

HD Dram of optimism amid caution over **China** deal

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TASMANIA is poised to benefit, but an air of caution hangs over a free-trade agreement with **China**, expected to be signed off next week.

Prime Minister Tony Abbott said from the APEC summit in Beijing this week there were still a few things to finalise, but an agreement was “very much on track for success in the next few days”.

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Chinese president Xi Jinping will be in Brisbane for the G20 summit next week and then visit Tasmania.

About 22 per cent of Tasmanian exports, worth about \$610 **million** a year, go to **China**.

Tasmanian primary producers are calling for tariffs to be phased out to fully benefit from a free-trade deal.

Derwent Valley’s Redlands Estate owners Peter and Elizabeth Hope, who share the estate’s whisky distillery with Bill Lark, aim to produce 139,000 bottles of premium whisky to be **sold** at \$150 a bottle into the **Chinese** market.

The whisky is made from barley grown on the estate.

Mr Hope re-established Redlands Estate’s trade links with **China** that first started more than a century ago.

“We are excited about trade deal opportunities, this deal is enormous. But the **Chinese** want high-quality produce and there will be a spin to all Tasmanian whisky producers,” Mr Hope said.

The state’s peak farmers’ body, the Tasmanian Farmers and Graziers Association, remains cautious about the proposed deal.

“We haven’t seen any detail.

We have been disappointed with all previous trade agreements done with other countries,” TFGA chief executive Jan Davis said.

“In agriculture we are yet to see a proper free-trade agreement because essentially Australia has nothing left to trade, we gave away our trade barriers years ago. It is vital biosecurity is not compromised.” Tasmanian **firm** Reid Fruits is one of Australia’s leading cherry exporters to **China**.

Managing director Tim Reid said local producers were being slugged 13 per cent tariff to export their cherries to **China**.

“This puts us behind other competitor countries, I’d like to see that tariff eliminated.

Our focus is premium products, but the opportunities into **China** are huge,” Mr Reid said.

“The visit to Tasmania by the **Chinese** president next week will shine a good light on our pure island image.” Tasmanian Irrigation chief Chris Oldfield said the deal would encourage investment in the state, which should be welcomed by farmers.

“Our farmers will never be major suppliers, but we are in a global market and if this deal is good for producers interstate then it will be good for Tasmania,” Mr Oldfield said.

Dairy Tasmania executive officer Mark Smith said **dairy** farmers could benefit from improved access and reduced tariffs for **cheese**, **milk** and infant formula.

China is now the hot destination for Tasmanian exports, but the historic Redlands Estate can boast a link to **China** dating back to 1819 and founder George Frederick Read, a son of King George IV.

“**Chinese** trees grow on the estate which are highly important to the **Chinese** Government,” Mr Hope said.

NRM South and University of Tasmania partner Redlands to maximise crop quality and yield for a sustainable whisky. NRM South chief executive Donald Coventry said sustainable agriculture practices provided a unique basis for the market in **China**.

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