

AGRI BUSINESS MEMBER UPDATE

*This Member Update is being distributed to all OABA Regular and
Branch Members in the Crop Inputs, Grain & Feed Sections.....*

December 17, 2010

Deferred Payments Now Permitted Under the Grains Act



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The Ontario Agri Business Association (OABA) and Grain Farmers of Ontario (GFO) are pleased with the recent changes that OMAFRA has made to the deferred payment regulations that are effective immediately. As a result of this regulatory change, it is "business as usual" in producer/elevator arrangements regarding deferred payments. This change in regulations provides relief from the "non compliance" status of deferred payment arrangements between elevators and producers through until **July 1, 2012**.

Elevators and producers entering into deferred payment arrangements will not be subject to compliance or enforcement activities by Agricorp. However, other provisions of the Grains Act will continue to be enforced. It is important to note that any deferred payment arrangements entered into going forward between a producer and elevator should not have a settlement date that extends beyond **July 1, 2012**.

OABA and GFO would like to thank the Minister of Agriculture, Food and Rural Affairs, Carol Mitchell, for her swift action in making the necessary regulatory change to facilitate deferred payments until a permanent solution is reached.

This regulatory change is a result of OABA's and GFO's shared success in raising the importance of this issue within OMAFRA and Agricorp, resulting in productive meetings and this short term resolution. Early in 2011, representatives from OABA and GFO will meet with Agricorp and OMAFRA again to develop a strategy for addressing this important business practice within the Grains Act with the intent to have this situation permanently resolved well in advance of the July 1, 2012 deadline. For more information, farmers are encouraged to contact Member Relations at GFO, Valerie Gilvesy (226-979-5581). Elevator operators/dealers should contact OABA (519-822-3004) for more information.

To view a copy of the Ontario Regulation 260/97 as amended on December 16, 2010, please [click here](#).

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