



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-EIGHTH LEGISLATURE

Bill 46

**An Act to amend the Professional
Code and the Chartered Accountants
Act in respect of public accountancy**

Introduction

**Introduced by
Mr. Jacques P. Dupuis
Minister responsible for the administration of legislation
respecting the professions**

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EXPLANATORY NOTES

The bill amends the Professional Code to allow members of the Ordre professionnel des comptables généraux licenciés du Québec and of the Ordre professionnel des comptables en management accrédités du Québec, who hold a public accountancy permit issued by their respective professional orders, to practise public accountancy, as defined in the Chartered Accountants Act, which is amended to that end.

The bill provides that the Ordre professionnel des comptables généraux licenciés du Québec and the Ordre professionnel des comptables en management accrédités du Québec must each determine, by regulation, the standards for the issue and holding of public accountancy permits, and grants the orders the power to suspend or revoke a public accountancy permit. The bill also provides that the orders must each determine, by regulation, the continuing education activities in which their respective members who hold a public accountancy permit are required to take part. The same applies to the Ordre professionnel des comptables agréés du Québec in respect of its members who practise public accountancy.

The bill states that chartered accountants who practise public accountancy, certified general accountants and certified management accountants who hold a public accountancy permit are required to use the title “auditor”.

Lastly, the bill makes various consequential amendments and introduces transitional provisions.

LEGISLATION AMENDED BY THIS BILL:

- Professional Code (R.S.Q., chapter C-26);
- Chartered Accountants Act (R.S.Q., chapter C-48).

Bill 46

AN ACT TO AMEND THE PROFESSIONAL CODE AND THE CHARTERED ACCOUNTANTS ACT IN RESPECT OF PUBLIC ACCOUNTANCY

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. Section 182.1 of the Professional Code (R.S.Q., chapter C-26) is amended

(1) by replacing “187.4 or” in the third line of subparagraph 1 of the first paragraph by “187.4,”;

(2) by inserting “or section 187.10.4” after “section 187.9” in the fourth line of subparagraph 1 of the first paragraph.

2. Section 182.2 of the Code is amended

(1) by replacing “187.4 or” in the second line of the sixth paragraph by “187.4,”;

(2) by inserting “or section 187.10.4,” after “of section 187.9” in the third line of the sixth paragraph.

3. The Code is amended by inserting the following chapter after Chapter VI.2:

“CHAPTER VI.2.1

“PUBLIC ACCOUNTANCY PERMITS

“**187.10.1.** No person other than a chartered accountant shall practise public accountancy within the meaning of section 19 of the Chartered Accountants Act (chapter C-48), nor use the title “auditor” or any title or abbreviation which may lead to the belief that the person is an auditor, unless the person is a member of the Ordre professionnel des comptables généraux licenciés du Québec or of the Ordre professionnel des comptables en management accrédités du Québec and holds a public accountancy permit.

Chartered accountants who practise public accountancy, as well as certified general accountants and certified management accountants who hold a public accountancy permit, shall use the title “auditor”.

This section does not apply to acts performed by persons referred to in the second paragraph of section 24 of the Chartered Accountants Act.

“187.10.2. The Bureau of the Ordre professionnel des comptables généraux licenciés du Québec and the Bureau of the Ordre professionnel des comptables en management accrédités du Québec shall each determine, by regulation, the standards for the issue and holding of public accountancy permits applicable to their respective members.

The Bureau of the Ordre professionnel des comptables agréés du Québec, the Bureau of the Ordre professionnel des comptables généraux licenciés du Québec and the Bureau of the Ordre professionnel des comptables en management accrédités du Québec shall each determine, by regulation, the continuing education activities in which a chartered accountant who practises public accountancy or the holder of a public accountancy permit is required to take part, the penalties for failing to take part in the activities and, where applicable, the cases in which a member may be exempted from taking part in such activities.

Before making a regulation under this section, the Bureau of the order shall consult with the other orders concerned.

“187.10.3. A member of the Ordre professionnel des comptables généraux licenciés du Québec or of the Ordre professionnel des comptables en management accrédités du Québec who wishes to obtain a public accountancy permit shall apply for it to the Bureau of the member’s professional order. The Bureau shall issue the permit to members who meet the standards set for that purpose.

“187.10.4. If the holder of a public accountancy permit fails to conform to the provisions of this chapter or to the standards for receiving or holding a permit, the Bureau of the Ordre professionnel des comptables généraux licenciés du Québec or the Bureau of the Ordre professionnel des comptables en management accrédités du Québec may suspend or revoke the permit it issued. A decision under this section may be appealed from to the Professions Tribunal in accordance with Division VIII of Chapter IV.”

4. Section 19 of the Chartered Accountants Act (R.S.Q., chapter C-48) is replaced by the following section:

“19. The practice of public accountancy consists in

(1) expressing an opinion to provide a level of assurance about a financial statement or any part of a financial statement, or about any other information related to the financial statement; this corresponds to an assurance engagement, which comprises the performance of both an audit engagement and a review engagement, as well as the issue of special reports; and

(2) issuing any form of certification, declaration or opinion in respect of information related to a financial statement or to any part of a financial statement, or in respect of the application of specified auditing procedures with respect to financial information, other than financial statements, neither being intended exclusively for internal management purposes.”

5. Sections 28 and 29 of the Act are repealed.

6. The standards to be used in making the first regulations referred to in section 187.10.2 of the Professional Code, enacted by section 3 of this Act, must be analogous to those recognized on (*insert the date of assent to this Act*) regarding the practise of public accountancy in Québec.

7. This Act comes into force on (*insert the date of assent to this Act*), except the second paragraph of section 187.10.1 of the Professional Code, enacted by section 3, and section 5, which come into force on the date or dates to be set by the Government.

