



PRINCE EDWARD ISLAND  
ÎLE-DU-PRINCE-ÉDOUARD

# **PRIVATE TRAINING SCHOOLS ACT REGULATIONS**

## PLEASE NOTE

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For more information concerning the history of these regulations, please see the *Table of Regulations* on the Prince Edward Island Government web site ([www.princeedwardisland.ca](http://www.princeedwardisland.ca)).

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## PRIVATE TRAINING SCHOOLS ACT

### Chapter P-20.1

## REGULATIONS

Pursuant to section 14 of the *Private Training Schools Act* R.S.P.E.I. 1988, Cap. P-20.1, Council made the following regulations:

### 1. Definitions

In these regulations

- (a) “**Act**” means the *Private Training Schools Act* R.S.P.E.I. 1988, Cap. P-20.1;
- (b) “**contract**” means a written agreement between a school and student outlining the obligations of each party;
- (c) “**course**” means any course of study or instruction, or any training program, offered by a school;
- (d) “**operator**” means the person who has signing authority, and overall responsibility for the management of the school and includes the owner, franchise holder or an individual employed by the school;
- (e) “**registration fee**” means a fee charged to students whose applications have been accepted for a course and who are required to make a commitment to attend;
- (f) “**security**” means a financial guarantee provided by a school to ensure fulfilment of its commitment to its students;
- (g) “**tuition fee**” means the cost of a course of instruction established by a school and payable by a student and may include costs for materials and supplies. (EC478/95)

### 2. Application

These regulations apply to any school or class of school registered under the Act. (EC478/95)

### 3. Occupational courses approved

For the purposes of these regulations, any occupation listed in the Index of Occupational Titles in the National Occupational Classification issued by Human Resources Development Canada is designated as appropriate for a course offered by a school. (EC478/95)

### 4. Application for registration

- (1) Every application for registration of a school shall be accompanied by

- (a) a cheque payable to the Provincial Treasurer for the amount of the registration fee set out in section 5;
- (b) a list of the proposed courses to be offered including
  - (i) the subjects of instruction,
  - (ii) a course description sheet for each subject,
  - (iii) the examinations process for students, and
  - (iv) details on the course materials;
- (c) a statement of tuition and other fees payable by a student;
- (d) a copy of the contract form to be used between the school and a prospective student;
- (e) a statement of the admission requirements for each course;
- (f) a detailed statement of textbooks and other supplies or equipment required by each student for each course and the cost to the student, where the cost is not included in the tuition fee;
- (g) a copy of catalogues, sales circulars and other materials to be used for advertising in connection with the school;
- (h) a copy of the certificate or diploma used or to be used by the school;
- (i) where schools are located in the province, certificates from the Chief Health Officer and provincial or municipal fire inspector stating the school has complied with all relevant building, sanitary, fire and other regulations, and the equipment, machinery and tools thereof comply with all regulations relating thereto;
- (j) an application for the registration of each instructor employed, or to be employed, by the school;
- (k) the security required by section 20;
- (l) where the applicant is an individual, the names of two reputable persons in the province who are acquainted with the applicant and willing, if required, to provide character references to the Administrator;
- (m) such additional information as the Administrator may require to evaluate the application.

**Reference checks**

- (2) The Administrator may carry out reference checks on persons wishing to register schools.

**Alterations**

- (3) After registration of the school, no change shall be made in the statements, declarations, instructional staff or materials filed with the original application without the approval of the Administrator. *(EC478/95)*

**5. Fee**

The fee payable for the initial registration of a school shall be \$150, and for annual renewal, \$75. *(EC478/95)*

**6. Certificate of registration**

The Administrator shall issue a certificate of registration on a form approved by the Minister to the owner or operator of a school. *(EC478/95)*



**7. Renewal**

Every application for renewal of registration as an operator of a school shall be forwarded to the Administrator accompanied by

- (a) a cheque payable to the Provincial Treasurer in the amount of the renewal fee set out in section 5;
- (b) a statement, if applicable, indicating any changes made or proposed to be made in any of the matters referred to in subsection 4(1);
- (c) if applicable, confirmation of security in the amount set out in section 19. *(EC478/95)*

**8. Refusal to register, etc.**

(1) The Administrator may refuse to register, or renew registration, or cancel the registration of a school where, in the opinion of the Administrator, the owner or operator

- (a) fails to comply with any of the conditions or restrictions to which the registration is subject;
- (b) has made a material misstatement, or failed to disclose full information as required by the Act or these regulations;
- (c) is convicted of an indictable offence under the laws of Canada or a province that involves a dishonest or fraudulent act;
- (d) is bankrupt or insolvent, makes an assignment for the benefit of creditors or is subject to winding-up or receivership; or
- (e) contravenes any provision of the Act or these regulations.

**Notice**

(2) Where the Administrator proposes to refuse registration or renewal of registration, or cancel registration of a school, the Administrator shall serve notice on the operator of the school personally or by registered mail at the address in the records maintained by the Administrator,

- (a) stating the reason for the proposed refusal or cancellation;
- (b) stating the effective date of the refusal to register or renewal of registration or the cancellation of the registration, which date shall be not less than 21 days from the date of the notice; and
- (c) informing the operator that a response may be made to the Administrator in writing before the effective date giving reasons why the Administrator should not act in the manner proposed;
- (d) giving the name and address for service of the Chairperson of the Appeal Board.

**Decision**

(3) Where the operator files a response under clause (2)(c), the Administrator shall consider that response and may

- (a) withdraw the notice issued under subsection (2) and issue or renew the registration;
- (b) confirm the notice and confirm or vary the effective date of the refusal or cancellation.

**Powers of Administrator**

(4) Notwithstanding anything in this regulation, the Administrator may

- (a) approve the withdrawal of an application for registration or renewal of registration;
- (b) at the request of an operator, cancel the registration of a school;

- (c) without prior notice to the operator, cancel the registration of a school that has ceased to operate for a period of ninety days; and
- (d) without prior notice, cancel or suspend the registration of a school upon recommendation of health, fire or safety officials;
- (e) without prior notice, cancel or suspend the operation of a school whose operation has become insolvent or falls within the provisions of the *Bankruptcy and Insolvency Act* (Canada). (EC478/95; 685/97)

### 8.1 Appointment of Chairperson

The Minister shall appoint a Chairperson of the Appeal Board. (EC685/97)

## 9. Appeal

- (1) An operator of a school for which the registration is cancelled or not renewed may appeal the decision of the Administrator to an Appeal Board established by the Minister, by giving written notice of appeal to the Chairperson of the Appeal Board, within 21 days of the receipt of notice of refusal to register or the cancellation of registration.

### Notice of nominee

- (2) The operator shall include in the notice of appeal, the name of the operator's nominee to the Appeal Board.

### Composition

- (3) The Minister shall appoint an Appeal Board comprised of the following members:
  - (a) the operator's nominee;
  - (b) the Administrator's nominee; and
  - (c) the chairperson appointed pursuant to section 8.1.

### Powers

- (4) The Appeal Board may
  - (a) hear and determine the operator's appeal;
  - (b) administer oaths and affirmations;
  - (c) summon and enforce the attendance of witnesses and compel to give oral or written evidence and produce documents; and
  - (d) hold a hearing in the same manner as a court of record in civil cases.

### Procedure

- (5) Except where otherwise provided in these regulations, the Appeal Board may determine its own procedure respecting the hearing and it shall give the parties the opportunity to be heard and to be represented by counsel.

### Notice of hearing

- (6) The chairperson of the Appeal Board shall give notice to the parties of the date, time and place of hearing.

### Absence

- (7) Notwithstanding any other provision of these regulations, in the case of the absence of any member of the Appeal Board due to illness or other reasonable cause, the other two members shall not proceed until the absent member has returned or been replaced.



**Majority decision**

- (8) The decision of the majority of members of the Appeal Board shall govern on questions of procedure, admissibility of evidence and other matters which arise during the hearing but, lacking a majority decision, the decision of the chairperson shall govern.

**Decision**

- (9) The Appeal Board may confirm the refusal to register or renew the registration of a school, confirm the cancellation of registration or it may order that the registration be granted or reinstated.

**Reasons**

- (10) The Appeal Board shall render its written reasons for decision within 30 days of the completion of the hearing and it shall provide copies of its decision to be parties.

**Decision final**

- (11) The decision of the Appeal Board shall be final and binding upon the parties.

**Expenses**

- (12) Each party to the appeal shall pay
- (a) the fees and expenses of its nominee; and
  - (b) one-half of the fees and expenses of the chairperson. (EC478/95; 685/97)

**10. Advertising**

- (1) The operator of a school shall be responsible for all statements made by instructors or other employees, whether oral or written, in connection with the sale of any course.

**Approval of materials**

- (2) The operator of a school must submit all advertising materials to the Administrator for approval prior to publication.

**Prohibited advertisements**

- (3) The use of the following forms of advertising for schools shall be grounds for suspension or cancellation of registration:
- (a) any advertising that tends to mislead;
  - (b) any advertising that fails to give the name of the school and the address at which enquiries may be made;
  - (c) any advertising, whether oral or written, that guarantees employment for graduates; or
  - (d) any advertising that suggests there is specific demand or positions available for graduates, unless proof is available that such demand exists or that positions are available and that the course offered will be directly advantageous to persons seeking such positions.

**Statement of registration**

- (4) No oral statements, electronic information, or advertising, stationary or other printed matter, of or relating to a school, shall refer to the Administrator's approval of the school or of any of its courses except by use of the following words "Registered as a private training school under the *Private Training Schools Act* of Prince Edward Island". (EC478/95)

**11. Fees**

- (1) Tuition and other fees charged for courses offered shall not exceed those registered with the Administrator.

**Registration**

- (2) Schools may charge students, who have been accepted into a course, a registration fee not to exceed \$100 and the registration fee shall be credited to the tuition fee.

**Failure to attend**

- (3) If a student fails to attend a course after paying the registration fee referred to in subsection (2), the school may retain the full amount of the registration fee.

**Refund**

- (4) The registration fee referred to in subsection (2) shall be refunded in full in situations where the course is not offered at the time advertised or agreed to between the student and the operator.

**Advance payment**

- (5) No tuition, materials or supplies fee, in excess of \$500 shall be collected from a student more than three months in advance of the commencement of the course of instruction, unless otherwise approved by the Administrator.

**Retention of fees**

- (6) Where a student enrolled in a course withdraws by notice in writing or is expelled from the course for just cause, the school may retain a portion of the fees paid in proportion to the number of classes held up to the date of withdrawal, plus 10% of the total of tuition and other fees.

**Withdrawal**

- (7) Where a student withdraws from a course after completing two-thirds of the course, or fails to give notice until after two-thirds of the course has been completed, the operator shall have no obligation to refund any part of the total cost of the course.

**Recovery of unpaid fees**

- (8) Tuition and other fees owing for a student who has withdrawn but has not paid shall be a debt due to the school calculated in accordance with subsection (6).

**Notice of termination of contract**

- (9) Where a student discontinues a course, without written notice to the school, the operator shall terminate the contract by registered mail to the student
- (a) 30 days from the date the student ceased to receive instruction; or
  - (b) if the student has not attended any classes, 30 days from the effective date of the contract.

**Settlement**

- (10) The school shall calculate the amount owed by the student under subsection (6) and refund any amount owed to the student within 15 working days of the termination of the contract.





**Return of fees paid**

- (11) Notwithstanding any provision contained in a contract in respect of a course in a school, the operator shall not retain any monies paid by or on behalf of a student for or on account of instruction given by such school where
- (a) the school is not registered under the Act; or
  - (b) the owner, operator, instructor or other employees of the school has made to the student any misleading representation in advertising of the type referred to in subsection 10(3). (EC478/95)

**12. Refund where course terminated**

Where an operator terminates a course prior to its completion, or expels a student without just cause, the operator shall refund fees paid as follows:

- (a) if the course is less than 20% complete, the refund shall equal 100% of tuition and materials and supplies fees paid;
- (b) if the course is 20% or more completed, the refund shall amount to that portion of the tuition, and materials and supplies fees paid which represents the number of lessons or periods of instruction remaining in the course from the date of termination, plus an amount equal to ten per cent of the total fees paid by the student. (EC478/95)

**13. Capacity**

Before any contract is entered into between a student and school, it shall be the duty of the operator of the school to determine that the student applying for the course is physically capable of taking it and has sufficient educational qualifications to understand and complete the course. (EC478/95)

**14. Register of students**

The operator of every school shall keep a register of all students who are enrolled and shall submit an annual report, in the form approved by the Minister, at the time of renewal of registration. (EC478/95)

**15. Contents**

- (1) Instruction shall not be given to any student in a school until a contract, the form of which has been approved by the Administrator, has been completed between the student or the sponsor of the training and the operator.

**Terms of contract**

- (2) Every contract for a course at a school shall set out, either in the body of the contract or on a separate sheet that is annexed to and forms part of the contract, the following:
- (a) the name and address of the school;
  - (b) the name of the operator or official responsible for student affairs;
  - (c) the commencement date and duration of the course of instruction;
  - (d) a statement to the effect the owner, operator, or any employee of the school is prohibited from guaranteeing a position of employment to any student or prospective student;
  - (e) a statement that the contract is subject to the *Private Training Schools Act* and the regulations made thereunder;

- (f) the name of the courses and a detailed outline of course content, examinations to be taken and methods of instruction;
- (g) the fees and other costs associated with the course;
- (h) method of payment options, and procedures for collecting delinquent accounts;
- (i) the date the contract is entered into;
- (j) the name and mailing address of the student;
- (k) the signature of the student; and
- (l) the signature of the school official who has the authority to enter into and cancel contracts for the school. (EC478/95)

**16. Issue of certificates of competency**

No operator of a school shall issue or give to any student a diploma, certificate or other document as to competency in any occupation unless it has been approved by the Administrator, and then only if that student has completed the course and passed the prescribed examinations. (EC478/95)

**17. Materials**

- (1) Curriculum and instructional materials used by schools shall reflect provincial, or where applicable, national educational and industry standards for the subject or occupation concerned.

**Standards**

- (2) The Administrator may engage the services of industry and curriculum experts to conduct evaluations of schools' training programs to determine if schools are training to the proper standards. (EC478/95)

**18. Registration of instructors**

- (1) No school shall employ an instructor unless that instructor is registered under the Act.

**Form**

- (2) Every instructor or prospective instructor shall apply for registration on a form approved by the Minister.

**Fee**

- (3) The fee for the initial registration of an instructor is \$35 but this fee will be waived if the instructor holds a current Academic or Vocational Teachers Certificate as issued by the Minister of Education.

**Authorization**

- (4) Instructors who meet the requirements shall be issued an instructor authorization outlining
  - (a) the courses in which they are approved to offer instruction; and
  - (b) the school in which they are approved to instruct.

**Cancellation**

- (5) An instructor authorization shall be cancelled upon termination of employment with the school referred to in clause (4)(b) and the instructor must *re-apply* for authorization to instruct in another school.



**Qualifications**

- (6) Every instructor employed in a school shall
- (a) possess a degree from a recognized university in an area of study directly related to the course and have at least 12 months actual work experience in the occupation to be instructed;
  - (b) be a graduate of a community college, a college of applied arts and technology, or an equivalent college in an area of study directly related to the course, and have at least 24 months actual work experience in the occupation to be instructed;
  - (c) be a graduate of a private training school registered under the Act, or a predecessor of the Act, in an area of study directly related to the course, and have at least 24 months actual work experience in the occupation to be instructed;
  - (d) have a high school diploma, or equivalent standing, and at least 48 months work experience in the occupation to be instructed; or
  - (e) have at least 36 months of teaching experience in the course or occupation for which instruction is to be given.

**Temporary employment**

- (7) Notwithstanding subsection (6), the Administrator may, in exceptional cases, approve the temporary employment of any instructor who in the opinion of the administrator is proficient in the subject or occupation covered by the course.

**Certified occupations**

- (8) In occupations where certification of workers is provided by the government, or by an organization approved by the government, instructors must possess this certification or obtain it within three months of employment.

**Cancellation**

- (9) Failure to obtain the certification referred to in subsection (8) will result in cancellation of the instructor authorization. (EC478/95)

**19. Laboratory assistants**

- (1) Lab assistants may be hired by schools to a maximum ratio of one lab assistant for each instructor.

**Supervision**

- (2) Lab assistants must be under the constant supervision of an instructor.

**Qualifications**

- (3) Lab assistants must
- (a) be at least high school graduates, or have equivalent standing; and
  - (b) be graduates of a training program in the specialty in which they are assisting or have at least three years work experience in the specialty in which they are assisting.

**Information to Administrator**

- (4) Schools must provide the Administrator with the names, resumes and expected period of employment for each lab assistant.

**Verification**

- (5) The Administrator shall verify the information provided under subsection (4) and disallow the employment of lab assistants who do not meet the requirements. (EC478/95)

**20. Security**

- (1) Every applicant for registration or renewal of registration of a school shall provide and maintain, while the registration continues, and for two years after the registration terminates, security as prescribed in this section.

**Form of security**

- (2) A security under subsection (1) shall be
- (a) a bond in favour of the government from a guarantee company approved to conduct business in Prince Edward Island, executed and sealed in a manner sufficient to bind the owner or operator of the school and the surety company to the benefit of students entering into contracts with the school;
  - (b) a bond of a guarantor, other than a guarantee company, accompanied by collateral security; or
  - (c) a personal bond accompanied by collateral security.

**Collateral security**

- (3) The classes of negotiable security that may be accepted as collateral security for a bond are
- (a) a certified cheque payable to the Provincial Treasurer which will be used to purchase a provincial deposit receipt and held as security;
  - (b) an irrevocable standby letter of credit in favour of the government drawn on a bank, credit union or trust company authorized to carry on business on Prince Edward Island, which contains no conditions on its realization other than the requirement of certification of default;
  - (c) bonds issued or guaranteed by Canada, or by a province of Canada, in favour of the government.

**Deposit**

- (4) The collateral security referred to in subsection (3) shall be deposited with the Provincial Treasurer and maintained at market value of not less than the face value of the bond.

**Notice of cancellation**

- (5) A bond under subsection (2) may be cancelled by the surety by giving at least two months notice in writing of intention to cancel to the Administrator and to the person bound, and the bond shall be deemed to be cancelled on the date stated in the notice, which date shall be not less than two months after the receipt of the notice by the Administrator.

**Duration**

- (6) For the purpose of every act or omission occurring
- (a) during the period prior to cancellation or surrender of registration; or
  - (b) during the period prior to cancellation of the security under subsection (5) where there has been no cancellation or surrender of registration,

every security shall continue in force and the collateral security if any, shall remain on deposit for a period of two years following the termination of the registration or the cancellation of the bond, as the case may be.



**Delivery of security to depositor**

- (7) Where a bond has been cancelled or registration has been terminated and the bond has not been forfeited, the Minister may, two years following the termination of the registration to which the bond relates or two years after the cancellation of the bond, as the case may be, deliver the bond and any collateral security to the person bound thereunder and to the person who deposited such security, as the case may be.

**Amount of security**

- (8) The amount of security under this section shall be as follows:
- (a) owners or operators of all schools shall be required to provide a minimum bond of \$5,000; and
  - (b) owners or operators of school that accept tuition fees directly from students shall be required to provide a bond, equal to 60% of pre-paid tuition and lab or other course costs paid by students, to a minimum of \$5,000 and a maximum of \$100,000.

**Idem**

- (9) The amount of security required under clause (8)(b) shall be calculated annually at the time of renewal of registration and shall be based on the most current figures for pre-paid fees, or in the case of new schools, projected pre-paid fees.

**Exempted courses**

- (10) Individual courses that are not part of a student's regular program, with a duration of less than 30 hours or a fee of less than \$400, shall be exempt from the bonding requirement. (EC478/95)

**21. Forfeiture of security**

- (1) The Minister may declare any security mentioned in section 20 forfeited, upon which the amount becomes due and owing by the person bound as a debt due to the government, where the owner or operator of the school, for any reason, fails to carry out the terms of an agreement with the students or for any reason fails to make repayments of fees to students in accordance with these regulations.

**Sale of collateral**

- (2) Where a bond secured by the deposit of collateral security is forfeited under subsection (1), the Minister may sell the collateral security at the current market price.

**Security to be held for two years**

- (3) The security shall be held by the Minister for the two year discovery period unless, through public advertising or receipt of affidavits from all students concerned, the Minister is satisfied all claims against the security have been satisfied.

**Powers of Minister**

- (4) The Minister may upon such terms and conditions as the Minister may determine
- (a) assign any bond or portion thereof forfeited under subsection (1) and transfer the collateral security, if any;
  - (b) pay over any money recovered under the bond; or
  - (c) pay over any money realized from the sale of the collateral security under subsection (2),

to any student or former student of a school who is owed money by the owner or operator of a school by way of repayment of fees.

**Distribution**

- (5) Where the proceeds of the bond are insufficient to satisfy the total amounts of all the claims filed with the Minister, the Minister may distribute the proceeds of the bond proportionally among the claimants.

**Discretion**

- (6) In any question as to whom and in what amounts the proceeds of the bond should be paid pursuant to subsection (5), the Minister's decision shall be final.

**Disposition of balance**

- (7) Where the proceeds of the bond exceed the total amount of the claims filed with the Minister, the Minister may pay the remaining balance of the proceeds of the bond to the person who paid over the proceeds of the bond or who assigned the collateral security realized. (EC478/95)

