

Grains Act

R.S.O. 1990, CHAPTER G.10

Consolidation Period: From June 8, 2023 to the [e-Laws currency date](#).

Note: This Act is repealed on a day to be named by proclamation of the Lieutenant Governor. (See: 2023, c. 9, Sched. 30, s. 121)

Last amendment: 2023, c. 9, Sched. 30, s. 121.

Legislative History: 1994, c. 27, s. 23; 1996, c. 17, Sched. F; 1999, c. 12, Sched. A, s. 13; 2006, c. 19, Sched. A, s. 9; 2006, c. 19, Sched. C, s. 1 (1); 2009, c. 33, Sched. 1, s. 15; 2023, c. 9, Sched. 30, s. 121.

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Definitions

1 In this Act,

“Agency” means the corporation or agency designated by the Minister of Agriculture, Food and Rural Affairs; (“Agence”)

“agreement to sell” means a written agreement, made between a grain elevator operator and an owner of grain, for the sale of grain that is stored or to be stored; (“contrat de vente”)

“chief inspector” means the chief inspector appointed under this Act; (“inspecteur en chef”)

“dealer” means a person who purchases or accepts for sale grain from the producer, other than a person who purchases grain for the person’s own consumption; (“marchand”)

“grain” means barley, beans, corn, oats, oil seeds, wheat, mixed grains and any farm product designated in the regulations; (“grain”)

“grain elevator” means a building, container, structure or receptacle in which grain is received for storage, but does not include,

- (a) premises where a producer receives or stores grain as farm feed for the producer’s own livestock or poultry,
- (b) premises where a producer stores and sells grain actually produced by the producer, or
- (c) premises where a terminal, transfer or processor grain elevator is licensed under any Act of the Parliament of Canada; (“*élévateur à grains*”)

“grain elevator operator” means a person who operates a grain elevator; (“*exploitant d’élévateur à grains*”)

“grain storage receipt” means a receipt as prescribed by the regulations that is to be issued by a grain elevator operator or the operator’s authorized representative to the owner of grain; (“*récépissé d’entreposage de grains*”)

“licence” means a licence under this Act; (“*permis*”)

“regulations” means the regulations made under this Act; (“*règlements*”)

“stored”, when used with respect to grain, means placed in a grain elevator upon terms that the ownership shall remain in the owner of the grain until such time as the owner has sold the grain and has received due compensation or has removed the grain from the elevator, and “storage” has a corresponding meaning; (“*entreposé*”, “*entreposage*”)

“Tribunal” means the Agriculture, Food and Rural Affairs Appeal Tribunal continued under the *Ministry of Agriculture, Food and Rural Affairs Act*; (“*Tribunal*”)

“weigh ticket” means a receipt as prescribed by the regulations that is to be issued by a grain elevator operator or the operator’s employee to the owner of grain or the owner’s agent. (“*billet de pesée*”) R.S.O. 1990, c. G.10, s. 1; 1994, c. 27, s. 23 (1, 2); 1996, c. 17, Sched. F, s. 2; 1999, c. 12, Sched. A, s. 13.

Section Amendments with date in force (d/m/y)

1994, c. 27, s. 23 (1, 2) - 04/12/1994; 1996, c. 17, Sched. F, s. 1, 2 (1-3) - 01/04/1997; 1999, c. 12, Sched. A, s. 13 - 22/12/1999

Inspectors

2 (1) The Agency may appoint a chief inspector and such other inspectors as it considers necessary to enforce this Act and the regulations. 1996, c. 17, Sched. F, s. 3.

Certificate of appointment

(2) A certificate of appointment as an inspector purporting to be signed by an officer of the Agency is admissible in evidence as proof, in the absence of evidence to the contrary, of the appointment without further proof of the signature and authority of the officer. 1996, c. 17, Sched. F, s. 3.

Powers of inspector

(3) Subject to subsections (4), (5), (6) and (7), an inspector may, for the purpose of carrying out duties under this Act and upon producing a certificate of the inspector’s appointment,

- (a) enter any land, premises or conveyance used by a person for the marketing, processing or storing of grain and inspect the land, premises, and conveyance, and any grain, equipment or documents located on or in them relating to grain;
- (b) demand that the person produce a document mentioned in clause (a); and
- (c) obtain samples of the grain at the expense of the owner or custodian of it. 1996, c. 17, Sched. F, s. 3.

Entry of dwelling

(4) Except under the authority of a warrant under section 158 of the *Provincial Offences Act*, an inspector shall not enter any part of a dwelling without the consent of the occupant. R.S.O. 1990, c. G.10, s. 2 (4).

When powers to be exercised

(5) An inspector shall exercise his or her powers under subsection (3) at all reasonable times, but nothing in this section affects the issuance and execution of a warrant under section 158 of the *Provincial Offences Act*. R.S.O. 1990, c. G.10, s. 2 (5).

Production of records, etc.

(6) Where an inspector demands the production or furnishing of books, records or documents or extracts therefrom, the person having custody thereof shall produce or furnish them immediately to the inspector, and the inspector may remove and detain them for the purpose of making, or causing to be made, one or more copies thereof if such copies are made with

reasonable dispatch, and the inspector shall forthwith thereafter return them to the person who produced or furnished them. R.S.O. 1990, c. G.10, s. 2 (6).

Certification of copy

(7) Where a copy of a book, record, document or extract has been made under subsection (6), a copy purporting to be certified by the inspector to be a copy made under subsection (6) is admissible in evidence and has the same probative force as the original document would have if it were proven in the ordinary way. R.S.O. 1990, c. G.10, s. 2 (7).

Obstruction of inspector

(8) No person shall hinder or obstruct an inspector in the course of his or her duties or furnish the inspector with false information or refuse to furnish the inspector with information. R.S.O. 1990, c. G.10, s. 2 (8).

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 3 - 01/04/1997

Licences

3 (1) No person shall carry on business as a dealer unless the person holds a licence as a dealer issued by the chief inspector. 1996, c. 17, Sched. F, s. 4.

Same, grain elevator operator

(1.1) No person shall receive or offer to receive grain for storage at a grain elevator or operate a grain elevator unless the person holds a licence as a grain elevator operator issued by the chief inspector in respect of the grain elevator. 1996, c. 17, Sched. F, s. 4.

Application for licence

(2) A person shall make a separate application and obtain a separate licence for each different location on which a grain elevator is operated unless the person meets the requirements set out in subsection (3), in which case, one application, or such other number of applications as the chief inspector considers appropriate, may be made. R.S.O. 1990, c. G.10, s. 3 (2).

Licence for whole operation

(3) Despite subsection (2), where a grain elevator operator,

- (a) operates grain elevators at more than one location; and
- (b) maintains a collective storage position based on grain storage receipts issued from a central office,

the chief inspector may issue one licence, or such other number of licences as the chief inspector considers appropriate, in respect of the total operation. R.S.O. 1990, c. G.10, s. 3 (3).

Licence may be transferred

(4) A licence may be transferred, subject to the approval of the chief inspector and on such terms and conditions as he or she may impose, on the application of the transferee. R.S.O. 1990, c. G.10, s. 3 (4).

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 4 - 01/04/1997

4 REPEALED: 1996, c. 17, Sched. F, s. 5.

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 5 - 01/04/1997

Issue of licence

5 (1) The chief inspector shall issue a licence to a person who makes an application in accordance with this Act and the regulations and pays the fee specified for the licence, except if,

- (a) the applicant or, if the applicant is a corporation, its officers or directors, is or are not competent to carry on the business to which the licence relates;
- (b) the past conduct of the applicant or, where the applicant is a corporation, of its officers or directors affords reasonable grounds for belief that the business will not be carried on in accordance with the law or with integrity and honesty;
- (c) the applicant does not possess or will not have available all premises, facilities and equipment necessary to carry on the business in accordance with this Act and the regulations;

- (d) the applicant is not in a position to observe or carry out the provisions of this Act and the regulations;
- (e) the applicant was previously the holder of a licence and,
 - (i) such licence was revoked, or
 - (ii) the applicant or, where the applicant is a corporation, any officer, servant or director thereof or any person who will be in any way associated with the applicant in connection with the business was convicted of an offence, under this Act, and the grounds for such revocation or conviction warrant a refusal to issue the licence; or
- (f) having regard to the applicant's financial position, the applicant cannot reasonably be expected to be financially responsible in the conduct of the business. R.S.O. 1990, c. G.10, s. 5 (1); 1996, c. 17, Sched. F, s. 6 (1, 2).

Fees

(1.1) The Agency may establish and collect licence fees and penalties for late payment of licence fees. 1996, c. 17, Sched. F, s. 6 (3).

Terms and conditions

(2) A licence issued under subsection (1) may be made subject to such terms and conditions as are prescribed in the licence or by the regulations. R.S.O. 1990, c. G.10, s. 5 (2).

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 6 (1-3) - 01/04/1997

Temporary licence

6 The chief inspector may issue a temporary licence to an applicant on such terms and conditions and for such length of time as the chief inspector considers proper where he or she is of the opinion that,

- (a) the applicant requires only a temporary licence;
- (b) conditions should be imposed on an applicant that must be fulfilled prior to a licence being issued; or
- (c) the circumstances or the information provided by the applicant do not justify the issuance of a licence. R.S.O. 1990, c. G.10, s. 6.

Review of licence

7 (1) Subject to section 10, the chief inspector may at any time review a licence on his or her own initiative and attach such further terms and conditions as he or she considers proper to give effect to the purposes of this Act. R.S.O. 1990, c. G.10, s. 7 (1).

Removal of terms and conditions

(2) The chief inspector may, on the application of a licensee, remove any terms or conditions to which the licence was made subject under subsection (1) where there is a change of circumstances. R.S.O. 1990, c. G.10, s. 7 (2).

Report of change

8 Every holder of a licence as a grain elevator operator shall forthwith report in writing to the chief inspector where there has been a change,

- (a) in the location of the banking facilities of the licensee;
- (b) in the nature or form of the ownership of the grain storage elevator in respect of which the licence has been issued;
- (c) in the control of the grain elevator or of the business operations thereof; and
- (d) in the persons authorized to sign a grain storage receipt or an agreement to sell. R.S.O. 1990, c. G.10, s. 8; 1996, c. 17, Sched. F, s. 7.

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 7 - 01/04/1997

Refusal to issue or approve transfer of licence

9 (1) Subject to section 10, the chief inspector may refuse to issue or refuse to approve the transfer of a licence where, in the opinion of the chief inspector, the applicant is not entitled to a licence under the provisions of this Act and the regulations applicable to such refusal. R.S.O. 1990, c. G.10, s. 9 (1).

Refusal to renew, suspension or revocation

(2) Subject to section 10, the chief inspector may refuse to renew or may suspend or revoke a licence issued under section 5 or 6 where,

- (a) any ground exists that would disentitle the applicant to the issuance of a licence under section 5;
- (b) the licensee is in contravention of a term or condition of the licensee's licence;
- (c) the licensee, or anyone under the licensee's control, has contravened any provision of this Act or the regulations or of any other law in force in Ontario that applies to the carrying on of the business to which the licence relates; or
- (d) any other ground for refusal to renew, suspension or revocation specified in the regulations exists. R.S.O. 1990, c. G.10, s. 9 (2); 1996, c. 17, Sched. F, s. 8.

Continuation of licence pending renewal

(3) Where, within the time prescribed therefor, or if no time is prescribed, before expiry of the licensee's licence, a licensee has applied for a renewal of the licence and paid the prescribed fee and observed or carried out the provisions of the Act and the regulations, the existing licence shall be deemed to continue until the licensee has received the decision of the chief inspector on the application for renewal. R.S.O. 1990, c. G.10, s. 9 (3).

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 8 - 01/04/1997

Notice of proposal

10 (1) Where the chief inspector proposes,

- (a) to refuse to issue a licence, to refuse to renew a licence or to refuse to approve the transfer of a licence;
- (b) to suspend or revoke a licence; or
- (c) to attach terms and conditions to a licence or to refuse to remove a term or condition of a licence under subsection 7 (2),

the chief inspector shall serve notice of the proposal, together with written reasons therefor, on the applicant or licensee affected. R.S.O. 1990, c. G.10, s. 10 (1).

Notice of entitlement to hearing

(2) A notice under subsection (1) shall inform the applicant or licensee that the applicant or licensee is entitled to a hearing by the chief inspector if the applicant or licensee mails or delivers to the chief inspector, within fifteen days after the notice under subsection (1) is served notice in writing requiring a hearing by the chief inspector and the applicant or licensee may so require such a hearing. R.S.O. 1990, c. G.10, s. 10 (2).

Opportunity to comply

(3) The notice under subsection (1) shall afford to the applicant or licensee a reasonable opportunity to show or achieve compliance before the hearing with all lawful requirements for the issuance or retention of the licence. R.S.O. 1990, c. G.10, s. 10 (3).

Examination of documentary evidence

(4) An applicant or licensee who is a party to the hearing shall be afforded an opportunity to examine before the hearing any documentary evidence that will be produced or any report the contents of which will be given in evidence at the hearing. R.S.O. 1990, c. G.10, s. 10 (4).

Powers of chief inspector where no hearing

(5) Where an applicant or licensee does not require a hearing by the chief inspector in accordance with subsection (2), the chief inspector may carry out the proposal stated in the notice under subsection (1). R.S.O. 1990, c. G.10, s. 10 (5).

Suspension or refusal to renew

11 (1) Despite section 10, the chief inspector may, without a hearing, provisionally suspend or refuse to renew a licence if in the chief inspector's opinion it is necessary to do so for the immediate protection of,

- (a) the safety or health of any person;
- (b) the interests of persons selling grain to the licensee or storing grain with the licensee; or
- (c) a fund for producers of grain established under the *Farm Products Payments Act*. 1996, c. 17, Sched. F, s. 9.

Hearing required

(2) Notice of suspension or refusal to renew under subsection (1), together with the reasons therefor, shall be given forthwith to the licensee and, as soon as is practicable thereafter, the chief inspector shall hold a hearing to determine whether the licence should be further suspended or revoked or whether renewal of the licence should be refused. R.S.O. 1990, c. G.10, s. 11 (2).

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 9 - 01/04/1997

Variation of decision by chief inspector

12 Where the chief inspector has refused to issue, refused to approve a transfer of or refused to renew or has suspended or revoked a licence after a hearing, the chief inspector may, at any time of his or her own motion or on the application of the person who was the applicant or licensee, vary or rescind his or her decision, but the chief inspector shall not vary or rescind the decision adversely to the interests of any person without holding a rehearing to which such person is a party and may make such decision after the rehearing as the chief inspector considers proper under this Act and the regulations. R.S.O. 1990, c. G.10, s. 12.

Appeal to Tribunal

13 (1) Where the chief inspector refuses to issue, refuses to approve a transfer of, refuses to renew or suspends or revokes a licence, the applicant or licensee may, by written notice delivered to the chief inspector and filed with the Tribunal within fifteen days after receipt of the decision of the chief inspector, appeal to the Tribunal. R.S.O. 1990, c. G.10, s. 13 (1); 1994, c. 27, s. 23 (3); 2006, c. 19, Sched. A, s. 9 (1).

Extension of time for giving notice

(2) The Tribunal may extend the time for giving notice by an applicant or licensee under subsection (1), either before or after expiration of such time, where it is satisfied that there are apparent grounds for appeal and that there are reasonable grounds for applying for the extension. R.S.O. 1990, c. G.10, s. 13 (2); 1994, c. 27, s. 23 (3); 2006, c. 19, Sched. A, s. 9 (2).

Powers of Tribunal

(3) Where an applicant or licensee appeals to the Tribunal under this section, the Tribunal shall hear the appeal by way of a new hearing to determine whether the licence should be issued, renewed, suspended or revoked and may after the hearing confirm or alter the decision of the chief inspector or direct the chief inspector to do any act he or she is authorized to do under this Act and the regulations and as the Tribunal considers proper and, for such purpose, the Tribunal may substitute its opinion for that of the chief inspector. R.S.O. 1990, c. G.10, s. 13 (3); 1994, c. 27, s. 23 (3); 2006, c. 19, Sched. A, s. 9 (2).

Effect of decision pending disposal of appeal

(4) Although an applicant or licensee has appealed under this section from a decision of the chief inspector, unless the chief inspector otherwise directs, the decision of the chief inspector is effective until the appeal is disposed of. R.S.O. 1990, c. G.10, s. 13 (4).

Section Amendments with date in force (d/m/y)

1994, c. 27, s. 23 (3) - 04/12/1994

2006, c. 19, Sched. A, s. 9 (1, 2) - 22/06/2006

Parties

14 (1) The chief inspector, the appellant and such other persons as the Tribunal may specify are parties to the proceedings before the Tribunal under this Act. R.S.O. 1990, c. G.10, s. 14 (1); 1994, c. 27, s. 23 (3); 2006, c. 19, Sched. A, s. 9 (1).

Members making decision not to have taken part in investigation, etc.

(2) Members of the Tribunal assigned to render a decision after a hearing shall not have taken part prior to the hearing in any investigation or consideration of the subject-matter of the hearing and shall not communicate directly or indirectly in relation to the subject-matter of the hearing with any party or representative of the party except upon notice to and opportunity for all parties to participate, but such members may seek legal advice from an advisor independent from the parties and, in such case, the nature of the advice should be made known to the parties in order that they may make submissions as to the law. R.S.O. 1990, c. G.10, s. 14 (2); 1994, c. 27, s. 23 (3); 2006, c. 19, Sched. A, s. 9 (1).

Recording of evidence

(3) The oral evidence taken before the Tribunal at a hearing shall be recorded and, if so required, copies of a transcript thereof shall be furnished upon the same terms as in the Superior Court of Justice. R.S.O. 1990, c. G.10, s. 14 (3); 1994, c. 27, s. 23 (3); 2006, c. 19, Sched. A, s. 9 (1); 2006, c. 19, Sched. C, s. 1 (1).

Findings of fact

(4) The findings of fact of the Tribunal pursuant to a hearing shall be based exclusively on evidence admissible or matters that may be noticed under sections 15 and 16 of the *Statutory Powers Procedure Act*. R.S.O. 1990, c. G.10, s. 14 (4); 1994, c. 27, s. 23 (3); 2006, c. 19, Sched. A, s. 9 (3).

Only members present at hearing to participate in decision

(5) No member of the Tribunal shall participate in a decision of the Tribunal after a hearing unless the member was present throughout and heard the evidence and argument of the parties and, except with the consent of the parties, no decision of the Tribunal shall be given unless all members so present participate in the decision. R.S.O. 1990, c. G.10, s. 14 (5); 1994, c. 27, s. 23 (3); 2006, c. 19, Sched. A, s. 9 (1).

Section Amendments with date in force (d/m/y)

1994, c. 27, s. 23 (3) - 04/12/1994

2006, c. 19, Sched. A, s. 9 (1, 3) - 22/06/2006; 2006, c. 19, Sched. C, s. 1 (1) - 22/06/2006

Appeal to Divisional Court

15 (1) Any party to the hearing before the Tribunal may appeal from the decision of the Tribunal to the Divisional Court. R.S.O. 1990, c. G.10, s. 15 (1); 1994, c. 27, s. 23 (3); 2006, c. 19, Sched. A, s. 9 (1).

Agency entitled to be heard

(2) The Agency is entitled to be heard, by counsel or otherwise, upon the argument of an appeal under this section. R.S.O. 1990, c. G.10, s. 15 (2); 1996, c. 17, Sched. F, s. 10.

Record to be filed in court

(3) The chair of the Tribunal shall file with the Divisional Court the record of the proceedings before the Tribunal which, together with a transcript of the evidence before the Tribunal if it is not part of the Tribunal's record, shall constitute the record in the appeal. R.S.O. 1990, c. G.10, s. 15 (3); 1994, c. 27, s. 23 (3); 2006, c. 19, Sched. A, s. 9 (1).

Powers of court on appeal

(4) An appeal under this section may be made on any question that is not a question of fact alone and the court may confirm or alter the decision of the Tribunal or direct the chief inspector to do any act he or she is authorized to do under this Act or may refer the matter back to the Tribunal for reconsideration by the Tribunal as the court considers proper and the court may substitute its opinion for that of the chief inspector or of the Tribunal. R.S.O. 1990, c. G.10, s. 15 (4); 1994, c. 27, s. 23 (3); 2006, c. 19, Sched. A, s. 9 (1).

Effect of decision of Tribunal pending appeal

(5) Although an applicant or licensee has appealed under this section from a decision of the Tribunal, unless the Tribunal otherwise directs, the decision of the Tribunal is effective until the appeal is disposed of. R.S.O. 1990, c. G.10, s. 15 (5); 1994, c. 27, s. 23 (3); 2006, c. 19, Sched. A, s. 9 (4).

Section Amendments with date in force (d/m/y)

1994, c. 27, s. 23 (3) - 04/12/1994; 1996, c. 17, Sched. F, s. 10 - 01/04/1997

2006, c. 19, Sched. A, s. 9 (1, 4) - 22/06/2006

Delivery deemed to be for storage

16 (1) All grain delivered to a grain elevator shall be deemed to be for storage and such delivery and storage shall not constitute a sale unless it is established to the contrary in writing. R.S.O. 1990, c. G.10, s. 16 (1); 1996, c. 17, Sched. F, s. 11 (1).

Title to grain

(2) Despite any other Act, the property in and the title to grain stored in a grain elevator remains at all times in the owner of the grain. 1996, c. 17, Sched. F, s. 11 (2).

Notice to chief inspector

(3) Every person who intends to take control of a grain elevator or the business operations of a grain elevator operator shall notify orally the office of the chief inspector of such intention and the location of the grain elevator prior to taking control of the grain elevator or business operations. R.S.O. 1990, c. G.10, s. 16 (3).

Entry by chief inspector

(4) Every person who has taken control of a grain elevator or the business operations of a grain elevator operator shall permit the chief inspector to enter the premises and ascertain the amount of grain that is stored on the premises. 1996, c. 17, Sched. F, s. 11 (2).

Removal

(5) The chief inspector may authorize and direct the removal of any or all of the grain. 1996, c. 17, Sched. F, s. 11 (2).

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 11 (1, 2) - 01/04/1997

Weigh ticket

17 (1) The owner of grain or the owner's agent who delivers grain to a grain elevator shall state whether the grain is for storage, is sold or is for any other specified use. 1996, c. 17, Sched. F, s. 12 (1).

Marking use

(1.1) The grain elevator operator or the operator's employee shall issue to the owner or agent, as the case may be, a weigh ticket for every delivery and mark the use of the grain on the ticket. 1996, c. 17, Sched. F, s. 12 (1).

Grain storage receipt

(2) Where a grain elevator operator or the operator's employee issues weigh tickets in respect of grain delivered for storage, the grain elevator operator or the operator's authorized representative shall issue a grain storage receipt within five days, if requested, but in no case later than forty-five days, after the date of the first weigh ticket issued respecting the particular lot of grain delivered for storage. R.S.O. 1990, c. G.10, s. 17 (2); 1996, c. 17, Sched. F, s. 12 (2).

Receipt prevails

(3) When issued, a grain storage receipt supersedes and replaces all weigh tickets issued in respect of the particular lot of grain described in the grain storage receipt. 1996, c. 17, Sched. F, s. 12 (3).

One receipt only

(4) No person shall issue or receive more than one grain storage receipt in respect of the same lot of grain delivered. 1996, c. 17, Sched. F, s. 12 (3).

Signing of receipt

(5) No person shall sign a grain storage receipt on behalf of a grain elevator operator, except a person authorized by the operator. R.S.O. 1990, c. G.10, s. 17 (5).

Delivery of receipt

(6) Where a grain elevator operator issues a grain storage receipt, the operator shall ensure that the receipt is forthwith delivered or forwarded to the owner of the grain. R.S.O. 1990, c. G.10, s. 17 (6); 1996, c. 17, Sched. F, s. 12 (4).

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 12 (1-4) - 01/04/1997

Agreement to sell

18 (1) An agreement to sell shall be in the form prescribed by the regulations. R.S.O. 1990, c. G.10, s. 18 (1).

Title to grain

(2) The property in and title to grain that is in storage and is subject to an agreement to sell remains in the owner of the grain until the owner has received the price agreed upon by the owner and the grain elevator operator. 1996, c. 17, Sched. F, s. 13.

Payment

(3) If the owner of grain in storage has sold it to the grain elevator operator or through the grain elevator operator as the owner's agent to any other person, the grain elevator operator shall ensure that the owner receives payment as promptly and in such manner as is specified in the regulations. 1996, c. 17, Sched. F, s. 13.

Delayed price sale

(4) Despite anything in this Act, if the owner of grain in storage agrees to sell it through a basis or delayed price contract, payment to the owner by the grain elevator operator of the percentage of the market price that is prescribed by the regulations shall be deemed to be due compensation for the purposes of the definition of “stored” in section 1. 1996, c. 17, Sched. F, s. 13; 2009, c. 33, Sched. 1, s. 15 (1).

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 13 - 01/04/1997

2009, c. 33, Sched. 1, s. 15 (1) - 15/12/2009

Records

19 (1) No person shall issue a weigh ticket or grain storage receipt or sign an agreement to sell without making and keeping a complete record of all matters pertaining thereto. R.S.O. 1990, c. G.10, s. 19 (1).

Weigh ticket

(2) Every grain elevator operator shall keep copies of all weigh tickets issued by the operator or the operator’s employee in a separate account for each owner until such time as a grain storage receipt is issued that replaces the full amount of the weigh tickets held in a separate account for that owner. R.S.O. 1990, c. G.10, s. 19 (2).

Insurance

20 (1) Every grain elevator operator shall insure and keep insured with an insurer licensed under the *Insurance Act* all grain in the operator’s grain elevator or stored by the grain elevator operator on unlicensed premises against loss or damage by fire, lightning, explosion, windstorm and hail to the full market value of the grain. R.S.O. 1990, c. G.10, s. 20 (1); 1996, c. 17, Sched. F, s. 14 (1).

Payment of proceeds

(2) Every contract of insurance obtained under subsection (1) shall provide that the proceeds of the contract are payable to the holders of grain storage receipts or weigh tickets for grain stored in the elevator as their interests may respectively appear in priority to any claim by the grain elevator operator or any person acting as assignee or representative of the grain elevator operator. R.S.O. 1990, c. G.10, s. 20 (2); 1996, c. 17, Sched. F, s. 14 (2).

Certificate of insurance

(3) Every grain elevator operator shall furnish to the chief inspector a certificate showing the insurance coverage mentioned in subsection (1) forthwith after the coverage comes into force. 1996, c. 17, Sched. F, s. 14 (3).

Consent of chief inspector to payment

(4) Every contract of insurance obtained under subsection (1) shall provide that payment thereunder in respect of the grain shall not be made without the consent of the chief inspector. R.S.O. 1990, c. G.10, s. 20 (4); 1996, c. 17, Sched. F, s. 14 (4).

Notice to chief inspector

(5) Where any loss or damage referred to in subsection (1) occurs, the grain elevator operator shall so notify the chief inspector forthwith. R.S.O. 1990, c. G.10, s. 20 (5).

Statement of value of grain

(6) Every grain elevator operator shall provide to the chief inspector in such form and at such times as the chief inspector requires a statement setting out the full market value of all of the grain currently in the operator’s grain elevator or stored by the operator on unlicensed premises. R.S.O. 1990, c. G.10, s. 20 (6); 1996, c. 17, Sched. F, s. 14 (5).

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 14 (1-5) - 01/04/1997

Storage not to exceed capacity

21 (1) Subject to subsections (2) and (3), no grain elevator operator shall receive for storage grain that will cause the operator to exceed the storage capacity of the elevator as indicated on the operator’s application for a licence. R.S.O. 1990, c. G.10, s. 21 (1); 1996, c. 17, Sched. F, s. 15 (1).

Storage in another elevator

(2) A grain elevator operator who contracts for storage facilities with another grain elevator operator licensed under this Act or any Act of the Parliament of Canada may store in the facilities grain received for storage at the operator's own elevator. 1996, c. 17, Sched. F, s. 15 (2).

Storage in additional facilities

(3) Where a grain elevator operator arranges for additional storage facilities as provided for in subsection (2), the operator shall obtain weigh tickets and a grain storage receipt for grain stored in the additional facilities and shall keep on file copies of all such weigh tickets and grain storage receipts. R.S.O. 1990, c. G.10, s. 21 (3); 1996, c. 17, Sched. F, s. 15 (3).

Storage on unlicensed premises

(4) With the written consent of the chief inspector, a grain elevator operator may store grain on unlicensed premises on the conditions that the chief inspector determines. 1996, c. 17, Sched. F, s. 15 (4).

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 15 (1-4) - 01/04/1997

Correspondence to receipts

22 Every grain elevator operator shall have at all times in the operator's grain elevator or in storage facilities arranged under subsection 21 (2) or (4) amounts of grain of each kind and grade that at least equal the total amounts of outstanding grain storage receipts and weigh tickets issued by the operator. 1996, c. 17, Sched. F, s. 16.

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 16 - 01/04/1997

Shortfall permit

23 Despite section 22, a permit for a shortfall position may be issued by the chief inspector, subject to such terms and conditions as may be prescribed in the regulations. R.S.O. 1990, c. G.10, s. 23.

No lien

24 Unless it is agreed in writing to the contrary, grain stored in a grain elevator is not subject to any lien, charge or set-off other than for charges related to the storage and handling of the grain, including storage charges, elevation charges, conditioning charges, transportation charges and advance payments respecting the grain. 1996, c. 17, Sched. F, s. 17.

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 17 - 01/04/1997

Non-application

25 The *Warehouse Receipts Act* and section 2 of the *Factors Act* do not apply to grain in the possession of a grain elevator operator for storage or to a document of title to the grain. 1996, c. 17, Sched. F, s. 18.

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 18 - 01/04/1997

Powers of chief inspector

26 (1) Where the chief inspector believes that it is necessary for the protection of the interests of the owners of grain, and in particular, and without limiting the generality of the foregoing, the chief inspector believes that,

- (a) a grain elevator operator has failed to comply with any provision of this Act or the regulations;
- (b) a grain elevator operator is insolvent or is in receivership or is about to become insolvent or enter into receivership;
- (c) a grain elevator operator has abandoned an elevator; or
- (d) a grain elevator operator is in contravention of section 22,

the chief inspector may,

- (e) order the operation of a grain elevator to cease until the actual amount of grain in storage can be ascertained and, for such purpose, cause any storage bins to be sealed;
- (f) seize the grain wherever it is located or such quantity of it as is necessary to protect the interests of the owners of the stored grain;

- (g) remove the grain seized under clause (f) from a grain elevator and arrange for its storage in another licensed grain elevator;
- (h) distribute the stored grain to the owners on a proportionate basis;
- (i) sell the seized grain or a sufficient quantity of it to protect the interests of the grain owners and distribute the proceeds of the sale of the grain proportionately among the owners; and
- (j) insure the grain with an insurer licensed under the *Insurance Act* as trustee for the grain owners. R.S.O. 1990, c. G.10, s. 26; 1996, c. 17, Sched. F, s. 19 (1, 2).

Receipt for stored grain

(2) Upon arranging for the storage of grain in another licensed grain elevator under clause (1) (g), the chief inspector shall obtain grain storage receipts from the operator of the grain elevator in the name of the owners of the grain. 1996, c. 17, Sched. F, s. 19 (3).

Section Amendments with date in force (d/m/y)

1996, c. 17, Sched. F, s. 19 (1-3) - 01/04/1997

Offence

27 Every person who,

- (a) knowingly furnishes false information in any application under this Act or in any statement to be furnished under this Act or the regulations; or
- (b) contravenes any provision of this Act or the regulations, or any order of the chief inspector under clause 26 (e) or breaks or removes any seal applied to a storage bin under clause 26 (e),

is guilty of an offence and on conviction is liable to a fine of not more than \$10,000 for a first offence and to a fine of not more than \$25,000 or to a term of imprisonment of not more than one year for any subsequent offence. R.S.O. 1990, c. G.10, s. 27.

Regulations

28 (1) Subject to the approval of the Minister of Agriculture, Food and Rural Affairs, the Agency may make regulations,

- (a.01) designating any farm product as grain for the purpose of this Act;
- (a.02) prescribing the powers of inspectors;
 - (a) providing for the manner of issuing licences and prescribing their duration;
 - (b) prescribing the terms and conditions under which licences and shortfall permits may be issued;
 - (c) requiring dealers or any class of dealers to furnish security or proof of financial responsibility to the chief inspector and providing for the forfeiture and disposition of security that is furnished;
- (c.1) requiring dealers or operators of grain elevators or any class of them to keep the books and records, to make the reports or to furnish the information specified in the regulations;
- (d) prescribing the information that shall be shown on a grain storage receipt and on a weigh ticket;
- (e) requiring that grain storage receipts be on serialized paper approved by the Ministry of Agriculture, Food and Rural Affairs;
- (f) prescribing standards for the establishment and operation of all premises, facilities and equipment used in a grain elevator;
- (g) prescribing the methods for taking grain samples;
- (h) prescribing the form, terms and conditions of an agreement to sell;
- (i) REPEALED: 1996, c. 17, Sched. F, s. 20 (6).
- (j) prescribing services or acts that the chief inspector may perform at any time to protect grain or deal with the proceeds from the sale of grain delivered for storage to a grain elevator;
- (k) prescribing the time and manner in which payment shall be made for grain sold;
- (l) prescribing a percentage for the purposes of subsection 18 (4);

(m) exempting any person, class of person, grain or class of grain from any provision of this Act or the regulations. R.S.O. 1990, c. G.10, s. 28; 1994, c. 27, s. 23 (4, 5); 1996, c. 17, Sched. F, s. 20 (1-7); 2009, c. 33, Sched. 1, s. 15 (2).

(2) REPEALED: 1996, c. 17, Sched. F, s. 20 (8).

Section Amendments with date in force (d/m/y)

1994, c. 27, s. 23 (4-6) - 09/12/1994; 1996, c. 17, Sched. F, s. 20 (1-8) - 01/04/1997

2009, c. 33, Sched. 1, s. 15 (2) - 15/12/2009

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