



22D052

8 July 2022

The Hon Senator Donald Farrell  
Minister for Trade and Tourism  
Special Minister of State  
Parliament House Canberra  
Per email: [trade.minister@dfat.gov.au](mailto:trade.minister@dfat.gov.au)

Dear Minister,

**Re: International trade arrangements impact on SA Dairy Industry**

The South Australian Dairyfarmers' Association, (SADA) wishes to extend its congratulations on your recent elevation to the position of Australia's Minister for Trade and Tourism along with your colleague Penny Wong as Australia's Foreign Minister. We applaud the success of South Australians in all fields and we wish you and Penny well in your respective roles.

While we appreciate that this letter should be exclusively directed to you we have also directed the letter to the Hon Penny Wong. We have determined to copy her in as the issue we seek to raise touches, albeit peripherally, on her portfolio area but further as she is a South Australian. I'm sure you would appreciate that this is also about issues which touch the jurisdiction you both share.

What we seek to raise with you orbits around the risk of names for much-loved cheeses which could disappear from dairy products in Australia if the European Union (EU) imposes a trade restrictive geographic indications of origins (GIs) regime on Australia through a free trade agreement (FTA), as it did to New Zealand last week.

We advocate that New Zealand's deal with the EU, which restricts the use of cheese names such as feta, parmesan and gruyere, does not set a precedent for Australia's FTA with the EU. The outcome that New Zealand has given up to the EU on GIs will not be accepted by the Australian dairy industry as expressed by the Australian Dairy Industry Council (ADIC) Chair and SA dairy farmer, Rick Gladigau.

We concur with him and equally we will continue to defend the right to call dairy products by their common food names.

SADA notes the ADIC has calculated that the EU's demand to restrict many cheese and dairy product names in Australia could put at risk Australian products with an aggregate sales value of more than \$650 million. The potential direct impact on Australian dairy manufacturers from lost sales and increased marketing costs caused by the strict enforcement of GIs could range from a staggering \$70-90 million per year in the early stages of the FTA. While these are national figures there will be a corresponding impact in SA.



The blanket adoption of the EU's demand that an FTA grant GI protection to 56 EU cheese products in the Australian market would adversely affect many local cheese producers and exporters. It would impose considerable and unnecessary costs on local industry and their regional communities.

Many of the cheese names for which the EU is seeking GI status are widely considered to be common food names not just in Australia but also in many other countries with which Australia has established FTAs.

Privileging the future use of these names solely to EU producers would unfairly displace South Australian product from the local and export dairy markets. It would undermine the future sales, marketing and employment of many long-established South Australian as well as Australian dairy brands and businesses, including many processors of these cheeses who are European migrants and it will ultimately have a negative impact on dairy farmers.

SADA supports free and fair trade and it looks forward to continuing to work with government on this deal, to achieve a win-win outcome in the best interests of the South Australian and Australian dairy story.

We urge you in your role as the defender of states' rights and Minister for Trade to advocate on behalf of the the South Australian dairy industry and the welfare of those people who work in this important part of our economy.

Yours sincerely,

John Hunt  
President

Cc: Hon Penny Wong Foreign Minister  
[foreign.minister@dfat.gov.au](mailto:foreign.minister@dfat.gov.au)