

1984, chapter 20

## AN ACT TO AMEND THE CROP INSURANCE ACT AND VARIOUS LEGISLATION

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### **Bill 73**

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

Introduced 12 April 1984

Passage in principle 31 May 1984

Passage 19 June 1984

**Assented to 20 June 1984**

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**Coming into force: 20 June 1984**

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### **Acts amended:**

Crop Insurance Act (R.S.Q., chapter A-30)

Act respecting farm income stabilization insurance (R.S.Q., chapter A-31)

Act respecting the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation (R.S.Q., chapter M-14)





## CHAPTER 20

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

*[Assented to 20 June 1984]*

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

#### CROP INSURANCE ACT

c. A-30, s.  
24, am.

**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,”.

c. A-30, s.  
43, am.

**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.

c. A-30, s.  
44, am.

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

c. A-30, ss.  
44.1-44.3,  
added

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

Collective  
appraisal

“**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.

Request for appraisal      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.

Area of loss      “**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.

Amount of indemnity      “**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.”

c. A-30, s. 60, am.      **5.** Section 60 of the said Act is amended by replacing the last paragraph by the following paragraph:

Applicable provisions      “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.”

c. A-30, ss. 64.1-64.21, added      **6.** The said Act is amended by adding, after section 64, the following division, heading and sections:

“DIVISION V.1

« HONEY

Collective insurance      “**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.

Forces of nature      “**64.2** The forces of nature to which the insurance provided for in section 64.1 may apply are, in addition to the forces contemplated in paragraphs *a* to *i* of section 24, excessive wind, excessive humidity and excessive heat, the formation of ice in the soil and frost in the preceding months of November through April and bee diseases which appear in the form of an epidemic or against which there is no adequate means of protection.

Insurance in force      “**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.

Rate of assessment      **“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.

Discount rate      The second paragraph of section 26 applies to the assessment.

Unit price      **“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.

Publication      **“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.

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

Registration with the Régie      **“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.

Applicable provisions      **“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.

Guarantee      **“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.

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

Average yield      **“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.

Insurable value      **“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.

Transfer of insurance      **“64.12** The alienation to another honey producer, by sale, succession or otherwise, of the whole or part of one's hives the honey production 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.

- Damage           “**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.
- Collective appraisal       “**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.
- Indemnities       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.
- Computation       “**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.
- Confined loss       “**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.
- Agreements       “**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.
- Renewal       “**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.
- Discount       “**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.
- Renewal nullified       “**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.
- Refund       “**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.”

c. A-30, s.  
74, am.

**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

c. A-31, s. 7,  
replaced

**8.** Section 7 of the Act respecting farm income stabilization insurance (R.S.Q., chapter A-31) is replaced by the following section:

Estab-  
lishment

“**7.** A fund shall be established for the payment of compensation which becomes payable under a scheme for the repayment of an advance contemplated in section 10 or of a loan contemplated in section 10.1 and for the payment of interest on the advance or loan.

Maintenance  
of the fund

The fund shall be maintained by the assessments of the participants, the contributions of the Government, the proceeds of an advance or a loan and interest derived from the investment of available sums.”

c. A-31, s. 8,  
replaced

**9.** Section 8 of the said Act is replaced by the following section:

Contribution  
of the  
Government

“**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.

Payment

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

c. A-31, s.  
10, am.

**10.** Section 10 of the said Act is amended by replacing the second paragraph by the following paragraph:

Repayment

“Every advance shall be repayable on the conditions fixed by the Government; the repayments and the interest paid on the sum advanced shall be paid into the consolidated revenue fund.”

c. A-31, ss.  
10.1, 10.2,  
added

**11.** The said Act is amended by inserting, after section 10, the following sections:

Modes of  
payment

“**10.1** The Régie may complete the payment of compensation by means of a loan. Notwithstanding section 7, the Régie may, to secure the loan, transfer all or part of the assessments payable by participants and the contributions of the Government under this Act. Articles 1571 to 1571c and article 1572 of the Civil Code do not apply to a transfer under this section.

**Loans** The Government shall determine the amount, the rate of interest, the conditions and the modalities of a loan and the conditions governing the transfer of the assessments and contributions, particularly with regard to the service of a transfer under this section.

**Guarantee** “**10.2** The Government may guarantee a loan made by the Régie under section 10.1.

**Consolidated revenue fund** The sums that the Government may be called to pay under the guarantee are taken out of the consolidated revenue fund.”

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

**c. M-14, s. 19, am.** **12.** 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:

**Annual increase** “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

**Approval of regulation** **13.** The Government may approve before publication any regulation adopted by the Régie within fifteen days of the coming into force of this Act in view of the establishment of a collective honey insurance plan.

**Publication** 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.

**Publication** **14.** The rates and unit prices provided for in section 64.6 for the first annual insurance period may be published after 31 March 1984.

**Final registration date** **15.** 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.

**Effects of regulations** **16.** Regulations made under this Act may have effect on any date not earlier than 1 April 1984.

**Consolidated revenue fund** **17.** 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.

**Exception** **18.** 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).

**Coming into force** **19.** This Act comes into force on 20 June 1984 but has effect from 1 April 1984.