

Regulation to amend the Regulation respecting the vocational training of workforce in the construction industry*

An Act respecting labour relations, vocational training and workforce management in the construction industry (R.S.Q., c. R-20, s. 123.1)

1. The Regulation respecting the vocational training of workforce in the construction industry is amended in section 5 by striking out subparagraph 3 of the first paragraph.

2. Section 11 is replaced by the following:

“**11.** The following persons are exempted from the qualification examination in their trade or specialty:

(1) holders of a Red Seal qualification certificate, obtained in accordance with the provisions of the Interprovincial Standards Red Seal Program;

(2) holders of an official authorization to carry on a trade or specialty issued outside Québec and recognized under an intergovernmental agreement as giving entitlement to a qualification certificate for that trade or specialty.”

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

1360

Draft Regulation

Professional Code (R.S.Q., c. C-26)

Certified management accountants

— Code of ethics
— Amendment

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 to amend the Code of ethics of certified management accountants, made by the board of directors of the Ordre des comptables en management accrédités

* The Regulation respecting the vocational training of workforce in the construction industry, approved by Order in Council 313-93 dated 10 March 1993 (1993, *G.O.* 2, 1835), was last amended by the regulation approved by Order in Council 1297-97 dated 1 October 1997 (1997, *G.O.* 2, 5150). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Québec Official Publisher, 2010, updated to 1 October 2010.

du Québec, may be submitted to the Government which may approve it, with or without amendment, on the expiry of 45 days following this publication.

The draft Regulation adjusts certain rules of ethics to the practice of the profession of certified management accountant within a partnership or joint-stock company, as provided for in the Regulation respecting the practice of the profession of certified management accountant within a partnership or joint-stock company and updates certain existing provisions.

The draft Regulation has no impact on enterprises, including small and medium-sized businesses.

Further information may be obtained by contacting Isabelle F. LeBlanc, Ordre des comptables en management accrédités du Québec, 715, rue du Square-Victoria, 3^e étage, Montréal (Québec) H2Y 2H7; telephone: 514 849-1155 or 1 800 263-5390; fax: 514 849-9674; email: i.leblanc@cma-quebec.org

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to the Chair of the Office des professions du Québec, 800, place D'Youville, 10^e étage, Québec (Québec) G1R 5Z3. The comments will be forwarded by the Office to the Minister of Justice and may also be sent to the professional order that made the Regulation as well as to interested persons, departments and bodies.

JEAN PAUL DUTRISAC,
Chair of the Office des professions du Québec

Regulation to amend the Code of ethics of certified management accountants*

Professional Code (R.S.Q., c. C-26, s. 87)

1. Section 1 of the Code of ethics of certified management accountants is amended by replacing paragraph a by the following:

“a) “firm” means the place where a member who offers services to the public practices his profession, alone or within a partnership or joint-stock company;”

* The Code of ethics of certified management accountants, approved by Order in Council 672-90 dated 16 May 1990 (1990, *G.O.* 2, 1447), was last amended by Order in Council 406-2010 dated 5 May 2010 (2010, *G.O.* 2, 1298). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Québec Official Publisher, 2010, updated to 1 October 2010.

2. The Code is amended by inserting the following after section 1:

“**1.1.** A member must comply with the Professional Code (R.S.Q.,c. C-26) and the regulations made under it.

1.2. The fact that a member practices his profession within a partnership or joint-stock company in no way changes or reduces the duties and obligations arising from the Professional Code and the regulations made under it.”.

3. Section 6 of the Code is amended by inserting “, as well as the name of the partnership or joint-stock company within which he practices his profession,” after “accountant” in the second sentence.

4. Section 7 of the Code is repealed.

5. Section 13.1 of the Code is amended

1° by inserting “or shareholders with voting rights” after “partners” in the first paragraph;

2° by adding “The partner or shareholder must hold the most senior position within the partnership or joint-stock company.” at the end of the second paragraph.

6. Section 14 of the Code is replaced by the following:

“**14.** No member may, by any means or for any purpose, make a false, misleading or incomplete representation, in particular with respect to:

1° his level of competence or the efficiency of his services or, where applicable, the level of competence or efficiency of the services of the persons practicing their profession within the same partnership or joint-stock company as himself;

2° the firm he claims to operate and the addresses of the head office and the offices in which he practices his profession.

If the good of his client or employer so requires, he must, upon the latter’s authorization, consult a member, a member of another professional order or another competent person, or invite him to consult one of those persons.”.

7. Section 19 of the Code is replaced by the following:

“**19.** A member must take all necessary steps to correct a situation likely to have, or having, significant consequences for his professional services. If it is impossible to avoid those consequences, he must inform his client or employer as soon as possible.”.

8. The Code is amended by inserting the following after section 20:

“**20.1.** A member must take reasonable care of property entrusted to him by a client, and cannot lend or use the property for any purpose other than that for which the property was entrusted.

If the member practices his profession within a partnership or joint-stock company, he must take all necessary steps to ensure that the partnership or joint-stock company complies with the requirements of the first paragraph when the property is entrusted to the partnership or joint-stock company.”.

9. Section 25 of the Code is amended by adding the following at the end of the first paragraph:

“Fair and reasonable cause includes, in particular,

1° the loss of a client’s trust;

2° the fact that the member is in a situation of conflict of interest or in a context in which his professional independence could be placed in doubt;

3° incitement by a client to commit an illegal, unfair or fraudulent act;

4° a refusal by a client to recognize professional fees or disbursements as an obligation or, after receiving reasonable prior notice, to pay the member an amount to cover them;

5° the fact that a member has been deceived by a client, or that a client has refused to cooperate.”.

10. Section 27 of the Code is replaced by the following:

“**27.** In the practice of his profession, a member must fully engage his civil liability. He may not evade or attempt to evade liability, or require a client or other person to waive his recourse in the event of a professional fault by the member. A member is prohibited from inserting a clause in a contract for professional services to exclude, directly or indirectly, all or part of his civil liability. A member may not invoke the liability of the partnership or joint-stock company within which he practices his professional activities, or the liability of another person practicing activities within the partnership or joint-stock company, to exclude or limit his own personal liability.”.

11. Section 28 of the Code is replaced by the following:

28. In the practice of his profession, a member must subordinate his personal interest and, where applicable, the interest of the partnership or joint-stock company within which he practices, or in which he has an interest, and that of any other person performing duties within the partnership or joint-stock company, to that of his client or his employer.”

12. The Code is amended by inserting the following after section 28:

28.1. A member must ensure that his obligations towards the partnership or joint-stock company, when he acts as an officer or director, are not incompatible with his obligations towards his client.”

13. The Code is amended by inserting the following after section 32:

32.1. When a partner, shareholder, officer, director or employee of a partnership or joint-stock company in which a member practices his professional activities or has an interest is in a situation of conflict of interest, the member, upon becoming aware of the situation, must take all necessary steps to ensure that information, data or documents covered by professional secrecy are not disclosed to that partner, shareholder, officer, director or employee.

In assessing the efficiency of the steps taken, the following factors in particular will be taken into account:

1° the size of the partnership or joint-stock company;

2° the precautions taken to prevent access to the member’s records by the person in a situation of conflict of interest;

3° the instructions given concerning the protection of the confidential information, data or documents concerned by the situation of conflict of interest;

4° the relative isolation, from the member, of the person in a situation of conflict of interest.

14. Section 33 of the Code is replaced by the following:

33. A member must refrain from receiving or soliciting, save for the remuneration to which he is entitled, any gratuity, rebate, sum of money or commission in respect of his professional services. He may, however, accept a customary expression of thanks and gifts of modest value.

The member must also refrain from paying, offering to pay or making a commitment to pay any gratuity, rebate, sum of money or commission in respect of his professional services.”

15. Section 34.3 of the Code is amended by inserting “or shareholder with voting rights” after “partner”.

16. Section 34.6 of the Code is amended by inserting “or shareholder with voting rights” after “partner” in paragraph 7.

17. Section 34.7 of the Code is amended :

1° by inserting “or shareholder with voting rights” after “partner” in paragraph 9;

2° by adding “or shareholders with voting rights” after “partners” at the end of paragraph 9.

18. Section 40.2 of the Code is amended by replacing “” by “the grounds for the refusal”.

19. Section 43 of the Code is replaced by the following:

43. A member may not require full payment for his professional services in advance.”

20. Section 44 of the Code is amended :

1° by replacing the paragraph before paragraph *a* by the following:

44. In addition to the acts referred to in sections 57, 58, 58.1, 59.1 and 59.2 of the Professional Code (R.S.Q., c. C-26) and those determined pursuant to the second paragraph of section 152 of the said Code, the following acts by a member are derogatory to the dignity of his profession”;

2° by inserting the following after paragraph *c*:

“(c.1) failing to notify the Order that he has reason to believe that a member or partnership or joint-stock company within which the member practices his profession has contravened a provision of the Professional Code or of a regulation under it;”;

3° by replacing paragraph *h* by the following:

“(h) failing to inform the Order without delay after assigning his property or being declared bankrupt by a final judgment of a court having jurisdiction.”

21. The Code is amended by inserting the following after section 44:

“**44.1.** For a member practicing his profession within a partnership or joint-stock company, the following acts are also derogatory to the dignity of his profession:

1° failing to take reasonable steps to cause an act derogatory to the dignity of the profession of certified management accountant to cease when performed by another person who practices professional activities within the partnership or joint-stock company, when the member has been aware of the act for over 30 days, or to prevent the repetition of such an act;

2° continuing his activities within the partnership or joint-stock company or having an interest in the partnership or joint-stock company when he has reason to believe that a director, shareholder, partner or employee practices a profession, trade, industry, business, position or function that is incompatible with the practice of the profession;

3° continuing his activities within the partnership or joint-stock company, when a person referred to in subparagraph *a* of subparagraph 1 of the first paragraph of section 3 or subparagraph *a* of subparagraph 1 of the first paragraph of section 4 of the Regulation respecting the practice of the profession of certified management accountant within a partnership or joint-stock company, approved by Order in Council (insert the number and date of the Order in Council), who holds shares or voting units or who acts as a director or officer of a partnership or joint-stock company, has been struck off or had his permit revoked.

44.2. Notwithstanding section 44.1, a member is authorized to continue to practice his profession within a partnership or joint-stock company within which a person referred to in subparagraph *a* of subparagraph 1 of the first paragraph of section 3 or subparagraph *a* of subparagraph 1 of the first paragraph of section 4 of the Regulation respecting the practice of the profession of certified management accountant within a partnership or joint-stock company has been struck off the roll of a professional order, or the equivalent, or has had his permit revoked, if

1° the person concerned ceased acting as an administrator or officer of the partnership or joint-stock company within 10 days of the date of the sanction or the date on which the measure imposed became executory;

2° the person concerned ceased to attend all shareholder meetings and to exercise his right to vote within 10 days of the date of the sanction or the date on which the measure imposed became executory;

3° the person concerned relinquished his shares or stock with voting rights within 180 days of the date of the sanction or the date on which the measure imposed became executory.

44.3. Practicing the profession within a partnership or joint-stock company that represents itself as or purports to be a partnership or joint-stock company governed by the Professional Code while failing to comply with the requirements of that Code or of the Regulation respecting the practice of the profession of certified management accountant within a partnership or joint-stock company is an act derogatory to the dignity of the profession.

44.4. Concluding an agreement or understanding, or allowing an agreement or understanding to be concluded, in particular a unanimous agreement between shareholders, within a partnership or joint-stock company of which the member is a partner or shareholder, that jeopardizes the independence, objectivity and integrity required to practice the profession or compliance with the Professional Code and the regulations under it, is an act derogatory to the dignity of the profession.”

22. Section 47 of the Code is replaced by the following:

“**47.** A member must not betray the good faith of another member or be guilty of a breach of trust or disloyal practices towards that member.”

23. Section 48 of the Code is repealed.

24. Section 50 of the Code and the preceding heading are repealed.

25. The Code is amended by inserting the following after section 50.1:

“**50.1.1.** No member may practice his profession within a partnership or joint-stock company whose name is misleading or deceptive or contrary to the honour or dignity of the profession, or whose name is presented in digital form.

50.1.2. When a member withdraws from a partnership or joint-stock company or dies, his name must no longer appear in the name of the partnership or joint-stock company or in any advertising document for the partnership or joint-stock company one year after the withdrawal or death, as the case may be, unless a contrary agreement has been made to that effect with the member or his successors.”

26. Section 50.5 of the Code is amended by replacing “5” by “three”.

27. The Code is amended by inserting the following after section 50.5:

“**50.5.1.** A member who practices his professional activities within a partnership or joint-stock company must take all reasonable steps to ensure that the advertising of the partnership or joint-stock company or of any other person practicing activities within the partnership or joint-stock company complies with the rules set out in this Division.”.

28. Section 50.6 of the Code is amended:

1° by replacing “partners in” by “members practicing their profession within”;

2° by adding “or unless the other members establish that the advertising was placed without their knowledge or consent and despite the steps taken to ensure compliance with the rules” at the end.

29. Section 50.8 of the Code is replaced by the following:

“**50.8.** A member who uses the graphic symbol of the Order in his advertising and documents must ensure that the symbol conforms to the symbol whose use by members is permitted by the Order and that it is not presented in a way that suggests that the advertising or documents originate from or are approved by the Order.”.

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

1347

Draft Regulation

Professional Code
(R.S.Q., c. C-26)

Certified management accountants — Practice of the profession in a partnership or joint-stock company

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 the practice of the profession of certified management accountant within a partnership or joint-stock company, made by the Ordre des comptables en management accrédités du Québec, may be submitted to the Government which may approve it, with or without amendment, on the expiry of 45 days following this publication.

The draft Regulation provides the terms and conditions on which certified management accountants may carry on professional activities within a limited liability partnership or a joint-stock company in accordance with Chapter VI.3 of the Professional Code (R.S.Q., c. C-26), particularly with regard to the administration of the partnership or company and the holding of shares.

In accordance with Chapter VI.3 of the Professional Code, the draft Regulation also includes the obligation to take out insurance to cover any liability that the partnership or company may incur as a result of faults committed by certified management accountants while carrying on professional activities within the partnership or company. Certified management accountants will also be required to provide the Order with the necessary information about the partnership or company and to keep that information up-to-date.

The draft Regulation has no impact on enterprises, including small and medium-sized businesses.

Further information may be obtained by contacting Isabelle F. LeBlanc, Ordre des comptables en management accrédités du Québec, 715, rue du Square-Victoria, 3^e étage, Montréal (Québec) H2Y 2H7; telephone: 514 849-1155 or 1 800 263-5390; fax: 514 849-9674; email: i.leblanc@cma-quebec.org

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JEAN PAUL DUTRISAC,
Chair of the Office des professions du Québec

Regulation respecting the practice of the profession of certified management accountant within a partnership or joint-stock company

Professional Code
(R.S.Q., c. C-26, s. 93, pars. *g* and *h*, s. 94, par. *p*)

DIVISION I GENERAL

1. Members of the Ordre des comptables en management accrédités du Québec are authorized, on the terms and conditions and subject to the restrictions set out in this Regulation, to practice within a limited liability partnership or joint-stock company within the meaning of Chapter VI.3 of the Professional Code (R.S.Q., c. C-26).