



# The Nova Scotia Crop and Livestock Insurance Commission

**2018-19 ANNUAL REPORT**



 **CANADIAN  
AGRICULTURAL  
PARTNERSHIP**

 **NOVA SCOTIA**

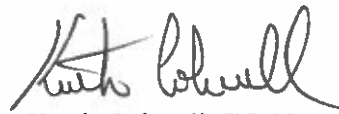
**Canada** 

His Honour  
The Honourable Arthur J. LeBlanc, ONS, QC  
Lieutenant-Governor of Nova Scotia

Dear Sir:

I have the honour to transmit herewith the Annual Report of the Nova Scotia Crop and Livestock Insurance Commission for the year ended March 31, 2019.

I am, Your Honour  
Yours very truly,

A handwritten signature in black ink, appearing to read "Keith Colwell". The signature is written in a cursive style with a large initial "K".

Keith Colwell, ECNS  
Minister of Agriculture

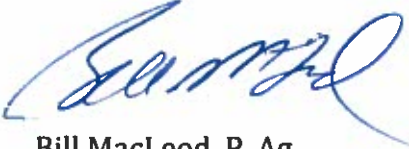
The Honourable Keith Colwell  
Minister of Agriculture

Dear Sir:

We have the honour to herewith submit the fiftieth Annual Report of the Nova Scotia Crop and Livestock Insurance Commission for the fiscal year ending March 31, 2019. Included in this report is a summary of operations, the audited financial statements, and statistical information for the programs under the authority of the Commission.

Respectfully submitted,  
Nova Scotia Crop and Livestock  
Insurance Commission

  
Avaril Bentley  
Chair

  
Bill MacLeod, P. Ag.  
CEO

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## **Fifty Years of Crop Insurance in Nova Scotia 1968-2018**

Fifty years ago, on April 11, 1968 the Nova Scotia Crop Insurance Act was proclaimed. In September of that year, S.E. Lewis was appointed by Governor in Council as the first Chairman. He was joined by J.D. Johnson (Vice Chairman), R.S. Taylor, W.J. Gibbard, R.E. Newcombe, and A.G. LeLacheur. The Commission's first meeting was on October 22, 1968 and they quickly set to work implementing a Crop Insurance Program for Nova Scotia. In his opening remarks, Chairman Lewis expressed gratitude to the members of the Commission for their willingness to serve in setting up a modern and worthwhile tool to progressive agriculture in Nova Scotia.

The first insurance plan developed was the Spring Grain Plan. This plan covered oats, barley, wheat and mixed grain and was made available in the Spring of 1969. The plan had 277 growers its first year insuring 10,126.6 acres. Total premiums were \$15,157.96. There were 18 claims in the first year totaling \$8,043.41. A Winter Grain Plan soon followed in the fall of 1969 with 25 growers insuring 725.85 acres. A Tree Fruit Plan was also developed that Fall and offered to growers in February 1970. Forty tree fruit growers bought coverage for 2,033.5 acres the first year it was offered.

Fifty years later, these inaugural insurance plans are still offered by the Commission. Additional Crop Insurance Plans have been added, as well as Canada's first Dairy Livestock Insurance Plan and a Poultry Insurance Plan.

Today, the Commission is proud to offer 16 Crop Insurance Plans covering 59 different crops, a Dairy Insurance Plan and a Poultry Insurance Plan. The Commission also offers a Wildlife Compensation Program. Collectively, these insurance plans provide insurance coverage of over 191 million dollars protecting the Nova Scotia agricultural industry from the risk of production losses caused by naturally occurring perils such as adverse weather, insects, disease and wildlife.

While Nova Scotia's Crop Insurance Program has grown and changed over 50 years, the fundamental principles and design of the program have remained relatively constant and are a true testament to the vision and dedication of the first members of the Commission and the 40 industry leaders who have served the Commission from 1968 to present.

## COMMISSION CHAIRPERSONS

* 1 <sup>st</sup>	S.E. Lewis	former Deputy Minister of Agriculture & Marketing (deceased)
2 <sup>nd</sup>	H.B. Fuller	Horton, Kings County
3 <sup>rd</sup>	L.C.H. Vissers	East Stewiacke, Colchester County (deceased)
4 <sup>th</sup>	P.A. van Oostrum	Canard, Kings County
5 <sup>th</sup>	J. Forbes	St. Andrews, Antigonish County (deceased)
** 6 <sup>th</sup>	A. Bentley	Westchester, Cumberland County

The following have served as members of the Commission:

*	A.G. LeLacheur	Agriculture Canada (deceased)
*	R. Raylor	Berwick, Kings County (deceased)
*	W.J. Gibbard	Tatamagouche, Colchester County (deceased)
*	R. Newcombe	Port Williams, Kings County
*	J.D. Johnson	Department of Agriculture and Marketing
	E. Reynolds	Falmouth, Hants County (deceased)
	G. Brown	Wallace Bay, Cumberland County
	G. Coldwell	Port Williams, Kings County
	L. Hayman	Tatamagouche, Colchester County
	D. Salt	Wallace, Cumberland County
	W. McCurdy	Old Barns, Colchester County
	D. Dickinson	West Brook, Cumberland County
	L. Palmer	Morristown, Kings County
	W. Dykstna	Scotsburn, Pictou County
	W. Swetnam	Sheffield Mills, Kings County (deceased)
	D. Gunn, Jr.	Scotsburn, Pictou County
	J. Goit	Department of Agriculture and Marketing
	G. Densmore	Brookfield, Colchester County (deceased)
	C. Eaton	Canard, Kings County
	G. Parker	Waterville, Kings County
	T. Fullerton	Harrison Settlement, Cumberland County
	D. Sangster	Department of Agriculture and Marketing
	W. Purdy	Collingwood, Cumberland County
	M. Johnson	Department of Agriculture and Fisheries
**	R.M. Walsh	Berwick, Kings County
	P. Stead	Truro, Colchester County (deceased)
	J. Baillie	Tatamagouche, Colchester County
	G.C. Smith	Department of Agriculture/Saltsprings, Pictou County
	A.A. Pick	Department of Agriculture/Center Rawdon, Hants County
**	J. Vissers	MacKay Siding, Colchester County
**	R.K. Prange	Wolfville, Kings County
**	D. Davison	Falmouth, Hants County
**	R. Grant	Department of Agriculture/Rawdon, Hants County

\* **First members of the Commission**

\*\* **Current Members of the Commission**

## **COMMISSION MANAGERS**

Donald MacNeil	1969 – 1991
Brian Mahoney	1991 – 1998
Gerald Post	1998 – 2007
Bill MacLeod	2007 – Present

## **2019-20 COMMISSION OFFICERS**

### **BOARD OF DIRECTORS:**

Avard Bentley, Chair Westchester, Cumberland Co.	Ruth Grant, Vice Chair Centre Rawdon, Hants Co.	Robert Prange Wolfville, Kings Co.
John Vissers MacKay Siding, Colchester Co.	R. Michael Walsh Berwick, Kings Co.	Danny Davison Falmouth, Hants Co.

### **PRINCIPAL OFFICERS:**

B. MacLeod	– CEO
M. Grant/J. Putnam	– Secretary
H.D. Black	– Finance Officer
K.S. MacDonald	– Clerk
G.D. Macintosh	– Supervisor, Field Services
G. Thyssen & A. Parsons-Lushington	– Acting Supervisor, Field Services
A. Parsons-Lushington	– Research and Development Coordinator
D. Thibodeau	– Business Systems Analyst

### **AUDITOR:**

Grant Thornton

### **SOLICITORS:**

C. Thompson

### **FIELD STAFF:**

A. Garnett  
J.M. Peill  
G. Thyssen

## **PROGRAM BACKGROUND**

The Nova Scotia Crop Insurance Act, which was assented to in 1968 and amended in 1978, 2005 and in 2010, to provide for the administration of the Livestock Insurance program, is cited as the Crop and Livestock Insurance Act.

Under the Crop and Livestock Insurance Act, the Commission is responsible to administer the program under the direction, supervision, and control of the Minister of Agriculture.

The Commission administers crop insurance coverage to 16 crop insurance plans and a dairy and poultry livestock insurance program.

Since 2008 the Commission has administered the Canada/Nova Scotia Wildlife Compensation Program.

## **OBJECTIVES AND RESPONSIBILITIES**

The fundamental objective of the Crop and Livestock Insurance Commission is to make available to Nova Scotia farmers insurance-based programs that will assist in years of reduced yields, lower revenue, and losses due to insurable perils.

In the interest of efficiency of operations and convenience to farmers, the programs are administered by a common staff, but each program stands on its own. Separate accounting for premium and indemnities is maintained for each program. Administration expenses are proportioned to each program.

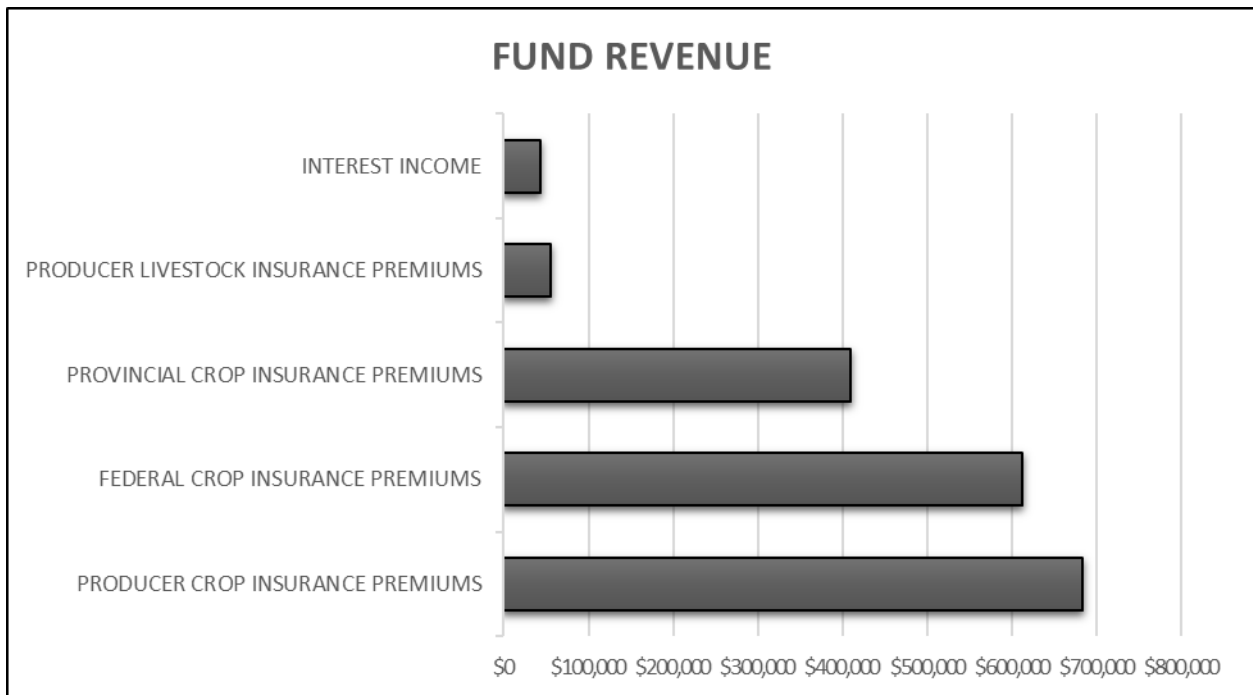
## **FINANCIAL PARTICIPATION**

The administration of the Crop and Livestock Insurance program is the responsibility of the Commission. It is subject to the provisions under the Canadian Agricultural Partnership (CAP), a Federal-Provincial-Territorial Framework Agreement on Agriculture, Agri-Food and Agri-Based Products Policy. Crop and Livestock Insurance, in Nova Scotia, is delivered under the authority of the Crop and Livestock Insurance Act.

The governments of Nova Scotia and Canada each contribute a percentage of administration expenses for crop insurance and wildlife compensation. Administration expenses for other programs administered by the Commission are the responsibility of the Province.

For 2018-19, the government of Nova Scotia contributed approximately 40 per cent of the total administration costs, 24 per cent of the crop insurance premium and 40 percent of wildlife compensation payments. The Government of Canada contributed 60 per cent of the total administration costs and 36 per cent of the premium for crop insurance programs and 60 percent of wildlife compensation payments.





**Fig.1: Total fund revenue for Nova Scotia Crop and Livestock Insurance Commission for 2018-19**

### INSURANCE PLANS IN FORCE

- |                           |   |
|---------------------------|---|
| Spring Grain              | - oats, barley, wheat   |
| Winter Grain              | - rye, wheat, triticale   |
| Tree Fruit                | - apples, pears, peaches  |
| Tree Insurance            | - apples, pears   |
| Corn                      | - silage, grain, high moisture  |
| Blueberries               | - lowbush and highbush blueberries  |
| Strawberries              | - June Bearing, Day Neutral   |
| Raspberries               | -   |
| Forage                    | - establishment year  |
| Soybeans                  | - soybeans, canola, sunflowers  |
| Potatoes                  | - processing, seed, table   |
| Vegetables                | - processing carrots  |
| Weather Derivative        | - forage  |
| Maple                     | - syrup   |
| Grapes                    | - French hybrid, Vinifera, Labrusca   |
| Acreage Loss (Vegetables) | - Beets, carrots, green onions, parsnips, radish, rutabaga, summer turnip, onions (yellow & red), broccoli, brussels sprouts, cabbage, cauliflower, celery, kale, lettuce, spinach, eggplant, field cucumbers, field tomatoes, melons, peppers, pumpkins, summer squash, zucchini, winter squash, fresh beans |
| Dairy                     | - dairy cows, heifers and calves; loss of income benefit  |
| Poultry                   | - broilers, pullets, layers, breeders   |



**Fig. 2: Nova Scotia Crop and Livestock Insurance Commission contracts (2009-2019).**

## **FEATURES OF THE CROP INSURANCE PLANS**

### **Designated Perils**

The crop insurance plans protect against loss caused by drought, frost, hail, wind, excessive moisture, insect infestation, plant disease, wildlife, winter injury, unavoidable pollination failure, and off-crop due to adverse weather conditions.

### **Type of Insurance**

For yield based plans, each insured crop is guaranteed a specific yield based upon the past yield records of each insured client. When no past records are available, a bench mark, either provincial or industry averages, is used.

For non-yield based plans (weather) the guarantee is based on other specific measurables such as total precipitation (or lack of) for a specified area which is known to result in a loss of crop production or quality. The acreage loss plan for vegetables provides a production guarantee based on the cost of producing an acre of crop.

## Quality Guarantee

Quality losses are taken into consideration with certain plans such as tree fruit, corn, spring and winter grain, as well as weather.

## Premium Discount/Surcharge

The base premium rate for all insurance plans, with the exception of forage, tree endorsement, and poultry, is adjusted by giving a discount when indemnities paid are less than premium collected or by adding a surcharge when indemnities paid exceed premium collected. The maximum discount shall be 50% and the maximum surcharge shall be 100%.

## Other Programs:

The Nova Scotia Crop and Livestock Insurance Commission administers a compensation program to Nova Scotia farmers for losses to specified crops or livestock as a direct result of the activities of specified wildlife. There is no requirement for producers to be enrolled in Crop Insurance to obtain a compensation payment. Claimants must be registered under the Nova Scotia Farm Registration System. The Province of Nova Scotia and the Government of Canada contribute 40% and 60% respectively for the cost for administration and compensation payments.

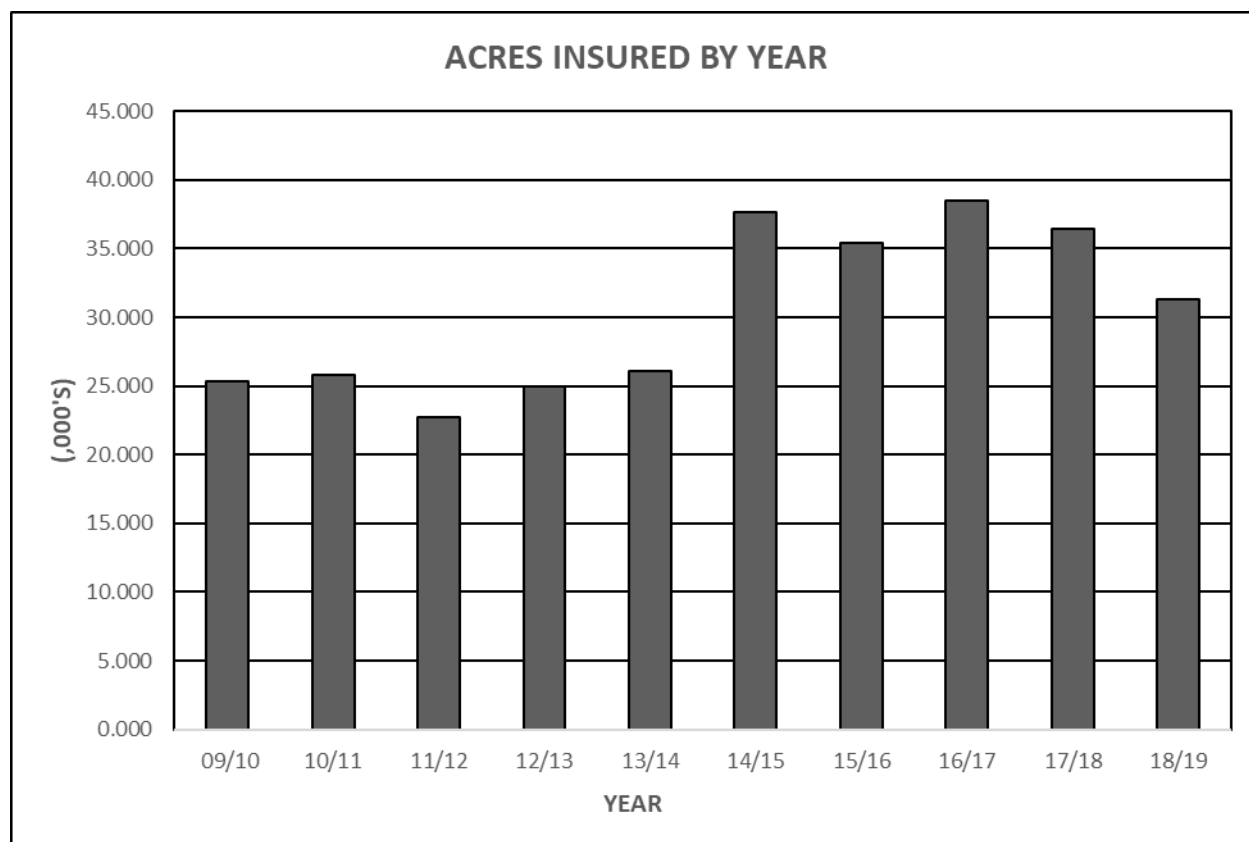


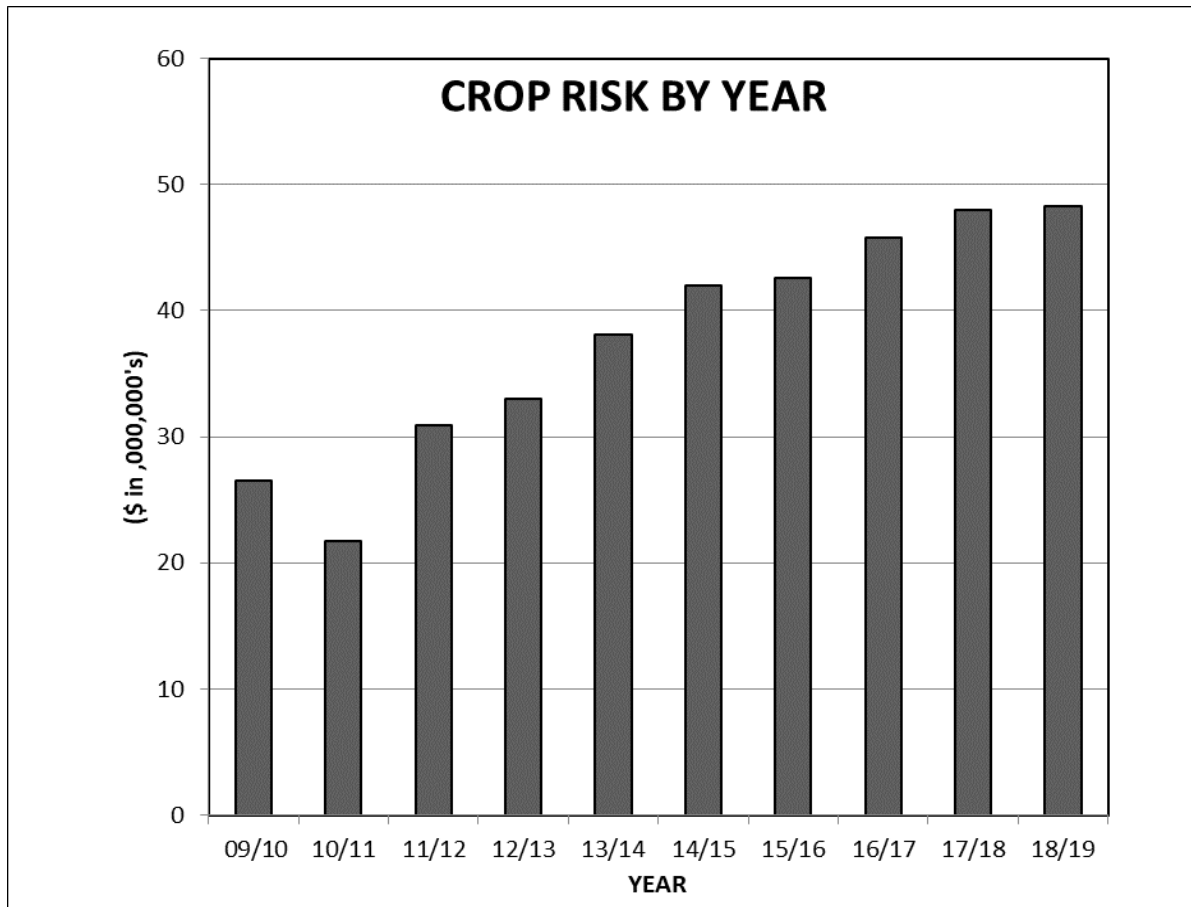
Fig.3: Number of acres insured by Nova Scotia Crop and Livestock Insurance Commission (2009-2019)

**Table 1: \*\*\*Annual statistical summaries of insurance plans (2018-19)**

PLAN	NO. GROWERS	NO. ACRES	TOTAL COVERAGE (\$)	TOTAL PREMIUM (\$)	TOTAL INDEMNITIES (\$)
Spring Grain	24	1,430.32	195,005.87	26,433.79	3,917.07
Tree Fruit	89	2,699.40	34,140,796.19	1,012,697.69	5,924,122.97
Forage Est. 2015	2	57	17,100.00	1,175.63	0
Corn	55	7,999.32	3,846,512.92	126,775.95	55,080.53
Blueberries	82	4,382.07	3,821,653.09	176,164.09	253,523.06
Strawberries	1	15	122,256.00	19,891.05	48,742.00
*Winter Grain 2018	11	797.76	267,916.98	28,786.48	6,911.32
Potato	1	137	91,402.00	9,048.80	24,740.92
Vegetables	1	38	54,588.52	3,520.96	16,849.00
Soybeans	27	3,339.90	1,327,312.26	55,124.85	67,838.36
Acreage Loss	7	450.80	1,053,025.00	96,890.73	43,555.05
Grapes	9	133.91	269,029.74	23,296.53	73,934.70
Weather Derivative	24	9,854.28	2,785,144.64	113,423.37	0.00
Maple	7	**143,650.00	284,430.00	20,502.89	0.00
<b>Crop Summary</b>	<b>340</b>	<b>31,334.76</b>	<b>48,276,173.21</b>	<b>1,713,732.81</b>	<b>6,519,214.98</b>
	<b>Herds</b>	<b>Animals/Birds</b>			
Loss Income (Dairy)	0	0			0.00
Livestock (Dairy)	87	15,800	36,269,641.46	31,126.34	110,990.72
Poultry	134	51,081,234.00	103,158,054.74	23,394.48	23,394.48
<b>Totals</b>			<b>187,703,869.41</b>	<b>1,768,253.63</b>	<b>1,892,222.93</b>
*Winter grain claims reflect crop year 2018.					
**Number of taps (not included in the number of acres).					
***Statement summary may differ from those ~ the financial statements due to year end actuarial processes.					

**Table 2: Summary of crop insurance plans (1969-70 to 2018-19 crop year inclusive)**

PLAN	NO. YEARS	NO. CLAIMS	TOTAL PREMIUM	CLAIMS PAID	LOSS RATIO
Spring Grain	50	1837	\$ 1,915,175.48	\$ 2,083,179.44	1.09
Winter Grain	49	419	\$ 986,048.07	\$ 1,008,941.55	1.02
Tree Fruit	49	759	\$ 11,462,674.35	\$ 17,787,062.85	1.55
Tree Rider	34	32	\$ 507,653.35	\$ 258,951.27	0.51
Tobacco	25	21	\$ 767,809.39	\$ 561,296.33	0.73
Corn	48	694	\$ 3,470,772.52	\$ 2,305,738.85	0.66
Peas & Beans	32	629	\$ 3,140,338.94	\$ 3,315,484.65	1.06
Blueberries	46	1437	\$ 9,380,343.49	\$ 9,880,406.59	1.05
Strawberries	45	138	\$ 503,955.53	\$ 747,472.32	1.48
Forage Est.	41	156	\$ 110,464.42	\$ 97,548.62	0.88
Soybeans	33	133	\$ 828,141.63	\$ 612,726.89	0.74
Potatoes	29	41	\$ 1,338,120.76	\$ 2,282,301.36	1.71
Raspberries	6	4	\$ 1,429.44	\$ 3,216.60	2.25
Forage Prod.	3	1	\$ 16,983.20	\$ 4,551.38	0.27
Vegetables	19	64	\$ 1,652,855.48	\$ 2,619,749.49	1.58
Weather Derivative	12	100	\$ 1,533,161.52	\$ 1,299,427.57	0.85
Maple	9	11	\$ 200,895.96	\$ 256,827.00	1.28
Acreage Loss	3	25	\$ 316,407.48	\$ 278,406.70	0.88
Grape	3	5	\$ 63,175.98	\$ 73,934.70	1.17
<b>TOTAL</b>		<b>6506</b>	<b>\$ 38,196,406.99</b>	<b>\$ 45,477,224.16</b>	<b>1.19</b>



**Fig 4: The value of crop risk by year (2009-2019)**

**Table 3: Operations summary of crop insurance years (1969-70 to 2018-19 crop years inclusive)**

<b>CROP YEARS</b>	<b>NO. CONTRACTS</b>	<b>TOTAL COVERAGE</b>	<b>TOTAL PREMIUM</b>	<b>CLAIMS PAID</b>	<b>LOSS RATIO</b>
1969-1970	277	310,831.53	15,157.96	8,043.41	0.53
1970-1971	345	823,244.95	31,954.54	35,304.14	1.10
1971-1972	364	777,955.53	32,884.51	50,406.29	1.53
1972-1973	386	1,553,341.41	77,955.05	78,023.10	1.00
1973-1974	492	1,762,978.44	96,519.82	252,505.26	2.62
1974-1975	565	2,030,120.33	164,694.03	232,358.15	1.41
1975-1976	568	2,274,900.30	198,451.73	169,900.31	0.86
1976-1977	602	2,751,869.76	220,219.10	90,559.13	0.41
1977-1978	770	3,381,581.47	251,407.28	253,696.31	1.01
1978-1979	781	3,730,752.45	284,334.24	131,548.18	0.46
1979-1980	695	3,994,307.91	296,406.94	300,974.95	1.02
1980-1981	666	4,228,150.76	295,329.10	196,488.55	0.67
1981-1982	752	5,854,042.18	401,609.14	219,338.95	0.55
1982-1983	760	6,618,768.79	449,727.96	123,888.71	0.28
1983-1984	775	7,103,107.33	444,870.21	442,181.20	0.99
1984-1985	740	8,842,444.23	447,720.90	132,831.31	0.30
1985-1986	730	10,270,802.44	453,493.02	503,450.98	1.11
1986-1987	730	10,403,518.12	498,145.77	1,391,264.35	2.79
1987-1988	597	10,361,043.62	537,153.84	158,436.63	0.29
1988-1989	532	10,327,601.34	536,984.92	100,853.06	0.19
1989-1990	604	10,790,684.96	545,818.31	879,678.97	1.61
1990-1991	568	10,304,249.40	574,316.40	357,824.57	0.62
1991-1992	544	12,184,356.19	634,945.12	1,411,800.88	2.22
1992-1993	624	10,904,552.94	657,657.87	200,655.25	0.31
1993-1994	577	11,409,076.02	623,830.52	927,816.14	1.49
1994-1995	568	11,164,842.39	577,366.31	535,838.81	0.93
1995-1996	580	11,321,945.62	546,030.04	326,525.71	0.60
1996-1997	553	11,181,624.19	572,589.79	466,881.74	0.82
1997-1998	600	11,842,296.94	587,480.80	772,721.07	1.32
1998-1999	563	13,583,764.80	645,583.16	933,129.48	1.45
1999-2000	540	12,136,267.30	639,559.88	797,459.04	1.25
2000-2001	552	14,310,381.33	674,353.56	284,246.26	0.42
2001-2002	532	14,805,607.02	660,808.39	914,843.99	1.38
2002-2003	532	16,347,492.87	818,650.80	364,453.37	0.45
2003-2004	532	16,193,016.04	833,525.55	827,584.94	0.99
2004-2005	496	16,161,000.34	749,438.21	486,826.86	0.65
2005-2006	526	16,845,536.59	790,475.19	1,107,701.83	1.40
2006-2007	525	22,466,132.67	860,560.79	1,656,030.07	1.92
2007-2008	522	27,188,516.06	1,233,419.20	2,030,822.80	1.65
2008-2009	504	30,332,865.07	1,445,680.16	1,620,386.29	1.12
2009-2010	574	33,352,632.88	1,793,088.60	2,654,096.74	1.48
2010-2011	501	21,661,518.92	1,453,641.52	1,517,820.84	1.04
2011-2012	446	30,958,118.69	1,541,396.80	2,410,913.00	1.56
2012-2013	438	33,018,952.19	1,858,435.46	1,283,964.39	0.69
2013-2014	463	38,020,988.84	1,848,256.31	2,361,656.41	1.28
2014-2015	452	41,979,917.41	1,901,707.33	1,649,505.05	0.87
2015-2016	435	42,609,886.54	1,872,385.59	2,064,587.77	1.10
2016-2017	438	45,798,069.07	1,937,840.80	1,381,626.91	0.71
2017-2018	392	47,957,021.67	1,868,811.66	1,858,557.03	0.99
2018-19	340	48,276,173.21	1,713,732.81	6,519,214.98	3.80
<b>TOTAL</b>		<b>782,508,851.05</b>	<b>38,196,406.99</b>	<b>45,477,224.16</b>	<b>1.19</b>

Since the program's implementation in 1969, for every dollar collected in premium **\$1.19** has been paid out in claims.

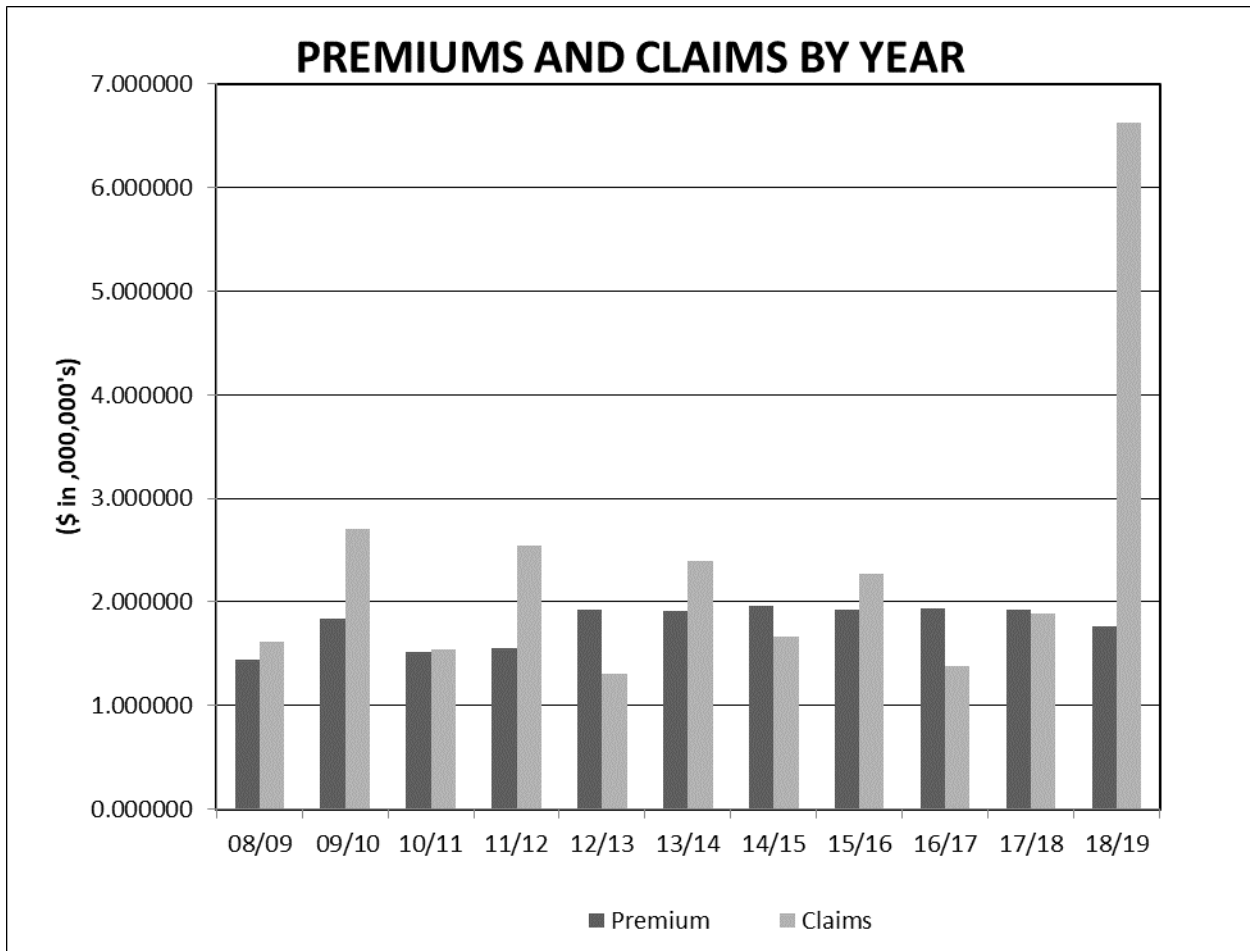


Fig. 5: Amount of crop premiums received and claims paid out annually (2008-2019)

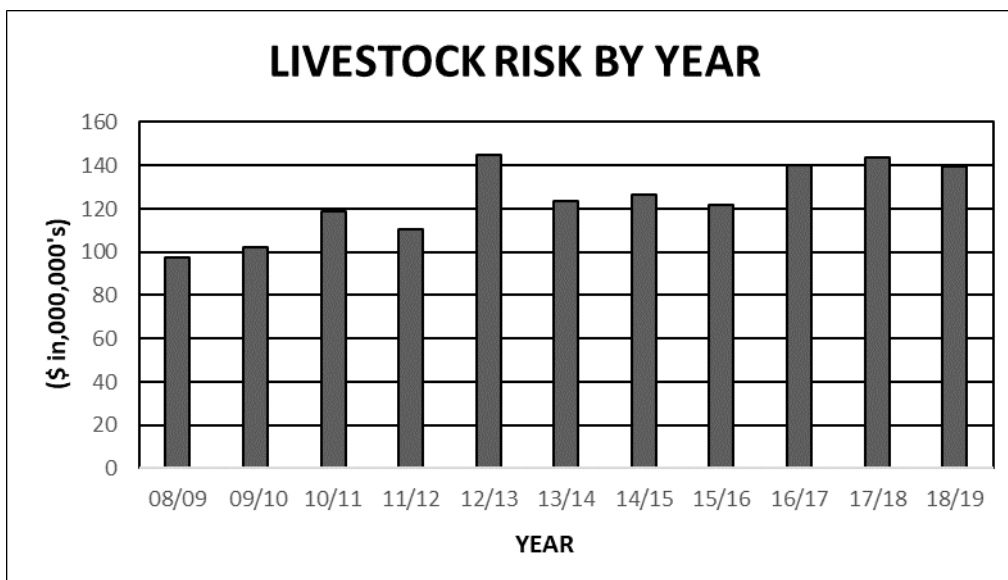


Fig 6: Value of livestock risk per year (2008-19)

**Table 4: Summary of dairy livestock insurance plan (April 1<sup>st</sup>, 1978-March 31<sup>st</sup>, 2019)**

<b>YEARS</b>	<b>NO. INSURED HERDS</b>	<b>INSURED ANIMALS</b>	<b>TOTAL PREMIUM</b>	<b>CLAIMS PAID</b>	<b>LOSS RATIO</b>
2018-2019	87	15,800	31,126.34	110,990.72	3.57
2017-2018	92	15,567	32,257.99	33,665.90	1.04
2016-2017	95	15,334	32,399.51	12,000.00	0.37
2015-2016	95	15,644	33,413.53	205,109.28	6.14
2014-2015	102	15,860	32,719.59	15,400.00	0.47
2013-2014	105	16,131	33,134.19	33,000.00	1.00
2012-2013	115	21,570	40,732.89	24,600.00	0.60
2011-2012	105	16,579	27,710.12	139,426.40	5.03
2010-2011	115	17,782	33,048.94	28,400.00	0.86
2009-2010	116	17,701	32,090.80	55,600.00	1.73
2008-2009	122	17,934	31,403.59	32,600.00	1.04
2007-2008	128	18,163	30,051.17	174,473.03	5.81
2006-2007	131	17,790	28,564.70	17,000.00	0.60
2005-2006	140	18,670	30,530.51	10,800.00	0.35
2004-2005	148	19,807	33,767.77	4,000.00	0.12
2003-2004	165	20,749	34,980.83	47,640.00	1.36
2002-2003	179	21,769	32,864.20	30,144.00	0.92
2001-2002	184	21,640	20,858.02	14,210.00	0.68
2000-2001	182	20,252	19,538.76	197,632.22	10.11
1999-2000	203	21,531	17,108.54	17,400.00	1.02
1998-1999	212	22,087	17,475.34	55,104.68	3.15
1997-1998	232	22,857	17,797.26	44,679.34	2.51
1996-1997	240	22,801	25,891.18	47,960.58	1.85
1995-1996	252	22,866	26,219.52	7,270.22	0.28
1994-1995	263	23,053	26,720.66	6,400.00	0.24
1993-1994	231	20,572	24,979.34	16,400.00	0.66
1992-1993	242	21,224	26,093.76	3,752.66	0.14
1991-1992	259	22,739	28,987.80	17,157.20	0.59
1990-1991	282	23,771	30,883.99	7,600.00	0.25
1989-1990	217	26,221	35,295.12	10,130.00	0.29
1988-1989	313	25,913	35,507.84	7,639.50	0.22
1987-1988	306	25,500	39,104.26	3,200.00	0.08
1986-1987	300	24,705	38,929.11	17,593.05	0.45
1985-1986	265	22,662	39,200.03	36,775.90	0.94
1984-1985	219	18,263	42,042.80	14,459.00	0.34
1983-1984	209	18,037	43,820.40	3,400.00	0.08
1982-1983	205	17,253	42,423.00	21,133.16	0.50
1981-1982	249	20,480	53,326.15	16,120.35	0.30
1980-1981	284	22,817	77,919.61	53,089.50	0.68
1979-1980	403	29,491	86,731.88	60,501.10	0.70
1978-1979	352	26,121	59,198.14	31,744.50	0.54
<b>Totals</b>			<b>\$ 1,426,849.18</b>	<b>\$ 1,686,202.29</b>	<b>1.18</b>

Since the program's implementation in 1978, for every dollar collected in premium \$1.18 has been paid out in claims.



**Table 5: Summary of dairy livestock insurance claims (April 1<sup>st</sup>, 2018-March 31<sup>st</sup>, 2019)**

<b>Insurable Perils</b>	<b>No. Animals</b>	<b>Total Claims Paid (\$)</b>
1. Shipping Fever	7	\$14,000.00
2. Reportable Diseases	0	0
3. Infectious Bovine Rhinotracheitis	0	0
4. Other	0	0
5. Loss of Income	0	\$96,990.72

**Table 6: Claim summary re: dairy livestock insurance plan (April 1<sup>st</sup>, 1978-March 31<sup>st</sup>, 2019)**

<b>Insurable Perils</b>	<b>No. Animals</b>	<b>Total Claims Paid (\$)</b>
1. Acute Mastitis*	108	\$104,291.40
2. Brucellosis	2	\$810.70
3. I B R	58	\$49,137.18
4. Loss Income	0	\$767,831.57
5. Other	14	\$16,200.00
6. Shipping Fever	623	\$747,931.44
<b>Totals</b>	<b>805</b>	<b>\$1,686,202.29</b>

\* This peril no longer covered.

**Table 7: Summary of poultry livestock insurance plan (October 1<sup>st</sup>, 2007-March 31<sup>st</sup>, 2019)**

<b>Years</b>	<b>No. Insured Flocks</b>	<b>No. Insured Birds</b>	<b>Total Premium (\$)</b>	<b>Claims Paid</b>	<b>Loss Ratio</b>
2018-2019	134	51,081,234	\$23,394.48	0.00	0.00
2017-2018	128	52,487,506	\$23,680.11	0.00	0.00
2016-2017	127	49,826,270	\$23,617.65	0.00	0.00
2015-2016	123	48,226,910	\$20,521.13	\$0.00	0.00
2014-2015	302	49,220,352	\$26,250.27	\$0.00	0.00
2013-2014	169	40,774,938	\$23,123.38	\$0.00	0.00
2012-2013	121	48,124,847	\$25,177.01	\$0.00	0.00
2011-2012	110	36,990,059	\$21,682.81	\$0.00	0.00
2010-2011	129	46,596,231	\$21,976.35	\$0.00	0.00
2009-2010	106	36,456,512	\$27,244.76	\$0.00	0.00
2008-2009	89	40,689,660	\$11,999.38	\$0.00	0.00
2007-2008	170	6,090,671	\$1,739.15	\$0.00	0.00
<b>Total</b>			<b>\$250,406.48</b>	<b>\$0.00</b>	<b>0.00</b>

**Table 8: Summary of poultry livestock insurance plan (2007-08 to 2018-19 poultry years inclusive)**

<b>PLAN</b>	<b>No. Years</b>	<b>No. Claims</b>	<b>Total Premium</b>	<b>Claims Paid</b>	<b>Loss Ratio</b>
Broiler(CHK)	12	0	\$ 107,046.89	\$ 0.00	0.00
Comm. Pullet(PUL)	12	0	\$ 14,050.40	\$ 0.00	0.00
Broiler Breeder(BRB)	12	0	\$ 24,947.64	\$ 0.00	0.00
Breeder Pullet(BRP)	12	0	\$ 3,770.26	\$ 0.00	0.00
Comm. Layer(CLR)	12	0	\$ 96,763.68	\$ 0.00	0.00
Integrated Layer(ILR)	12	0	\$ 3,827.61	\$ 0.00	0.00
<b>Total</b>		<b>0</b>	<b>\$250,406.48</b>	<b>\$ 0.00</b>	<b>0.00</b>

**Table 9: Summary of wildlife compensation (May 8<sup>th</sup>, 2008 to March 31<sup>st</sup>, 2019)**

<b>Year</b>	<b>No. Years</b>	<b>No. Commodities</b>	<b>No. Claims</b>	<b>Claims Paid</b>
2018-2019	11	23	114	\$118,361.13
2017-2018	10	23	85	\$135,903.04
2016-2017	9	23	120	\$100,501.91
2015-2016	8	23	58	\$172,382.45
2014-2015	7	22	91	\$169,484.65
2013-2014	6	20	96	\$ 77,381.48
2012-2013	5	20	107	\$ 81,765.00
2011-2012	4	20	162	\$182,913.81
2010-2011	3	18	157	\$201,201.13
2009-2010	2	18	129	\$146,554.05
2008-2009	1	18	60	\$109,868.03
<b>Total</b>			<b>1,179</b>	<b>\$1,496,316.68</b>

**Table 10: Summary of wildlife compensation (2008-2019 wildlife year inclusive)**

<b>PLAN</b>	<b>NO. YEARS</b>	<b>NO. CLAIMS</b>	<b>CLAIMS PAID</b>
Bees	11	106	\$ 95,640.00
Bee Hive	11	125	\$ 52,804.58
Hive Contents	11	37	\$ 15,910.38
Bef Cow	11	9	\$ 6,400.00
Beef Calf	11	85	\$ 18,920.00
Beef Bull	11	0	\$ 0.00
Beef Steer	11	2	\$ 1,120.00
Lowbush Blueberries	11	79	\$ 158,612.27
Strawberries	11	28	\$ 240,614.13
Ewe	11	199	\$ 49,272.00
Lamb	11	255	\$ 58,003.00
Ram	11	19	\$ 4,432.00
Tree Endorsement	11	11	\$ 18,182.40
Apples	11	46	\$ 413,747.64
Vegetable	11	17	\$ 101,406.53
Corn Silage	11	78	\$ 111,613.90
Grain Corn	11	49	\$ 77,997.36
Soybean	11	18	\$ 42,200.02
Grapes	11	2	\$ 18,720.78
Kid	11	2	\$ 140.00
Doe	11	4	\$ 720.00
Buck	11	1	\$ 120.00
Pears	11	1	\$ 674.20
Winter Feed Wheat	11	4	\$ 7,705.49
Dairy Cow	11	1	\$ 1,200.00
Dairy Calf	11	1	\$ 160.00
<b>Total</b>		<b>1179</b>	<b>\$ 1,496,316.68</b>

## 2018-19 Summary

The Commission wrote \$187.5 million in coverage in 2018-19. This represented a 2% decrease in coverage over the previous year. Insurance coverage was broken down as 25.7% for crops, 19.3% for dairy and 55% for poultry. The total premium collected was \$1.758 million, which represented a 8.5% decrease over the previous year. This decrease was mainly a result of decreased sales in blueberries, vegetable, soybean and weather derivative plans. The impact of these decreases was moderated due to increased sales in the tree fruit and grapes.

The 2018 crop year began with variable spring conditions with 1-2 days of really hot weather followed by cool wet weather. The province was hit by a severe widespread early June frost on June 6<sup>th</sup> which affected all crops. Other maritime provinces were also affected. In Nova Scotia, temperature dropped down to between -3 to -5 °C. Significant crop damage was reported in tree fruit, blueberries, grapes, strawberries and vegetable crops. Winter grain and corn and soybeans were also set back by the frost event. Cool wet weather mixed with some hot days continued throughout June. July and August were hot and humid benefiting many crops.

The first widespread killing frost was reported on September 25<sup>th</sup>. Grain corn and soybeans harvests were significantly delayed by cool wet weather. Silage corn was harvested normally.

It is worth noting 25 years ago, during the 1993 cropping season similar growing conditions were reported.

In 2018, losses from insured perils resulted in 123 crop insurance payments totally \$6.519 million. This represented an increase of 351% over the previous year, the highest indemnity payouts in the Commission's 50 year history. These indemnity payments continue to be an important Business Risk Management tool and assisted producers with managing the natural risks they face on their farms. The largest indemnity payments were made in Tree Fruit (\$5,924,123), Blueberry (\$253,523), Grapes (\$73,935) Soybean (\$67,838), and Strawberry (\$48,742).

Diary livestock indemnity payments in 2018 totaled \$110,991 including one loss of income payment. There were no indemnity payments made in the Poultry ILT Plan. In its 11<sup>th</sup> year of operation the Canada/Nova Scotia Wildlife Compensation Program made payments for 114 claims, totalling \$118,361. This was 26% higher than payments made in the previous year.

The Commission continued its developmental work aimed at expanding the insurance options available to Nova Scotia producers to assist them with managing risk on their farms. These included:

- The Commission continued consultation with industry stakeholders, reviewing its plans and regulations to meet the needs of its clients. Work continued on revisions to the Dairy Plan.
- Revisions to the General Field Crop Insurance regulations and related updates to other affected crop plans received approval during 2018.
- Commission staff continued to work with industry stakeholders' groups in relation to the administration of the Canada Nova Scotia Wildlife Compensation program.

Administratively, the Commission focused on the following priorities:

- The Commission continued to focus internal resources on improving and updating its information technology infrastructure. Additional components were moved to a database model. Specifically, improvements were made to the Average Insurable Yield, Highbush Blueberry and Grape underwriting databases.
- The Commission continued to promote AgriInsurance to the agricultural industry through various media, and at trade shows.
- In 2018-19, the Commission completed an Actuarial Certification of its probable yield, premium rate and self sustainability methodologies as required under the Act and the Canadian Agricultural Partnership Agreement.

**Table 11: Estimate-Actual 2018-19**

	Estimate 18-19 (000)s	Actual 18-19 (000)s
<b>Revenues</b>		
Insurance Premiums Paid by Clients	823	738
Insurance Premiums Contributed by Gov't (Federal)	736	611
Wildlife Compensation Payments (Federal)	150	71
Insurance Premiums Contributed by Gov't (Provincial)	491	409
Wildlife Compensation Payments (Provincial)	100	47
Interest Income	70	44
Recoveries	0	0
<b>Total Revenues</b>	<b>2370</b>	<b>1920</b>
<b>Expenses</b>		
Indemnity Claims	1900	6630
Wildlife Compensation Payments	250	118
Reinsurance Premiums	0	0
Bad Debt Expense	5	(31)
Recoveries	0	7
<b>Total Expenses</b>	<b>2155</b>	<b>6724</b>
<b>Net Income From Insurance Activities</b>	<b>215</b>	<b>(4804)</b>
<b>Reinsurance/Grants</b>		
<b>Federal</b>	<b>0</b>	<b>0</b>
<b>Provincial</b>	<b>0</b>	<b>5068</b>
<b>Net Income From All Activities</b>	<b>215</b>	<b>264</b>
<b>Crop and Livestock Insurance Fund Balance</b>		
<b>Beginning of Year</b>	4736	4736
<b>End of Year</b>	4951	5000
<b>Administrative Expenses</b>		
Government Contributions (Canada)	649	661
Government Contributions (Nova Scotia)	470	441
<b>Total Administrative Expenses</b>	<b>1119</b>	<b>1102</b>
Net Govt Expenditure		
Canada (Premium + Administration)	1535	1343
Nova Scotia (Premium + Administration)	1061	5965
<b>Total Program Expenditure</b>	<b>2596</b>	<b>7308</b>

## PERFORMANCE MEASURES

The core business of the Crop and Livestock Insurance Commission is the delivery of insurance products to the agriculture sector. As one of the pillars of Canada's Agricultural Finance system, crop insurance plays a key role in stabilizing business incomes by providing opportunities to manage or transfer risk. Crop production is particularly risk laden in that natural perils presented by climate and geography cannot easily be controlled or managed. The intended outcome of the Commission's program is to stabilize farm incomes, and by doing so, support the economic growth of the province.

Table 12: Core Business Area: Delivery of Insurance Products for Production Agriculture

	Measure	DATA Base Year (2008-09)	Target - 2018-19	GF2 Ultimate Target (2018-19)	CAP ULTIMATE TARGET (2022-23)	Trends	Actual As of March 31/19
1	Number of Agri-Insurance Contracts	700	670	900	800	2011-12 = 659 2012-13 = 674 2013-14 = 741 2014-15 = 832 2015-16 = 653 2016-17 = 666 2017-18 = 605	559
2	\$ Value of Coverage	\$127.8M	\$180M	\$180M	\$200M	2011-12 = \$141.2M 2012-13 = \$177.6M 2013-14 = \$161.5M 2014-15 = \$168.2M 2015-16 = \$164.1M 2016-17 = \$186M 2017-18 = \$191M	\$188M
3	Number of Agri-Insurance Products Available	36	68	55	75	2011-12 = 41 2012-13 = 47 2013-14 = 47 2014-15 = 47 2015-16 = 50 2016-17 = 66 2017-18 = 66	65
4	Value of Compensation Paid for Wildlife Damage	\$110,000	\$200,000	\$250,000	\$250,000	2011-12 = \$183,000 2012-13 = \$ 82,000 2013-14 = \$ 77,381 2014-15 = \$169,984 2015-16 = \$172,382 2016-17 = \$100,502 2017-18 = \$135,903	\$118,361
5	Ratio of Insured Production to Total Value of All Products Eligible for Insurance in NS (Excludes Livestock)	25.25%	25%	50%	50%	2011-12 = 23.44% 2012-13 = 23.11% 2013-14 = 14.38% 2014-15 = 19.68% 2015-16 = 20.18% 2016-17 = 21.46% 2017-18 =	N/A
6	Ratio of Agricultural Products Eligible for Insurance to Value of all Agricultural Products in NS (Excludes Livestock)	57.78%	60%	75%	85%	2011-12 = 60.64% 2012-13 = 57.17% 2013-14 = 81.8% 2014-15 = 79.0% 2015-16 = 78.3% 2016-17 = 93.24% 2017-18 =	N/A

**Comments:**

1. This measure decreased by 7% over the previous year which had also decreased from the previous year. The decrease was primarily due to fewer lowbush blueberry growers participating in the program as a result of continued low market prices for their crop.
2. The measure was 2% lower than the previous year primarily due to decreased coverage in the blueberry plan. This decrease was moderated by increased placements in poultry, along with the addition of coverage in the Tree Fruit plan.
3. There was one less crop (mixed grain) covered under the AgriInsurance program in 2018-19.
4. Most recent results show a 13% decrease in the measure indicating reduced pressure on crops and livestock from wildlife during the 2018-19 crop year. There was less pressure noted in most crops with increased pressure on bee and bee hives.
5. This measure is an indicator of the uptake by producers of crop insurance programs offered by AgriInsurance in Nova Scotia. While lower than targeted, this measure indicates consistent uptake of crop insurance programs by the industry in Nova Scotia.
6. This measure is an indication of the portion of the Agriculture industry in Nova Scotia which is being offered AgriInsurance. This measure showed consistent improvement in the portion of Nova Scotia Agricultural Sector that is being offered products under crop insurance surpassing the targets set at the beginning of the CAP Program.