## **DIVISION II**VERIFICATION

**7.** The Minister may verify or cause to be verified the manner in which the skills development process of an employer holding a training initiative quality certificate is implemented and applied. The verification pertains to the application of this Regulation, in particular compliance with the conditions and undertakings under section 3.

On request, the person conducting the verification must produce identity and the certificate signed by the Minister attesting to the person's status.

#### **DIVISION III**

FEES

**8.** The fees for the issue or renewal of a training initiative quality certificate are \$1,000.

### **DIVISION IV**

TRANSITIONAL AND FINAL

- **9.** This Regulation replaces the Regulation respecting exemptions to the application of Division II of Chapter II of the Act to foster the development of manpower training, made by Order in Council 1178-99 dated 13 October 1999. However, an exemption granted under that Regulation remains valid for its remaining term.
- **10.** This Regulation comes into force on 1 January 2008.

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## **Draft Regulation**

An Act to promote workforce skills development and recognition (R.S.Q., c. D-7.1)

## **Training mutuals**

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation respecting training mutuals, appearing below, may be approved by the Government on the expiry of 45 days following this publication.

The draft Regulation is incidental to the implementation of the Act to amend the Act to foster the development of manpower training and other legislative provisions (2007, c. 3), which seeks to promote workforce skills development and recognition.

Pursuant to section 8 of the Act to promote workforce skills development and recognition (R.S.Q., c. D-7.1), the draft Regulation determines the conditions on which the Minister will recognize training mutuals that are to structure, develop and implement a training services offer adapted to the workforce characteristics and needs in a sector of economic activity or a region, to their socio-economic environment and to technological or structural changes in the market.

The draft Regulation determines the duration of a training mutual's recognition, the attendant financial provisions, a mechanism for accountability, and the fees for the processing of a recognition application. It also provides for the revocation or suspension of recognition for non-compliance with the Act or Regulation.

The draft Regulation restates or simplifies various conditions currently required for a collector organization to be recognized, in addition to offering employers the possibility of incurring eligible training expenditures with a recognized training mutual. In that perspective, the impact on enterprises will be beneficial because it opens new avenues of participation in workforce skills development.

Further information may be obtained by contacting Danielle Amyot, Secretariat of the Commission des partenaires du marché du travail, 800, rue du Square-Victoria, 28° étage, C.P. 100, Montréal (Québec) H4Z 1B7; telephone: 514 864-8218; fax: 514 864-8005; e-mail: danielle.amyot@mess.gouv.qc.ca

Any interested person having comments to make on the matter is asked to send them in writing, before the expiry of the 45-day period, to Marjolaine Loiselle, Chair of the Commission des partenaires du marché du travail, 800, rue du Square-Victoria, 28° étage, C.P. 100, Montréal (Québec) H4Z 1B7.

SAM HAMAD, Minister of Employment and Social Solidarity

## **Regulation respecting training mutuals**

An Act to promote workforce skills development and recognition

(R.S.Q., c. D-7.1, ss. 8, 20, 1st par., subpars. 1 and 2 and 2nd par., and s. 21, pars. 1 to 3; 2007, c. 3, ss. 7 and 15)

## DIVISION I OBJECT

- **1.** The payments made by an employer to a training mutual or the expenditures incurred by an employer with such a mutual are eligible as training expenditures insofar as the training mutual is recognized by the Minister of Employment and Social Solidarity pursuant to this Regulation.
- **2.** The purpose of a training mutual is to structure, develop and implement a training services offer adapted to the workforce characteristics and needs in a sector of economic activity or a region, to their socio-economic environment and to technological or structural changes in the market.

## DIVISION II

RECOGNITION AS A TRAINING MUTUAL

- **3.** Only a sectoral workforce committee, a parity committee constituted under the Act respecting collective agreement decrees (R.S.Q., c. D-2) or a regional grouping of employers constituted as a legal person under Part III of the Companies Act (R.S.Q., c. C-38), having a multiparty board of directors composed of a majority of representatives of employers and of representatives of the workforce of the employer members, may be recognized as a training mutual.
- **4.** To be recognized as a training mutual, the applicant must show that the employers prepared to participate in the training mutual belong to the same sector of economic activity or are from the same region and share common problems associated with skills development and recognition.

The applicant must also show that the mutualisation of training services is an appropriate manner of addressing those problems and that a sufficient number of employers share a desire to work collaboratively to that end.

Problems are considered common if the employers have similar training or training management and organization needs, or the characteristics specific to a sector of economic activity or a region are such that it is difficult for the employers in that sector or region to allocate an amount for eligible training expenditures that is at least 1% of their payroll.

- **5.** An application to have a training mutual recognized must contain the following information provided by the applicant:
  - (1) the applicant's name and address;
- (2) the applicant's Québec business number assigned under section 21 of the Act respecting the legal publicity of sole proprietorships, partnerships and legal persons (R.S.Q., c. P-45);
- (3) the sector of economic activity or the region concerned:
- (4) a description of the composition of its board of directors; and
- (5) identification of the employers who are members of the group.

### DIVISION III

DURATION, SUSPENSION AND REVOCATION OF RECOGNITION

**6.** A training mutual is recognized for a period of three years.

The recognition may be renewed thereafter for the same period provided that the applicant complies with the conditions set out in this Regulation.

**7.** The Minister may suspend or revoke a training mutual's recognition for fraud or misrepresentation or if the Minister becomes aware that the conditions set out in the Act or in this Regulation were not or are no longer being complied with.

Before making such a decision, the Minister must notify the holder of the recognition in writing as prescribed by section 5 of the Act respecting administrative justice (R.S.Q., c. J-3) and allow the holder at least 10 days to present observations.

**8.** The Minister is to give public notice of the suspension or revocation of a training mutual's recognition by any means the Minister considers appropriate.

#### DIVISION IV

# FINANCIAL PROVISIONS, STATEMENT AND ATTESTATION

- **9.** The sums received by a training mutual as employer payments or employer expenditures must be used in their entirety for
- (1) the services or activities relating to skills development and recognition for the workforce of the employers having made a payment or incurred an expenditure, such as determination of personnel training needs, preparation of an adapted training offer, training planning, management and organization, training impact analyses or negotiation of agreements with service providers;
  - (2) training activities and their assessment; and
  - (3) the training mutual's expenses.

The same applies to interest earned on employer payments.

**10.** A training mutual must maintain a detailed statement of revenue and expenditure for the purposes of this Regulation and retain all relevant vouchers. It must forward to the Minister any voucher the Minister may request.

The accounting must be separate from that of its other activities.

- **11.** Payments received by a training mutual must be deposited in a trust account, a chartered bank or other institution authorized by law to receive deposits.
- **12.** When the activities of a training mutual cease by reason of a refusal to renew its recognition or because of a suspension or revocation of its recognition, or for any other reason, the sums collected by the training mutual and the interest earned on unexpended sums must be paid into the Workforce Skills Development and Recognition Fund.

If the training mutual's activities cease because of a revocation, the sums are maintained in the Fund for a period not exceeding three years after the date of the decision, to be used to train the personnel of the employers having made a payment to the training mutual whose recognition is revoked.

**13.** For each calendar year and for the purposes of the Act, a training mutual is to give each employer having participated in the training mutual a statement of the employer's expenditures that are eligible as payments made to or expenditures incurred with the training mutual.

**14.** A training mutual must ensure that employees participating in a training activity it organizes receive a participation voucher once their participation has ended. It must also be able to issue such a voucher at any subsequent time, at the request of a participant.

### DIVISION V ACCOUNTABILITY

- **15.** A training mutual must maintain and make available to the Minister a record in which it enters, for each training activity,
  - (1) the title;
- (2) a statement of the objectives, content and duration of the activity;
- (3) the names of the recognized educational institution, instructor or training body;
  - (4) the names of the employers involved;
- (5) the number of participating employees and the classes of employment involved;
  - (6) the cost; and
  - (7) the result of the assessment.
- **16.** A training mutual must file with the Minister, on or before 31 March of each year, audited financial statements and an annual report of activities. The report must include
- (1) a list of employers having made a payment or incurred an expenditure;
- (2) the amount of the sums obtained from the employers referred to in paragraph 1;
  - (3) a list of the activities held; and
- (4) the clientele to whom the activities were directed and the number of participation vouchers issued pursuant to section 14.

## DIVISION VI FEES

**17.** The fees for the processing of a recognition application or renewal application are \$250, except for a sectoral committee.

# **DIVISION VII**TRANSITIONAL AND FINAL

**18.** This Regulation replaces the Regulation respecting collector organizations made by Order in Council 874-97 dated 2 July 1997.

A collector organization recognized by that Regulation has six months from the date of coming into force of this section to obtain recognition pursuant to this Regulation as a training mutual. If that recognition if not obtained, the sums collected by the organization and the interest earned on unexpended sums must be paid into the Workforce Skills Development and Recognition Fund. The second paragraph of section 12 of this Regulation applies, with the necessary modifications, to those sums.

**19.** This Regulation comes into force on 1 January 2008.

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