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QUARTERLY REVIEW OF THE
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SOME IMPORTANT DEVELOPMENTS IN THE FIELD OF AGRICULTURAL ECONOMICS

Latest developments in specific directions in the field of agricultural economics are reflected in the accompanying graphs; these can briefly be summarised as follows:-

Physical volume. Generally speaking, the past year (July 1960/June 1961) was exceptionally favourable as far as agricultural production is concerned. The physical volume of production increased by about 4 per cent to a new record of 56 per cent above the base period 1947/48 - 1949/50. Field crops such as maize, groundnuts and sugarcane are primarily responsible for the increase.

Value. The gross value (at farm prices) of the abovenamed production amounted to some R809 million, or about 5 per cent more than that in the previous year; while the net value (gross value less certain costs) amounted to R488 million, or also about 5 per cent more than in the previous year. Compared to the total geographical income of the Republic, the net contribution of agriculture was 10.4 per cent in 1959/60.

Producers' prices. Taken together, prices of agricultural products during the past year were on an average 0.4 per cent lower than in the previous year. This decrease is, however, nearly exclusively the result of decreases in prices of pastoral products such as wool, mohair, hides and skins. If these price decreases are excluded, the producers' price index indicates an increase of about 3 per cent.

Prices of farming requisites and equipment. The combined price index of farming requisites and equipment revealed an increase of 1.1 per cent, compared with 2.2 per cent the previous year. During recent years price indices in respect of farming requisites and equipment, as well as retail and wholesale price indices, moved in harmony.

Prices of farming requisites increased by 1.3 per cent, as compared to 2.4 per cent the previous year. The most important increases occurred in the case of bags and twine (5.5 per cent) and feedstuffs (3.4 per cent). In the case of dips and spraying materials and fuel, prices decreased somewhat, namely by 2.9 and 2.1 per cent respectively.

Prices of farm implements and machinery increased by about 1 per cent, as compared to 2 per cent the previous year. The biggest increase occurred in the case of trucks (1.7 per cent).

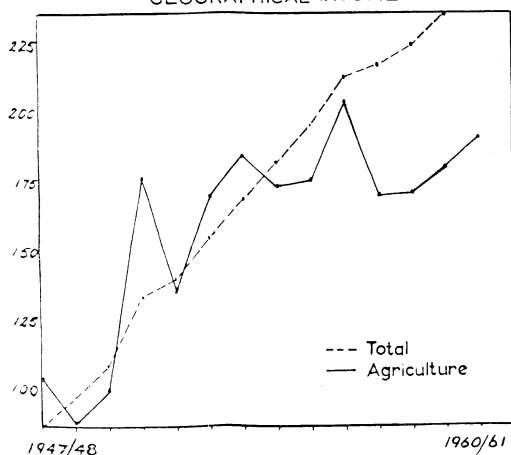
Exports. In the past year a decrease of R13.6 million (about 4 per cent) occurred in the export values of processed and unprocessed agricultural products. The value of all exports of South African products (excluding gold) decreased, however, by R31.8 million or 3.8 per cent. Accordingly, agricultural exports still amounted to about 39 per cent of total exports, as during the previous season.

Decreases in agricultural export values are, in respect of some products, due to decreases in quantities exported; in the case of others, such decreases are due to lower prices realised overseas. The export value amounted to R311 million (f.o.b.), as compared to R801.6 million (f.o.b.) in respect of all South African exports (excluding gold).

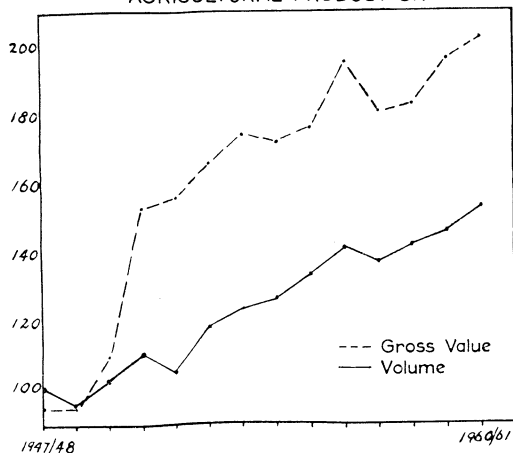
ECONOMIC TENDENCIES IN SOUTH AFRICA

(Basis 1947/48-49/50=100)

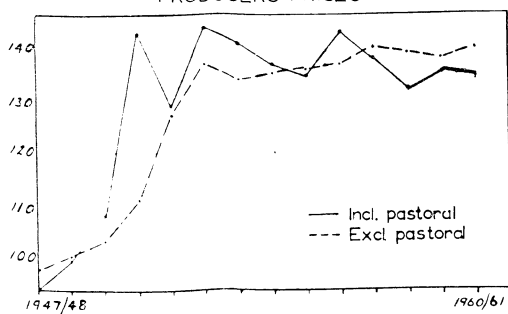
GEOGRAPHICAL INCOME



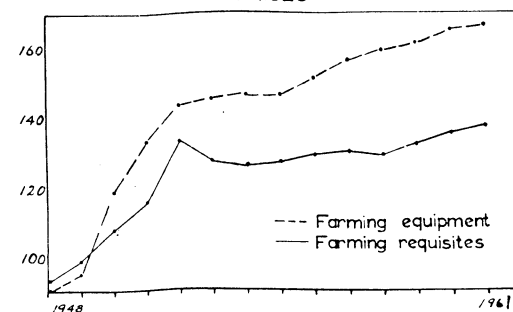
AGRICULTURAL PRODUCTION



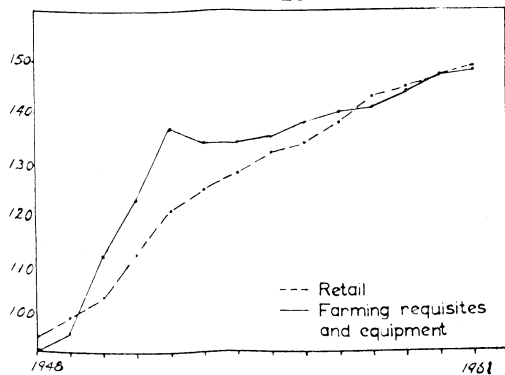
PRODUCERS' PRICES



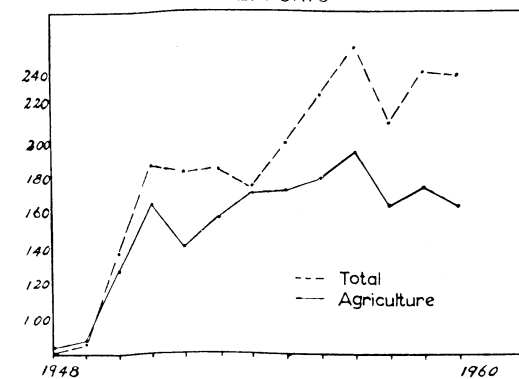
PRICES



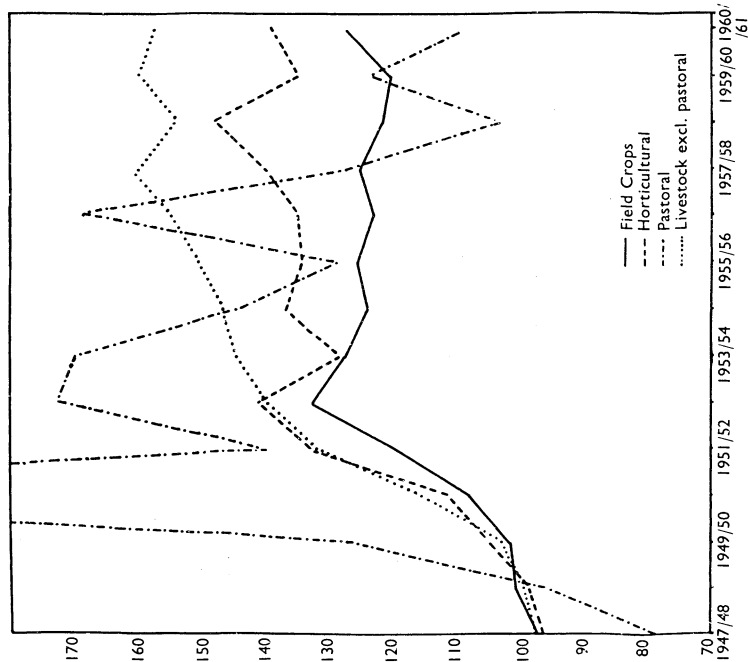
PRICES



EXPORTS



INDEXES OF PRODUCERS' PRICES OF AGRICULTURAL PRODUCTS
(Basis: 1947/48-49/50 = 100)



INDEXES OF PRICES OF FARMING EQUIPMENT AND REQUISITES.
(Basis: 1948/50 = 100)

