

Media Release



Friday 13 December 2019

UDV welcomes finalisation of the dairy Code

The United Dairyfarmers of Victoria (UDV) today welcomes the finalisation of the dairy Mandatory Code of Conduct with a range of measures introduced to improve transparency and set minimum standards of conduct in milk supply agreements.

Federal Agricultural Minister, Bridget McKenzie today unveiled the dairy Mandatory Code of Conduct, along with a legislative explanatory statement and a farmer guide.

“Whilst the Code will not be responsible for setting the farm gate milk price, it will bring back some balance of power between farmers and processors and set standards and commitments for industry participants,” said Mr Mumford, UDV President.

“It is good to see the Government has listened to industry and the Code has been strengthened following strong feedback on the consultation draft released last month.”

The Mandatory Code will require processors to publish Standard Form Agreements on 1 June each year and will ban unfair practices including retrospective step downs, unilateral changes to contracts and processors withholding any loyalty payments.

Mr Mumford said the UDV had played a key role in strengthening the Code, including broadening the good faith provision to cover all processors and a requirement for all processors to publish a non-exclusive Standard Form Agreement on 1 June each year.

“Requiring processors to publish a non-exclusive agreement by default means farmers can take advantage of milk trading platforms that are currently being developed, if that suits their farming business,” he said.

“Processors can also publish an exclusive supply agreement too, giving farmers much more flexibility with their supply arrangements.”

“We thank Minister McKenzie and the Government for listening to our concerns and strengthening the code accordingly and we encourage all Victorian dairy farmers to consider the Code and the benefits it could have to their business. We have a chance to rectify any issues with the first review scheduled for January 2021.”

For more information about the mandatory Dairy Code of Conduct visit the Department of Agriculture’s [website](#).

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