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REQUIREMENTS FOR CONTRIBUTIONS

Articles in the field of agricultural economics, suitable for publication in the journal, will be welcomed.

Articles should have a maximum length of 10 folio pages (including tables, graphs, etc.), typed in double spacing. Contributions, in the language preferred by the writer, should be submitted in triplicate to the Editor, c.o. Department of Agricultural Economics and Marketing, Pretoria, and should reach him at least one month prior to date of publication.

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Economic Tendencies in the South African Agriculture

The latest developments in certain directions in the field of agricultural economics are reflected in the accompanying graphs and can be briefly summarised as follows:

NET DOMESTIC PRODUCT

The net domestic product shows a steadily rising trend since 1947/48. The contribution of agriculture to the net domestic product increased by about R34 million during 1964/65 and consequently stands at R582.7 million. This represents a rise of 6.2 per cent, which is considerably more than during the previous year. Agriculture's percentage contribution to the Republic's net domestic product shows a falling tendency and has declined from 16 per cent in 1947/48 to 9 per cent in 1963/64.

AGRICULTURAL PRODUCTION

It is estimated that the gross value of agricultural production amounted to approximately R980.4 million in 1964/65. This represents an increase of approximately 5 per cent over the previous year. From 1955/56 to 1963/64 the gross value of agricultural production shows an average rise of approximately 3.9 per cent. The volume of agricultural production showed an increase of about 2.4 per cent as against a decline of 4.4 per cent for 1963/64. This increase is mainly attributed to a rise of 5.7 per cent in the case of agricultural products - due largely to the record wheat harvest of nearly 12 million bags.

PRODUCERS' PRICES

The producers' prices of all agricultural products increased during 1964/65 by approximately 5.7 per cent. The rate of increase in producers' prices during the past two years was notably higher than in previous years. If pastoral products are excluded, the rise in producers' prices is approximately 9.0 per cent. In contrast to 1963/64, the producers' prices of pastoral

products increased by approximately 19.4 per cent. The biggest rise in prices occurred in respect of slaughter stock and dairy products, namely 17.0 and 10.8 per cent respectively.

PRICES OF FARMING REQUISITES

Prices of machinery, tools and implements, and those of short-term requisites such as fuel, fertiliser, fodder and packing material increased during 1964/65 by 2.2 and 1.5 per cent respectively. During the same period consumers' prices rose by 3.7 per cent.

EXPORTS

The total exports of South African products (excluding gold) amounted to R954 million in 1964, agricultural products accounting for R414 million. Total exports rose by 4.2 per cent while exports of agricultural products showed a decline of 6.8 per cent compared with 1963. This decrease is mainly due to a decrease in exports of unprocessed agricultural products. Agricultural products represent approximately 43 per cent of total exports.

Indications are that the value of exports of agricultural products will be considerably lower for the first half of 1965 than during the corresponding period of the previous year.

ANNUAL CAPITAL FORMATION

The annual capital formation in agriculture shows a strongly fluctuating tendency. In respect of machinery the annual capital formation rose from R47.4 million in 1948 to an estimated R66.7 million in 1965. The rise from 1964 to 1965 was about 2 per cent. In respect of fixed improvements the increase was estimated in 1965 at R1.2 million (2.9 per cent). It is estimated that the total formation of capital for 1965, excluding change in stock inventory, amounted to R108.5 million. This figure is 2.4 per cent higher than the figure for 1964.

ECONOMIC TENDENCIES IN THE SOUTH AFRICAN AGRICULTURE

BASIS: 1947/48-1949/50=100

