

# BILL

No. 25 of 1915.

An Act respecting Municipal Co-operative Hail Insurance.

(Assented to \_\_\_\_\_, 1915.)

**H**IS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

## SHORT TITLE.

1. This Act may be cited as "*The Municipal Co-operative Hail Insurance Act.*"

## INTERPRETATION.

2. In this Act unless the context otherwise requires—

(a) "Minister," "municipality," "council," "reeve," "councillor," "resident elector," "elector," "owner," "occupant," "person" and "land" shall have the same meaning and interpretation as that contained in *The Rural Municipality Act* and amendments thereto;

(b) "Hail insurance district" shall mean and include any hail insurance district formed under the provisions of this Act and amendments thereto;

(c) "Crop" means and includes any grain, cereal, cultivated grass or clover grown for hay on any land;

(d) "Hail Insurance Board of Alberta," "Hail insurance board" and "board" shall mean and include the hail insurance board appointed under this Act and amendments thereto;

(e) "Commissioner" shall mean and include any commissioner appointed under and for the purposes of this Act;

(f) "Inspector" means the inspector appointed under this Act and amendments thereto;

(g) "*The Rural Municipality Act*" shall mean chapter 3 of the Statutes of 1911-12 and shall include all amendments thereto.

3. Where forms are prescribed any deviation therefrom not affecting the substance nor calculated to mislead shall not vitiate the same and forms to the like effect shall suffice.

4. If anything to be done by or under this Act at or within a fixed time cannot be or is not so done the Minister may by order from time to time appoint a further or other time for doing the same whether the time within which the same ought to have been done has or has not expired, and anything done within the time prescribed by such order shall be as valid as if it had been done within the time fixed by or under this Act.

## ORGANIZATION.

5. The council of any municipality may pass a by-law, in form prescribed by the Minister, providing for the union of such municipality with at least nineteen other municipalities in a hail insurance district, for the purpose of indemnifying all persons having an interest in any crop within the limits of any such municipality, against damage to or destruction of such crop by hail; such by-law before coming into force shall be submitted to the resident electors of each municipality and receive the approval of a majority of the number of such resident electors voting thereon, according to the procedure prescribed by *The Rural Municipality Act* for voting on debenture by-laws; provided, however, that no rural municipality in which taxes are levied on an acreage basis shall have power to pass such a by-law.

(2) If the required majority of such resident electors of at least twenty municipalities, so proposing to unite, approve of such by-law, the Minister may, by order, establish such municipalities as a hail insurance district:

Provided, however, that after the organization of said hail insurance district any municipality other than those above mentioned may be admitted to all the benefits and rights but subject to all the provisions of this Act upon such terms as by regulation or order the hail insurance board may direct.

## HAIL INSURANCE BOARD.

6. The hail insurance district shall be under the direction of a board to be known as "The Hail Insurance Board of Alberta," which board shall consist of three commissioners and shall have power, subject to the provisions of this Act, to adjust, settle and pay all claims of any person having an interest in any crop in the district for indemnity for damage to or destruction of such crop by hail.

(2) One member of such board, who shall be the chairman thereof, shall be appointed by and shall hold office during the pleasure of the Minister.

(3) The other two commissioners shall be appointed by the Reeves of the several municipalities composing the hail insurance district, at a meeting thereof to be held at such place and time as is fixed by the Minister; notice of such meeting being sent in writing to the several municipalities. These two commissioners shall hold office for the term of one and two years respectively; the commissioner receiving the highest number of votes being appointed for the longer term.

(4) The successor of each of such two commissioners shall be chosen at a meeting of the Reeves of all the municipalities within the hail insurance district to be held annually at such time and place as the board may direct, and the term of each such commissioner shall be two years; provided that the council of any such municipality may appoint to attend at any such meeting on its behalf such other member or officer of the council in lieu of the reeve as by resolution it may determine.

(5) The Reeves or other members or officers of the council appointed to attend meetings of the Reeves of all

the municipalities within the hail insurance district shall be paid by the hail insurance board for the time necessarily occupied in attending such meeting at the rate of \$4.00 per diem, together with the actual cost of transportation incurred and paid by them.

(6) The Minister may, in the event of the death or resignation of any commissioner, or of his office becoming or being declared vacant, appoint some person to fill such vacancy until same is filled by election or otherwise as herein provided.

(7) The board so appointed, and as from time to time constituted, shall be a corporate body, and shall have power under its corporate name of "The Hail Insurance Board of Alberta" to do all acts and things, to execute all deeds or instruments and to prosecute and maintain all actions and suits at law which in its judgment may be considered necessary to carry out and give effect to this Act.

(8) The board may by resolution authorize its chairman and treasurer to borrow from any person, bank or corporation, such sum or sums of money as the board deem necessary to meet any claims for any year against the hail insurance district for indemnity under this Act, and such loan shall be a debt owing by the hail insurance district, repayable in accordance with the terms of the resolution authorizing the same, and shall also be a first charge upon the taxes levied by any municipality in the hail insurance district for hail insurance purposes, and not paid by such municipality to the board; provided that such loans may be further secured by promissory note or notes of the chairman and treasurer given on behalf of the board, and such board may by the resolution authorizing such loans regulate the amounts of the same and define the note or notes to be given as security therefor; and further provided that any money received by the board from such unpaid taxes upon which such loans are made a charge, shall be, up to an amount equal to the principal and accruing interest of such loans, kept by the board in a separate account, and deposited in a chartered bank in a trust fund to be styled "Hail Insurance Trust Fund," and shall only be paid thereout in repayment of such loans.

(9) The board shall have power to invest any reserve funds or surplus that may be from time to time accumulated in such securities or ways as may be approved by the Minister.

#### DUTIES OF HAIL INSURANCE BOARD.

7. The hail insurance board shall appoint a secretary-treasurer, and an inspector or inspectors, and, subject to the approval of the Minister, may define the duties and fix the remuneration of such officials and such other officials as may from time to time be required.

(2) The duty of the board shall be to superintend the operation of this Act; to receive, adjudicate upon and determine all claims for indemnity hereunder; to receive and distribute all moneys collected and remitted to it for the purposes hereof; to make regulations for the carrying out of the purposes of this Act, and generally to fulfil and to see to the fulfilment by all persons charged therewith of all duties imposed under this Act.

8. The commissioners shall be paid for their services and expenses a per diem allowance of seven dollars, together with the actual cost of transportation incurred and paid by them for attendance at all meetings of the board.

9. On or before the fifteenth day of November in each year the hail insurance board shall appoint an auditor or auditors who on or before the first day of February in each year shall make a full and complete audit of the books, records and accounts of the board for the year ending on the thirty-first day of January, and shall for the purposes of such audit have free access to the books, records, accounts, vouchers, and receipts of the board, and the board shall on the completion of such audit prepare and publish a complete report of the operations of the board for the preceding year, and a copy of such report shall be furnished to the Minister and to the reeve and secretary-treasurer of each municipality within the hail insurance district. If the board shall neglect to make such appointment, the Minister may appoint an auditor or auditors to make such audit who shall have the like right of access to the books, records, accounts, vouchers and receipts of the board.

#### CLAIMS FOR INDEMNITY.

10. When any growing crop within the hail insurance district is damaged or destroyed by hail between the sixteenth day of June and the fifteenth day of September, both inclusive, in any year, any person having an interest in such crop and wishing indemnity therefor, shall within three days from the date on which such damage or destruction shall have been sustained give notice to the secretary of the hail insurance board by registered letter addressed to him at Edmonton in the province and such notice shall be in the form to be prescribed by the hail insurance board and shall show the location of the crop, the kind of crop, the number of acres damaged, the percentage of damage done, the nature and amount of the claimant's interest in the crop, the name and address of any other person or persons having an interest in the said crop and the nature and amount of their interest and shall be verified by statutory declaration.

(2) Such notice shall also show the section, township and range in which the claimant resides and his post office address and in case such claimant does not reside within two miles of the crop in respect of which the claim is being made, such notice shall contain the name, section, township and range of some person residing within two miles of such crop who shall be recognized by the inspector as the representative of such claimant for the purposes of inspection.

(3) It shall be the duty of every inspector to make every effort to personally see the claimant or in the absence of such claimant his resident representative, and upon the completion of his inspection to deliver in person to the claimant or his resident representative a complete copy of his report on such inspection.

(4) The maximum indemnity paid for total loss shall be six dollars per acre.

**11.** Any claimant or his resident representative who is not satisfied with the inspector's report may give notice in writing of his appeal therefrom, and shall within five days from the delivery of such report to him by the inspector either mail such notice of appeal by registered letter addressed to the secretary of the hail insurance board at Edmonton in the province, or shall within the like period deliver such notice to such secretary in person; the hail insurance board shall hear and consider the allegations of all persons so appealing as soon as conveniently may be, and confirm or vary the report of the inspector as it may deem proper. The decision of the hail insurance board as to the amount of the loss so sustained by any person shall be final and conclusive, and shall not be questioned by any court on any grounds whatsoever.

#### DISPOSITION OF MONEYS.

**12.** In any year if it is found by the board that the total taxes levied for hail insurance purposes, together with any surplus that may be on hand, will not be sufficient to pay all the costs of administration and the losses in full, the board shall on or before the fifteenth day of November, after deducting from the total amount of moneys available from the taxes levied and the surplus, if any, an amount sufficient to pay the cost of administration to the end of the then current fiscal year, apportion the balance of the money among the claimants *pro rata*.

(2) From the amount awarded to any person for damage to his crop by hail there shall be deducted by the board the amount owing by the claimant by way of hail insurance tax to the municipality from which the claim arises, and the amount of such tax so deducted shall be paid to the secretary-treasurer of such municipality to be credited by him upon the hail insurance tax owing by such claimant.

(3) If any such claim for indemnity is not paid within thirty days from the fifteenth day of November in the year in which such indemnity is awarded the municipalities composing the hail insurance district shall be severally liable for an amount not exceeding the hail insurance tax due and unpaid by such municipality to the hail insurance board, and the said amount may be recovered with costs by the person entitled to the payment of the claim for indemnity by action in any court of competent jurisdiction.

#### HAIL INSURANCE TAX.

**13.** As soon as may be in any year, the hail insurance board shall prepare an estimate of the amount required during the then current year to pay all lawful expenses of the board and also all probable claims for indemnity for damage to or destruction of crops by hail, and also the amount, if any, required to pay all such claims outstanding and shall strike a rate per acre sufficient for the payment of such amounts to be levied equally upon all lands assessable for hail insurance purposes within the hail insurance district, and shall determine the total amount, based upon such rate, and the area of assessable land therein, which each municipality shall contribute for the purposes of the hail insurance district shall on or before the fifteenth day of February in each year forward a

statement of such rate and the amount chargeable against each municipality to the Minister, and upon the same being approved by him shall notify the treasurer of the various municipalities composing the district of such rate and amount.

(2) Every municipality within the hail insurance district shall within thirty days of the receipt from the secretary of the hail insurance board of the notification of such rate and amount pay to the hail insurance board a sum equal to five per centum of the total amount required to be paid by that municipality for hail insurance purposes and shall pay the balance of the amount on or before the fifteenth day of November of the year in which the same is levied:

Provided that with the written consent of the hail insurance board previously obtained the secretary-treasurer of any municipality may withhold from such remittance the total amount of the hail insurance tax levied upon lands title to which is in doubt or in respect to which the right of the municipality to tax is in dispute.

(3) The secretary-treasurer of each municipality shall cause the said rate to be levied equally against all assessable lands in the municipality except lands that are subdivided into blocks and lots according to a plan registered at the land titles office for the land registration district within which such lands are situated and lands held under lease or permit from the Dominion government for the purpose of pasture or for hay, and such taxes shall become payable in accordance with the provisions of this Act as hereinafter provided and may be collected by any means provided for the collection of other municipal taxes.

(4) In the event of any such hail insurance tax remaining unpaid after the thirty-first day of October of the year in which the same is levied there shall be added thereto by way of penalty the sum of one dollar for each quarter section in respect to which such tax remains unpaid and in the event of such tax remaining unpaid after the thirty-first day of December of the year for which the same is levied it shall be subject to the same penalties as are provided for in the case of other municipal taxes.

(5) The secretary-treasurer of each municipality in the hail insurance district shall mail to every person assessed for hail insurance purposes a notice in the following form:

“HAIL INSURANCE TAX NOTICE.

“Take notice that if your hail insurance tax is not paid before the first day of November next, a penalty of one dollar per quarter section will be added to the tax, and in the event of any of such tax remaining unpaid after the thirty-first day of December of the year in which the same is levied, it shall be subject to the same penalties as are provided for in the case of other municipal taxes.

“*Secretary-Treasurer of the Rural Municipality*  
of . . . . .No. . . . .

“To. . . . .  
. . . . .

“Dated the . . . . .day of . . . . .,  
A.D. 19. . . . .”

(6) The amount chargeable against any municipality by the hail insurance board under this Act shall be a debt due by such municipality to the hail insurance board and may be recovered by it by action in any court of competent jurisdiction in Alberta.

(7) The secretary-treasurer of each municipality within the hail insurance district shall on or before the first day of February in each year furnish the secretary of the hail insurance board with a statement setting forth the total acreage of land assessable for hail insurance purposes within the bounds of the municipality.

(8) Upon all sums remaining due and unpaid to the hail insurance board by any municipality on the sixteenth day of November in each year, such municipality shall pay interest at the rate of eight per cent. per annum until fully paid.

(9) Any secretary-treasurer or other officer or person who fails to perform any duty or send any notification or return required of him by this Act or who makes a return that is wilfully false or misleading in any particular or who performs any act forbidden by this Act shall be deemed guilty of an offence and upon summary conviction shall be liable to a fine of not less than ten nor more than fifty dollars, and the provisions of Part XV of chapter 146 of the Revised Statutes of Canada, 1906 (known as *The Criminal Code*) shall be applicable to all proceedings for the enforcement of any penalty under this Act.

14. Any person who may be liable to assessment under this Act, and who may be a resident and the owner or occupant of land within a municipality within the hail insurance district, may on or before the first day of May in any year by written notice to the secretary-treasurer of such municipality, withdraw from the operation of this Act any quarter section, as the same may in such notice be described by him, of land in respect of which he is liable to assessment hereunder upon satisfying the council and the hail insurance board as hereinafter provided that the same is an unpatented quarter section held by him under homestead entry from the Dominion of Canada upon which there are less than twenty-one acres under cultivation; and such land so described shall be exempt from such tax for the then current year.

(2) The council of each municipality within the hail insurance district shall during the month of May consider each such notice of withdrawal within their municipality and if satisfied that the land proposed to be withdrawn may properly be withdrawn under the next preceding subsection, shall authorize the withdrawal of same; forthwith after such action of the council and before the first day of June the secretary-treasurer shall prepare and forward to the hail insurance board a detailed statement of all the lands the withdrawal of which has been authorized by the council:

Provided, however, that all withdrawals shall be subject to review by the hail insurance board and if it decides that any withdrawal has been improperly made it may order that the withdrawal be cancelled and that the hail insurance tax be levied against such land and upon receipt

by the secretary-treasurer of a notice from the hail insurance board to that effect the secretary-treasurer shall cancel the said withdrawal.

#### DISORGANIZATION.

**15.** At any time after the expiration of five years after the formation of the hail insurance district any municipality may, by by-law approved by a majority of the resident electors in the manner prescribed in *The Rural Municipality Act* for voting on debenture by-laws withdraw from such insurance district upon such terms as the Minister may deem just and upon such withdrawal the Minister shall have power to settle and adjust the assets and liabilities of such district among the municipalities composing the same and if less than twenty municipalities remain in such district to wind up the affairs of such district, and his decision shall be final in regard to all matters connected therewith.

#### BORROWING POWERS.

**16.** The council of any municipality may by resolution authorize the reeve and treasurer to borrow from any person, bank or corporation such sums of money as may be required to enable it to pay in full the hail insurance board the amount of the special rate herein provided for during the then current year, and the making of such loan by any municipality for such purpose shall not limit or impair its borrowing powers under any Act or law fixing or limiting the same. Such loan may be secured by promissory note or notes of the reeve or treasurer given under the seal of the municipality and on behalf of the council:

Provided, however, that no money shall be borrowed under the provisions of this section unless the municipality has been required to do so by resolution of the hail insurance board.

(2) In every year all taxes collected by any municipality for hail insurance purposes and all moneys borrowed under this section shall be kept by the council of such municipality in a separate account and deposited in a chartered bank in a trust fund to be styled "Hail Tax Trust Fund" and shall only be paid thereout to the hail insurance board.

(3) Moneys due as indemnity for hail losses shall be exempt from garnishment or attachment and shall be incapable of being assigned.



No. 25

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THIRD SESSION  
THIRD LEGISLATURE

5 GEORGE V

1915

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BILL

An Act respecting Municipal Co-  
operative Hail Insurance.

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Received and read the

First time .....

Second time .....

Third time .....

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HON. MR. GARIEPY.

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EDMONTON:  
J. W. JEFFERY, Government Printer  
A. D. 1915.