

Crop Insurance Plan for Weather

made under Section 6 of the

Crop and Livestock Insurance Act

R.S.N.S. 1989, c. 113

O.I.C. 2006-343 (July 24, 2006), N.S. Reg. 124/2006

as amended by O.I.C. 2012-6 (January 10, 2012), N.S. Reg. 20/2012

Citation

1 This Plan may be cited as the Crop Insurance Plan for Weather.

Section 1 replaced: O.I.C. 2012-6, N.S. Reg. 20/2012.

Purpose

2 The purpose of this plan is to provide for insurance against a loss in crops as a result of designated perils related to weather.

Interpretation

3 In this plan,

“Act” means the Crop and Livestock Insurance Act;

“crop year” means the period from May 1 to August 31 in the same year;

“designated peril” means a peril designated in Section 4;

“fodder crop” means a crop that is grown and managed to produce stored livestock feed and is accepted by the Commission for coverage under this plan, but does not include a pasture crop;

“forage crop” means

(i) a pasture crop, or

(ii) a fodder crop;

“pasture crop” means a crop of any mixture that is grown and managed for grazing livestock.

Section 3 amended: O.I.C. 2012-6, N.S. Reg. 20/2012.

Designated perils

4 All of the following are designated as perils under this plan:

(a) insufficient rainfall, as determined under Section 15;

(b) extended periods of rain during the month of June in a crop year for fodder crops, as determined under Section 16.

Payment required on application

5 For the purpose of clause 4(2)(a) of the General Field Crop Insurance Plans Regulations made under the Act, an application for a contract of insurance must be accompanied by the insured person’s share of the total premium for the crop year.

Section 5 and heading replaced: O.I.C. 2012-6, N.S. Reg. 20/2012.

Section 6 repealed: O.I.C. 2012-6, N.S. Reg. 20/2012.

Duration of contract

7 A contract of insurance under this plan expires at the end of the crop year to which it applies.

Section 7 replaced: O.I.C. 2012-6, N.S. Reg. 20/2012.

Insurance coverage limits

8 (1) Except as provided in subsection (4), any insurable crop offered for insurance may be insured under this plan.

(2) For forage crops, a person may apply to insure a pasture crop, a fodder crop or both types of crops, but pasture and fodder crops must be accounted for separately under a contract of insurance.

(3) The Commission may insure all or part of an insurable crop under this plan.

(4) A crop insured under any other plan under the Act is not insurable under this plan.

Coverage periods

9 (1) A crop is only insurable under this plan for the coverage period for the crop as set out in this Section, and no indemnity is available for a claim arising for loss occurring before or after the coverage period.

(2) The coverage period for a fodder crop is one of the following, as selected by the person applying for insurance:

(a) from May 1 to June 30 in a crop year;

(b) from May 1 to July 31 in a crop year;

(c) from May 1 to August 31 in a crop year.

(3) The coverage period for a pasture crop or a forage crop that consists of both a pasture crop and a fodder crop is the period from May 1 to August 31 in a crop year.

Established dollar-value-per-acre options

10 (1) Before the beginning of each crop year, the Commission must establish and publish dollar-value-per-acre options for insurable crops.

(2) An applicant for insurance under this plan must select one of the options established under subsection (1) as the dollar value per acre to be used for calculating premium and indemnity in their contract of insurance.

Insured crop value

11 (1) The Commission may measure an insured area by any method it considers appropriate.

(2) The total crop value is calculated by multiplying the number of insured acres by the dollar value per acre for the crop under a contract of insurance.

Premium

12 (1) The base premium rates set by the Commission for insurance under this plan must be based on a methodology set by an actuary and approved by the Commission.

(2) The premium may include premium payments made by the Government of Canada under the Farm Income Protection Act (Canada) and the Province under the Act.

(3) An additional premium surcharge must be applied to all insured areas of crops for which additional coverage for fodder crops, as provided for in Section 16, is included in a contract of insurance.

(4) An applicant for insurance under this plan must pay their share of the total premium at the time they file their application.

(5) The minimum premium payable by an insured person in a crop year is \$50.00.

Designated weather stations

13 (1) Before the beginning of each crop year, the Commission must designate weather stations to record weather data for the purpose of this Plan.

(2) An applicant for insurance under this plan must select one of the designated weather stations as their choice for the weather station to be used for weather data used in calculating coverage and indemnity under their contract of insurance.

(3) The Commission may assign a different designated weather station other than the one selected by the applicant to be the weather station to be used for weather data used in calculating coverage and indemnity under the person's contract of insurance.

(4) An insured person's designated weather station, as selected by the applicant or as assigned by the Commission, must be identified in their contract of insurance.

(5) The Commission must notify an insured person in writing when the designated weather station identified in their contract of insurance differs from the weather station the person selected under subsection (2).

Guaranteed rainfall

14 The guaranteed rainfall under a contract of insurance is 80% of the long term average rainfall for the coverage period as recorded at the designated weather station identified in the person's contract of insurance.

Evaluation of loss

15 (1) The amount of an indemnity payable for insufficient rainfall is calculated by the following formula:

$$\text{WRL} \times \text{VPMR} \times 1.2$$

where: WRL = the total weighted rainfall loss for the coverage period determined from the monthly weighted rainfall losses and surpluses calculated under subsection (4), and

VPMR = the value per millimeter of rain determined under subsection (5).

(2) The daily rainfall amount used to calculate monthly rainfall amounts and rainfall loss under a contract of insurance is capped at a maximum of 70 mm and the monthly rainfall amount used must be 130%, or less, of the long term average rainfall for that month recorded at the designated weather station identified in the person's contract of insurance.

(3) The amount of rainfall loss under a contract of insurance must be calculated by subtracting the monthly rainfall amount, capped as set out in subsection (2), from the guaranteed rainfall for that month.

(4) The monthly rainfall loss or surplus determined under subsection (3) must be multiplied by the following weighted factor:

Month
Weighted Factor

May

1.1

June

1

July

1

August

0.9

(5) The value per millimeter of rain must be calculated by dividing the total crop value by the long-term average rainfall for the coverage period as recorded at the designated weather station identified in the insured person's contract of insurance.

Additional coverage for fodder crops

16 (1) In this Section, "rain day" means a day for which 5 mm or more of rainfall is recorded at the designated weather station identified in the insured person's contract of insurance.

(2) An applicant for insurance under this plan may opt to purchase additional coverage for a fodder crop to cover a weather event consisting of 3 consecutive rain days recorded during June 1 to June 30 in a crop year.

(3) The indemnity payable to an insured person under this Section is 20% multiplied by the dollar value per acre for the crop under their contract of insurance.

(4) An insured person may only claim for 2 weather events under this Section in a crop year.

(5) A rain day cannot be included in more than one weather event under this Section.

Section 17 repealed: O.I.C. 2012-6, N.S. Reg. 20/2012.

Section 18 repealed: O.I.C. 2012-6, N.S. Reg. 20/2012.

Section 19 repealed: O.I.C. 2012-6, N.S. Reg. 20/201