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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 agricultural economic developments during the past two decades are shown in the accompanying graphs. The most recent tendencies, with particular reference to the past year, are briefly as follows:

## CONTRIBUTION OF AGRICULTURE TO THE GROSS DOMESTIC PRODUCT

The decline over the long-term in the percentage contribution of agriculture was temporarily checked in 1967 by an increase of about R200 million in the accrued value of agriculture. For this year the value is estimated at R950 million or 11 per cent of the G.D.P. The indications are that the contribution for 1968 will be about R100 million less than for 1967. For the first three quarters of 1968 the accrued value is estimated at R620 million in comparison with R725 million for the same period during 1967.

## AGRICULTURAL PRODUCTION

During 1967/68 the volume of production was about 12 per cent lower than during the previous year when production reached a record. The decrease in the physical volume of production resulted mainly from less favourable weather conditions in the summer rainfall areas. Summer grain crops were disappointing and field crops declined by 27 per cent. Horticultural and livestock products increased on the other hand by 5 and 3 per cent respectively.

According to estimates the gross value of agricultural output during 1967/68 amounts to about R1,191 million in comparison with R1,298 million during the previous year. This decline of more than R100 million resulted from a decrease in the value of field crop production. In the case of horticultural and particularly livestock production there was a significant increase in values.

## PRODUCERS' PRICES

The combined index of producers' prices for agricultural products for 1967/68 was about 1 per cent lower than during the previous year. Prices of field crops were about 4 per cent lower while prices of horticultural crops declined by 8 per

cent. Prices of fruit, of which more than half is exported, declined by 10 per cent. Prices of live-stock products increased by about 4 per cent. This was accounted for by producers' prices of slaughter-stock which increased by 8 per cent during the year.

## PRICES OF FARMING REQUISITES

During 1967/68 prices of farming requisites were about 1 per cent lower than during the previous year. Prices of machinery, tools and implements increased by 2.5 per cent. As a result of a decline in the prices of stockfeeds and packing materials the prices of short-term requisites (which include fertilizers, fuel, dips and spraying materials) were about 1 per cent lower than during 1966/67.

## EXPORTS

The total f.o.b. value of South African exports, excluding gold, amounted to R1,111 and R1,235 million for 1966 and 1967 respectively. Agricultural exports valued at R439 million during 1967 represented 36 per cent of total exports. The increase of about R50 million in agricultural exports in 1967 in comparison with 1966 is largely due to bigger exports of maize and other summer grain crops.

The course of the indices of volume and unit value of agricultural products (processed and im-processed) exported were as follows:

Year	Volume exported	Unit value
	1958 - 1960 = 100	
1964 .....	153	110
1965 .....	128	106
1966 .....	157	114
1967 .....	186	96

## CAPITAL FORMATION

The improvement in sales of agricultural machinery and tools experienced during 1967 continued during 1968. During the year to June 1968 more than 15,000 new tractors were sold while the total amount spent on agricultural machinery and tools is estimated at R95 million. In respect of fixed improvements the gross investment for 1967/68 is estimated at R53 million.

EKONOMIESE TENDENSE IN DIE SUID-AFRIKAANSE LANDBOU/  
ECONOMIC TENDENCIES IN THE SOUTH AFRICAN AGRICULTURE

Indekse van produksie en pryse van landbou- en verwante produkte/  
Indexes of production and prices of agricultural and related products  
1947/48 - 1949/50 = 100

