



PRINCE EDWARD ISLAND  
ÎLE-DU-PRINCE-ÉDOUARD

# **PRIVATE TRAINING SCHOOLS ACT REGULATIONS**

## PLEASE NOTE

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This document is *not* the official version of these regulations. The regulations and the amendments printed in the *Royal Gazette* should be consulted on the Prince Edward Island Government web site to determine the authoritative text of these regulations.

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-20.2

### REGULATIONS

Pursuant to section 53 of the *Private Training Schools Act* R.S.P.E.I. 1988, Cap. P-20.2, 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-20.2;
- (b) “**security**” means a financial guarantee provided by an operator that meets the requirements of the Act and section 14. (EC107/20)

#### 2. Designated occupation

Any occupation listed in the Index of Occupational Titles in the National Occupational Classification is designated as appropriate for an occupational training program to be offered by the operator of a private training school. (EC107/20)

#### 3. Additional documentation

In addition to the requirements of subsection 5(2) of the Act, an applicant for a license to operate a private training school shall provide

- (a) a detailed statement of textbooks and other supplies or equipment that each student is required to have for each occupational training program and the cost to the student of the textbooks and other supplies or equipment;
- (b) a copy of proposed catalogues and other advertising materials the applicant intends to use in connection with the school; and
- (c) a copy of the certificate or diploma used or to be used by the private training school. (EC107/20)

#### 4. Business plan

For the purposes of clause 5(2)(b) of the Act, an applicant for a license to operate a private training school shall provide to the Administrator, in respect of the proposed private training school, a business plan that includes

- (a) a financial plan for the private training school that shows projected revenues and expenditures for the current year and the two years following;
- (b) an educational plan for the private training school that sets out in detail the proposed occupational training programs; and
- (c) the organizational structure and staffing of the private training school. *(EC107/20)*

#### **5. Insurance coverage**

- (1) For the purposes of clause 5(2)(d) of the Act, an operator is required to obtain and maintain liability coverage for the private training school in the amount of at least \$2,000,000.

##### **Training off premises**

- (2) An operator shall ensure that the operator's insurance covers a student who is training off the premises of the private training school while taking part in an on-the-job training component of an occupational training program. *(EC107/20)*

#### **6. Fees payable**

The fees payable for an application for a license for a private training school, an approval of an occupational training program and an instructor's authorization are those set out in the Schedule to these regulations. *(EC107/20)*

#### **7. Registration fee**

- (1) An operator may charge a student who has been accepted into an approved occupational training program a registration fee, not to exceed \$100, which shall be credited to the tuition fee for the student's occupational training program.

##### **Failure to attend**

- (2) If a student fails to attend an approved occupational training program after paying the registration fee referred to in subsection (1), the operator may retain the full amount of the registration fee.

##### **Refund**

- (3) The registration fee referred to in subsection (1) shall be refunded in full if the approved occupational training program is not offered at the time advertised or agreed to between the student and the operator. *(EC107/20)*

#### **8. Payments by semester**

- (1) An operator who offers an approved occupational training program with a duration in excess of six months shall divide the total amount of tuition to be charged for the program into payments by semester in proportion to the number of semesters required for the completion of the program.

##### **Advance payment**

- (2) An operator shall not collect a fee from a student in excess of \$500 for tuition, materials or supplies, or any combination of them, more than three months in advance of the commencement of the approved occupational training program, except with the prior written approval of the Administrator. *(EC107/20)*



**9. Retention of fees**

- (1) Where a student enrolled in an approved occupational training program withdraws by notice in writing or is expelled from the program for just cause prior to completing two-thirds of it, the operator may retain a portion of the fees paid in proportion to the number of classes held up to the date of withdrawal, plus 10 per cent of the total of tuition and other fees.

**Withdrawal**

- (2) Where a student withdraws from an approved occupational training program after completing two-thirds of it, or fails to give notice until after two-thirds of the approved occupational training program has been completed, the operator shall have no obligation to refund any part of the total cost of the approved occupational training program.

**Recovery of unpaid fees**

- (3) Tuition and other fees owing for a student who has withdrawn from an approved occupational training program but has not paid shall be a debt due to the operator.

**Notice of termination of student contract**

- (4) Where a student discontinues, withdraws from or is expelled from an approved occupational training program, the operator shall terminate the student contract by registered mail to the student within
- (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 student contract.

**Settlement**

- (5) The operator shall calculate the amount owed by the student in accordance with subsection (1) and refund any amount owed to the student within 15 working days of the termination of the student contract.

**Return of fees paid**

- (6) Notwithstanding any provision contained in a student contract in respect of an approved occupational training program, the operator shall not retain any monies paid by or on behalf of a student for or on account of the approved occupational training program where
- (a) the operator is not licensed to operate the private training school under the Act; or
  - (b) the operator or an instructor or other employee of the private training school has made to the student any misleading representation in advertising of the type referred to in subsection 51(4) of the Act. *(EC107/20)*

**10. Refund**

An operator shall refund in full any registration fee paid by a student and all tuition and other fees paid by the student where

- (a) the operator expels the student without cause; or
- (b) the operator terminates an approved occupational training program prior to its completion and is unable to provide for completion of training that is satisfactory to the student and to the Administrator. *(EC107/20)*

**11. Terms of student contract**

In addition to the requirements of clause 5(5)(g) of the Act, every student contract shall set out, either in the body of the student contract or as a separate document that is annexed to and forms part of the student contract, the following:

- (a) the name and address of the private training school;
- (b) the name of the operator or official responsible for student affairs;
- (c) the commencement date and duration of the approved occupational training program;
- (d) a statement that an operator, an instructor or any employee of the private training school is prohibited from guaranteeing a position of employment to any student or prospective student;
- (e) a copy of the applicant's policy manual that includes the policies referred to in clause 5(2)(i) and subsection 5(3) of the Act, if the operator has established policies pursuant to those provisions;
- (f) the name of the approved occupational training program and a detailed outline of its content, examinations to be taken and methods of instruction;
- (g) method of payment options;
- (h) procedures for collecting and any interest applicable to delinquent accounts;
- (i) the date the student 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 official who has the authority to enter into and cancel student contracts for the private training school. *(EC107/20)*

**12. Requirement for on-the-job training agreement**

- (1) An operator shall ensure that an agreement that meets the requirements of the Act and this section is signed by the operator, the student and the employer before a student commences an on-the-job training component of an approved occupational training program.

**Terms**

- (2) For the purposes of this section and clause 5(5)(h) of the Act, an on-the-job training agreement shall specify
  - (a) the names and contact information of the parties to the agreement;
  - (b) a complete and accurate description of the job to be performed by the student during the work term;
  - (c) the dates of commencement and completion and the duration of the work term;
  - (d) the hours required to be worked by the student in order to comply with the training requirements of the work term;
  - (e) the training or instruction to be provided by the employer during the work term;
  - (f) the responsibilities and expectations of each party to the agreement during the work term, including but not limited to
    - (i) limitation of liability,
    - (ii) confidentiality,
    - (iii) limitation of remuneration, and
    - (iv) that there is no expectation of employment following the work term.*(EC107/20)*



**13. Fee**

- (1) Subject to subsection (2), the fee for an instructor's authorization is set out in the Schedule to these regulations.

**Waiver of fee**

- (2) The fee set out in the Schedule to these regulations for an instructor's authorization shall be waived by the Administrator if the instructor holds a valid teacher's license issued under the *Education Act* R.S.P.E.I. 1988, Cap. E-02.

**Qualifications**

- (3) For the purposes of an application for an instructor's authorization under subsection 17(2) of the Act, the applicant shall provide proof that the applicant
- (a) holds a degree from an accredited baccalaureate university program that is relevant to the occupational training program, and has at least 12 months' actual work experience in the occupation;
  - (b) is 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 occupational training program, and has at least 24 months' actual work experience in the occupation;
  - (c) is 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 occupational training program, and has at least 24 months' actual work experience in the occupation; or
  - (d) has a high school diploma, or equivalent standing, and at least 48 months' work experience in the occupation.

**Certified occupations**

- (4) In an occupation where certification of workers is provided by the Government, or by an organization approved by the Government, an applicant for an instructor's authorization in that occupation shall possess that certification or obtain it within three months of employment.

**Cancellation**

- (5) The Administrator shall cancel the instructor's authorization of an instructor who fails to obtain the certification referred to in subsection (4) within the time period allowed under that subsection. (EC107/20)

**14. Security**

- (1) Every applicant for a license, and every operator, shall provide and maintain, while the license is in effect and for two years after the last class of students graduates from an occupational training program that is discontinued, security as prescribed in this section.

**Form of security**

- (2) The security to be provided for the purposes of 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 student contracts with the operator of the private training 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.

**Bond amount**

- (3) The amount of the bond referred to in subsection (2) shall be calculated and maintained without interruption
- (a) while the private training school is in operation, sixty per cent of the tuition collected in the highest quarter annually, rounded to the nearest \$100; and
  - (b) during the first two years after the private training school ceases to be licensed, sixty per cent of the tuition collected in the highest quarter of the final year during which the occupational training program was offered, rounded to the nearest \$100.

**Calculation**

- (4) An applicant for a license to operate a new private training school shall provide a bond that meets the requirements of subsection (2) calculated using projected tuition levels and expected enrolment for the first year of operation of the private training school.

**Collateral security**

- (5) The classes of negotiable security that may be accepted as collateral security for a bond are
- (a) 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;
  - (b) bonds issued or guaranteed by Canada, or by a province of Canada, in favour of the Government.

**Deposit**

- (6) The collateral security referred to in subsection (5) 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**

- (7) 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 shall be not less than two months after the receipt of the notice by the Administrator.

**Delivery of security to depositor**

- (8) Where a bond has been cancelled or a license has been cancelled, and the bond has not been forfeited, the Minister may, two years following the expiry of the license 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 by it and to the person who deposited the security, as the case may be. *(EC107/20)*

**15. Exemption**

- (1) An applicant or operator who proposes to offer an approved occupational training program for which students will not be required to pay tuition in full in advance may apply in writing to the Administrator for an exemption from, or an adjustment to, the bond requirements in respect of the occupational training program.

**Required information**

- (2) An applicant or operator who applies for an exemption under subsection (1) shall provide to the Administrator a tuition plan and financial records in support of the application. *(EC107/20)*





**16. Failure to renew bond**

Where an operator who is required to maintain a bond in accordance with section 14 fails to renew the bond, the Administrator may

- (a) suspend the operator's license and issue an order to the operator that specifies the time within which the operator is required to post a new bond that meets the requirements of section 14; or
- (b) revoke the operator's license. (EC107/20)

**17. Forfeiture of security**

- (1) The Minister may declare any security referred to in section 14 forfeited, upon which the amount becomes due and owing by the person bound as a debt due to the Government, where the operator of the private training school, for any reason, fails to carry out the terms of a student contract or for any reason fails to make repayments of fees to students in accordance with the Act or these regulations.

**Sale of collateral security**

- (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, on any terms and conditions determined by the Minister,
  - (a) assign any bond or portion of it 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 private training school who is owed money by the operator by way of refund 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. (EC107/20)

**18. Reporting requirements**

- (1) For the purposes of subsection 15(4) of the Act, an operator is required to report to the Administrator annually, during the month that corresponds to the month in which the operator's license was granted, the following information respecting the operation of the private training school:
- (a) the approved occupational training programs being offered;
  - (b) the number of students in each approved occupational training program, including the number of international students;
  - (c) the number of diplomas or certificates awarded since the last report;
  - (d) the number of student withdrawals or failures;
  - (e) the amount of tuition and fees incurred and paid by each student;
  - (f) information respecting each student, including the student's
    - (i) full name,
    - (ii) address and telephone number,
    - (iii) date of birth, and
    - (iv) qualifications for enrolment;
  - (g) other information the Administrator requires to supplement the information specified in clauses (a) to (f).

**Revocation**

- (2) For the purposes of subsection 15(4) of the Act, an operator is required to report to the Administrator quarterly the following information respecting the operation of the private training school:
- (a) the approved occupational training programs being offered;
  - (b) the number of students in each approved occupational training program;
  - (c) the amount of tuition and fees incurred and paid by each student. (EC107/20)

**19. Payment into Fund**

For the purposes of section 37 of the Act, the percentage of tuition fees required to be paid into the Fund by an operator is one per cent. (EC107/20)

**20. Investments**

The Minister may invest money of the Fund in one or more investments of a type listed in subsection 27(1) of the *Financial Administration Act* R.S.P.E.I. 1988, Cap. F-9. (EC107/20)

**21. Revocation**

The *Private Training Schools Act* Regulations (EC478/95) are revoked. (EC107/20)



**SCHEDULE**

**Fees**

- 1. **Licenses**
  - License ..... \$500
- 2. **Occupational training programs**
  - (a) Approval of occupational training program ..... \$350
  - (b) Review of occupational training program  
.....\$100 per program,  
..... to a maximum per operator of \$300
- 3. **Instructor’s authorizations**
  - Instructor’s authorization ..... \$35

(EC107/20)