



AN OVERVIEW OF THE NATIONAL GROWER REGISTER

BACKGROUND

In late 1996, the Grains Council of Australia was approached by representatives of the Bulk Handling Companies (BHC's) seeking GCA support for development and implementation of a National Grower Registration System. This initial approach was made by the BHC Grain Industry Information Exchange Group (GIIEG) which comprises representatives of all the Australian BHC's.

The submission proposed the streamlining and standardisation of information flow across the grain industry using electronic data systems. This would not only incorporate statutory marketers and BHC's but also embrace the private trade, therefore bringing advantages to growers through streamlined administrative arrangements.

This idea was further developed and progressed by GIIEG and GCA. In March 1997, the GCA resolved:

“the GCA support in principle the National Grower Registration Card provided that it benefits growers and any information is not used for other motives. The GCA will request the BHC's to progress this initiative.”

In May 1997, GCA reaffirmed this in-principle support and a request for a detailed strategy for implementation was made to GIIEG. This was undertaken and in June 1997, the GCA formally endorsed adoption of the National Grower Registration system pending support of the major marketers and BHC's in Australia. Accordingly, a joint Project Steering Committee comprising representation from all sectors of the Industry was established to further progress this policy decision.

GIIEG was used as the vehicle for the Steering Committee with representation being broadened from the original membership of BHC's to include statutory marketers, end-users (flour millers and maltsters) and trading and marketing groups. This Steering Committee prioritised two key projects:

- establishment of uniform electronic data interfaces (EDI) which is now virtually complete, and
- Establishment of a National Grower Register.

In order to progress the project related to the development of the NGR, a membership group of those prepared to commit funding was formed and became known as the NGR Management Group (signed Agreement). This group initially numbered 8. However, with merging of Vicgrain Limited and GrainCorp Operations Limited and the financial distress of the NSW Grains Board, this group reduced to 6.

These were:

- ❖ ABB Grain Limited
- ❖ AWB Limited
- ❖ AusBulk Ltd
- ❖ Co-operative Bulk Handling Limited
- ❖ Grainco Australia Limited
- ❖ GrainCorp Operations Limited

In September 2001 AWB surprisingly withdrew from the NGR. In January 2002, ABB Grain then notified that it also was withdrawing from the NGR. Co-operative Bulk Handling Limited also withdrew in March 2002 to concentrate on the merger with The Grain Pool of WA.



BENEFITS

The project is seen to benefit the broad cross section of the Industry. In particular the following benefits have been identified:

- improved services to pay farmers, particularly those with share farming arrangements
- simplification of the current multiple card system. On-going deregulation of the marketing systems has led and will continue to lead to a plethora of cards
- administrative efficiencies for Marketers and Bulk Handling Companies
- standardises data transfer processes and formats
- supports the current market and includes probable future changes related to increasing deregulation and communication requirements

NGR PTY LTD

A company, National Grower Register Pty Ltd, to be owned by the 2 remaining shareholders, was formed. A web site www.ngr.com.au was also established. On signing of a shareholders agreement, the two members were issued with shares in this entity and the company structure and location formalised. The company utilised loans from these founding members to develop the NGR system and establish the call centre. These loans will be paid back over a seven-year period.

THE REGISTRATION SYSTEM

The system has been modified to cater for the individual registration requirements for the Industry. The database contains contact, tax and financial details for each grower and for each partnership arrangement they are associated with. Each partnership arrangement is allocated a randomly generated unique number. In early May, grain growers and their sharefarmers who have been marketing or delivering grain through any of the three organisations that have come together to form NGR, will receive a mail pack including details about the NGR and a pre-printed registration form/s. The details printed on the registration form/s have come from registrations previously held with one or more of the involved organisations. Individuals receiving the forms will be asked to check the details, correct the information, decide if they wish to merge registrations, obtain details of other payees (for sharefarming arrangements), obtain all the necessary signatures and return the form/s to the NGR. On receipt of the verified form, the information will be processed. The card/s applicable to each registration will then be posted to each principal and will become useable from September 2002. NGR cards will incorporate magnetic strips, bar codes and embossing. This means they will be compatible with all card identification machines being used at grain depots throughout Australia. Where needed NGR cards can be manually processed.

Users of the system are able to access data in the system via a web based download facility. Files are provided in xml format and may easily be transferred to a spreadsheet. Downloads may be timetabled daily or less frequently and will provide information on any new or altered listings since the last download.

THE CALL CENTRE

The call centre is based in Toowoomba and operates on standard hours 8.00am to 5.30pm 5 days a week. Extended hours are provided during peak periods of registration and harvest.



OVERVIEW OF REGISTRATION PROCEDURES

The NGR vision is for the use of a single card for deliveries across Australia by growers pre-registered with NGR. A registration number is provided over the phone after the grower (or agent) provides name, mailing address and contact phone number. This basic information will enable the call centre to issue a number from the system enabling delivery of the commodity. Documentation is sent to the grower for completion and on return to NGR, the call centre processes the information and the grower is sent an NGR delivery card for ongoing deliveries.

The bulk handler and the marketer associated with delivery on the NGR card are able to access all details related to this delivery – contact details and payment arrangements via the NGR and weight/quality data from the weighbridge ticket.

If the grower is selling to a non-registered party, the bulk handler will provide minimum details enabling identification of the grower (name and address) as well as the weight/quality details to the purchaser of the commodity.

SYSTEM USERS – THE REGISTERED PARTIES

All industry parties are invited to use the NGR system. These parties will sign a Registered Party Deed with NGR Pty Ltd which details the key contractual and service aspects. Each party (including the founding members) will be charged a nominal joining fee and an annual fee dependent on the numbers of growers linked to i.e. doing business with, the party. This fee will be billed on a monthly basis.

The fee structure is termed the “billing model” and is premised on recovery of the annual operating cost and repayment of the development loans over 7 years. The fees are not envisaged to return a dividend to shareholders. There are currently approximately 60 Registered Parties accessing NGR to streamline grower payments.

HISTORICAL TIMELINE

- ❖ April 16 2002 Launch NGR at Grains Week in Melbourne
- ❖ April 2002 Mail out information to Industry organisations
- ❖ April-May 2002 Conduct meetings with Industry organisations
- ❖ May 6 2002 Mail out registration pack to all growers
- ❖ June 14 2002 Incentive scheme for return of registration forms closes
- ❖ July 5 2002 Winners of incentive prizes drawn
- ❖ Jul-Aug 2002 Cards mailed to growers
- ❖ Sept 1 2002 NGR Card operational

For further information regarding the NGR system please contact the call centre on 1800 556 630.
