

SE Lifestyle  
 HD **Milky way leads to China**  
 BY ROGER HANSON  
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 TASMANIA'S **dairy** industry could double with 160,000 new head of cattle to cater for expected demand from **China**.

Big Cow is a new project presented at the TasInvest summit this week, coinciding with **Chinese** President Xi Jinping's visit to the state.

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 Economist Saul Eslake said Tasmania was potentially at a turning point, with Australia and **China** having signed a free-trade deal this week.

KPMG managing partner Martin Rees told the investor delegates the scale of the Big Cow project was doable in Tasmania.

The project is seeking \$1.1 **billion** to fund a rapid expansion of the **dairy** industry by re-purposing 76,000ha of farmland, new cattle and building a new \$215 **million** processing plant in the Midlands.

The facility would produce up to 100,000 tonnes of Tasmanian-branded **milk** powder for export to **China**.

"We rethought the whole finance approach. The structure is around a co-operative. No **sale** of land is involved, so it has every chance of getting up," Mr Rees said.

Tasmania's **dairy** industry is worth around \$1 **billion**, provides about 3000 jobs and produces more than 800 **million** litres of **milk** a year.

Mr Rees said his **firm** was talking to **Chinese** investors and had "a lot" of farmer clients keen to be involved.

"This project is only the size of the third largest in New Zealand, so this is absolutely doable," Mr Rees said.

The proposal plans to source 44,000 megalitres of water via the Midlands and South Esk irrigation schemes.

Mr Eslake said the TasInvest summit was an ideal showcase for the state's range of opportunities.

"**Chinese** tastes are changing and the free-trade agreement will create opportunities, but we still have a lot to do," Mr Eslake said.

State Growth co-ordinator-general John Perry said investors at the summit had a strong desire to invest in the state.

DairyTas chief executive Mark Smith said building farm infrastructure and management to support the expansion would be a challenge.

Other projects presented included the expansion or purchase of vineyards, fruit orchard development and water rights in irrigation schemes.

Next week **Dairy** Australia will present a market perspective of the Tasmanian and Australian industries in Smithton and Burnie. The one-hour sessions are on Tuesday from 12.45pm at Agritas in Smithton and on Wednesday from 10.45am at UTAS Burnie. For details contact DairyTas on 6432 2233.

**RE** china : China | austr : Australia | tasman : Tasmania | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

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