

## EC2017-139

**AGRICULTURAL INSURANCE ACT  
REGULATIONS  
AMENDMENT**

Pursuant to section 16 of the *Agricultural Insurance Act* R.S.P.E.I. 1988, Cap. A-8.2, the Board of the Prince Edward Island Agricultural Insurance Corporation, with the approval of the Lieutenant Governor in Council, made the following regulations:

**1. Section 1 of the *Agricultural Insurance Act* Regulations (EC299/08) is amended**

**(a) in clause (l), by the deletion of the word “Agriculture” and the substitution of the words “Agriculture and Fisheries”;**

**(b) by the revocation of clause (n) and the substitution of the following:**

(n) “financial independence” means, in respect of an applicant or an insured, financial independence as determined in accordance with section 4; financial independence

**(c) by the revocation of subclause (u)(i) and the substitution of the following:**

(i) spouses, including common-law spouses,

**(d) by the revocation of clause (v) and the substitution of the following:**

(v) “operational dependence” means, in respect of an applicant or an insured, operational dependence as determined in accordance with section 4; operational dependence

**2. (1) Subsection 4(1) of the regulations is amended by the deletion of the word “must” and the substitution of the words “, or an insured, shall”.**

**(2) Subsection 4(2) of the regulations is amended**

**(a) by the deletion of the words “the insured must” and the substitution of the words “the applicant or the insured shall”; and**

**(b) by the deletion of the words “as defined in clause 1(o)” and the substitution of the words “as specified in subsection (2.1)”.**

**(3) Section 4 of the regulations is amended by the addition of the following after subsection (2):**

(2.1) The financial independence of an applicant or an insured shall be determined by the Corporation based on whether the documents provided by the applicant or insured show that the applicant’s or insured’s available resources to finance the crop to be insured are sufficient to enable the applicant or insured to manage and sell the crop and to pay the operating expenses incurred to grow the crop, evaluated in accordance with the following criteria: Criteria for determination

- (a) operating credit sufficient to produce the insured crop;
- (b) a farm income and expense statement that applies to the insured crop in the form of tax returns that pertain to that crop;
- (c) invoices for inputs purchased to grow the insured crop;
- (d) a bill of sale for the crop insured;
- (e) a valid HST rebate tax number.

**(3) Subsection 4(3) of the regulations is revoked and the following substituted:**

(3) If an applicant or an insured fails to meet the criteria for financial independence specified in subsection (2.1), and the person with whom the applicant is financially dependent is also an applicant or an insured,

Not financially independent

- (a) the Corporation
  - (i) shall combine the applicant's application with the application of the other applicant with whom the applicant is financially dependent and consider them as a single application, or
  - (ii) shall deem the insured and the other insured with whom the insured is financially dependent to be one insured; and
- (b) section 7 applies to the contract of insurance as if the insureds were one insured.

**(4) Subsection 4(4) of the regulations is amended by the deletion of the words "subsection 7(1)" and the substitution of the words "section 7".**

**(5) Subsection 4(5) of the regulations is amended by the deletion of the words "will be factors" and the substitution of the words "shall be considered by the Corporation as factors".**

**(6) Section 4 of the regulations is amended by the addition of the following after subsection (5):**

(5.1) The operational dependence of an applicant shall be determined by the Corporation with regard to whether the applicant or insured does not own or lease sufficient equipment to plant, grow and harvest a crop but depends on custom work or other services to the extent that the applicant's or insured's management control of the crop is affected.

Determination of operational dependence

**3. Section 7 of the regulations is revoked and the following substituted:**

**7.** The insured shall offer for production insurance all acreage of crops identified under an insurable crop group or insurance plan that are grown by the insured on land owned or used by the insured in the province, and the policy shall apply to the entire group of crops as defined in the following:

Acreage

- (a) all types and varieties of potatoes;
- (b) all spring cereal grains, soybeans and milling wheat;
- (c) all types and varieties of edible beans;
- (d) tobacco;
- (e) all broccoli and cauliflower;
- (f) rutabagas;
- (g) all winter cereal grains;
- (h) grain corn and silage corn;
- (i) all Brussels sprouts and cabbage;
- (j) all apples;
- (k) all apple trees;
- (l) blueberries;
- (m) all processing carrots;
- (n) strawberries;
- (o) forage;
- (p) specialty oilseeds;
- (q) all grape vines;
- (r) all grapes;
- (s) all pulse beans;
- (t) any other crop, varieties or group of crops identified in the Schedules approved by the Board.

**4. Subsection 9(1) of the regulations is amended by the deletion of the words "clause 1(z)" and the substitution of the words "clause 1(y)".**

**5. Subsection 10(1) of the regulations is amended by the addition of the following after clause (f):**

(f.1) a lack of adequate machinery capable of completing all the tasks required for the insured crop from planting to harvest within the applicable deadlines;

**6. Subsection 13(4) of the regulations is revoked and the following substituted:**

- (4) An application shall not be accepted unless
- (a) it is accompanied by a deposit of 15% of the estimated premium; Deposit, condition
  - and
  - (b) all premiums and interest owing on insured crops from any previous year have been paid in full.

**7. Subsection 15(3) of the regulations is amended by the deletion of the word “The” and the substitution of the words “If the insured is not in compliance with subsection (1), the”.**

**8. (1) Clause 17(3)(a) of the regulations is amended by the deletion of the words “subsection 7(1)” and the substitution of the words “section 7”.**

**(2) Clause 17(5)(a) of the regulations is amended by the addition of the words “all yield information for” before the words “all crops grown”.**

**(3) Subsection 17(15) of the regulations is amended**

**(a) by the deletion of the words “2%” and the substitution of the words “1%”; and**

**(b) by the deletion of the words “subsection (15)” and the substitution of the words “subsection (16)”.**

**(4) Subsection 17(16) of the regulations is amended**

**(a) by the deletion of the word “ten” and the substitution of the word “fifteen”; and**

**(b) by the deletion of the words “are not” and the substitution of the words “is not”.**

**(5) Section 17 of the regulations is amended by the addition of the following after subsection (16):**

(17) The fifteen-day period specified in subsection (16) does not apply Exception to acres insured in the elite seed potato plan.

**9. Subsection 24(5) of the regulations is amended by the deletion of the words “must be one continuous area or block and must be at least one acre in size” and the substitution of the words “shall be one continuous area or block and shall be at least 0.5 acre in size”.**

**10. Subsection 35(1) of the regulations is revoked and the following substituted:**

**35. (1)** Any written notice to the Corporation shall be served by personal Service delivery to an agent of the Corporation or to the office of the Corporation, or by sending it by mail to the address of the Corporation.

(1.1) Service shall be deemed to have occurred when the notice is Time of service received by the agent or the Corporation, as the case may be.

**11. These regulations come into force on March 18, 2017.**

#### EXPLANATORY NOTES

**SECTION 1** amends clauses 1(l), (n) and (v) and subclause 1(u)(i) of the regulations to update the name of the Department, to move substantive content from the definitions of “financial independence” and “operationally dependent” to section 4 of the regulations and to clarify that “spouses” includes common-law spouses.

**SECTION 2** amends section 4 of the regulations to correct several errors in wording, to include substantive content related to the determination of an applicant’s financial independence in a new subsection (2.1) and to clarify the wording of subsection (3).

**SECTION 3** revokes section 7 of the regulations and substitutes a new section 7 that provides an updated list of insurable crops.

**SECTION 4** corrects an error in subsection 9(1) of the regulations.

**SECTION 5** amends subsection 10(1) of the regulations to add a new clause (f.1) that provides that a loss in production of an insured crop resulting from a lack of adequate machinery to deal with the insured crop is not covered by a production insurance agreement.

**SECTION 6** amends subsection 13(4) of the regulations to simplify the rules respecting the deposit that is required to be provided with an application for production insurance. The deposit will now be 15% of the estimated premium in all cases. There is also a condition that all premiums and interest owing on insured crops from any previous year must be paid in full.

**SECTION 7** amends subsection 15(3) of the regulations to clarify that subsection (3) operates when the insured referred to in subsection (1) has not completed and filed a production summary with the Corporation.

**SECTION 8** amends subsection 17(15) of the regulations to reduce the reduction in guaranteed yield on all acres planted after the final planting deadline from 2% to 1%. The section also corrects errors in two subsection references. The section amends subsection 17(16) to extend the deadline for planting after the final planting date from ten days to fifteen days, and to correct a grammatical error. The section also adds a new subsection 17(17) to clarify that the deadline provided for in subsection 17(16) does not apply to acres insured in the elite seed potato plan.

**SECTION 9** amends subsection 24(5) of the regulations to reduce the size requirement in respect of an area to be considered for a Stage II indemnity from one acre to 0.5 acre, and to substitute “shall” for “must” in two places.

**SECTION 10** revokes subsection 35(1) of the regulations and substitutes new subsections (1) and (1.1) to clarify the way in which the Corporation may be served and the time at which service is effected.

**SECTION 11** provides for the commencement of the regulations.

#### EC2017-140

### AGRICULTURAL INSURANCE ACT LIVESTOCK INSURANCE REGULATIONS AMENDMENT

Pursuant to section 16 of the *Agricultural Insurance Act* R.S.P.E.I. 1988, Cap. A-8.2, the Board of the Prince Edward Island Agricultural Insurance Corporation, with the approval of the Lieutenant Governor in Council, made the following regulations:

**1. Clause 7(1)(a) of the *Agricultural Insurance Act* Livestock Insurance Regulations (EC196/09) is amended by the deletion of the words “, except bovine spongiform encephalopathy (“BSE”) and foot and mouth disease (“FMD”)”.**

**2. Subsection 12(4) of the regulations is revoked and the following substituted:**

- (4) An application for livestock insurance or livestock products insurance shall not be accepted unless
- (a) it is accompanied by a deposit of 15 per cent of the estimated premium; and
  - (b) all premiums and interest owing on insured crops from any previous year have been paid in full.

Deposit

**3. These regulations come into force on March 18, 2017.**

#### EXPLANATORY NOTES

**SECTION 1** amends clause 7(1)(a) of the Livestock Insurance Regulations to remove an exception to the perils covered for the two specified diseases. These are now designated perils that are eligible for insurance.

**SECTION 2** revokes subsection 12(4) of the regulations and substitutes a new subsection (4) that simplifies and reduces the deposit requirement for an application for livestock insurance or livestock products insurance to 15 per cent of the estimated premium. The new subsection (4) continues the requirement that premiums and interest owing on insured crops from previous years must be paid in full before a new application will be accepted.

**SECTION 3** provides for the commencement of the regulations.

#### EC2017-141

#### EXECUTIVE COUNCIL ACT COMMITTEE OF THE EXECUTIVE COUNCIL THE TREASURY BOARD APPOINTMENTS

Pursuant to section 8 of the *Executive Council Act* R.S.P.E.I. 1988, Cap. E-12 Council made/confirmed the following appointments effective February 28, 2017:

as chairperson and member

Honourable Allen F. Roach

as vice-chair and member

Richard E. Brown, M.L.A.

as members

Honourable Paula J. Biggar  
Honourable J. Heath MacDonald  
Honourable Pat W. Murphy

as an ex-officio member

Honourable H. Wade MacLauchlan

Order-in-Council EC2015-338 of May 26, 2015 is hereby rescinded.

**EC2017-142**

EXECUTIVE COUNCIL ACT  
COMMITTEE OF THE EXECUTIVE COUNCIL  
CABINET COMMITTEE ON PRIORITIES  
APPOINTMENTS

Pursuant to subsection 9(2) of the *Executive Council Act* R.S.P.E.I. 1988, Cap. E-12 Council made the following appointments to the Cabinet Committee on Priorities, effective February 28, 2017:

as member and chairperson

Honourable J. Alan McIsaac

as member and vice-chairperson

Jordan Brown, M.L.A.

as members

Honourable Doug W. Currie  
Honourable Robert L. Henderson  
Honourable Robert J. Mitchell  
Honourable Tina M. Mundy

as an ex-officio member

Honourable H. Wade MacLauchlan

Order-in-Council EC2016-9 of January 7, 2016 is hereby rescinded.

**EC2017-143**

EXECUTIVE COUNCIL ACT  
COMMITTEE OF THE EXECUTIVE COUNCIL  
TO ESTABLISH

Under authority of subsection 9(1) of the *Executive Council Act* R.S.P.E.I. 1988, Cap. E-12 Council established the following committee of the Executive Council, effective February 28, 2017:

Policy Review Committee

**EC2017-144**

EXECUTIVE COUNCIL ACT  
 COMMITTEE OF THE EXECUTIVE COUNCIL  
 POLICY REVIEW COMMITTEE  
 APPOINTMENTS

Pursuant to subsection 9(2) of the *Executive Council Act* R.S.P.E.I. 1988, Cap. E-12 Council made the following appointments to the Policy Review Committee, effective February 28, 2017:

as member and chairperson

Honourable Sonny (Stanley) Gallant

as member and vice-chairperson

Chris Palmer, M.L.A.

as members

Honourable Robert J. Mitchell

Honourable Pat W. Murphy

Bush Dumville, M.L.A.

Hal Perry, M.L.A.

as an ex-officio member

Honourable H. Wade MacLauchlan

**EC2017-145**

**NATURAL PRODUCTS MARKETING ACT  
 CATTLE MARKETING BOARD REGULATIONS  
 AMENDMENT**

Pursuant to subsection 4(2) of the *Natural Products Marketing Act* R.S.P.E.I. 1988, Cap. N-3, Council made the following regulations:

**1. (1) Subsection 4(1) of the *Natural Products Marketing Act Cattle Marketing Board Regulations (EC19/07)* is amended by the deletion of the words “comprised of” and the substitution of the words “composed of”.**

**(2) Section 4 of the regulations is amended by the addition of the following after subsection (2):**

(2.1) A currently registered producer who has served as chairperson of the Board and is not currently serving as a member may be nominated by the members of the Board to serve as past chairperson on the Board. Past chairperson as member

(2.2) The nomination of a past chairperson may be revoked by the members of the Board. Revocation

**(3) Section 4 of the regulations is amended by the addition of the following after subsection (3):**

(3.1) The past chairperson may serve for a maximum term of three years and may be re-nominated for additional terms. Term of past chairperson

(3.2) Subsection 18(2) does not apply to the past chairperson. Idem

**2. Section 9 of the regulations is amended by the addition of the following after subsection (1):**

(1.1) The duties of a member of the Board set out in subsection (1) apply to the past chairperson, and the past chairperson may vote on all motions except a motion in respect of the past chairperson's nomination or a revocation of the nomination. Duties of past chairperson

**3. These regulations come into force on March 18, 2017.**

**EXPLANATORY NOTES**

**SECTION 1** amends section 4 of the regulations to authorize the members of the Board to nominate a past chairperson to serve as an additional member of the Board, to provide for the term of the past chairperson and to clarify that the members of the Board may revoke the nomination of the past chairperson. The restriction in subsection 18(2) on the number of consecutive terms that a member may serve on the Board does not apply to the past chairperson. The section also corrects a grammatical error in subsection 4(1).

**SECTION 2** amends section 9 of the regulations to add a new subsection (1.1) that sets out the duties of the past chairperson as a member of the Board.

**SECTION 3** provides for the commencement of the regulations.