earnings, the enhancements to the plan and the extension of the plan to self-employed workers. As for the administrative implications, the creation of the plan will require modification of payroll systems and supporting documents and tools.