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# Agrekon

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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

Development in various agricultural economic spheres are shown in the accompanying graphs. The latest trends may be summarised as follows:

## RETAIL AND WHOLESALE PRICES

During 1968 there was only a slight increase of about 1.7 per cent in retail prices in comparison with much greater increases during the two previous years. In contrast with the two previous years prices of food increased less than non-food items during 1968. The greatest increases in food prices were in respect of fish, meat and sugar. The percentage increases in the various groups were as follows:

	1966	1967	1968
All items	3.6	3.3	1.7
Food	3.7	3.5	1.6
Non-food	3.6	3.2	1.9

The wholesale price index increased less during 1968 than during the previous few years. As shown in the table below, prices of South African commodities continued to increase more than prices of imported commodities.

Per cent increases - wholesale prices:

	1966	1967	1968
All items	3.9	2.4	1.2
S.A. Commodities	4.5	3.2	1.4
Imported commodities	3.0	1.7	1.1

## PRODUCERS' PRICES

The combined index of producers' prices showed a slight decline during 1967/68. Prices of field and horticultural crops decreased, while prices of livestock products were higher. Percentage changes in prices were as follows:

Price index for:

1965/66 1966/67 1967/68

All agricultural products	3.0	3.6	-0.6
Field crops	3.5	2.7	-3.9
Horticultural crops	-1.7	4.7	-7.9
Livestock products	3.9	3.7	3.6

For the more important industries the price changes during 1967/68 were as follows:

Prices of summer grains were 4.5 per cent and those of fruit and vegetables about 10 per cent lower. Prices of wool and dairy products were respectively 1.7 and 1.2 per cent lower. For slaughter-stock there was an increase of 8 per cent and for winter cereals an increase of about 4 per cent.

## FARMING REQUISITES

The combined index of all farming requisites increased by 0.9 per cent during 1968/69 as against an increase of 1.1 per cent during the previous year.

Price index for;

Per cent increases

	1966/67	1967/68	1968/69
All requisites	2.5	1.1	0.9
Machinery and tools	1.2	1.4	2.9
Materials for fixed improvements	1.9	1.6	0.6
Short-term requisites	3.5	0.7	-0.1

Tractor prices increased by 1.5 per cent and those of spares by 2.6 per cent. Prices of fencing materials were 2.4 per cent lower, while prices of fuels remained unchanged and prices of packing materials declined by 7.5 per cent.

VOLUME OF AGRICULTURAL PRODUCTION

The index of the volume of production of agricultural products fell by 12.5 per cent during 1967/68. This is accounted for by field crops which declined by 27.5 per cent. This decrease is due firstly to the abnormally large output of field crops during the previous year and secondly to unfavourable weather conditions. The 1968 maize crop amounted to 58.6 million bags and that of grain sorghum to 2.3 million bags.

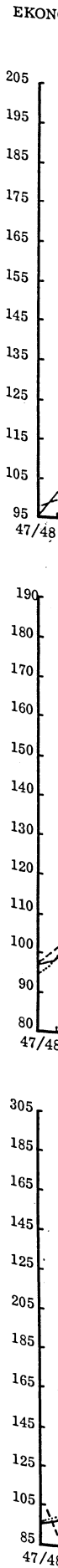
Production of horticultural and livestock products on the other hand showed increases of 3.6 and 2.5 per cent respectively. Productions of deciduous fruit increased by nearly 8 per cent, while the volume of citrus fruit was 2.2 per cent lower. The wool clip

increased by 3.4 per cent and dairy products rose by 5.7 per cent. Animals slaughtered declined however by 8.1 per cent.

GROSS VALUE OF AGRICULTURAL PRODUCTION

The gross value of agricultural output fell during 1967/68 by about 8 per cent and amounted to R1,191 million. For the groups of products the values were as follows:

Field crops	— A decline of 23.9 per cent to R450 million,
Horticultural crops	— An increase of 1.2 per cent to R197 million,
Pastoral products	— A decline of 0.9 per cent to R102 million,
Livestock products	— An increase of 8.1 per cent to R441 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/  
Indices of production and prices of agricultural and related products

