

industry in this region, involving a few little towns, and amounting to about \$20 million annually. This year, there will be only about \$8 million in the potato industry for the locale. The international cartel food-broker imported potato chips for processing from Canada.

- Processing peas. In the 1990 season, most were left unharvested in the paddock. The food-brokers brought in peas from New Zealand.

- Apple pulp. A significant amount of the 1989 harvest received incredibly low pulp prices, or no market at all, because of the cheap pulp imported from South America.

- Cherries. In one instance in the mid-1980s, the cherry crop in Victoria suffered, in effect, the annulment of a pre-contract with Cadbury's (the British confectioner monopoly) and others, due to a switch by Cadbury's to overseas imports.

### Decline in farm output potential

Australian agriculture has been run into the ground so severely, that it has reached the point of diminishing returns.

- Decline in grain capability. Overall output (of wheat and coarse grains combined) has taken a nosedive, down nearly 40% from the high level of 1984. In the early 1980s, peaks of 25-31.5 million metric tons of grain were produced in different crop years. But there has been a steady decline over the past six years.

The area under grain cultivation has declined nearly 30% since 1984. It has fallen from about 18.7 million hectares down to fewer than 14 million hectares. Very little of this decline has been picked up by an increase in cultivation of non-grain crops. There has been an overall decline in land under cultivation from 22 million hectares in 1983-84, down to around 18 million hectares in the 1989-90 season.

The average yields of wheat and coarse grains have stagnated, or even fallen. Average wheat yields are 1.5 million tons per hectare, in contrast to 1.78 million tons in Canada, 1.87 in Argentina, 2.45 in the United States, and 4.79 in the European Community.

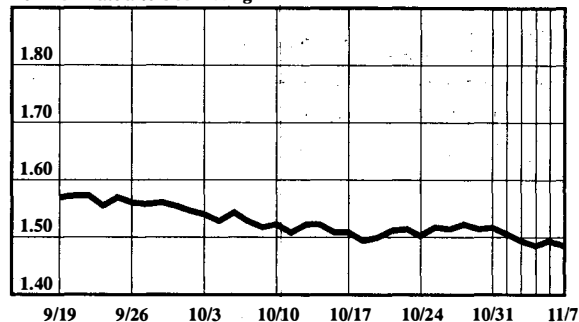
- Decline in livestock. The national beef herd fell 25% from 1976 to 1989-90, from 33.4 million head, down to 24.6 million. The national dairy herd has fallen more than 40% since 1970, going from 2.83 million, down to 1.68 million. Milk output has fallen from 7.5 million liters, down to 6.38 million liters—a 15% drop. On a per capita basis, the decline is a shocking 37%, from 60 liters per person per year in 1970, to 38 liters today.

- Deterioration in soils. Through the inability of Australian farmers to have the income and the technologies to build and replenish soils, the fertility of agricultural lands has been steadily decreasing over the past century of use. To begin with, Australian soils are poor in a wide variety of nutrients, and require intervention. Many regions are in the danger of being lost to any productive use in the near future, unless massive fertilization is undertaken, with the correct balances of major, intermediate, and trace minerals.

## Currency Rates

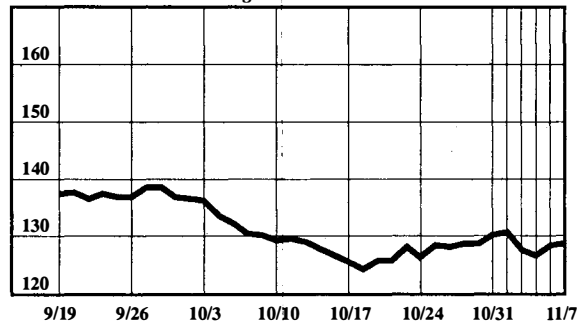
### The dollar in deutschemarks

New York late afternoon fixing



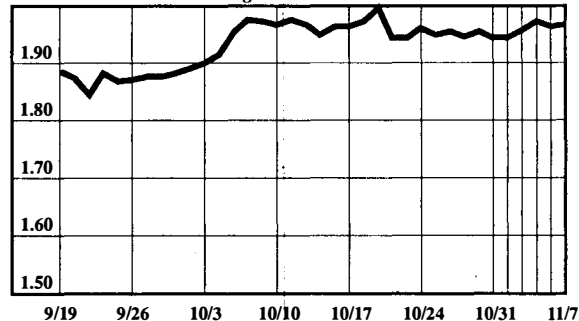
### The dollar in yen

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing

