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Dr. A.P. Scholtz, H.J. van Rensburg and
O.E. Burger
Editor: Dr. A.J. Beyleveld
Technical editing: Q. Momberg

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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General Comments and Announcements

Prices of certain agricultural products— marketing year 1969/70

MAIZE

Revised prices for maize and maize products came into force on 1 May 1969.

The net producers' prices of white and yellow maize for the 1969/70 marketing year were increased by 25 cents a bag to 355 cents per 200 lb. in bags. These are the net prices after deducting 5 cents a bag as a contribution to the stabilization fund, as was done last year.

The Maize Board's selling prices for the best grades of Maize in bags in large quantities were increased from 1 May 1969 by 18.5 cents for white maize and 17 cents for yellow maize per bag of 200 lb. These increases along with an increase of 2 cents per 200 lb. in millers' milling costs during the financial year 1967/68 were added to the maximum prices charged by millers for maize products.

The estimated production of 54.3 million bags for the 1969/70 marketing year is about 4.4 million bags less than that of the 1968/69 marketing year.

In comparison with the previous season the Government subsidy to be paid to the Maize Board on maize for the 1969/70 season has been increased by about R2 million.

KAFFIRCORN

A floor price of 400 cents per 200 lb. was established for the best grades of kaffircorn in bags for the 1969 crop in comparison with a floor price of 330 cents for the previous crop. This price will apply from 1 April 1969 to 31 October 1969. The malt levy was reduced by 70 cents to 30 cents per 180 lb. of malt for the 1969/70 season.

The kaffircorn crop for the 1969/70 marketing year was, on the basis of the second official crop estimate placed at about 2.38 million bags as against 2.33 million bags for the previous year. It is accordingly expected that the crop marketed by producers will be barely sufficient for domestic requirements.

Since it has not been possible to determine the size of the crop accurately, account has to be taken of the possibility that a limited quantity of kaffircorn might have to be imported later in the year. In view of this the import of kaffircorn was by a proclamation of 18 April 1969 prohibited, except on the authority of a permit issued by the Department of Economics and Marketing.

CONTROL OF BUCKWHEAT

Arising from representations made by producers' organizations, a one-channel marketing scheme, administered by the Maize Board, was introduced during May 1969, in the following magisterial districts: Belfast, Bethal, Bronkhorstspuit and Witbank in the Transvaal and Bethlehem, Clocolan, Ficksburg, Fouriesburg, Frankfort, Harrismith, Heilbron, Ladybrand, Lindley, Marquard, Reitz, Sasolburg, Senekal and Vrede in the Orange Free State.

Buckwheat from these districts may only be delivered to the Maize Board to sell. For the 1969/70 season the Board requires that buckwheat may only be accepted at bulk installations of the agents appointed by the Board.

After deducting 10 cents a bag as a special levy from the advance payment, producers will receive 165 cents per 150 lb. of buckwheat of the best grade delivered in bulk. When the final pool payments are made adjustments will be made to allow for differences in railage to Durban, from the points of delivery.

WINTER CEREALS

As in the past producers' prices of wheat and other winter cereals for 1969/70 have been announced before planting commences.

The price announced for class B grade 1 wheat in bags is for the 1969/70 season 643 cents a bag which is the same as the price finally established in September 1968 for the 1968/69 crop. The usual adjustments were made for other classes and grades.

With the exception of class B barley of which the price for 1969/70 has been increased by 20 cents to 401 cents a bag, the current prices for barley, oats and rye remain unchanged.

The prices announced will be adjusted during September 1969 for any changes in the prices of bags and in respect of wheat also for any changes in agents' commissions.

GROUNDNUTS

For the 1969/70 year the advance payment on the basis of the S2 grade of groundnuts was fixed at R97.50 a ton as against R95.00 a ton for 1968/69. The advances on unshelled groundnuts as well as for other grades of shelled groundnuts are determined in relation to the advance for the S2 grade.

The selling prices of groundnuts were increased by R5.00 a ton for the basic S2 grade, and the other grades in proportion. For the 1969/70 year the selling price of grade S2 was thus increased from R108.50 to R113.50 a ton to oil expressers and from R112.00 to R117.00 a ton for the edible market. At this stage it is estimated that after deducting all costs a net amount of about R114.00 on the S2 basis will be paid to producers.

The Board has decided to increase the domestic selling prices because the average production of groundnuts has not kept pace with the increase in the consumption of edible oils. Consumption of these oils has during recent years increased rapidly and there is a possibility that if plantings are not encouraged the demand might exceed the supply and that supplies would have to be imported at higher prices. Besides this there have only been slight increases in selling prices during recent years, notwithstanding rising costs of production.

In comparison with a crop of 165,000 tons in 1968/69 the crop for 1969/70 is expected to amount to 211,000 tons. The Board expects to export 25,000 tons of edible nuts, and apart from exporting a small quantity of nuts for oil expressing, the balance of the crop will be marketed locally.

SUNFLOWER SEED

The advance payment for ordinary sunflower seed was increased by R2.50 from R45.00 to R47.50 a ton for the basic F.2 grade, and that of seed with a high oil-content for grade F.H2 from R50.60 to R57.50 a ton. The increased advance payment for sunflower seed with a high oil-content includes a premium of R3.00 a ton to encourage production. This was approved on 31 October 1968. The advances for other grades are calculated in proportion to these advances.

The selling prices of the two varieties of sunflower seed were increased by R2.50 for the F2 grade and R2.70 for the F.H2 (high oil-content) grade to R60.75 and R71.20 a ton respectively. It is estimated that the final payment to producers will amount to about R57.50 a ton on a F2 basis.

The increases in the selling prices of sunflower seed were introduced so as to maintain the relative price differences between sunflower seed and groundnuts and also to encourage the expansion of production to meet the growing demand for edible oils.

The estimated sunflower seed crop for 1969/70 is about the same as that for the previous year, 95,000 tons. Exports will be negligible.

DAIRY PRODUCTS

Winter premiums for 1969 on butterfat and industrial milk were reduced as follows from June 1:

	Winter premium months	Winter premiums paid, 1968	Winter premiums payable 1969
<i>Butterfat</i>	June and October	3c a lb. butterfat	2c a lb. butterfat
	July, August and September	5c a lb. butterfat	3c a lb. butterfat
<i>Industrial milk</i>	June and October	15c a 100 lb. of milk	11c a 100 lb. of milk
	July, August and September	25c a 100 lb. of milk	17c a 100 lb. of milk

The basic producers' prices of 41c per lb. butterfat and 182c per 100 lb. of industrial milk remain unchanged.

The wholesale prices of 38c and 31c a lb. for butter and cheese respectively and the retail prices of 41c and 35c a lb. also remain unaltered.

Since the end of 1966 there has been a considerable increase in the output of butter and cheese. After milk intakes by condensing factories increased considerably up to the 1967/68 season there was only a small increase during the first half of the 1968/69 season.

The dairy industry is at present faced with big surpluses of butter and cheese and stocks are abnormally large. The Dairy Board is incurring considerable losses in disposing of these surplus stocks.

SLAUGHTERSTOCK

Under the minimum guaranteed producers' prices of meat which apply as from 16 June 1969, the current floor prices of cattle and calves remain unchanged. Regarding Grade 3 beef the floor prices in Cape Town, Port Elizabeth and East London were however brought into line with those of the Witwatersrand. Current seasonal premiums also remained unchanged.

Regarding lamb and sheep carcasses the grades shown below were abolished or combined because in some of the 42 classes, grades and weight groups negligible numbers of carcasses are marketed during a year.

Grades abolished	Grades combined, and for which the average current floor prices were adopted
<i>Non-fat-tailed types</i>	<i>Non-fat-tailed types</i>
<i>Sheep:</i> Prime B X+ Y Prime BZ	<i>Lambs:</i> Grade 2 X and Grade 2Y <i>Sheep:</i> Grade 2A and BX+ Y and Grade 2 A BZ
<i>Fat-tailed types</i>	<i>Fat-tailed types</i>
<i>Lambs:</i> Super X and Super Y <i>Sheep:</i> Prima AX Prime AY Prime AZ Prime BX+ Y Prime BZ Grade 1 AY and Grade 1 AZ	<i>Lambs:</i> Grade 2X and Grade 2Y <i>Sheep:</i> Grade 2A and BX+ Y and Grade 2 A and BZ

The prevailing floor prices for the other classes, grades and weight groups of lamb and sheep carcasses were otherwise left unchanged.

With goat carcasses as for sheep carcasses class B Prime grade was abolished and becomes class B grade 1. The previous class B grades 1 and 2 become class B grades 2 and 3.

Because of the revised methods of grading and changes in market prices, the floor prices of goat carcasses were adjusted as follows from 15 June 1969:

Class and grade	To 14 June	From 15 June
	1969 c. a lb.	1969 c. a lb.
Class A super	16	17
Grade 1	14.75	16
Class B grade 1*	13.75	15
Grade 2	12.75	14

* Previous Prime grade.

No changes were made in the floor prices of pigs.

CANNING APRICOTS AND PEACHES

Apricots

The minimum prices paid to producers on the farm for canning apricots during 1968/69 compare as follows with the prices of the previous year:

		1968/69	1967/68
		per short ton	
<i>Royal apricots:</i>	Grade I	R56	R54
	Grade II	R40	R40
	Grade III	R20	R20
<i>Bulida apricots:</i>	Grade I	R42	R38
	Grade II	R20	R20

As in the past no minimum prices were fixed for Bulidas Grade III or for under grades of both varieties.

The ordinary levy remained unchanged at 30c a ton. The special levy intended for the improvement of planting material was however increased from 20c a ton for 1967/68 to 70c a ton for 1968/69.

As from 1968/69 half of these levies, i.e. 50c, are deducted by canners from the prices due to producers. Previously the full levy was paid by canners.

Clingstone Peaches

The minimum prices payable to producers on the farm for clingstone peaches during 1968/69 remained unchanged in comparison with the previous season, and were:

R50 a short ton for Canning grade, and
R20 a short ton for Second grade.

As in the past minimum prices were not fixed for undergrade nor for freestone peaches.

The ordinary levy for clingstone peaches remained unchanged for 1968/69, namely 30c a ton while the special levy was increased from 20c to 70c a ton. Of this amount 20c is intended for the improvement of plant material, 15c for sales promotion of canned peaches on the domestic market and 35c for general purposes. As from 1968/69 half of the total levies, i.e. 50c, will be deducted by canners from the prices payable to producers.

DRIED FRUIT

In terms of the revised grading regulations the following prices apply during the 1969 marketing year:

Raisins

The packers' selling prices are the same as for 1968, but the advance payments for Standard grade and Off-grade are reduced by 0.6c and 0.4c a lb. respectively. This adjustment is intended to avoid making advance payments which will exceed the net pool realizations.

Currants

(a) The packers' selling prices are the same as for 1968 but the advance payments are increased by 0.5c a lb. Any deficit in the pools, resulting from these increases, can with the approval of the Minister be covered by the profit on imports during 1968.

(b) The special levy of 0.05c a lb. was not payable during 1968/69.

Sultanas

The packers' selling prices were fixed so as to realise an increase of about 0.5c a lb. grade for grade in comparison with 1968 while the advance payments for 1969 were fixed so as to realise the same average payments as for 1968.

Prunes

The packers' selling prices were increased for two counts, namely:

50/60 – 23.0c a lb., 1968, 22.0c a lb.
70/80 – 17.5c a lb., 1968, 17.1c a lb.

The advance payments in accordance with the revised grading regulations were adapted so as to maintain the average position of 1968.