



NATIONAL ASSEMBLY

FOURTH SESSION

THIRTY-SECOND LEGISLATURE

Bill 73

**An Act to amend the Crop
Insurance Act and various
legislation**

Introduction



**Introduced by
Mr Jean Garon
Minister of Agriculture, Fisheries and Food**

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EXPLANATORY NOTES

This bill amends the Crop Insurance Act (R.S.Q., chapter A-30), the Act respecting farm income stabilization insurance (R.S.Q., chapter A-31) and the Act respecting the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation (R.S.Q., chapter M-14).

The object of the main amendment to the Crop Insurance Act is to allow the Régie des assurances agricoles du Québec to establish by regulation, in one or several zones, a collective honey insurance plan similar to the collective insurance plans already provided for in the said Act for mixed farming crops and commercial crops. The insurance will guarantee up to 80% of the average yield per hive for the honey production of the zone. Insured producers in the zone will be entitled to compensation where the average annual yield of the production is less than the average yield guaranteed under the insurance.

The purpose of another amendment to the said Act is to allow the Régie to determine by regulation the forces of nature whose harmful effects may cause a loss in yield confined to a part of a zone.

The object of the amendment to the Act respecting farm income stabilization insurance is to allow the Government to pay in more than two instalments the annual contribution it must pay to the Régie des assurances agricoles under that Act.

The object of the amendment to the Act respecting the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation is to increase from \$4 000 000 to \$8 000 000 the annual fund created under the said Act for the benefit of agricultural cooperatives and other corporations engaged in similar activities, subject to the requirement that the amount of the increase not be allocated to any purpose except a guarantee.

Bill 73

An Act to amend the Crop Insurance Act and various legislation

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

CROP INSURANCE ACT

1. Section 24 of the Crop Insurance Act (R.S.Q., chapter A-30) is amended by replacing paragraphs *h* and *i* by the following paragraphs:

“(*h*) insects and plant diseases which appear in the form of an infestation or an epidemic or against which there is no adequate means of protection,

“(*i*) flood caused by a force of nature and being an exceptional event,”.

2. Section 43 of the said Act is amended by striking out the words “, subject to the last paragraph of section 44” in the last line.

3. Section 44 of the said Act is amended by striking out the last two paragraphs.

4. The said Act is amended by inserting, after section 44, the following sections:

“**44.1** Where a loss in yield is the harmful effect of a force of nature determined by the Régie under paragraph *e.2* of section 74, is confined to a part of a zone and affects not less than 5% of the insured persons in the zone, the Régie may make a collective appraisal in that part of the zone.

The Régie is bound to make the appraisal if it is requested to do so by an insured person in that part of the zone.

“44.2 The Régie shall determine to which part of the zone the loss in yield described in section 44.1 is confined; it may exclude an operation that has not sustained the loss.

“44.3 A producer whose insured crop has sustained a loss in yield and whose operation is located in the part of the zone determined by the Régie under section 44.2 is entitled, instead of the indemnity under section 44, to an indemnity equal to the product obtained by multiplying the insurable value entered on his insurance certificate by the percentage of net loss established by the collective appraisal made in that part of the zone.”

5. Section 60 of the said Act is amended by replacing the last paragraph by the following paragraph:

“Sections 31 to 33, 37 and 38, the second paragraph of section 39, the first paragraph of section 40, and sections 41, 43, 44 and 44.1 to 44.3 apply, *mutatis mutandis*, to commercial crops insured under a collective plan.”

6. The said Act is amended by adding, after section 64, the following division, heading and sections:

“DIVISION V.I

«HONEY

«64.1 The Régie may, by regulation, whenever it considers that it has the necessary data, allow the honey producers in one or more zones or parts of one or more zones that it determines, to insure, under a collective plan, against the loss in yield of their honey production due to harmful effects on honey bearing plants or bees, while the insurance is in force, of the forces of nature mentioned in the regulations. The Régie may also, by regulation and subject to the provisions which follow, fix the conditions of participation of the producers who wish to insure.

“64.2 The forces of nature to which the insurance provided for in section 64.1 may apply are those contemplated in paragraphs *a* to *i* of section 24 and excessive wind, excessive humidity and excessive heat.

“64.3 The Régie, by regulation, shall determine the annual period during which the insurance is in force in a zone or part of a zone.

“64.4 The rate of the assessment payable by the honey producers is fixed annually by the Régie and must be uniform within any one zone or part of a zone, as the case may be.

The second paragraph of section 26 applies to the assessment.

“64.5 For the purpose of computing the rate of the assessment, the Régie shall fix each year the unit price of honey, taking into account its cost of production or any other datum it considers pertinent.

“64.6 The assessment rate, discount rate and unit price contemplated in sections 64.4 and 64.5 are published in the *Gazette officielle du Québec* and in at least one agricultural journal designated by the Régie, before 31 March in the year in which they are to apply.

Failing such publication, the rates and prices in force during the preceding summer continue to apply.

“64.7 A honey producer wishing to be insured must register directly with the Régie before 30 April in the period determined under section 64.3 by giving all the required information, on the form prescribed for that purpose, and must pay the assessment payable.

“64.8 Subject to this division, sections 32, 33, 38, 44.1 and 44.2 apply, *mutatis mutandis*, to a collective honey insurance plan established under section 64.1.

“64.9 The insurance, while it is in force, shall guarantee up to 80% of the average yield of a hive, as the Régie may determine by regulation.

The Régie, by regulation, may determine options in the percentages of guaranteed protection.

“64.10 The average yield of a hive shall be established by zone or part of a zone, as the case may be, on the basis of the usual long-term yield in the zone or part of the zone, taking into account the available statistics or any other datum the Régie considers pertinent.

“64.11 The amount of the insurable value of a honey producer for each production unit equals the product obtained by multiplying the average yield of a hive in the zone or part of a zone where the unit is situated by the unit price fixed by the Régie.

“64.12 The alienation to another honey producer, by sale, succession or otherwise, of the whole or part of one's hives the honey productions of which is insured does not invalidate the insurance; in such case, unless otherwise stipulated, the acquirer, on satisfactory proof of the transaction, shall be subrogated to the rights and obligations of his predecessor respecting the insurance.

“64.13 In case of damage caused by one or another of the forces of nature contemplated in section 64.2, the insured is not required to file a notice of damage with the Régie.

“64.14 The Régie, each year that the honey production of a zone or part of a zone is insured, shall make a collective appraisal to determine whether the annual production has sustained a loss in yield that may be indemnified.

If the appraisal shows the yield of the production in the zone or part of the zone during the year is less than the average yield guaranteed under section 64.9, each insured person in the zone or part of the zone shall be entitled to the payment of an indemnity.

“64.15 The indemnity provided for in section 64.14 shall be equal to the product obtained by multiplying the insurable value entered on the insurance certificate of the insured by the percentage of net loss established by the collective appraisal.

“64.16 A honey producer whose insured production has sustained a confined loss in yield and whose hives affected by the loss are located in the part of the zone determined by the Régie under section 44.2 is entitled, instead of the indemnity under section 64.15, to an indemnity equal to the product obtained by multiplying the insurable value by the percentage of net loss established by the collective appraisal made in that part of the zone.

“64.17 The Régie may make with an association or group of honey producers or with any corporation interested in the production or marketing of honey an agreement relating to any measure proper to the carrying out of the insurance.

“64.18 A producer’s membership in a collective honey insurance plan is renewed *pleno jure* at expiry, from year to year, unless, within 30 days after receiving notice of the renewal from the Régie, the insured person informs the Régie that he refuses to renew his membership.

“64.19 Where the Régie must pay an indemnity to an insured whose membership is being renewed, it may withhold from the indemnity the amount of the assessment for the new insurance period and award him the discount provided for in section 64.4.

“64.20 An insured person’s membership renewal is nullified on his neglect or refusal to pay the assessment due or the balance thereof on or before 30 April preceding the period described in section 64.3.

“64.21 Where an insured person refuses to renew his membership or its renewal is nullified by the effect of section 64.20, the Régie shall refund to the producer the amount withheld from the indemnity.”

7. Section 74 of the said Act is amended by replacing paragraph e.1 by the following paragraphs:

“(e.1) prescribe the establishment of a collective insurance plan relating to a commercial crop or honey production and determine the conditions of participation in that plan by a producer;

“(e.2) determine the forces of nature the harmful effects of which may cause a loss in yield confined to a part of a zone;”.

ACT RESPECTING FARM INCOME
STABILIZATION INSURANCE

8. Section 8 of the Act respecting farm income stabilization insurance (R.S.Q., chapter A-31) is replaced by the following section:

“**8.** The Government shall pay an annual contribution to the Régie equal to double the amount of assessments paid to the Régie during the same year.

The Government shall pay the contribution by instalments, at the request of the Régie.”

ACT RESPECTING THE MINISTÈRE
DE L'AGRICULTURE, DES PÊCHERIES
ET DE L'ALIMENTATION

9. Section 19 of the Act respecting the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation (R.S.Q., chapter M-14) is amended by adding the following paragraph:

“From 1 April 1984, the annual fund is increased by \$4 000 000, but the Government shall not allocate the amount of the increase to any purpose except guarantees described in the first paragraph.”

TRANSITIONAL PROVISIONS

10. The Government may approve before publication any regulation adopted by the Régie within fifteen days of coming into force of this Act in view of the establishment of a collective honey insurance plan.

The regulation must be published in the *Gazette officielle du Québec*; it comes into force on the day of its approval by the Government and takes effect on 1 April 1984.

11. The rates and unit prices provided for in section 64.6 for the first annual insurance period may be published after 31 March 1984.

12. The final registration date for the first annual insurance period under the collective honey insurance plan is fixed at thirty days after approval of the regulation by the Government under section 10.

13. Regulations made under this Act may have effect on any date not earlier than 1 April 1984.

[[**14.** The sums required for the administration of this Act are taken, for the fiscal period 1984-85, out of the consolidated revenue fund to such extent as may be determined by the Government.]]

15. This Act shall operate notwithstanding the provisions of sections 2 and 7 to 15 of the Constitution Act, 1982 (Schedule B of the Canada Act, chapter 11 in the 1982 volume of the Acts of the Parliament of the United Kingdom).

16. This Act comes into force on the day of its sanction but has effect from 1 April 1984.