

Notice to Members

Title: **GTA Location Differentials for the 2010/2011 season**

Update No.: **19 of 10**

Date of Issue: **5 August 2010**

1 Location Differentials gazetted

The GTA Board has accepted the following recommendation as submitted by the Transport, Storage & Handling Committee and the Commerce Committee

- *That the Grain Express Freight Rates supplied by CBH for the 2010/2011 season be used as the GTA Location Differentials in 2010/2011.*
- *That the Export Select Freight Rates supplied by Viterro for the 2010/2011 season be used as the GTA Location Differentials for 2010/2011.*
- *That the current QLD, NSW & VIC LDs for the 2010/2011 season remain unchanged.*

1.1 Adjustments

GTA has conducted an audit of all sites to determine accuracy of distance to port. This audit has identified some inaccuracies and these have been amended against the affected locations.

2 Background to the Location Differentials

GTA undertakes to publish Location Differentials for storage locations in QLD, NSW, VIC, SA and WA to enable participants using the GTA No 2 Track Contract to price grain at up country sites. Each year GTA consults with members and the wider grain industry to address potential changes to these Location Differentials.

It is important to stress that Location Differentials ARE NOT FREIGHT RATES.

3 Process for Implementation

1. The Commerce Committee is required to give guidance to the Transport, Storage & Handling Committee in regards to the yearly review of GTA LDs as per GTA Procedural Policy, "Development of GTA Location Differentials." The Commerce Committee advised that there be no changes to the Locations Differentials for 2010/2011.
2. The T, S & H Committee considered the Commerce Committees recommendations at a meeting on 30 April 2010. The T, S & H Committee accepted the Commerce Committee recommendations and sought industry comment via GTA Member Update No 10 of 10 Review of GTA Location Differentials 2010/2011 released on 30 April 2010.
3. Four submissions were received from industry. These submissions were considered at a meeting on 4 June 2010, and after deliberation the T, S & H Committee determined to adopt the current Location Differentials (as published on the GTA website) for 2010/2011.
4. The recommendations were presented at the GTA Industry Common Interest Forum preceding the Australian Grains Industry Conference on Monday 26 July 2010 in Melbourne.
5. The GTA Board has gazetted the GTA Location Differentials and they are published on the GTA website and available for industry use.

4 Western Australia & South Australia.

GTA's Location Differentials for SA and WA are not available at this time and the current 2009/2010 GTA Location Differentials remain in place until Viterro's Export Select Rates and CBH's Grain Express Values are released in early October 2010.

5 Explanatory Memorandum

- An Explanatory Memorandum on the development and issues associated with the Location Differentials is available on the GTA website.
- Members are encouraged to read this document which details the review process and identifies areas that could have potential concern for members if not managed with a due commercial response.

6 Effective Date

The effective date for the GTA 2010/11 Location Differentials for QLD, NSW & VIC is: **1 October 2010**. The WA & SA Location Differentials will be advised when CBH's Grain Express values and Viterro's Export Select values are available.

7 Excel format

The GTA 2010/11 Location Differentials are available to members of GTA in excel format.

Please send your request to admin@graintrade.org.au and put ***"Excel Location Differentials required"*** in the subject line.