



Professional Supervision

In collaboration with David Iera, eng. Head of Practice Supervision



and Élie Sawaya Head of Legal Services and Assistant Secretary

PLI AND OCCASIONAL

PRIVATE PRACTICE:

A NEW ELIGIBLE

AMOUNT IN 2021

If you engage in occasional private practice, starting in April 2021, you can take advantage of a new maximum amount for eligible fees under the group professional liability insurance (PLI) plan.

By Jocelyne Hébert

In fact, the maximum annual fee amount that may be received by engineers who participate in the basic group PLI plan and occasionally practice alone and for their own account will rise from \$10,000 to \$15,000. This change will take effect on April 1, 2021 and apply to professional services provided from April 1 to March 31 of the following year.

This increase is just one of the changes made to the new Regulation respecting professional liability insurance for engineers adopted by the OIQ's Board of Directors in March¹.

A FEW USEFUL REMINDERS

You undoubtedly know that the OIQ has set up a group professional liability insurance plan and all of its members must subscribe to it. It provides coverage against any liability

you may incur if you commit errors while practicing your profession. As a reminder, here is some general information about your PLI.

The basic plan – The basic plan covers all OIQ members based on the conditions and parameters of the insurance policy. Its coverage includes, without being limited to:

- ▶ general practice;
- ▶ occasional private practice;
- ▶ the five-year period following the moment when members:
 - withdraw from the OIQ's roll;
 - or
 - are no longer obligated to maintain security to cover their liability.



GENERAL PRACTICE

The basic group plan covers the professional services that members who do not engage in private practice (see page 26) provide as part of their regular engineering practice in Quebec. For example, you engage in general practice if you work for a manufacturing plant, a contractor, a government, a municipality or a government corporation (Hydro-Québec and others) or if you are a university professor.

For general practice, the OIQ's basic group plan offers \$250,000 of coverage per claim and \$500,000 per project for engineering services.

However, depending on your type of practice and the type of risk you incur, you can take out insurance that provides more coverage than that stipulated by the Regulation.

OCCASIONAL PRIVATE PRACTICE

For occasional private practice, the basic group plan offers \$250,000 in coverage per claim and

\$500,000 per project. You work in private practice if you meet the following requirements:

- ▶ You provide professional services "alone and for your own account," which means that you are an independent contractor or work alone or for a sole proprietorship, and not in a partnership or legal entity (e.g. an incorporated company);
- ▶ You receive fees in an amount equal to or lower than \$10,000 for all projects completed from March 31 in one year to March 31 in the following year. Starting on April 1, 2021, this amount will rise to \$15,000 per year.

The OIQ is working for you: In collaboration with the insurer and broker, it is working to reduce the loss experience in your and all engineers' interest. The amendments made to the Regulation reflect these efforts and will take effect starting on April 1, 2021.

Watch for more communications on this subject or visit the OIQ's site: bit.ly/35CsRIL

1. The full text of the Regulation is published in the *Gazette officielle du Québec*.



IN CASES OF DOUBT

Are you enrolled in the base group plan and is your income from occasional private practice higher than the specified limit? Or do you not meet the other requirements for this type of practice? To receive explanations and advice on insurance products for your specific type of practice, contact the OIQ's exclusive broker:

BFL CANADA Risk and Insurance Inc.

514 315-4529 or (toll free) 1 833 315-4529

ingenieur@bflcanada.ca



WHAT IS PRIVATE PRACTICE?

Under section 3 of the Regulation, members work in private practice when they provide professional services on their own account, or for the account of another member, partnership or legal person, to clients that are not their employer. The fields affected by this definition reflect the types of work or structures listed in the Engineers Act.

Members are usually considered to be working "in private practice" when:

- ▶ they work for a consulting engineering firm;
 - ▶ they provide engineering services to an external clientele (e.g. self-employed consultants, building and other inspectors, engineers who inspect or alter vehicles or work in an analytical laboratory, or any other expert who gives advice on works of the kinds that constitute the field of practice of an engineer). ■
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