



## Regulation of truck training schools under Private Career Colleges Act

Currently, there are 105 truck training schools in Ontario which are registered as private career colleges. That's 20% of all registered private career colleges. Clearly, this is a segment of post-secondary vocational training that cannot be ignored by the provincial government.

I am devoted to dispensing legal advice to a broad cross-section of private career colleges, and the national and provincial career college associations. Private career colleges or "trade schools" as they are sometimes referred to, are critical to economic growth in Ontario. Here is a non-exhaustive list of why we can expect growth in the trades:

- The number of skilled trades people over the age of 50 is growing, and existing birth rates are too low to replace the aging workforce;
- There are over 100,000 emigrants to southern Ontario each year, many of whom can prosper learning a trade and filling the "labour-market demand";
- Domestic infrastructure is aging, and needs to be replaced;
- Developing countries are building infrastructure at an alarming rate, and Canadian-trained workers are in demand abroad;
- The void for trade schools is not being filled by other types of institutions such as publicly funded community colleges.

Transportation and logistics companies are integral to replacing existing infrastructure, transporting products in the ordinary course (ie. your grapes and bananas to the grocery store), and



### Guest Column

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supporting industrial growth.

The financial remuneration for truck drivers appears to be quite competitive relative to many other types of vocational training. Truck training institutions can therefore be quite profitable.

But there is now an added "compliance" cost of doing business. As of Sept. 18, 2006, the sector was regulated under the Private Career Colleges Act, 2005. The legislation is as much a response to a political problem as it is consumer (student) protection legislation: under the previous legislation, many students (especially foreign students) claimed to have been misinformed/misrepresented at the time they paid their tuition to Canadian private career colleges. Foreign students, and especially foreign governments, protested. The Ministry of Training Colleges and Universities responded. And as of Sept. 18, 2007, even truck training schools with not-for-profit status, are regulated.

Shortly after the Act came into force, the Ministry issued a "Notice of Proposal to Revoke a Licence" to many allegedly non-compliant schools. I acted on many of those licence revocation proposals, and I can tell you that most or all of them were avoidable.

The full tuition refund provi-

sions give rise to class proceedings which can bankrupt your school overnight. Under those provisions, students (an entire class) can seek a full refund of their tuition for contract deficiencies or misrepresentation, and can even seek a refund after they have taken your courses and earned accreditation! These provisions have been criticized, but this is now the law.

So I leave you with a terribly non-exhaustive list of proscriptive measures to take to avoid sanction by the Ministry:

- Have a signed, written enrolment contract with your students. The contract must contain everything that is mandated by the Ministry but should also have wording specific to the school's program to protect the school from potential student litigation (including "class action" lawsuits, called "class proceedings" in Canada – usually contemplated in relation to the automatic tuition refund provisions);
- Ensure that your enrolment contract is reviewed by legal counsel, as you are otherwise "betting the farm" that it is correct and exhaustive;
- Have a carefully drafted student complaint procedure that meets the requirement of the Act, and live by this complaint procedure;
- Counsel familiar with the subject matter should maintain proper corporate record-keeping and minute books. Any proposed changes to management or ownership will require the approval of the Superintendent of Private

Career Colleges.

- Have counsel draft a privacy and records retention policy which complies both with the Superintendent of Private Career College's requirements and with PIPEDA;

- Communicate with the Ministry of Training Colleges, and Universities (directly or through your counsel). MTCU regulates a huge sector, so ensure they understand the nuances, and the benefits of your program;

- Do not publish misleading advertising and do not assume that MTCU will miss advertising in foreign language or ethnic community newspapers: MTCU reviews these constantly for objectionable conduct;

- If you have an existing OSAP Institution Code or wish to apply for one, understand fully the benefits and responsibilities of accepting student loan funding;

- Be "transparent," operate with honesty and integrity, and in a manner that is financially responsible.

In an environment where there is a growing labour shortage, there is much opportunity for the growth of trucking schools. Taking precautionary, as opposed to reactionary, more costly measures to build a promising business, should not discourage passionate entrepreneurs with a vision for success. □

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