



## Responsabilité des entreprises d'ingénierie

**Objet** – S'assurer que les entreprises qui exercent des activités relevant de la pratique du génie sont tenues de respecter les mêmes normes que les titulaires de permis qui travaillent pour le compte de ces entreprises.

### Orientations stratégiques

Les organismes canadiens de réglementation du génie ont besoin d'une législation qui tient responsables les entreprises qui exercent des activités relevant de la pratique du génie. Le but et les procédures de ce système de responsabilité devraient être expliqués aux entreprises de façon claire et uniforme.

### Principaux aspects à prendre en considération

1. Toutes les entreprises qui exercent des activités relevant de la pratique du génie devraient être tenues responsables du maintien et de la protection des exigences énoncées dans la législation relative à la pratique du génie.
2. Les administrateurs et dirigeants de ces entreprises devraient s'assurer que ces exigences législatives sont satisfaites.
3. Le fait de tenir les entreprises responsables ne diminue ni n'atténue en aucun cas les responsabilités des titulaires de permis individuels.
4. Pour pouvoir utiliser les désignations propres au génie dans son nom, une entreprise doit respecter les exigences législatives de la province ou du territoire où elle s'affiche ou offre des services professionnels.
5. Législation souple pour permettre l'établissement de systèmes uniformes dans le cas des entreprises relevant de plusieurs provinces ou territoires.

La mise en œuvre de systèmes uniformes pour les entreprises permettra aux organismes canadiens de réglementation du génie de mieux protéger le public.

Le maintien d'exigences similaires partout au Canada favorisera une meilleure acceptation des programmes de la part des entreprises, ce qui en facilitera la mise en œuvre et réduira le fardeau administratif des entreprises à une époque où la nationalisation et la mobilité de la pratique du génie s'intensifient au Canada.



# CANADIAN FRAMEWORK FOR LICENSURE

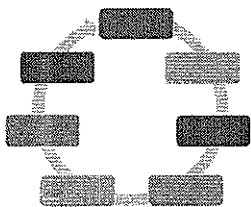


## Corporate Registration

### Research

#### Current Situation within Engineering Associations in Canada

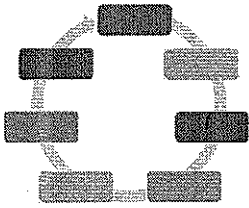
	Name	Details
APEGBC	n/a	
APEGGA	Permit to Practice	<ul style="list-style-type: none"><li>Any company, partnership, or corporation practising professional engineering (regardless of whether offering to the public or not)</li><li>Applies to companies even if one engineer only, sole proprietors, etc.</li><li>Permit holders must follow a professional management plan</li><li>Permit holders must attend a seminar every 5 years</li><li>Permit number must be displayed on all stamped documents</li><li><b>\$427.50</b> to apply and per year. Reduced fees for companies with only one P.Eng. and revenues less than \$250,000/yr</li></ul>
APEGS	Certificate of Authorization	<ul style="list-style-type: none"><li>All partnerships, associations of persons or corporations practising professional engineering (regardless of whether offering to the public or not)</li><li>Applies to all companies, even if one licence holder</li><li>Does not apply to sole proprietorships (i.e. not an incorporated entity)</li><li>Seal must be signed by self-declared competent person from each discipline</li><li><b>\$800</b> per year. Reduced fees for companies with 5 or less licence holders</li></ul>
APEGM	Certificate of Authorization	<ul style="list-style-type: none"><li>Any corporation, partnership or other legal entity providing engineering services <b>to the public</b></li><li>Does not apply to sole proprietorships (i.e. not an incorporated entity)</li><li>Corporate seal must be signed by the Responsible Member</li><li><b>\$346</b> per year. Reduced fees for sole practitioners (one P.Eng. only)</li></ul>
PEO	Certificate of Authorization	<ul style="list-style-type: none"><li>To allow individuals and business entities to provide professional engineering services <b>to the public</b></li><li>C of A holder must designate at least one professional engineer to assume professional responsibility for the services provided</li><li><b>\$372.90</b> per year, plus an initial application fee of <b>\$372.90</b></li><li>Regulations in development to increase to \$220 + \$40 per license holder providing services to the public</li><li>New regulations will require them to identify all license holders and identify those providing services to the public</li></ul>
OIQ	n/a	
APEGNB	Certificate of Authorization	<ul style="list-style-type: none"><li>All partnerships, associations of persons or corporations providing professional services <b>to the public</b></li><li>Does not apply to sole proprietorships (i.e. not an incorporated entity)</li><li>Must list all engineers working at the company</li><li><b>\$280.01</b> to apply and per year. Double (\$560.02/yr) for non-resident</li></ul>



# CANADIAN FRAMEWORK FOR LICENSURE



<b>Engineers Nova Scotia</b>	Certificate of Compliance	<ul style="list-style-type: none"> <li>Partnerships, associations or corporations offering services <b>to the public</b></li> <li>Applies to sole practitioners, called "Sole Practitioner Compliance"</li> <li>Must list all engineers working at the company and all directors/officers</li> <li><b>\$345.00</b> per year. Reduced to \$57.50 for Sole Practitioner Compliance</li> </ul>
<b>Engineers PEI</b>	Certificate of Authorization	<ul style="list-style-type: none"> <li>Any partnership, association of persons or corporation practising professional engineering (regardless of whether offering to the public or not)</li> <li>Does not apply to sole proprietorships (i.e. not an incorporated entity)</li> <li>Must designate a responsible individual who is a member of the association</li> <li><b>\$150.00</b> per year.</li> </ul>
<b>PEGNL</b>	Permit to Practice	<ul style="list-style-type: none"> <li>Sole proprietorships, partnerships, associations or corporations providing professional services <b>to the public</b></li> <li>Required for all – including individuals doing contract work</li> <li>Must designate an engineer "in responsible charge" for each discipline, and demonstrate how they are qualified to have this position. This person must be an employer, principal or proprietor of the company. One such person required per site</li> <li><b>\$ 637.32</b> per year for 1 discipline</li> <li><b>\$ 863.32</b> per year for 2 disciplines</li> <li><b>\$1,165.03</b> per year for 3 or more disciplines</li> <li><b>\$ 248.60</b> application fee</li> </ul>
<b>APEY</b>	Permit to Practice	<ul style="list-style-type: none"> <li>Partnership, corporation, firm or association of persons practising engineering (regardless of size of organization and regardless of whether offering to the public or only internal)</li> <li>Does apply to sole proprietorships (i.e. not an incorporated entity), but do not charge them</li> <li>A Responsible Member (or Members, for larger organizations) must be designated on the Permit to Practice. This person must be a partner or full-time employee of the company</li> <li>Permit Stamp and Permit Number must appear on all documentation, along with the signature of the Responsible Member(s)</li> <li><b>\$252.00</b> per year, and <b>\$78.75</b> application fee, and <b>\$47.25</b> stamp fee. Fees and dues are waived if the company has only one engineer (but Permit still req'd)</li> </ul>
<b>NAPEG</b>	Permit to Practice	<ul style="list-style-type: none"> <li>Partnership, corporation, firm or association of persons practising engineering (regardless of size of organization and regardless of whether offering to the public or only internal)</li> <li>Does not apply to sole proprietorships (i.e. not an incorporated entity)</li> <li>A Responsible Member (or Members, for larger organizations) must be designated on the Permit to Practice. This person must be a partner or full-time employee of the company</li> <li>Permit Stamp and Permit Number must appear on all documentation, along with the signature of the Responsible Member(s)</li> <li><b>\$409.50</b> per year, and <b>\$367.50</b> application fee, and <b>\$42.00</b> stamp fee.</li> </ul>



# CANADIAN FRAMEWORK FOR LICENSURE



## Situation in Engineering Worldwide

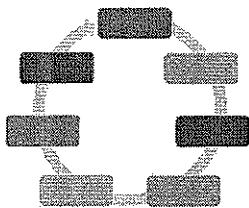
- More than 35 states in the United States have some form of corporate registration for engineering firms. The most common name for this is "Certificate of Authorization".
- Although many international engineering organizations have partnerships with engineering corporations (for programs like continuing professional development, and engineer-in-training development & licensure), corporate registration is not required in:
  - Australia (Engineers Australia )
  - Chinese Taipei (Chinese Institute of Engineers)
  - Hong Kong China (Hong Kong Institution of Engineers)
  - India (Institution of Engineers India)
  - Ireland (Engineers Ireland)
  - Japan (Institution of Professional Engineers Japan)
  - Korea (Korean Professional Engineers Association)
  - Malaysia (Institution of Engineers Malaysia)
  - New Zealand (Institution of Professional Engineers New Zealand)
  - Singapore (Institution of Engineers Singapore)
  - South Africa (Engineering Council of South Africa)
  - Sri Lanka (Institution of Engineers Sri Lanka)
  - United Kingdom (Engineering Council United Kingdom)

## Situation in Other Professions in Canada

- None of the Law Societies require corporate registration, however, the law society may examine the operation of legal partnerships for such things as trust accounting.
- Colleges of Physicians and Surgeons require their members to obtain a license if they practice within a corporation. There are *requirements regarding directors and retention of voting control* by M.D.'s. Fees vary based on the province, and are low in comparison to the licensing fees for individuals.
  - In BC and Ontario, facilities offering medical services must be accredited or licensed and in Ontario these facilities must also take part in a Quality Assurance program.
- Associations of Veterinarians require veterinary facilities to be registered or accredited and the associations also inspect the facilities. Fees vary based on the province.
- Chartered accountants who offer services to the public must register, and must abide by specific **rules of conduct for firms**. Fees vary based on the province (and, in BC, on the number of CA partners in the firm). Most Institutes of Chartered Accountants also inspect the firms.
- Architects must obtain a certificate of practice, but only a few associations do practice reviews of firms. Fees vary based on the number employees and the type of firm.

## Other Pertinent Information

- The existence (or non-existence) of corporate registration requirements in the various provinces and territories causes confusion for those businesses that operate in more than one province or territory.
- All Engineering Acts state that the mandate of the association is to protect the public. The public are affected by engineering decisions made by individual engineers and by the business entities that they work for.



# CANADIAN FRAMEWORK FOR LICENSURE



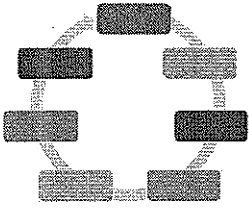
- The majority of professional engineers are employee engineers, working within business entities.
- These employee engineers do not necessarily work for a professional engineer, and professional engineers do not necessarily make the decisions or control the voting shares for their businesses. The decisions of business entities may not be directly covered by the Code of Ethics or any other practice standards or guidelines.
- The compliance of individual practitioners with engineering legislation is directed by the organizational culture in which the individual engineer practises.
- In Canada, incorporated business entities must register in every province in which they operate.
- Some of the regulators use a narrow definition of the term 'public' regarding the application of their Act, such that, engineers working for the employers and if the work is for the employer (even the ultimate user is not the employer), the engineer is not considered to be providing services to the public and in this case the drawings do not need to be sealed nor should the company require corporate registration. Consistent application to protect the public should be developed.

**It is recommended that the following Guiding Principles form the basis for all Corporate Licensure policies:**

1. All organizations that manage the delivery of engineering services are held accountable to uphold and protect the requirements set out in engineering legislation.
2. Officers and directors of those organizations must ensure that these requirements are met.
3. Organizations should be accountable for the engineering services provided and for the licence holders offering those services.
4. Corporate registration systems should address registration across Canada.
5. All organizations providing engineering services should be registered.
6. Requirements regarding the use of the term "engineering" in corporate names are necessary.

**Anticipated outcomes of implementing the principles:**

- Better protection of the public through the registration of organizations engaging in engineering activities.
- Provide clarity for organizations engaging in engineering activities across Canada.



# CANADIAN FRAMEWORK FOR LICENSURE



## APPENDIX A

### Research Details

#### Medical Services

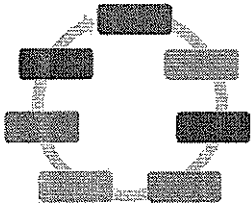
- Under the *Health Professions Act* of BC, permits must be obtained in order to operate a health profession corporation, and non-hospital medicinal and surgical facilities, and diagnostic facilities must also be accredited (maximum period = 4 years)
- New Brunswick: a corporation can be registered with the College of Physicians and Surgeons of NB. This involves a brief application process and registration fee of \$100 to obtain a licence (+annual fee of \$100/yr). Upon registration, the College advises Medicare that the Corporation is licensed to practice medicine and the corporation can use the designation P.C. – Professional Corporation. A corporation must comply with the Medical Act to maintain the licence (only requirements are in regards to who can be directors)
- AB same ideas as NB, but cost is \$350/member for application and then \$120/yr
- SK same idea as NB, but cost is \$350 to apply and then \$100/yr
- MB the same, but cost is \$250 to apply and then \$125/yr (use term “medical corporation”)
- Under the *Independent Health Facilities Act* of Ontario, facilities offering services which are paid for by the provincial government’s Ontario Health Insurance Plan must be licensed and must take part in a Quality Assurance program
- NS also has provision to register corporations
- NL is the same, but cost is \$450 to apply and then \$150/year

#### Veterinarians

- College of Veterinarians of BC (CVBC) inspects and accredits
- AB.VMA registers and inspects
- SVMA registers and inspects
- MVMA inspects
- CVO inspects and accredits veterinary facilities
- NBVMA inspects
- NSVMA registers and inspects
- PEIVMA inspects

#### Chartered Accountants

- In all provinces, licensure applies to firms offering services to the public, must have insurance, and must abide by rules of conduct for firms
- BC – must register at \$250/evaluation, \$100/yr practice fee, dues based on # of CA’s:
  - \$470/one partner
  - \$455 per addition partner
  - \$4,300 for 10-15 partners (flat fee)
  - \$285/partner for over 15 partners, AND



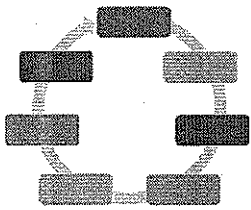
## CANADIAN FRAMEWORK FOR LICENSURE



- \$160/CA member employed (\$195 each for CGA/CMA, or international accounting designation)
- BC Bylaw 617: "Every licensed firm, by having authorised a member to bring an application on its behalf for issuance or renewal of its licence, and by the continuance of that licence, agrees and is deemed to have agreed with the Institute and each of its members to be **bound by the terms contained in these Bylaws, the Rules of Professional Conduct, and the Regulations.**"
- BC Bylaw 645 "Council shall designate practice review officers... who shall... be authorised (i) to inspect the professional practice of a member **or licensed firm** and to report their findings and suggested recommendations"
- Alberta registers @ \$300/application + dues of ??/yr and does practice reviews
- SK registers and inspects
- Manitoba registers and inspects, with cost of only \$26.25/application
- ON registers and inspects - \$180/application + \$124/yr + \$190/hr for inspections
- ON Bylaw 510(7): The professional conduct committee may **lay a charge against a firm** alleging, that
  - (a) the firm has policies or procedures which are inconsistent with the rules of professional conduct;
  - (b) the breach of a rule by a member, student or employee of the firm is related to the absence of **quality control procedures** or the existence of quality control procedures that are inadequate for the type of practice in which the firm is engaged;
  - (c) the firm is identified with conduct or the provision of professional services that appears to **breach the rules of professional conduct and no member or student of the firm who is responsible for the apparent breach can be determined,**
  - (d) the conduct that breaches the rules of professional was authorized, initiated, implemented or condoned by the firm prior to or at the time such conduct takes place;
  - (e) the conduct that breaches the rules of professional conduct is condoned or concealed by the firm after the firm learns of it;
  - (f) the firm did not take appropriate action in response to becoming aware of any conduct that breaches the rules of professional conduct;
  - (g) there are repeated complaints that members, students or employees of the firm have breached the rules.
- Quebec inspects
- NB registers and inspects - \$150/application + \$100/yr
- NS registers @ \$172/application
- PEI inspects and registers @ \$85/application,
- NL registers and inspects

### Architects

- BC: certificate of practice, application \$138 sole proprietor, \$193 corporation, \$76 branch office; annual dues \$319/yr up to 2 people (total staff), \$352/yr 3-5, \$512/yr 6-10, +\$171 for each additional increment of 1-5 additional people
- AB: register firms and do practice reviews
- SK: \$200/application + \$200/yr,
- MB: \$157 or \$210 application (certificate of authority)



## CANADIAN FRAMEWORK FOR LICENSURE



- ON: \$282 application, \$465/yr for first reg member + \$350/additional architect or technologist (certificate of practice),
- NB: \$600/member, for certificate of practice
- NS: registers firms
- PEI: Certificate of Practice, \$300/application + \$350/yr
- NL: no corporate registration
- NWT: permit to practice, application fee \$250 for 1-2 members, \$500 for 3-5, \$750 for 6+. Fees are \$700 to \$6000 depending on where located (NWT \$200, other \$5,000) and value of business in NWT (\$1,000>250k business, \$00<250k business)