



Australian Dairy Industry Council Inc.

16th April 2026

The Hon. Michaela Settle
Minister for Agriculture
Victorian Government

E: michaela.settle@parliament.vic.gov.au

CC: Jaclyn Symes, Treasurer, jaclyn.symes@parliament.vic.gov.au

CC: Jacinta Allan, Premier, jacinta.allan@parliament.vic.gov.au

Dear Minister,

We write following the passage of the Safe Food Victoria Bill on April 2, 2026.

The dairy industry recognises the Bill has now passed, and while we have raised significant concerns through the process, our focus is now on how the new authority is set up and how it operates in practice.

We also welcome you as the new Minister for Agriculture and take this opportunity to introduce ourselves.

The Australian Dairy Industry Council (ADIC) is the peak national representative body of the Australian dairy industry, representing the interests of dairy farmers and processors through its two constituent bodies, Australian Dairy Farmers (ADF) and the Australian Dairy Products Federation (ADPF). ADIC works to support a productive, sustainable dairy sector and the regional communities that rely on it.

The Victorian Dairy Industry

Victoria's dairy industry is a cornerstone of the state's economy, a key contributor to food security, and a leader in global dairy trade. It has built its reputation on world-class food safety standards and a strong regulatory framework.

- In 2024–25, Victoria's 2,476 dairy farm businesses produced 5.27 billion litres of milk, supplying 63 per cent of Australia's total milk supply.
- In 2024–25, Victorian dairy exports were valued at about \$2.5 billion and accounted for nearly three-quarters of Australia's total dairy exports, reinforcing its global significance.
- The dairy farming sector directly employs more than 13 000 Victorians, and the industry supports thousands more through dairy processing, transport, and supply chain industries.

These figures show the Victorian dairy industry, and the regulatory system that supports it, matters not only to the state economy but to national production and export performance.

The Victorian dairy industry needs stability, not disruption and a strong, dedicated regulatory framework is essential to maintaining the high food safety standards that underpin its success.

This brings us to Safe Food Victoria.

The governance decisions taken at this stage will play an important role in maintaining the level of food safety oversight and export confidence that Victoria's dairy sector depends on.



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To ensure this occurs, three critical issues need to be addressed.

These needs sit alongside the imperative to retain and strengthen specialist dairy capability, given the unique and elevated food safety risks of highly perishable dairy products and the stringent demands of export markets—ensuring our jurisdiction maintains best-practice standing and the confidence of other states and territories.

First, board representation.

The Act establishes a skills-based board with appointments at the Minister's discretion. There is no requirement for dairy representation.

This creates a clear gap. Dairy is not just another food category. It is a high-risk, highly perishable product with complex processing requirements and strict export controls.

Victoria produces about two thirds of Australia's milk and accounts for the majority of dairy exports. Decisions made by Safe Food Victoria will directly affect market access, trade relationships, and the reputation of Australian product.

Those decisions need to be informed by people with direct, current experience in dairy production and processing. A generalist board, even a capable one, will not have that depth by default.

We ask that at least two board positions be allocated to people with substantial dairy expertise and these appointments occur in consultation, and with the advice of, the dairy industry.

This is not about representation for its own sake. It is about making sure the board has the knowledge required to manage risk in a sector where mistakes have immediate commercial, reputational and food safety consequences.

Second, formal dairy governance mechanisms.

The Bill allows for consultation, but it does not require commodity-specific advisory structures.

General consultation is not enough. Dairy has operated under a regulator with deep sector engagement and direct accountability to licensees. That connection has been central to compliance outcomes and continuous improvement.

We are seeking the establishment of a dedicated dairy steering committee or reference group within Safe Food Victoria. This group should have a clear mandate, regular engagement with the board and executive, and visibility over regulatory settings that affect dairy businesses.

Without a formal structure, dairy risks becoming one voice among many, with its specific risks and requirements diluted in broader discussions.

Third, protection of dairy funds.

The Bill does not require dairy levies to be ringfenced. Funds will sit within a general financial framework.



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Dairy regulation in Victoria has been fully cost recovered and funded by the industry. That model has worked because there is a clear line between what is paid and what is delivered.

If those funds are pooled, there is a real risk of cross-subsidisation. Dairy businesses could end up funding regulatory activity in other sectors. That would undermine confidence in the system and remove the discipline that comes with sector-specific funding.

We are asking for a clear commitment that dairy-derived revenue will be ringfenced and used only for dairy regulatory functions. This can be achieved through administrative arrangements if not prescribed in the Act, but it needs to be explicit and transparent.

These are practical issues. They go to how the new authority will function day to day, and whether it can maintain the level of oversight needed to protect food safety and export market confidence.

The industry is ready to work with the Government to get this right. We ask that these governance settings are addressed early, before the new model becomes embedded.

We would welcome the opportunity to discuss this with you. Please email Sandra Ognibene on sognibene@australiandairyfarmers.com.au, to arrange a suitable time.

We would also be pleased to host you at a dairy farm and processing facility to see first-hand the systems and standards that underpin our sector.

Kind regards,

A handwritten signature in black ink, appearing to read 'Ben Bennett'.

Ben Bennett
Chair, Australian Dairy Industry Council
President, Australian Dairy Farmers

A handwritten signature in black ink, appearing to read 'John Williams'.

John Williams
Deputy Chair, Australian Dairy Industry Council
Chair, Australian Dairy Products Federation