

**NEWFOUNDLAND AND LABRADOR
LIVESTOCK OWNERS COMPENSATION BOARD**

ACTIVITY PLAN

APRIL 1, 2008 - MARCH 31, 2011



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Chairperson's Message

June 15, 2008

Honourable Kathy Dunderdale
Minister of Natural Resources
Natural Resources Building
P.O. Box 8700
St. John's, NL
A1B 4J6

Dear Minister:

I am pleased to submit a Performance-Based Activity Plan for the Newfoundland and Labrador Livestock Owners Compensation Board, as a category 3 public body under the *Transparency and Accountability Act*. This plan covers the period from April 1, 2008 to March 31, 2011.

The Newfoundland and Labrador Livestock Owners Compensation Board recognizes the vision and mission of the Forestry and Agrifoods Agency and is committed to its supporting role by administering a livestock insurance program to support livestock producers of the province.

The Newfoundland and Labrador Livestock Owners Compensation Board has reviewed all Strategic Directions from the Minister responsible for the Forestry and Agrifoods Agency and has prepared this plan to be consistent with direction to work toward increased agriculture and agrifoods development and diversification.

My signature below is on behalf of the Newfoundland and Labrador Livestock Owners Compensation Board and is indicative of the Board's accountability for preparation of this plan and the achievement of the objective contained in this plan.

Respectfully submitted,

A handwritten signature in blue ink that reads "C. MacDonald".

Cynthia MacDonald, P. Ag.
Chairperson

Overview

Section 3(2) of the *Livestock Insurance Act*, R.S.N. 1990, c.L-23 provides for the membership of the Newfoundland and Labrador Livestock Owners Compensation Board. The membership of the Board shall consist of not less than 3 and not more than 5 members to be appointed by the Lieutenant-Governor in Council to hold office at his/her pleasure.

The Board presently consists of the following members:

Cynthia MacDonald – Chairperson, Director of Agriculture Business Development Division, Forestry and Agrifoods Agency, Department of Natural Resources

Gary Greenslade – Vice-Chairperson, Inspection Manager, Canadian Food Inspection Agency

Vacant – Provincial Representative

Junior Eveleigh – Producer Representative

Elaine Wells – Producer Representative

The Newfoundland and Labrador Livestock Owners Compensation Board operates under the umbrella of the Forestry and Agrifoods Agency with headquarters in Corner Brook. The Board operates on an annual budget of approximately \$6500.00. The province covers the administration costs of the program and the producers pay 100 percent of the premiums. These premiums are deposited into a fund from which indemnities are paid. The annual financial statements are prepared by the Office of the Auditor General of Newfoundland and Labrador.

The Secretary/Manager, who administers the livestock insurance program, is an employee of the Forestry and Agrifoods Agency. Agricultural Representatives across the province, also employed by the Forestry and Agrifoods Agency, provide inspection services when necessary. These Agricultural Representatives verify livestock tag numbers on applications that have been submitted by producers. The Agricultural Representatives are also responsible for verifying any claims for livestock loss, and the livestock tag number of the insured animal.

In 2007-08 there were 12 producers enrolled in the livestock insurance program administered by the Board. Through this program, \$3018.00 was paid out by the Board for livestock losses. Indemnity payments were slightly above the ten year average because of an increasing coyote population.

Mandate

The mandate of the Newfoundland and Labrador Livestock Owners Compensation Board is to establish and carry out a livestock insurance plan under the direction, supervision and control of the Minister. The Board shall;

- administer plans of livestock insurance established under the *Livestock Insurance Act* or the regulations,
- fix by order and publish in the Gazette a final date in each year for the receipt of applications for insurance under a plan,
- conduct surveys and research programs relating to insurance and obtain statistics for the purposes of the board,
- evaluate and determine livestock losses and pay claims under a plan,
- enter into agreements with or retain persons for the soliciting and receiving of applications for instance, the collecting of premiums and the adjusting of claims under plans for and on behalf of the board, and the doing of other things on its behalf that the board considers necessary,
- reinsure with another insurer the risk or a portion of it under a contract,
- require an applicant for livestock insurance or an insured person to provide the information, statements and reports that the board may require,
- exercise the powers and perform the duties that are conferred or imposed upon it under the *Livestock Insurance Act* or another Act,
- perform the other functions and discharge the other duties that are assigned to it by the Lieutenant-Governor in Council and,
- make the orders and directions that are necessary to enforce the observance of the *Livestock Insurance Act*, the regulations or a plan.

Core Values and Guiding Principles

The Newfoundland and Labrador Livestock Owners Compensation Board performs its duties within the core values and guiding principles established by the Forestry and Agrifoods Agency:

Integrity - Each individual will be honest, dependable, fair, credible and trustworthy. They will openly acknowledge mistakes, seek to correct them and learn from them.

Respect and Professionalism - Each individual will apply legislation and policies equitably and will serve the Department's client groups to the fullest extent possible.

Collaboration - Each individual will seek the opinions and ideas of others in the application of legislation and policies.

Innovation - Each individual will demonstrate initiative and flexibility in responding to challenges and change.

Safety - Each employee views the personal safety of themselves and co-workers in the highest regard and will promote workplace safety at all times.

Productive – Each employee will maximize their productivity and efficiency in carrying out their duties.

Timely – Each employee will conduct their duties in a timely manner and meet all established deadlines.

Primary Clients

The primary clients of the Newfoundland and Labrador Livestock Owners Compensation Board are livestock producers in Newfoundland and Labrador.

Line of Business

The sole line of business of the Newfoundland and Labrador Livestock Owners Compensation Board is to provide livestock insurance to the livestock owners of the province.

The majority of livestock insured under the livestock insurance program are sheep due mainly to their vulnerability to attack on private and community pastures by roaming dogs and other predators such as coyotes, lynx and bears. A small number of goats and cattle are also insured under the program. The relatively small number of cattle insured is due in large part to their physical size as compared to the predators.

The premium rates are announced by the Minister responsible for the Forestry and Agrifoods Agency in March prior to the fiscal year. Producers pay one hundred per cent of the livestock insurance premium. The Forestry and Agrifoods agency is responsible for the costs to administer the livestock insurance program.

Applications for livestock insurance are mailed to the producers at the end of each fiscal year, for the upcoming fiscal year. Livestock owners must file identifying tag numbers with the Board at that time along with the premiums payable to the Livestock Owners Compensation Board. The producers forward the completed application to the Agricultural Representatives who verify the livestock tag numbers. Any claims for livestock loss are reported to the Agricultural Representatives who are responsible for verifying the claim and the tag number of the insured livestock and taking pictures where possible. All types of predator attacks are compensated for provided that the carcass of the injured or dead animal is available for inspection.

Vision

Through the livestock insurance program, the Livestock Owners Compensation Board protects investments in livestock. By easing the financial burden caused by livestock loss, the livestock insurance program helps ensure resources are available for future generations and helps ensure prospects for future development. This contributes to the vision of the Department of Natural Resources, stated as follows:

“The vision of the Department of Natural Resources is a province that realizes the full benefit from the sustainable development of its natural resources.”

Mission

The mission statement is the priority focus area of a public body over its planning cycle. It represents the key longer term result that the public body and the responsible minister will work towards to achieve a component of government's Strategic Directions. The statement also identifies the measures and indicators that will assist a public body and the public in monitoring and evaluating success.

The Livestock Owners Compensation Board has determined that an applicable mission statement would be unduly repetitive of its mandate. It has opted to forgo development of a mission statement at this time.

The Livestock Owners Compensation Board considered its role in assisting the Forestry and Agrifoods Agency in achieving its mission for the planning period. The Board has a role in facilitating opportunities for agricultural and agrifoods resource development and diversification by administering the livestock insurance program, thereby helping protect producers from financial insolvency. Aspects of the following general statement from the mission of the Agency related to agriculture and agrifoods sectors apply to the Board:

“By March 31, 2011, the Forestry and Agrifoods Agency will have: implemented programs necessary to sustain the province's forest ecosystems; identified and facilitated further opportunities for sustainable agriculture and agrifoods resource development; and optimized the benefits received from these resources.”

The Board has determined that it has no material impact on achievement of measures and indicators of the Forestry and Agrifoods Agency's mission statement.

The complete mission of the Forestry and Agrifoods Agency is found in its Strategic Plan for the period covering April 1, 2008 to March 31, 2011.

Objective

In consideration of the Strategic Direction of the Minister Responsible for the Forestry and Agrifoods Agency to work toward increased forestry, agrifoods and agriculture development and diversification over the planning period, as well as the mandate and financial resources of the Newfoundland and Labrador Livestock Owners Compensation Board, the following area has been identified as the key priority of the Board for the three year period April 1, 2008 to March 31, 2011. The objective below applies to each year covered by this plan and will be reported on in relevant annual reports.

Issue 1: Administered the Livestock Insurance Program

Objective: The Newfoundland and Labrador Livestock Owners Compensation Board will have processed applications under the Livestock Insurance Act.

Measure: Processed applications

Indicators:

- All applications registered
- All contracts issued
- All tagged livestock inspected
- All livestock claims inspected
- All claims reviewed by the Board
- Decisions communicated to applicants and indemnities paid

Appendix A: Strategic Directions

The Newfoundland and Labrador Livestock Owners Compensation Board considered the Strategic Directions of the Minister responsible for the Forestry and Agrifoods Agency in preparation of its April 1, 2008 to March 31, 2011 Activity Plan.

The focus of the Livestock Owners Compensation Board is on primary agricultural production. Easing the financial burden caused by livestock loss, the livestock insurance program helps ensure resources are available for future generations and helps ensure prospects for future development.

The following excerpt from the Forestry and Agrifoods Agency's Strategic Plan 2008-11 is relevant to the Newfoundland and Labrador Livestock Owners Compensation Board in the development of its activity plan. For a full list of the Strategic Directions of the Minister Responsible for the Forestry and Agrifoods Agency, please contact the Agency.

1. Title: Forestry, Agrifoods and Agriculture development and diversification

Outcome: Increased Forestry, Agrifoods and Agriculture development and diversification.

This outcome supports the policy direction of Government and requires systemic intervention by the Newfoundland and Labrador Livestock Owners Compensation Board in the following areas:

Strategic Direction Component (Focus Area)	This direction is ...	
	addressed in the entity's Activity Plan	not applicable
Access to farm capital		√
Primary agriculture production	√	
Value added and secondary production		√
Agriculture development and promotion		√
Research and development		√
Agricultural land development		√
Forest sector competitiveness		√