

Doing Business in Québec

PRACTICAL CONSIDERATIONS

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FASKEN

Own tomorrow

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A. Introduction

Destination of Choice for Business

Canada is a federation made up of ten provinces and three territories, with its capital, Ottawa, located in the province of Ontario. Québec is one of the provinces with the most active business hubs, alongside Ontario, Alberta and British Columbia.

Canada is a destination of choice for businesses due to its stable government, independent judiciary, effective customs system, qualified and diverse labour force and high standard of living.

	Canada	Québec
Capital	Ottawa	Québec
Largest city	Toronto	Montréal
Population	41,6 million*	9,1 million**

*Source: Statistics Canada (April 2025).
**Source: Statistics Canada (June 2025).

Legal and Constitutional Framework

Canada has two legal traditions: civil law applies in the province of Québec, and common law applies in the other provinces and territories.

The Canadian Constitution divides legislative jurisdiction between the federal parliament and the provincial and territorial legislatures. Some jurisdictions are shared, such as taxes, the environment and immigration. Legal persons in Canada are therefore subject to laws enacted by both the federal parliament and the relevant provincial or territorial authority.

Key areas of **federal** jurisdiction	Key areas of **provincial** jurisdiction	Key areas of **shared** jurisdiction
Banks & Postal Service	Property and civil rights	Taxation
Patents, trademarks and copyright	Administration of justice	Environment
Employment insurance	Interprovincial trade	Public works
Bankruptcy	Municipal institutions	Immigration
National defence	Health	Agriculture
Criminal law	Education	Transportation and communications
Telecommunications	Real estate	Corporate law

B. Creating a Business

Before launching operations in Québec, a business must select a legal form suited to its objectives, size and governance structure. It has the option of incorporating under provincial or federal legislation—each offering distinct advantages in terms of governance, residency of directors, administrative flexibility and compliance—or operating as a partnership governed by the Civil Code of Québec or a sole proprietorship. Other structures, such as co-operatives or trusts, might also be suitable.

1. Business Corporations

A business corporation is the most common structure for companies seeking to generate value while limiting shareholder liability. Subject to certain conditions and restrictions, a corporation's shares grant holders rights, privileges and conditions that enable them to benefit from share appreciation.

In Québec, business corporations are created and governed by the Québec Business Corporations Act (QBCA). Under the federal system, they are created and governed by the Canada Business Corporations Act (CBCA).

Did You Know?

Whether federally or provincially incorporated, business corporation can do business anywhere in Canada. However, provincially incorporated companies must register in each province where they operate in accordance with applicable provincial corporate registration rules.

The table below highlights some of the differences between the two incorporation regimes.

	CBCA (Canada)	QBCA (Québec)
Residency of directors	At least 25% of directors must be resident Canadians—if fewer than three directors, at least one must be a resident Canadian	No Canadian residency requirement
Shareholder meetings	In Canada	Can be held outside Québec if permitted by the articles or if all the shareholders agree
Head office	In Canada	In Québec
Financial tests applicable to distributions and return of capital	Must pass a solvency test and balance sheet test	In many situations, only the solvency test is required

Governance and Liability

A business corporation generally has unlimited authorized share capital, enabling it to issue shares as needed. This authorized share capital may be divided into different classes of shares, each with distinct rights and privileges. Corporations are administered by one or more directors, who are appointed at the annual shareholders' meeting. These directors then appoint the officers responsible for the corporation's day-to-day management (e.g., chair, secretary).

Directors have a duty to act with prudence, diligence, honesty and loyalty, and may be held liable for:

- Regulatory offences (e.g., unpaid wages, illegal dividends, failure to withhold and remit source deductions)
- Criminal offences (e.g., breaches of environmental protection laws)

Corporations typically carry directors and officers liability insurance.

Processing Time and Filing Obligations

Creating a corporation in Québec is fast and simple. The Registraire des entreprises is the authority responsible for overseeing corporations. The incorporation process may take 24 to 48 hours after the application is filed.

After incorporating under the QBCA or registering a federal corporation in Québec, a Québec

Enterprise Number (NEQ) will be assigned, which is the official identification number of each enterprise doing business in Québec. This 10-digit reference number helps simplify dealings between the business and Québec government institutions.

Similarly, federal corporations receive a business number (BN) once incorporated with Corporations Canada. Both the NEQ and BN are used by the federal and Québec tax authorities to identify corporations for taxation purposes. Additional fees apply to obtain Goods and Services Tax (GST) and Québec Sales Tax (QST) numbers.

Corporations must file an annual declaration within the time limit prescribed by regulation confirming whether the information held by the government authorities is accurate or needs to be updated. All Québec corporations must file this annual update declaration with the Registraire des entreprises. The same applies to any other companies registered in Québec, including federally regulated companies, which must also file an annual report with Corporations Canada.

Businesses must also provide the Registraire des entreprises with a list of their "ultimate beneficiaries." The following are considered to be ultimate beneficiaries:

- persons who hold shares carrying at least 25% of the voting rights, or
- persons who hold shares representing at least 25% of the fair market value of all shares issued by the corporation, or
- persons who, through their direct or indirect influence can exercise control over the corporation

Private corporations governed under federal law must, among other obligations, file their register of "individuals with significant control" with Corporations Canada. Like the provincial concept, "individuals with significant control" are defined as:

- persons who hold shares carrying at least 25% of the voting rights, or
- persons who hold shares representing at least 25% of the fair market value of all shares issued by the corporation, or
- persons who, through their direct or indirect influence can exercise control over the corporation.

2. Sole Proprietorship

A sole proprietorship is the simplest form of business organization. It is operated by a single individual, often under their own name or a registered trade name. The business owner assumes all of the financial and legal responsibilities of the business, as there is no separation between personal and business assets. This structure is ideal for self-employed workers or small service businesses.

3. Partnerships

Partnerships, which are governed by the Civil Code of Québec, enable two or more persons to associate for the purpose of carrying on a business. They do not have their own juridical personality but are recognized by law and, in most cases, can sue and be sued. There are three types:

- General Partnership (GP): In this type, all partners contribute to the partnership, and share in the management, profits and responsibilities.
- Limited Partnership (LP): This type includes general partners (active managers) and limited partners (passive investors whose liability is limited to their contributions). Partnerships are often used as investment vehicles due to the favourable tax treatment of gains and losses allocated to partners annually.
- Undeclared Partnership (Joint Venture): This type is often used for one-time projects or informal agreements and does not require formal registration. In these partnerships, contributions to the company's general fund are not required.

These three structures provide some flexibility but require a clear understanding between the partners to prevent conflicts.

4. Trusts

A trust is an unincorporated legal arrangement established to manage property for the benefit of beneficiaries. Trusts are often used for tax planning, estate planning or asset protection purposes. Trust creation and management are governed by the Civil Code of Québec.

5. Co-operatives

Co-operatives are made up of members who share in the use of the organization's goods and services. Based on the principle of "one member, one vote," each member owns one share and is entitled to one vote. They are especially well-suited for collective projects, social enterprises or agricultural and rural sectors.

6. Non-profit Organizations (NPOs)

NPOs are created to serve public or community purposes, such as cultural, sporting, educational, environmental, and other initiatives. They do not seek to earn a profit and must reinvest any surplus in their operations. They may be incorporated provincially or federally, depending on where they operate.

C. International Trade

The Canada and European Union Comprehensive Economic and Trade Agreement (CETA), which entered into force on a provisional basis at the end of 2017, opened the door to an impressive series of business opportunities for European companies. In particular, the CETA:

- eliminated tariffs on over 95% of goods entering Canada from Europe
- offered significant Canadian opportunities to European service providers, including in financial services
- opened Canada's government procurement market to European companies offering goods and services, so these companies can now bid on public sector procurement by the federal, provincial, territorial, regional and municipal sectors governments and authorities
- relaxed the rules on employee, owner and investor mobility from Europe to Canada

Following the UK's exit from the European Union, the Canada-United Kingdom Trade Continuity Agreement entered into force on April 1, 2021. That agreement preserved preferential market access for both Canadian and UK businesses while the two countries negotiated a permanent trade agreement.

CETA is a very important agreement, and given Canada's privileged relationship with the United States and Mexico under the Canada-United States-Mexico Agreement, investing in Canada can be a major springboard into the US and Mexican markets.

D. Taxes

In Canada, personal and corporate income taxes are collected by both the federal and provincial governments. Non-residents of Canada are subject to Canadian tax on their income from Canadian sources. Income tax is levied on income from an office or employment, business income and property income. It is also levied on half of capital gains.

Personal Income Tax in Québec and Canada

Personal income tax is based on residency in Canada. Subject to a tax agreement to the contrary, a non-resident Canadian who remains in Canada for 183 or more days during a calendar year is deemed to be a resident of Canada throughout that entire year for tax purposes. Residents of Canada are subject to Canadian tax on their worldwide sources of income. The applicable tax rates for 2026 are as follows:

At the provincial level (Québec 2026):

Income Tax Brackets	Rate
Up to $54,345	14%
$54,345 to $108,680	19%
$108,680 to $132,245	24%
Over $132,245	25.75%

At the federal level (Canada 2026):

Income Tax Brackets	Rate
Up to $58,523	14%
$58,523 to $117,045	20.5%
$117,045 to $181,440	26%
$181,440 to $258,482	29%
Over $258,482	33%

Corporate Tax in Québec and Canada

Federal and Québec corporate income tax rates vary depending on the industry and the type of corporation. Corporations resident in Canada must pay federal tax on their worldwide income. The rates differ for income from business, manufacturing and processing, and investment income, depending on whether the corporations are Canadian-controlled private corporations (CCPC) or controlled by non-residents.

Combined federal and provincial tax rates on non-CCPC corporate income for 2026:

	QC	ON	AB	BC
Manufacturing and processing income	26.5%	25%	23%	27%
Zero-emission technology manufacturing income	19%	17.5%	15.5%	19.5%
Other sources of income	26.5%	26.5%	23%	27%

Generally, a business is subject to provincial tax only if it has a permanent establishment in that province. A permanent establishment includes any office, branch, factory, warehouse, workshop or other fixed place of business.

Goods and Services Tax (Canada) and Sales Tax (Québec)

In Québec, there are two types of consumption taxes: the Goods and Services Tax (GST), which is federal, and the Québec Sales Tax (QST), which is provincial. The GST and QST are value-added taxes and an input mechanism is available for registrants to recover the GST and QST paid on their expenses incurred in the course of their business activities.

Tax	Rate
GST	5%
QST	9.975%
Total	14.975%

In some provinces, the GST and the provincial or territorial sales tax are combined to form the Harmonized Sales Tax (HST). This is the case in Prince Edward Island, New Brunswick, Nova Scotia, Ontario, and Newfoundland and Labrador. A person registered for GST is automatically registered for HST. There is also a provincial sales tax in British Columbia, Manitoba and Saskatchewan.

Planning Your Tax Structure

Capital invested in a Canadian corporation, whether through a share subscription, loan or current account financing, can generally be repatriated without incurring Canadian tax.

Unlike in other jurisdictions, there is no disadvantage to financing a Canadian corporation through equity rather than intragroup debt. Contributing capital to a wholly owned Canadian subsidiary and the return of capital to shareholders are simple transactions that do not require a valuation of the Canadian corporation. The Canadian thin-cap rules, however, do require a minimum of $1.00 of capital for every $1.50 of interest-bearing intragroup debt.

Subject to compliance with the transfer pricing rules, a Canadian corporation can pay the head office for the services received and management costs invoiced by the parent company and deduct these amounts from its income. However, and with limited exceptions, any payment for services rendered in Canada by a non-resident is subject to a Canadian withholding tax of 15% plus a Québec withholding tax of 9% if the services are rendered in Québec. A non-resident service provider can be refunded any withholdings at the end of its fiscal year by filing Canadian and Québec income tax returns, which establish to the tax authority's satisfaction that (i) the service provider was protected under a tax treaty between Canada and the provider's country of residence, and (ii) it had no permanent establishment in Canada/Québec during the year.

License royalty payments are generally subject to a Canadian statutory withholding tax of 25% that is reduced to 15%, 10%, or even 0%, depending on the terms of the different tax treaties signed by Canada. Similarly, the statutory withholding tax rate of 25% for interest paid to a non-resident with whom the Canadian payer is not dealing with at arm's length is generally reduced to 15% or 10%, depending on the applicable tax treaty.

Finally, the rate of deductions withheld on dividends paid to a non-resident corporate shareholder holding 10% or more of the voting rights in a Canadian corporation is generally reduced to 5% if there is a tax treaty.

Some incentive programs:

Tax Incentives	Rate	Description
Refundable Investment Tax Credits (ITCs) in clean energy	Between 5% and 30% of the acquisition cost of certain eligible properties	Several refundable ITCs related to investments in the clean energy sector have been announced in recent federal budgets.
Tax incentives for Scientific Research and Experimental Development (SR&ED)	Federal: 15% of eligible expenses Provincial: 14% of payroll and subcontractor expenses	Provides income tax deductions as well as ITCs that are refundable in Québec.
Tax Credit for Investment and Innovation (C3i)	15% to 25%	Québec tax credit based on the value of certain eligible assets, including certain assets used in manufacturing and processing, computer hardware and certain software.
Accelerated Investment Incentive (AII)	N/A	Allows businesses to deduct the full cost, in the year of acquisition, of expenditures related to the purchase of eligible capital assets such as: • machinery and equipment used primarily for manufacturing or processing goods for sale or lease (Class 53); • patents or licences to use patented information for a limited or unlimited period (Class 44); • data network infrastructure equipment and related systems software (Class 46); • general-purpose electronic data-processing equipment and systems software (Class 50); • specified clean energy generation and energy conservation equipment (Classes 43.1 and 43.2);
Flow-through Shares (FTSs)	N/A	Investors who acquire these shares can benefit from: • deductions of resource costs waived by the corporation • investment tax credits for individuals (excluding trusts) on resource expenses in the mining sector that qualify as eligible mining expenditures

Government Programs
Strategic Innovation Fund: The Strategic Innovation Fund is a program offered by Innovation, Science and Economic Development Canada (**ISDC**) that provides substantial funding for large-scale innovative projects in Canada.
Net Zero Accelerator Initiative: Through this initiative, which seeks to reduce GHG emissions by 40 to 45% by 2030 and achieve net zero by 2050, ISDC will provide up to $8 billion for large-scale investments in key sectors such as the automotive industry, in order to expedite Canada's transition to a carbon-neutral economy. These investments are aimed at capitalizing on emerging green economy opportunities that will establish Canada as a worldwide leader in green technology and promote clean technology, such as through hydrogen production, carbon capture, utilization and storage, and the development of a Canadian battery ecosystem.
Tax Holiday for Large Investment Projects: A corporation undertaking a large investment project in Québec may qualify for a 10-year corporate income tax exemption and an exemption from employer contributions to the Health Services Fund (HSF), up to a maximum of 15%, 20%, or 25% of total eligible investment expenditures (depending on the region's economic vitality), capped at $1 billion.
Electricity discount program: The Québec government may grant a reduction of up to 20% on the electricity bills of businesses billed at Rate L for a maximum period of four years.

E. Human Resources

Legal Framework

Québec's labour and employment laws are essentially the same as those found elsewhere in Canada. These laws include:

- Act respecting labour standards, CQLR, c. N-1.1
- Act respecting occupational health and safety, CQLR, c. S-2.1
- Act respecting industrial accidents and occupational diseases, CQLR, c. A-3,001
- Pay Equity Act, CQLR, c. E-12.001
- Labour Code, CQLR, c. C-27
- Act respecting the protection of personal information in the private sector, CQLR, c. P-39.1
- Charter of Human Rights and Freedoms, CQLR, c. C-12
- Charter of the French Language, CQLR, c. C-11

Minimum Wage

In accordance with the Act respecting labour standards (ALS), the general minimum wage rate in Québec is now set at $16.60 per hour as of May 1, 2026. This rate applies to most employees, subject to certain exceptions stipulated by regulation.

As of this same date, individuals receiving tips are paid a separate minimum rate of $13.30 per hour. Special rates also apply to workers specifically hired for berry picking, such as raspberries ($4.93/kg) and strawberries ($1.32/kg).

The Québec government reviews these rates annually to ensure a fair ratio between the minimum wage and the average worker's income, taking into account changes in average salary and inflation.

Standard Hours of Work and Leave

A standard work week is set at 40 hours. Any hour worked beyond this limit is considered an overtime hour and must be paid, in accordance with section 55 of the ALS, at the regular hourly rate plus 50%. However, a written agreement between the employer and employee may provide for compensatory time off, as long as the leave is taken within a reasonable timeframe.

Did You Know?

Although the legal standard work week is 40 hours per week, many companies—especially in the public, tech or unionized sectors—adopt reduced work weeks of 35 to 39 hours, without affecting the legal threshold for overtime.

Weekly and Annual Leave

Under section 78 of the ALS, employers are required to give each employee a weekly rest period of at least 32 consecutive hours, except as prescribed by regulation.

Under sections 66 to 71 of the ALS, employees are entitled to annual vacation, which varies based on their seniority. For example:

- Employees with less than one (1) year of uninterrupted service are entitled to one working day of vacation for each full month of service, up to a maximum of two weeks.
- Employees with at least one (1) year but less than three (3) years of uninterrupted service are entitled to two consecutive weeks of paid vacation.
- Employees with three (3) years or more of uninterrupted service are entitled to three consecutive weeks of paid vacation.

The amount of vacation pay is based on the salary earned during the reference year (4% or 6% of gross salary).

Parental Leave

The Québec parental leave plan is provided for under the ALS and the Québec Parental Insurance Plan (QPIP). It provides for several types of parental leave, which include primarily:

Maternity Leave: A pregnant employee is entitled to maternity leave of up to 18 weeks, which may not begin earlier than 16 weeks before the expected date of delivery. This leave can be followed by parental leave.

Paternity Leave: Paternity leave of up to five (5) weeks is reserved exclusively for fathers and may be taken within 78 weeks following the birth of the child.

Parental Leave: Both parents can take up to 65 weeks of parental leave, which must be taken within 85 weeks following the birth or adoption of the child. This leave can be shared between the parents

Adoption Leave: In addition to parental leave, up to five (5) weeks of adoption leave is available to parents who are not entitled to maternity leave.

During these leaves, benefits are paid by the QPIP under either the Basic Plan (longer period but lower benefits) or the Special Plan (shorter period but higher benefits). Parents decide which plan will apply, and their decision is irrevocable once benefit payments have begun.

At the end of the leave, the employer must reinstate the employee to their position or to an equivalent position, with the same conditions of employment. Any discriminatory measure taken in relation to the exercise of these rights is prohibited.

Minimum Period for Notice of Termination

Under the Civil Code of Québec (CCQ), both employees and employers must give reasonable notice when ending an employment that is for an indefinite term. Under the ALS, employers must provide minimum notice of termination of employment ranging from one (1) week (for employees with three to twelve months of uninterrupted service) to eight (8) weeks (for employees with ten years or more of uninterrupted service).

For non-unionized employees with several years of service, higher pay, or managerial responsibilities, employers must ensure compliance not only with the minimum indemnity under the ALS, but also with the reasonable notice of termination provided for in the Civil Code. This reasonable notice of termination is determined on a case-by-case basis according to various criteria, including the nature of the position, age, seniority, salary, whether the employee was recruited from a stable, well-paying position, etc.

Managerial-level employees often negotiate more generous compensation before signing an employment contract.

> **Did You Know?**
>
> **Reintegration Into the Workplace**
> Unlike in other Canadian provinces, employees in Québec have access to certain recourses whereby they can demand to be reinstated after dismissal in certain circumstances, such as when an employee with two (2) years of uninterrupted service at the same company is dismissed without just and sufficient cause or when an employee has exercised a right provided for in the ALS.

Contributions and Payroll Taxes

In Québec, any employer with ten (10) or more employees that does not already offer a group retirement plan is legally required to establish a Voluntary Retirement Savings Plan (VRSP) or an equivalent plan. This obligation exists only in Québec and has no equivalent in other Canadian provinces. Employers are not required to contribute financially to the plan; however, they must ensure that it is available to their employees.

In addition, two mandatory public plans provide pension benefits, namely the Canada Pension Plan (CPP) and its Québec counterpart, Retraite Québec. These plans are financed by mandatory contributions shared between employers and employees.

With regard to employment insurance, the federal system serves as the standard across Canada. It is funded by mandatory contributions and provides benefits in the event of job loss, unless the employer has established an approved supplemental private plan.

Employers are also subject to other mandatory social contributions, including:

- Health Services Fund (Fonds des services de santé)
- CNESST contributions (labour standards + occupational health and safety fund)
- QPIP contributions
- Québec Pension Plan

Contributions required from employees are generally withheld at source by the employer and remitted to the appropriate authorities.

Unionization

Freedom of association is protected in Québec, as it is elsewhere in Canada, by the Canadian and Québec charters of rights. Employers are governed by either the Québec Labour Code or the Canada Labour Code, depending on whether they are subject to Québec or federal law.

These laws set out the requirements for forming a union and the right to negotiate a collective labour agreement, as well as the employer's obligation to negotiate with the employees' designated representatives.

Disagreements over the interpretation and application of collective agreements fall outside the jurisdiction of the courts, and must instead be settled by a grievance arbitrator.

Occupational Health and Safety

One of the fundamental principles of occupational health and safety legislation across Canada is that employers are ultimately responsible for health and safety in the workplace, but both workers and employers must make every effort to identify hazards and develop strategies to protect workers. Occupational safety is monitored in particular through inspections carried out by provincial

government departments and agencies. In Québec, this body is called the Commission des normes, de l'équité, de la santé et de la sécurité du travail (CNESST).

Every province has adopted workers' compensation legislation establishing a no-fault compensation system for work-related injuries and illnesses. These regimes cover loss of income and the cost of medical care, and generally prevent employees from taking legal action against their employer before any civil court.

The system is financed by employer contributions, which are primarily calculated and determined based on the employer's industry classification, risk level and its accident and claims history.

Did You Know?

Since 2024, the **Act to prevent and fight psychological harassment and sexual violence in the workplace (Bill 42)** has strengthened the legal framework in Québec already established under the ALS and the Act respecting occupational health and safety in the workplace for the prevention of psychological harassment and sexual violence in the workplace. It is part of a commitment to promoting respectful, safe and inclusive professional environments.

Businesses operating in Québec must ensure that they have clear and effective measures in place to prevent and address situations of harassment or violence. This includes:

- Adopting a prevention policy that complies with the requirements of Bill 42, as part of their prevention program or occupational health and safety action plan
- Preventing and stopping all forms of harassment, including harassment by third parties (customers, suppliers, visitors)
- Protecting employees from reprisals, especially when reporting harassment or cooperating in an internal investigation
- Recognizing psychosocial risks as occupational health and safety issues, in the same manner as physical risks
- Collaborating with the CNESST, the organization responsible for enforcing these obligations and offering adapted tools, training and policy models

The law also provides for civil and administrative penalties for violations, including allowing the Administrative Labour Tribunal to order punitive damages where employers are personally liable for intentional and unlawful harassment.

Canadian businesses looking to establish themselves in Québec must therefore ensure that their internal policies align with Québec's framework, which is stricter than those in other provinces.

F. Intellectual Property

In Canada, intellectual property protection falls primarily under federal jurisdiction and includes the Patent Act, Trademarks Act, Copyright Act and Industrial Design Act. While the Canadian Intellectual Property Office (CIPO) enforces these laws, the key legislative tool for protecting trade secrets is the Civil Code of Québec, which also provides for trademark-related remedies. Moreover, under Québec law, it is possible to challenge free riders who attempt to appropriate another business's investments, efforts or reputation.

Trademarks

Trademarks protect the distinctive marks used to identify a company's products or services: name, logo, slogan, packaging, etc. They help build a strong brand identity and distinguish a business from others in the marketplace. A registered trademark provides protection that is renewable every 10 years and makes it easier to seek remedies against any imitation, infringement or depreciation of goodwill.

Since the coming into force of the Act respecting French, the official and common language of Québec (Bill 96), marks on public signage visible from outside a commercial establishment that are partially or entirely written in a language other than French must be accompanied by French text. This may include a description of the nature of the products or services offered or their characteristics. The French text must occupy twice as much space as the mark in question, but the font does not have to be the same size.

Industrial Designs

Industrial designs protect a product's visual appearance (e.g., shapes, patterns, textures), rather than those aspects that are solely functional. They are particularly useful in the design, consumer products, fashion, electronics and packaging sectors. In Canada, industrial designs protect rights for up to 15 years, depending on the date of filing or registration.

Patents

Patents protect technical inventions, whether they are products, processes or technological improvements. They give the patent holder an exclusive right to use the invention for a maximum of 20 years (or more in some cases), in exchange for public disclosure of the invention. Patents are crucial for:

- securing a competitive advantage
- attracting investors
- negotiating technology licences or partnerships

Trade secrets

Trade secrets protect confidential information with economic value, such as formulas, processes, methodologies, algorithms, customer lists or business strategies. Unlike other forms of IP, they do not require registration but instead entail strict safeguards, such as confidentiality clauses, restricted access, and internal policies. Trade secrets are often used to complement other intellectual property rights.

Copyrights

Copyrights protect original literary, artistic, musical or software works. In Canada, copyright protection is automatic from the moment a work is created, without the need for registration, and lasts until 70 years after the author's death. For businesses, this protection covers works such as:

- software and applications
- marketing content (text, video, visuals)
- internal databases and documents



Type of Intellectual Property	Term of Protection
Copyrights	For the life of the author + the remainder of the calendar year in which the author dies + 70 years thereafter (for works).
Trademarks	10 years, renewable.
Patents	20 years from the date of application. For pharmaceutical patents, this term may be extended by up to two years by filing a Certificate of Supplemental Protection (CSP), provided certain regulatory conditions are met. A new mechanism for extending patent terms in the event of delays in examining a patent application came into force on January 1, 2025. However, it only applies to patents that were applied for in Canada after December 1, 2020. You have to apply for a patent term adjustment and pay the required fee.
Industrial Designs	10 years from the date of registration or, if longer, 15 years from the date of application.

G. Immigration

Foreign workers' access to the Québec job market involves a number of Québec-specific factors. A candidate's strategy for immigration will vary depending on the job sought, their language skills, citizenship and professional qualifications, the projected length of their stay, their intention to obtain permanent resident status and eventually Canadian citizenship, and many other factors specific to the candidate's profile and that of their future employer in Québec. It should be noted that immigration programs are frequently subject to review.

To effectively navigate the various immigration programs for foreign workers, employers are encouraged to seek the services of a qualified professional who can determine the most appropriate immigration strategy in accordance with existing regulations.

Work Permits

If not otherwise exempt, foreign nations who want to work in Québec must apply and obtain a work permit. Some work permits—such as open work permits for post-graduates, working holidays or accompanying spouses—do not require an offer of employment from an employer in Québec.

Most work permits, however, require the prior approval of Immigration, Refugees and Citizenship Canada, through Service Canada, and Québec's Ministère de l'Immigration, de la Francisation et de l'Intégration (MIFI). Employers must receive approval for a Labour Market Impact Assessment (LMIA) that confirms the 'neutral or positive effect' of the job offer on the Québec labour market. Applicants must receive a Québec Acceptance Certificate (CAQ) before applying for a work permit at a point of entry (airport or land border crossing) or at a visa office abroad. Numerous professions may benefit from a simplified process for obtaining these approvals. The list of occupations eligible for simplified processing is updated annually.

LMIA and CAQ Exemptions

Obtaining an LMIA and CAQ can entail lengthy processing times and significant paperwork. However, many types of work permits do not require the support of an LMIA or CAQ—for example, permits issued to foreign workers who have begun the application process for permanent residence or to candidates whose employment is expected to significantly benefit Canada's economy, society, or culture. All LMIA and CAQ exemptions are subject to specific criteria, which immigration officers generally apply rigorously. A personalized assessment of a candidate's eligibility for an exemption is therefore recommended to reduce the risk of a work permit refusal.

Transfers Within a Multinational Corporation

Certain intra-company transferees, such as senior executives, managers and persons with specialized knowledge, may benefit from an LMIA and CAQ exemption. It is one of the most common exemption codes and allows multinationals or companies wishing to establish themselves in Québec to obtain a work permit relatively easily.

French Employees in Québec

An agreement between Québec and France signed in 2008 sets out a common procedure for the recognition of professional qualifications, designed to facilitate and expedite the process of obtaining a permit to practice a regulated profession or trade in both places.

To date, this agreement covers 81 occupations, trades and functions, including engineers and nurses. Moreover, French citizens between the ages of 18 and 35 may also, in certain cases, benefit from an open work permit (Working Holiday) or a closed work permit with a job offer (Young Professionals or International Co-op internship).

Work Permit Exemptions and Business Visitors

Several work permit exemptions are available. As provided under section 186 of the Immigration and Refugee Protection Regulations, individuals who meet the business visitor criteria may work in Canada without obtaining a work permit. Under the Global Skills Strategy, certain highly-skilled workers and researchers may also be eligible for work permit exemptions. Other work permit exemptions may apply depending on the circumstances.

Permanent Residence

Foreigners who want to settle in Québec on a permanent basis must obtain a Québec Selection Certificate (CSQ) from the MIFI before applying for permanent residency with federal immigration authorities (Immigration, Refugees and Citizenship Canada). There are many different types of CSQs, and each has its own set of eligibility criteria. Language requirements vary depending on the program, stream and occupational category concerned. Depending on the circumstances, they may require level 5 or level 7 oral proficiency on the Échelle québécoise des niveaux de compétence en français, as well as written proficiency in certain cases.

Business Professionals (Investors, Entrepreneurs and Self-Employed Workers)

Québec has permanent immigration programs for investors, entrepreneurs and self-employed workers who meet specific eligibility criteria. Each program allows applicants to apply for immigration through various streams, each with its own procedures. All streams require at least an advanced intermediate level of fluency in French.

Federal Regulations and Our *Doing Business in Canada* Guide

Given that immigration is a shared jurisdiction under the Canadian Constitution, Québec employers must also be aware of federal immigration rules. For more information, please refer to Chapter 11 of our "Doing Business in Canada" guide on our website.



H. French Language Requirements in Québec

Québec is the only Canadian province where French is the sole official language. The Charter of the French Language, also known as Bill 101, which establishes French as the normal and everyday language of work, commerce and business, aims to promote and protect the French language in Québec.

Important amendments to the Charter of the French Language were adopted in 2022 under the Act respecting French, the official and common language of Québec, French (Bill 96). This reform, which strengthens requirements under the Charter of the French Language, constitutes a major change in Québec's legal framework governing language. Some of the key measures now in force include:

Public Signage: Any non-French trademark used in public signage visible from outside business premises located in Québec must be accompanied by French text that is "markedly predominant" and in the "same visual field."

Packaging & Labelling: On all product packaging, French must be at least as prominent as any other language in terms of size, readability and visibility. Generic or descriptive terms in a language other than French that are included in a trademark appearing on a product and its packaging and labelling must be translated into French.

Instructions, warnings, ingredients and other mandatory information must also be written in French.

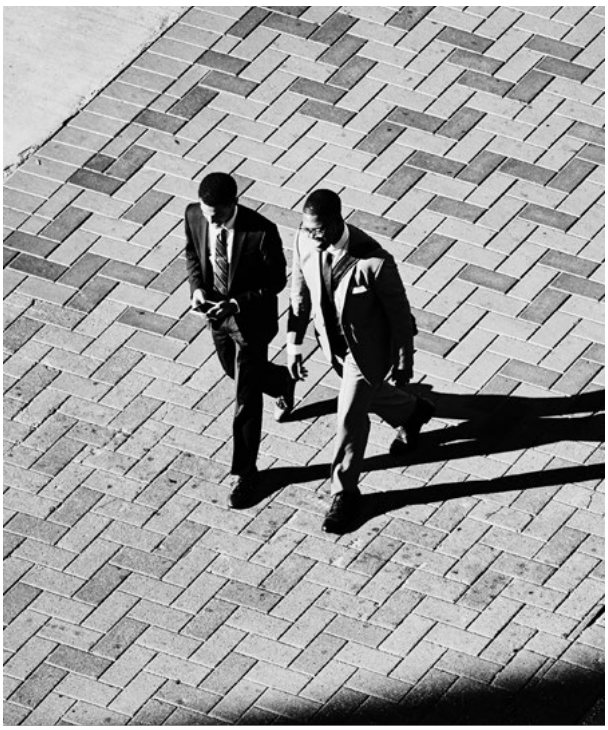
Mandatory Francization for Businesses with 25+ Employees: Businesses with 25 or more employees must register with the Office québécois de la langue française (OQLF) and undertake a francization process. Previously, this requirement applied only to businesses with 50 or more employees in Québec.

Contracts of Adhesion: Adhesion contracts (e.g., general conditions of sale) must be drawn up in French. A version in another language may be used only after the French version has been presented and if expressly agreed to by the parties.

Language of Work: Internal communications, training materials, tools used by employees, job postings and employment contracts must be available in French. The use of another language is permitted in some specific cases.

Stricter Penalties: The OQLF has new inspection and enforcement powers. Companies that fail to meet their obligations may be subject to administrative fines or corrective measures.

For more information, please visit our Bill 96 Resource Centre.



I. Real Estate

Québec offers a stable and well-regulated real estate market. Governed by civil law rather than common law, it has its own rules regarding language, security interests and authorizations. These factors should be taken into account from the planning stage of any lease, acquisition or development project. Real estate contracts and documents published in the land register, for example, are subject to language requirements. In addition to the provincial rules and depending on the scale of the investment, a federal review under the *Investment Canada Act* may be required.

Acquisitions and Financing

Canadian and foreign companies may generally acquire commercial or industrial immovable property in Québec, subject to certain restrictions, particularly with respect to agricultural land. Acquisition financing is usually secured by a conventional hypothec under civil law, which must be established by notarial act. Like this hypothec, property rights must be published in the land register to be enforceable against third parties. A review of published titles, servitudes and hypothecs is therefore a key step in the due diligence process. This verification is all the more important because the seller's legal warranty of quality and title is often limited or excluded by contract.

Development and Construction

Any construction or redevelopment project must first be assessed to ensure compliance with applicable zoning requirements and provincial and municipal regulations. The work itself is then subject to Québec's legal framework governing licensing and labour relations, which may affect costs, timelines, and how the construction site is organized. To protect contractors and suppliers, the *Civil Code of Québec* also provides for legal construction hypothecs, which require the careful management of contracts and payments. Finally, when the project involves a change of use, land characterization or rehabilitation obligations may apply, and certain projects require prior environmental authorization.

Commercial Leases

The Civil Code of Québec allows for significant contractual freedom in commercial leases, including with regard to the allocation of costs and obligations. This flexibility makes it possible to adapt a lease to a particular project, but it also means that templates used in other jurisdictions must be reviewed to ensure compliance with Québec law. In particular, such a review must focus on permitted uses, renewal options and assignment restrictions, which affect continuity of occupancy and the growth of operations.



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