



An agency of the Government of Ontario

Grain Financial Protection Program

PRODUCER GUIDE

Program overview

The Grain Financial Protection Program protects producers who sell grains and oilseeds to licensed dealers, and producers or owners who store grains and oilseeds at licensed elevators.

All dealers and elevator operators must be licensed and make payments to producers and owners within specified timelines.

Licensing and inspections for dealers and elevators

Anyone who purchases canola, grain corn, soybeans or wheat from a producer, for any purpose other than personal use, must have a grain dealer licence. Any person who operates an elevator and stores grain other than their own must have a grain elevator operator licence.

Agricorp appoints a chief inspector to issue these licences. Agricorp also performs dealer and elevator inspections. These inspections ensure that dealers and elevator operators are in compliance with legislation, that producers receive payments for sold crops in a timely manner and that producers and owners receive their stored crops when requested.

This licensing and inspection process is funded by the Ontario Ministry of Agriculture, Food and Rural Affairs, by producers through their checkoff fees, and by dealers and elevator operators through their licensing fees.

Financial protection for producers and owners

Producers or owners who sell canola, grain corn, soybeans or wheat to licensed dealers, or who store these crops with licensed elevators, are financially protected if a licensed dealer or elevator does not meet their payment or storage obligations. A share of the checkoff fees that producers pay when they sell their crops to licensed dealers is put into a fund managed by the Grain Financial Protection Board. Producers or owners may submit a claim to the board to cover a portion of their loss.

Effective July 1, 2015, dealers and elevator operators will begin collecting check off fees for oats and barley. These are collected on behalf of the Grain Farmers of Ontario only. There are no financial protection funds available to oat and barley growers.

How it works

The following charts outline your responsibilities and those of your dealer or elevator operator.

Producers selling crops

Your responsibilities:

- Sell crops only to licensed dealers.
- Cash your cheques within five banking days of the date the cheque is made payable.
- Notify the chief inspector immediately by calling Agricorp at 1-888-247-4999 if the dealer fails to meet the required payment timelines (see below).

You can expect your dealer to:

- Hold and post a valid grain dealer licence in their establishment.
- Deduct your checkoff fees and remit them to the appropriate commodity organizations each month.
- Make payments to you within required payment timelines (see below).

Payment timelines

Sales upon delivery

Issued within 10 trading days or by the date specified in a deferred payment arrangement.

Sales out of storage

Issued by 2 p.m. on the fifth trading day after the sale or by the date specified in a deferred payment arrangement.

Basis contracts

A minimum of 60 per cent of the market price issued within required timelines, as per payment arrangement (e.g., deferred, upon delivery or out of storage).

Deferred payment arrangements

Written confirmation of any deferred payment arrangement received from the dealer within five trading days of the arrangement date.

Producers and owners storing crops

Your responsibilities:

- Store crops only at licensed elevator operators.
- Ensure that you receive weigh tickets for each delivery.
- Ensure that you receive a grain storage receipt within 45 trading days of delivery, or within five trading days of request.
- Ensure that your grain storage receipt is signed by the elevator operator and that it shows the expiry date, charges and any other arrangements you made with the elevator operator.
- Notify the chief inspector immediately by calling Agricorp at 1-888-247-4999 if the elevator operator fails to meet storage obligations.

You can expect your elevator operator to:

- Hold and post a valid grain elevator operator licence in their establishment.
- Issue a weigh ticket for each load of grain when you deliver the crop.
- Issue grain storage receipts within 45 trading days of first delivery, or within five trading days of request. Receipts must be signed by an authorized representative and show the expiry date, charges and any other arrangements you made.
- Release the grain to you upon request.

Always deal with licensed dealers and elevator operators. All licences must be posted. A list of licensed grain dealers and elevators is available on agricorp.com, or you can contact Agricorp at 1-888-247-4999.

Contact us

1-888-247-4999

Fax: 519-826-4118

TTY: 1-877-275-1380

Accessible formats available

agricorp.com

contact@agricorp.com

(Monday to Friday, 7 a.m. to 5 p.m.)

Version française disponible

The Grain Financial Protection Program is created under the legislative authority of the *Grains Act*, R.S.O. 1990, c. G.10, as amended and the *Farm Products Payments Act*, R.S.O. 1990, c. F.10, as amended, as well as the regulations made thereunder. These can be found on www.e-laws.gov.on.ca. Where there is any conflict between this document and the provisions specifically set out in the legislation, the legislation takes precedence. Errors and omissions excepted.

Making a claim

If your dealer or elevator operator does not meet their payment or storage obligations, notify the chief inspector immediately by calling Agricorp at 1-888-247-4999. Failure to notify Agricorp promptly could affect your claim eligibility.

The following chart shows the maximum coverage for producers or owners of canola, grain corn, soybeans or wheat, according to the length of a deferred payment arrangement, if applicable.

Coverage levels by length of deferred payment arrangement

Length of deferral*	Maximum coverage on approved claims
No deferral	95%
1 to 45 calendar days	50%
46 to 90 calendar days	40%
91 to 135 calendar days	30%
136 to 180 calendar days	20%
Over 180 calendar days	0

* Refers to length of deferral after the tenth trading day following sales on delivery, or after 2 p.m. on the fifth trading day following sales from storage.