

# Commercial Vegetable Insurance Pilot Program 2021

Saskatchewan Crop Insurance Corporation is committed to working with producers and industry to develop and deliver insurance products and services to a diverse marketplace.

The Commercial Vegetable Insurance Program is the result of the Saskatchewan Crop Insurance Corporation's (SCIC) work with industry to deliver a risk management program that will assist producers when natural disasters impact commercial vegetable growers in Saskatchewan.

## *APPLYING FOR INSURANCE*

All SCIC customers are required to complete an application for insurance. SCIC regulations require eligible producers to demonstrate legal, financial and operational independence from all other producers.

To obtain a contract of insurance, visit a customer service office to complete an application for insurance before March 31. SCIC reserves the right to review any contract to ensure compliance with eligibility requirements. Where concerns are identified, the contract holder will be advised of these requirements in order to maintain their contract in future years.

## *ELIGIBILITY*

The Commercial Vegetable Insurance Program provides risk management for the vegetable growers and market gardens in Saskatchewan. Insurance is a percent plant loss program and does not offer a production guarantee.

## *PROGRAM INFORMATION*

Vegetable producers insure their acres at the plant value, less a 30 per cent deductible in the event of a claim. Indemnities are paid for a per cent of plant loss. The producer is insured until harvest begins or until the fall cut-off date for the insured crop, whichever date is first.

Producers are advised to follow recommended agronomic practices, including seed treatment, crop rotations, recommended seeding and harvest dates, field management (including spray schedule), and other considerations. Failure to follow recommended practices may result in the reduction or denial of any claim, should a loss occur.

Insurance is currently offered based on two commercial vegetable crops, cabbage and pumpkins. The base value per plant is calculated using vegetable production survey data as well as industry specialists.

Stages of loss will be used for establishment where the liability would be equal to 35 per cent of the total liability and will continue until June 20. Varieties must be adapted to the areas in which they are grown and the site must be suitable for the crop/crops insured.

Insurance features and agronomic practices are included in the Terms and Conditions received following insurance selection.



2021 Coverage	(\$/plant)
Pumpkins	\$3.36
Cabbage	\$2.16

	Seeding Deadline	Fall Cutoff
Pumpkins	Direct: May 15 - June 15 Transplant: June 1 - June 20	October 1
Cabbage	Direct: May 1 - June 15 Transplant: May 15 - June 20	October 20

### Claim Example #1 - Pumpkins

A customer insures 10 acres of pumpkins. They have approximately 2,420 pumpkin plants per acre. Pumpkins have a 30% deductible and a coverage rate of \$3.36 per plant.

**Total Pumpkin Plants:**

2,420 pumpkin plants per acre × 10 acres = 24,200 pumpkin plants (using 6ft row spacing, 3 ft between plants as an average seeding rate and row spacing)

**Coverage Calculation:**

Price (\$) × number of plants = Coverage (\$)  
 $\$3.36 \times 24,200 = \$81,312.00$

**Premium Calculation:**

Coverage (\$) × Premium Rate (%) = Premium (\$)  
 $\$81,312.00 \times 11.70\% = \$9,513.50$  (Total Premium)  
 Customer pays 40% = \$3,805.40

**Claim Calculation:**

Coverage (\$) × (% loss - deductible) = Claim (\$)  
 If the loss is 50% (12,100 pumpkin plants are not marketable), the claim is  $\$81,312.00 \times (50\% - 30\%) = \$16,262.40$ .

### Claim Example #2 - Cabbage

A customer insures 10 acres of cabbage. They have approximately 11,600 cabbage plants per acre. Cabbage has a 30% deductible and a coverage rate of \$2.16 per plant.

**Total Cabbage Plants:**

11,600 cabbage plants per acre × 10 acres = 116,000 cabbage plants (30 inches between rows and 18 inches between plants)

**Coverage Calculation:**

Price (\$) × number of plants = Coverage (\$)  
 $\$2.16/\text{head} \times 116,000 = \$250,560.00$

**Premium Calculation:**

Coverage (\$) × Premium Rate (%) = Premium (\$)  
 $\$250,560.00 \times 3.00\% = \$7,516.80$  (Total Premium)  
 Customer pays 40% = \$3,006.72

**Claim Calculation:**

Coverage (\$) × (% loss - deductible) = Claim (\$)  
 If the loss is 50% (58,000 cabbage plants are not marketable), the claim is  $\$250,560.00 \times (50\% - 30\%) = \$50,112.00$ .

Producer's premium and coverage will be calculated based on their seeding rate and row spacing. The examples above use an average seeding rate and row spacing.





### **YOUR CLAIM**

If you are in a claim situation, please contact your customer service office immediately. Claims are paid only if the producer destroys the damaged acres. SCIC must inspect acres prior to being destroyed. The producer is insured until harvest begins or until the final coverage date for the insured crop, whichever date is first.

Indemnity payments can be deferred up to one year following your claim inspection date. If you wish to defer your claim, you must tell your adjuster before the cheque is issued.

### **PAYING THE PREMIUM**

Your premium is due as soon as you receive your Statement of Insurance. However, your 2021 premium is interest-free until September 30. Interest will start to accrue October 1. If the account is paid by October 31, no interest will be charged. After October 31, interest will be charged at the beginning of each month until the account is paid in full.

Any contract with outstanding premiums not paid or not having payment arrangements made by the March 31, 2022, deadline will not be eligible for coverage in 2022.

Account payments can be made at any chartered bank or credit union in Saskatchewan, at any SCIC customer service office, or by cheque mailed and payable to: Saskatchewan Crop Insurance Corporation, PO Box 3000, Melville, SK S0A 2P0.

Office Hours: 8:00 a.m. to 5:00 p.m.  
Closed weekends and statutory holidays

Saskatchewan Crop Insurance Corporation Head Office  
484 Prince William Drive, PO Box 3000  
Melville, SK S0A 2P0

Call toll-free 1-888-935-0000  
[www.scic.ca](http://www.scic.ca)  
[customer.service@scic.ca](mailto:customer.service@scic.ca)

*Ce livret est aussi disponible en français.*

**Deadline: March 31, 2021**