

Bill No. 34 of 1939.

A BILL TO AMEND THE ALBERTA HAIL
INSURANCE ACT.

NOTE.

This Bill amends *The Alberta Hail Insurance Act, 1938*, in a number of details.

The administration of the Act is transferred from the Minister of Municipal Affairs to the Provincial Treasurer. (Section 2.)

Section 10 is amended by deleting the requirement that the Board shall make an annual estimate of its expenditures and distribute the same amongst the various hail insurance areas.

Section 11 is amended so that a hail insurance policy may relate to the crops on any land irrespective of its area.

Section 14 is amended by providing that the form of loss shall be as prescribed by the Board; by requiring a claimant who does not reside within two miles of the land upon which the crop to which a claim relates is grown, to furnish the name of a resident as his agent; by adding costs and expenses to any unpaid premium; and by substituting the fifth day of October for the first day of November as the last day for the reception of claims of loss.

Section 15 is amended to permit the copy of the adjuster's report to be left with the claimant; by providing that in case notice of appeal from such a report is not sent within five days the claim is to be determined by the Board on the basis of the report; and by providing that the decision of the Board as to any claim of loss is to be final and conclusive.

Section 17 is amended by the addition of a new subsection (2) which sets out the conditions under which assignments may be made of sums payable by the Board in respect of hail losses.

Sections 18 and 19 are struck out and new section 18 provides for the payment of all sums received by the Board on account of hail insurance into a special trust bank account and for the keeping of separate book accounts showing the interest of each hail insurance area in such account; it further provides for the apportionment of the operation expenses for each year to each hail insurance area, and

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charging the sum apportioned to an area against the funds of that area in the special trust bank account; it further provides for the transfer of 10 per cent of any balance of the fund of any area paying all claims and expenses to a special reserve which is made available to supply any deficiency of the Board; and it further provides for the transfer of not more than half of any such balance to the credit of any area whose balance is insufficient to meet the claims against it for losses and expenses.

Section 20 is amended so as to provide that if on the first day of November in any year the amount to the credit of an area is sufficient to pay all claims against it in full the Board is to pay in full all claims not exceeding 30 per cent and in respect of claims in excess of 30 per cent is to pay one-half thereof on the first day of November and the remainder on the following first day of March.

In case the amount to the credit of an area is at the said date insufficient for the payment in full of all claims, the Board is to make a payment on that date on account of not more than 50 per cent of the amount of the claims, and a payment on a *pro rata* basis on the ensuing first day of March.

Section 21 is struck out and replaced by a new section which provides for the payment to the credit of the reserve bank account of sums paid after the twenty-eighth day of February in respect of prior business.

Section 23 is amended by making the fiscal year of the Board end on the thirty-first day of March and a corresponding amendment is made to section 24.

The above provisions are made retroactive to the day upon which the amended Act came into force.

R. ANDREW SMITH,
Legislative Counsel.

(This note does not form any part of the Bill and is offered merely as a partial explanation of some of its provisions.)

BILL

No. 34 of 1939.

An Act to Amend The Alberta Hail Insurance Act.

(Assented to _____, 1939.)

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

1. This Act may be cited as "*The Alberta Hail Insurance Act Amendment Act, 1939.*"

2. *The Alberta Hail Insurance Act*, being chapter 16 of the Statutes of Alberta, 1938, is hereby amended as to section 2,—

- (a) by striking out paragraph (f) and by substituting therefor the following:
“(f) ‘Minister’ means the Provincial Treasurer.”
- (b) by striking out paragraph (g).

3. The said Act is further amended as to section 10 by striking out paragraph (d) of subsection (1).

4. The said Act is further amended as to section 11,—

- (a) by striking out the words “parcel of land” where the same occur in subsection (1), and by substituting therefor the words “parcel or parcels of land”;
- (b) by striking out the words “parcel of land” where the same occur in paragraph (b) of subsection (2) and by substituting therefor the words “parcel or parcels of land”;
- (c) by striking out the words “parcel of land” where the same occur in paragraph (f) and by substituting therefor the words “parcel or parcels of land”;
- (d) by striking out the words “received by the Board” where the same occur in subsection (4), and by substituting therefor the words “received by the Board at its office in Calgary”;
- (e) by striking out the words “not made in good faith and” where the same occur in subsection (5) and by substituting therefor the words “made less than”;
- (f) by striking out the words “paid to the Board a sum of not less than five dollars for each parcel to which the application relates” where the same occur in subsection (7) and by substituting therefor the

words "paid to the Board by each applicant, a sum of not less than five dollars".

5. The said Act is further amended as to section 12 by striking out the words "may, in case the same is destroyed from any cause other than hail" where the same occur therein and by substituting therefor the words "which is subsequently damaged from any cause other than hail to the extent that the crop in question would not pay for the cost of harvesting, threshing and marketing, may".

6. The said Act is further amended as to section 13,—

(a) by striking out subsection (1) thereof and by substituting therefor the following:

"13.—(1) In case the total premium payable to the Board in respect of any application is not paid, the Board shall, as and from the date of the application, have a lien upon all crops grown by the applicant or in which he has an interest in the year in which the application is made, and in each of the next ensuing three years, and such lien shall have priority over all other liens, charges, encumbrances, claims and demands whatsoever, except only charges upon such crop to secure the repayment of advances for seed, irrigation rates and taxes."

(b) by striking out the words "in which the parcel is situate" where the same occur in subsection (3) and by substituting therefor the words "in which the parcel or parcels are situate";

(c) by striking out the figures "1927" where the same occur in subsection (3);

(d) by striking out the words "*The Improvement Districts Act*" where the same occur in subsection (3) and by substituting therefor the words "*The Improvement Districts Act, 1927*";

(e) by adding at the end thereof the following new subsections:

"(4) Every person who is the grower of any grain which is subject to a lien under section 13 who either by himself, his servant or agent directly or indirectly sells, ships or otherwise disposes of any such grain without having made due provision for the satisfying of the lien, or without the consent in writing of the Board or of some person authorized by the Board for that purpose shall be guilty of an offence and liable on summary conviction therefor to a penalty which shall not be less than the aggregate of all sums owing by such person to the Board as at the day upon which the offence occurred and shall not exceed the amount of such aggregate and the additional sum of one hundred dollars, together with costs and in default of payment to imprisonment for a term of not more than one year.

“(5) Every person who having knowledge that any grain is subject to a lien under section 13, buys any such grain from the grower thereof or sells, receives or disposes of any such grain for or on behalf of the grower thereof and does not apply the proceeds of sale of such grain in satisfying the lien upon it, shall be guilty of an offence, and liable on summary conviction to a penalty of not more than five hundred dollars and costs and in default of payment to imprisonment for not more than three months.”

7. The said Act is further amended as to section 14,—
- (a) by striking out subsection (1) thereof and by substituting therefor the following:

“14.—(1) In case loss occurs to any crop in respect of which insurance has been effected pursuant to this Act at any time after the effecting of such insurance and the ensuing first day of October, the applicant shall within three days after the day upon which such loss occurred, send by registered mail in a prepaid cover, addressed to the Alberta Hail Insurance Board, Calgary, Alberta, a notice of claim of loss in such form as may be prescribed by the Board.

“(1a) In case the claimant does not reside within two miles of the parcel of land upon which the crop to which the claim relates was grown, the claimant shall furnish the name of a person residing within two miles of such parcel who will act as the agent of the claimant, together with the legal description of the land upon which such person resides.”
 - (b) by adding at the end of subsection (2) the following words “and such costs and expenses shall be added to and form part of any sum owing by the claimant for any unpaid premium”; and
 - (c) by striking out the words “the first day of November” where the same occur in subsection (4) and by substituting therefor the words “the fifth day of October”.
8. The said Act is further amended as to section 15,—
- (a) by striking out the words “the Board shall cause a copy of every such report to be forwarded to” where the same occur in subsection (3) and by substituting therefor the words “the Board shall cause a copy of every such report as to the amount and extent of the damage to be left with or forwarded to”;
 - (b) by inserting therein immediately after subsection (3) the following new subsection:

“(3b) In case the claimant does not send a notice of appeal within the period of five days mentioned in subsection (3) the claim shall be determined by the Board on the basis of the report made by the adjuster.”; and

(c) by adding at the end thereof the following new subsection:

“(5) The decision of the Board as to the amount of the loss sustained by any claimant and the amount payable to any claimant in respect thereof shall be final and conclusive.”

9. The said Act is further amended as to section 17 by adding at the end thereof the following new subsection:

“(2) Notwithstanding anything contained in subsection (1), any assignment of sums payable by the Board in respect of any claim for damaged crops by hail shall be good and valid according to the tenor thereof, provided that notice of such assignment has been delivered to the Board at its office in Calgary, provided also that the assignment shall be ineffective to bind any moneys in the hands of the Board which are payable by the Board in the month of November, unless notice of the assignment has been delivered to the Board not later than the preceding first day of October, and in respect of payments to be made by the Board in the month of March unless such notice has been delivered to the Board on or before the preceding first day of February.”

10. The said Act is further amended by striking out sections 18 and 19 and by substituting therefor the following:

“**18.**—(1) All sums received by the Board in respect of Hail Insurance undertaken by the Board shall be deposited in a Special Trust Bank Account, provided that accounts shall be maintained in the books of the Board which will designate the interest of each Hail Insurance Area in such Special Trust Bank Account.

“(2) The cost of operations for each year shall be apportioned to the several Hail Insurance Areas in such manner as shall be approved by the Board and such cost as apportioned by the Board shall constitute a first charge upon the interest of each area in the Special Trust Bank Account, and after the payment of such amounts into a General Operating Bank Account, the balance of the funds of each area in the Special Trust Bank Account shall be available for the payment of the claims payable by the Board in respect of damage to crops in the respective areas.

“(3) In case there is at any time on or before the twenty-eighth day of February in any year any balance in the Trust Bank Account standing to the credit of any area after providing for the payment of all sums payable thereout on account of expenses of the Board and claims for crop damage, the Board may in its discretion transfer an

amount not exceeding 10 per cent of such balance to the credit of a General Reserve Bank Account and such fund shall be available for the supplying of any deficiency of the Board, as the Board may consider proper.

“(4) The Board on or before the twenty-eighth day of February in any year may in its discretion transfer a further amount not exceeding one-half of the balance referred to in subsection (3) of this section to the credit of any area or areas in respect of which its or their share of the balance in the Special Trust Bank Account is insufficient to pay in full all sums payable thereout on account of expenses of the Board and claims for crop damage; such amounts so transferred shall be credited at the discretion of the Board and shall be regarded as additional funds available for payment of expenses of the Board and claims for crop damage in such area or areas.”

11. The said Act is further amended as to section 20 by striking out the same and by substituting therefor the following:

“**20.**—(1) If on the first day of November in each year, the balance available in any area’s share of the Special Trust Bank Account is sufficient to meet the payment in full of claims for crop damage in such area, the Board shall with respect to claims not exceeding 30 per cent make payment in full and with respect to claims in excess of 30 per cent of their respective risks make payment of 50 per cent of each claim on the first day of November, and the remaining 50 per cent of each claim on the first day of March next following.

“(2) If on the first day of November in each year the balance available in any area’s share of the Special Trust Bank Account is not sufficient to meet the payment in full of claims for crop damage for such area, the Board shall on such date make a payment not exceeding 50 per cent of each claim in such area, and shall on the first day of March next following make payment of the balance of each claim on a *pro rata* basis, if necessary, having regard to the balance of the share of the Special Trust Bank Account available for that area.

“(3) The payments provided for in subsection (2) of this section shall constitute the final settlement of all claims for crop damages in each year, and no portion of future funds of any area or of the Board shall be available for application on claims which were settled on a *pro rata* basis.”

12. The said Act is further amended as to section 21 by striking out the same and by substituting therefor the following:

“**21.** Any collections made after the twenty-eighth day of February in any year on premiums relating to the business of prior years shall be deposited in the General Reserve Bank Account and such funds shall be available for

any expenditures of the Board as the Board may consider proper.”

13. The said Act is further amended as to section 23 by striking out the same and by substituting therefor the following:

“**23.** The Board shall as soon as possible after the thirty-first day of March, for each year, cause to be prepared by its auditors a statement of all the financial transactions and business of the Board for the fiscal period ending on the thirty-first day of March and a balance sheet as at such date.”

14. The said Act is further amended as to section 24,—

- (a) by striking out the word “January” wherever the same occurs therein and by substituting therefor the word “March”;
- (b) by striking out the words “and deliver to the Board” where the same occur therein, and by substituting therefor the words “and deliver to the Board and to the Minister”.

15. This Act shall come into force on the day upon which it is assented to, and upon so coming into force, shall be deemed to have been in force at all times from and after the eighth day of April, 1938.

EIGHTH SESSION
EIGHTH LEGISLATURE
3 GEORGE VI
1939

BILL
An Act to Amend The Alberta Hail
Insurance Act.

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. LOW.

EDMONTON:
A. Shnitka, King's Printer
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