

Member Update

No. 22 of 24 • 31 October 2024

TOPIC: *GTA Location Differentials – WA 2024-25 & EC Modifications*

DISTRIBUTION: *GTA Members – primary contact list. Please circulate to all appropriate internal parties.*

1. Purpose

- To advise members the GTA Board has approved for release the 2024/25 GTA Location Differential (LDs) for Western Australia (WA) as recommended by the GTA Commerce Committee and some minor modifications to some East Coast LDs.
- These are now available on the GTA [website](#) and will take effect from 1 October 2024.

2. Background to WA LDs:

- GTA publishes the LDs for the storage locations of our members in QLD, NSW, VIC, SA and WA annually to enable participants using the GTA Contract No. 2 Grain and Oilseeds in Bulk – Basis Track to price grain at up-country sites. Each year GTA consults with members and the wider grain industry to address potential changes.
- With endorsement from the Commerce Committee, GTA Board approved WA LDs on the 29th of October 2024.
- GTA LDs for QLD, NSW and VIC have been published for 2024/25 season via GTA [Member Update No. 12 of 24](#) on the 9th of August 2024 and SA LDs via GTA [Member Update No. 17 of 24](#) on the 16th of October 2024.
- The delay in the release of the WA and the SA LDs is a result of industry agreeing to use Viterra and CBH Group published freight rates for South Australia (SA) and Western Australia (WA) each year, subject to approval by the GTA Commerce Committee and the GTA Board. The GTA LDs cannot be processed until the published freight rates are released.
- For non-CBH sites and Bunge sites the agreed methodology is “In WA where a site is not owned by CBH (or Bunge), the LD shall be calculated using the road distance to port of the particular site based on Google Maps based on the rate/t per km rate for the nearest CBH (or Bunge) site adjusted for distance.” In WA the site where the LD is a GTA calculated value is Tamma Grain.

3. Modifications to QLD, NSW and VIC LDs

- Several late requests and notifications were made regarding changes to site ownership for sites that are listed:
 - Cargill provided a late submission for a name change its GrainFlow sites from ‘AWB’ to **‘CARGILL’**.
 - BERRIWILLOCK - Berriwillock Grain has changed ownership and is to be removed from the LDs.
 - WERNETH LDC site has changed ownership and has been renamed **WERNETH UMC**.

- KYALITE PEARSON has changed ownership and has been renamed **KYALITE LDC**.
- TOCUMWAL LDC has changed ownership and has been renamed **TOCUMWAL KELLY**.

4. Location Differentials ARE NOT freight rates

- GTA releases Location Differentials each year to enable pricing of the GTA No 2 Contract – *Contract for grain and oilseeds in bulk delivered* price basing point or port terms (Basis Track) commonly referred to as the “*Track Contract*”.
- The GTA Location Differentials are not published to be a substitute for management of freight price risk and the variation between the LD and the actual cost of execution of freight should be managed by the **members** commercially.

5. Effective Date

The GTA 2024/25 Location Differentials are effective from **1 October 2024**.

6. Excel Format

The GTA 2024/25 Location Differentials are available for GTA Members in excel format.

Please send your request for these to admin@graintrade.org.au and include “Excel Location Differentials Required” in the subject field.

7. Further Information

For further information about the GTA Location Differentials please refer to **GTA Fact Sheet - Understanding Location Differentials** www.graintrade.org.au/fact_sheets