

The Short-term Hog Loan Regulations

Repealed

by [Saskatchewan Regulations 44/2011](#)
(effective June 23, 2011)

Formerly

[Chapter F-8.001 Reg 12](#) (effective January 13, 1999).

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER F-8.001 REG 12
The Farm Financial Stability Act

Title

- 1 These regulations may be cited as *The Short-term Hog Loan Regulations*.

Interpretation

- 2 In these regulations:

- (a) **“Act”** means *The Farm Financial Stability Act*;
- (b) **“breeding hog”** means a boar or gilt that:
 - (i) is owned and fed in Saskatchewan by the participant who applies for a loan;
 - (ii) weighs a minimum of 90 kilograms live weight;
 - (iii) is sold for breeding purposes; and
 - (iv) has not previously been included as a breeding hog by any participant on an application for a loan pursuant to these regulations;
- (c) **“consolidated loan amount”** means the total of the remaining principal amount of the loan and any outstanding accrued interest as at a date specified by the minister for the purpose of each commencement of a loan repayment and each change of method of loan repayment pursuant to subsection 7(1) or (3) or 8(1) or 9(1);
- (d) **“delivered”** means:
 - (i) in the case of a slaughter hog, delivery to a processing plant;
 - (ii) in the case of a breeding hog or weanling hog, delivery in accordance with the terms of the sale contract;
- (e) **“hog”** means any member of the genus species *Sus scrofa* L. (domestic hog);
- (f) **“mature hog”** means:
 - (i) a breeding hog; or
 - (ii) a slaughter hog;
- (g) **“participant”** means:
 - (i) an individual who:
 - (A) is 18 years of age or more;
 - (B) is named in a valid Saskatchewan Health Services card issued for the purposes of *The Saskatchewan Medical Care Insurance Act*;
 - (C) produces hogs in Saskatchewan; and

- (D) markets hogs during the relevant period; or
- (ii) a corporation, co-operative or partnership that:
 - (A) has its head office in Saskatchewan and, in the minister's opinion, carries on business principally in Saskatchewan;
 - (B) produces hogs in Saskatchewan; and
 - (C) markets hogs during the relevant period;
- (h) **"relevant period"** means the period commencing on November 1, 1998 and ending on May 29, 1999;
- (i) **"Saskatchewan average index"** means the grade received by Saskatchewan hog producers on slaughter hogs marketed through SPI;
- (j) **"Saskatchewan market price"** means the weekly average price per 100 kilograms for Index 100 slaughter hogs, as reported by SPI;
- (k) **"slaughter hog"** means any hog, other than a boar or sow, that:
 - (i) is owned and fed in Saskatchewan for a minimum of 100 days by the participant who applies for a loan; and
 - (ii) is sold to a processing plant;
- (l) **"SPI"** means the hog marketing group incorporated in Saskatchewan as SPI Marketing Group Inc.;
- (m) **"weanling hog"** means any hog that:
 - (i) is farrowed in Saskatchewan by a sow owned by the participant who applies for a loan;
 - (ii) weighs less than 27 kilograms live weight;
 - (iii) is sold for further feeding; and
 - (iv) has not previously been included as a weanling hog by any participant on an application for a loan pursuant to these regulations.

22 Jan 99 cF-8.001 Reg 12 s2.

Application

3(1) A participant who wishes to apply for a loan pursuant to these regulations must submit to the minister, in the form required by the minister:

- (a) an application that is completed in all respects, including the signing of any declarations that the minister may require;
- (b) any loan and security agreements that the minister considers necessary to ensure the repayment of any loan that may be made to the participant pursuant to these regulations;
- (c) a signed undertaking to comply with:
 - (i) subsection 6(2); and
 - (ii) subsection 7(6), if applicable;
- (d) if the participant markets hogs through SPI, a signed statement authorizing SPI to deduct and remit any loan repayments for the purposes of subsection 7(5); and

- (e) any other information that the minister may require to consider the application.
- (2) All applications must be received by the minister on or before July 5, 1999.

22 Jan 99 cF-8.001 Reg 12 s3.

Loan amount and terms of loan

4(1) Where the minister receives an application pursuant to section 3 and is satisfied that the participant has complied with these regulations, the minister may make a loan to the participant:

(a) for each mature hog delivered by the participant during the relevant period, in an amount equal to the lesser of:

- (i) \$40; and
- (ii) the amount P calculated in accordance with the following formula:

$$P = \$/\text{c}kg \times I/100 \times W/100 \times D$$

where:

\$/c/kg is \$130 per 100 kilograms less the Saskatchewan market price for the week in which the mature hog was delivered;

I is the Saskatchewan average index for slaughter hogs, being 106;

W is the average live weight for Saskatchewan slaughter hogs, being 110 kilograms; and

D is the dressing percentage to convert the average live weight to a carcass weight for slaughter hogs, being 79%; and

(b) \$10 for each weanling hog delivered by the participant in any week during the relevant period that the Saskatchewan market price is less than \$130 per 100 kilograms.

(2) The minister may impose any terms and conditions respecting the loan, including terms and conditions respecting repayment, that the minister considers appropriate or necessary, and the participant shall comply with those terms and conditions.

22 Jan 99 cF-8.001 Reg 12 s4.

Interest rates

5(1) Subject to subsection (3), every loan made pursuant to these regulations and every consolidated loan amount is to bear interest:

(a) in 1999, at a fixed rate determined in January 1999 by the Minister of Finance to represent the cost of borrowing by the Government of Saskatchewan for borrowing moneys for one year for the period ending on December 31, 1999; and

(b) from and after January 1, 2000, at a floating rate determined at the beginning of each month by the Minister of Finance to represent the cost of borrowing by the Government of Saskatchewan for that month.

(2) Interest on amounts advanced pursuant to section 6 is to be computed from the date of the advance.

(3) Where a participant is in default, as set out in section 10, on a loan made pursuant to these regulations, the loan, together with accrued interest, is to bear interest at a floating rate equal to the sum of:

- (a) the prime lending rate of the bank holding Saskatchewan's general revenue fund; and
- (b) 2%.

22 Jan 99 cF-8.001 Reg 12 s5.

Advances

6(1) The minister may make monthly advances to a participant on any loan approved pursuant to these regulations.

(2) To be eligible to receive monthly advances:

- (a) participants who market hogs through SPI during the relevant period shall authorize SPI to provide the minister with any information that the minister may require respecting hogs marketed by that participant; and
- (b) participants who market hogs otherwise than through SPI during the relevant period shall provide the minister directly with any information that the minister may require respecting hogs marketed by that participant.

(3) Where a participant is in default, as set out in section 10, on a loan made pursuant to these regulations, the minister may discontinue making advances on the loan to that participant, and no advance made pursuant to these regulations binds the minister to make further advances.

22 Jan 99 cF-8.001 Reg 12 s6.

Repayment - participants marketing mature hogs

7(1) Subject to subsections (2) to (4), when the Saskatchewan market price exceeds \$140 per 100 kilograms, every participant who received a loan for mature hogs pursuant to these regulations shall begin repaying the participant's consolidated loan amount with interest from each sale of mature hogs at the rate of one-third of the difference between:

- (a) the Saskatchewan market price; and
- (b) \$140 per 100 kilograms.

(2) Subject to subsections (3) and (4), if the Saskatchewan market price, after exceeding \$140 per 100 kilograms, drops to or below \$140 per 100 kilograms, the participants who received a loan for mature hogs pursuant to these regulations are temporarily relieved from making repayments on their consolidated loan amounts until the Saskatchewan market price again exceeds \$140 per 100 kilograms.

(3) Subject to subsection (4), effective March 31, 2000, participants who received a loan for mature hogs pursuant to these regulations shall repay their consolidated loan amounts with interest in monthly instalments, with the first instalment to be paid on April 30, 2000, in an amount equal to the greater of:

- (a) the amount that is to be repaid pursuant to subsection (1) for the month ending and that is calculated on all mature hogs delivered by the participant in that month; and
- (b) the sum of:

- (i) one thirty-sixth of the total of the participant's consolidated loan amount outstanding as at March 31, 2000; and
 - (ii) the accrued interest on the consolidated loan amount for the month ending.
- (4) All loan amounts and interest payable pursuant to these regulations must be paid in full on or before March 31, 2003.
- (5) A participant mentioned in subsection (1) who markets mature hogs through SPI shall authorize SPI to deduct repayments weekly from the participant's hog sale proceeds and remit the repayments to the minister.
- (6) A participant mentioned in subsection (1) who markets mature hogs otherwise than through SPI shall submit to the minister a monthly report of the participant's mature hog sales, in a form acceptable to the minister, and shall submit monthly repayments directly to the minister.

22 Jan 99 cF-8.001 Reg 12 s7.

Repayment - participants marketing weanling hogs

- 8(1) Every participant who received a loan for weanling hogs pursuant to these regulations shall repay the participant's consolidated loan amount with interest in monthly instalments, beginning on the earlier of:
- (a) the later of:
 - (i) June 1, 1999; and
 - (ii) the date on which participants who received loans for mature hogs begin repaying their loans pursuant to subsection 7(1); and
 - (b) April 30, 2000.
- (2) A participant mentioned in subsection (1) must pay the participant's consolidated loan amount with interest in full on the earlier of:
- (a) three years from the date on which the participant is to begin repaying the consolidated loan amount; and
 - (b) March 31, 2003.

22 Jan 99 cF-8.001 Reg 12 s8.

Repayment - participants who cease production

- 9(1) Notwithstanding sections 7 and 8, a participant who received a loan pursuant to these regulations but who ceases producing hogs and does not market hogs for a period of more than four consecutive months shall repay the participant's consolidated loan amount with interest in monthly instalments, beginning within 30 days after the expiration of that four-month period.
- (2) A participant mentioned in subsection (1) must pay the participant's consolidated loan amount with interest in full on the earlier of:
- (a) three years from the date on which the participant is to begin making monthly repayments of the consolidated loan amount pursuant to subsection (1); and
 - (b) March 31, 2003.

22 Jan 99 cF-8.001 Reg 12 s9.

Default

10(1) A participant is in default on a loan made pursuant to these regulations if:

- (a) the participant defaults with respect to any payment of principal or interest due on the loan;
 - (b) the participant fails to comply with any terms or conditions imposed on the loan by the minister;
 - (c) the participant fails to submit to the minister the information required pursuant to:
 - (i) clause 6(2)(b); or
 - (ii) subsection 7(6);
 - (d) after giving the participant an opportunity to be heard, the minister determines that the participant knowingly made a false or misleading statement on the application for the loan or on any form or in any information or document provided to the minister pursuant to these regulations; or
 - (e) any bankruptcy, receivership, reorganization, compromise, arrangement, insolvency or liquidation proceedings, or any other actions by or for the benefit of creditors, are instituted by or against the participant.
- (2) Where a participant is in default pursuant to subsection (1):
- (a) the principal remaining on the loan, together with accrued interest:
 - (i) becomes immediately due and payable to the Crown in right of Saskatchewan; and
 - (ii) bears interest at the rate mentioned in subsection 5(3); and
 - (b) the Crown in right of Saskatchewan may take any action authorized at law that it considers necessary:
 - (i) to effect collection of the principal and interest owing;
 - (ii) to obtain any additional security;
 - (iii) to realize on its security; or
 - (iv) to effect any compromise with, or grant any concession to, any participant or to any other person to the extent that it considers advisable.

22 Jan 99 cF-8.001 Reg 12 s10.

Waiver of default

11 Where a participant is in default, as set out in section 10, on a loan made pursuant to these regulations, the minister may waive the default on any terms and conditions that the minister considers appropriate.

22 Jan 99 cF-8.001 Reg 12 s11.

Early repayment

12 Notwithstanding any other provision of these regulations or any terms or conditions of the loan, a participant may repay a loan and interest in a greater amount or at an earlier time than that required by these regulations or the terms or conditions of the loan.

22 Jan 99 cF-8.001 Reg 12 s12.

