LANDBOU-VOORUITSKOUINGSKONFERENSIE 1982

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AGRICULTURAL OUTLOOK CONFERENCE 1982

PRESENTED BY -

- Agricultural Economics Association of South Africa
- Co-ordinating Committee of Control Boards
- Department of Agriculture and Fisheries

CSIR - Conference Centre

Meiring Naude Road

Pretoria

JANUARY 13 AND 14, 1982

AGRICULTURAL OUTLOOK CONFERENCE 1982

1. WHEAT

1.1 International Review

Wheat is produced in most countries of the world but over the past decades the industrialised countries developed exportable surpluses of wheat and developing countries an increasing import need.

World wheat production surpassed 400 million tons for the first time in 1976 when 425 million tons were produced but in 1977 production fell to 390 million tons. A new record was reached in 1978 when 450 million tons were produced but in 1979 and 1980 production again fell to 426 and 444 million tons respectively. For 1981 production is presently estimated to equal the 1978 season record of 450 million tons.

World wheat consumption on the other hand showed a more stable pattern, increasing by a fairly regular 2 to 3 per cent per annum. World wheat trade has also increased steadily over recent years. World trade rose by more than 10 million tons in 1977/78 from 62 to 73 million tons. In 1978/79 it fell to 72 million tons but increased sharply in 1979/80 to 84 million tons. The volume of world trade for 1980/81 and 1981/82 is presently forecasted to reach new records of approximately 93 and 102 - 105 million tons respectively.

Only five of the world's wheat producing countries provide in 97,7 % of all world trade i.e. United States of America 44,5 % , Canada 18,8 % , Australia 16,7 % , the E E C countries 12,2 % and Argentina 5,5 %.

Wheat imports are, however, much more diversified. Developing countries are estimated to have imported 50,0 % of total supplies during 1979/80, centrally planned economy countries (including China) 33,8 % and developed countries 16,2 %.

Since the mid 1970's world wheat stocks have been distributed in a more balanced pattern than had been the case during previous decades. At the end of the 1959/60 season for example, the five major exporting countries held over 60 million tons of wheat of which 52 million tons were in North America i.e. the United States and Canada.

Stocks held in other countries at the time were in the region of 20 to 25 million tons only. By the end of the 1965/66 season, as a result of large North American sales of wheat to India and the U S S R, stocks at the major exporting countries were reduced to 33 million tons. During subsequent years stocks in the exporting countries were replenished and reached an all time high of 64 million tons at the end of the 1969/70 season.

By that time, however, some of the major exporters had introduced production restrictions. These production cuts and excessive imports by the U S S R and other countries during the period 1972 - 1974 reduced end of season stocks at the five major exporters to 25 million tons in 1973/74. At that time the stocks held by importing countries were for the first time larger than those held by the major exporting countries. The balance between the volume of stocks held by exporters and importers had since been kept, not by agreement but by force of circumstances.

International wheat prices remained very stable during the 1960's when supply exceeded demand and large stocks were accumulated by exporters. These stocks were successfully used to compensate for production instability caused by unavoidable natural forces, and stable prices were, therefore, maintained. The burden of stock holding, however, fell disproportionately on the major exporters who, also discouraged by low prices, started

cutting/...

cutting back production during the late 1960's. Free on board prices of wheat which had been contained at around $60 per ton from 1960 until mid 1972, rose to about $100 per ton by the end of that year, $180 per ton at the end of 1973 and reached their peak of about $220 per ton by March 1974. Subsequently f.o.b. prices declined until mid 1977 when they bottomed at below $100 per ton. By early 1979 the prices had slowly risen to $140 per ton but jumped in May that year to $180 per ton. Since May 1979 international prices ranged around that level, weakening somewhat towards March 1980, but regaining strengh in June and again in October 1980 with the news of a second poor crop in succession in the U S S R and production shortfalls in Australia and Argentina. The upward trend was, however, short-lived and towards the end of November 1980 prices started declining steadily to its current level of around $160 per ton.

As indicated earlier total world trade in wheat expanded strongly over the last decade. In addition, trade as a proportion of world consumption and of production in the major exporting countries increased substantially. These trends were in response to the increase in demand in the major centrally planned and developing countries where demand outstripped domestic supply.

The following major structural changes in the world wheat market occured during the past decade:

1. Wheat exports are increasingly concentrated in only a few countries with the share of the United States becoming more important.

2. The less developed countries emerged as dominant importers of wheat while imports by developed countries have declined in importance.

3. The centrally planned countries have entered the wheat market as major importers.

4. The U S S R has switched from an exporter to a net importer of wheat.

5. The E E C countries have become net exporters of wheat but importers of coarse grains.

6. The most rapid and sustained increases in demand for wheat have come from O P E C and middle income developing countries with adequate foreign exchange.

7. The overall volume of trade has increased.

8. The proportion of world wheat production traded has remained fairly constant at about 21 % of production.

A major consequence of these developments is that the tendency for chronic oversupply of wheat among exporters prior to 1970, has steadily been reduced.

Authorities in the grain industry are forecasting tight grain supplies, high and widely fluctuating grain prices and changes in market behaviour in the eighties, that could force adjustments in the export policies of the major wheat exporting countries such as the United States, Canada, Australia and Argentina.

Current trends suggest that the world may become more dependent on wheat imports just when supplies will fluctuate more, while output may respond more slowly to an increase in demand and additional supplies could be more costly to obtain.

The shift in the market is ascribed to the increased demand for wheat over the last two decades mainly by the communist and the developing countries. Initially the exporting countries handled the rise in demand by drawing down stocks and by expanding wheat

production/...

production onto land that had been set-aside or left uncultivated, especially in the United States.

At present stocks are down to an unsatisfactory level and much of the fallowed land is again in production. Further horizontal expansion is, therefore, limited to less productive land or to land that will have to be diverted from other crops.

Although technology and consequently yields will probably continue to improve, an increase in prices relative to costs is a prerequisite to sustain an upward trend in output. A tight supply situation may not occur every year during the next decade since the availability of wheat will depend largely on weather conditions and crop yields. Wheat surpluses may, therefore, still appear from time to time. Lower stocks on average and a reduced capacity for an expansion of output will, however, magnify the impact of widespread droughts on the world market, resulting in greater instability in world prices.

Most domestic markets are, however, fairly inflexible in its response to fluctuating world market prices. Most of the response to widely fluctuating prices will, therefore, have to be borne by the constantly shrinking free market which includes the domestic U S market. The free market is likely to continue to shrink as a result of increasing domination of the market by state trading and bilateral agreements.

The exporting countries and especially the United States will, therefore, find it increasingly difficult to achieve their policy objectives without some changes in their domestic marketing arrangements.

Current domestic pressures in the United States that it should insulate, at least partially, its internal wheat price from the world market price are, therefore, expected to increase. Wheat exporting countries may in the next decade be induced to co-operate more actively than in the past in international marketing although the likelyhood of exporters forming a cartel like O P E C is slight.

Since a new International Wheat Agreement with the objectives of food security and price stability by means of internationally co-ordinated nationally held reserve stocks is unlikely to be reached in the foreseeable future it can be expected that in the absence of multilateral arrangements both exporters and importers will increasingly be seeking long-term bilateral agreements - exporters with the objective of guaranteeing market access and importers with the objective of being assured of supplies. The percentage of trade covered by bilateral agreements rose from about 10 % in 1973/74 to about 29 % in 1980/81 and is expected to expand further during the next decade.

Long-term contracts, however, offer advantages and disadvantages to exporters. Among the disadvantages are -

1. exporters may find their hands tied in marketing;

2. opportunities of market discrimination may be reduced;

3. the possibility of using food as a lever of diplomacy may be curtailed; and

4. the risk of over-commitment, unless backed up by a carefully planned reserve policy.

The advantages for exporters on the other hand will be -

1. sales will be guaranteed;

2. shipments can be planned in advance;

3. demand may increase as customers become accustomed to regular shipments; and

4. importers may be persuaded to accept a greater stockholding role in the market.

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In turn several importing countries, who perceive both increasing numbers of bilateral agreements and the prospect of a tighter supply-demand situation, will be seeking assurances of supply. Especially importers who require at least a minimum volume of wheat imports each year as part of their basic food program see obvious attractions in bilateral agreements. Such agreements will protect them from export restraint programs that may be imposed by exporters, but most important, it represents a commitment by an exporter to supply his contractual partners, if necessary, at the expense of other markets.

Some centrally planned countries may, however, be uneasy about the amount of internal information they will be forced to expose in negotiating and implementing bilateral agreements.

The institutional changes in recent years involving exporting countries have been less marked than those affecting importing countries. Nevertheless, some of the developments in bilateral agreements and the operations of marketing boards may have significant implications for wheat trade in the eighties.

In Australia and Canada wheat exports are largely in the hands of marketing boards while in the United States it is in the hands of private traders.

Although in the medium to longer term, wheat prices in Australia and Canada do follow the world market, they do not in the short term fluctuate as frequently as in the United States. The reasons for this are that, since marketing boards co-ordinate marketing and stockholding they can regulate the flow of grain to the market in an attempt to attain a range of objectives relating to the basic concepts of -

1. price stability;

2. preservation of market shares;

3. avoidance of high stock levels;

4. revenue maximization;

5. avoidance of a need to institute production controls; and

6. discrimination among markets.

Marketing boards are, therefore, in a position to influence world market prices and trade through their marketing decisions and they are also able to insulate domestic producers and consumers from short- and medium-term fluctuations in the world market. Furthermore there is very little scope or incentive for marketing boards to take market risks.

Although the marketing of wheat in the United States is in the hands of private traders, U S Governments have from time to time influenced world trade through a variety of domestic and international measures, such as trade embargos, export taxes and subsidies and set aside programs.

Current pressures in the United States may in future lead to greater government interference in the marketing of wheat which through a U S producer wheat board could stabilize the internal price to U S consumers although it would increase the variability in the world wheat price.

In conclusion it is projected that centrally planned economy countries and developing countries will experience a 70 - 75 % growth in consumption expenditure per capita over the 15 years 1970 to 1985. A large proportion of the increase will be devoted to improving nutrition which means substantially increased purchases of food by these countries.

Predictions,/...

Predictions, however, indicate that the world can meet future increases in wheat comsumption provided regional adjustments in food production are made so that production growth rates can exceed comsumption growth rates in developing countries.

It is expected that by 1990 comsumption of food in developing countries will exceed production by 3,5 % if consumption trends remain at the present level. Developing countries may, therefore, face a net food deficit of 109 million metric tons by the year 1990.

The United Nations Food and Agriculture Organisation indicates that 28 African countries are presently suffering from food shortages and that less food is being grown in Africa now than in 1970. Most of these countries are also suffering from major deficits in their balance of payments and can literally not afford to step up commercial food imports or to invest in their already weakened agricultural industries.

Projections for all regions of the world further show that only developed countries will be net food exporters during the 1980's. The necessity of increased food production in developing countries can, therefore, hardly be stressed enough.

The total area under wheat, world production, world consumption, total world trade and carry-over stocks at the 5 major exporters for the past 10 years are shown in table I.

1.2 National Review

1.2.1 Production

Like in most wheat producing countries of the world, the production of wheat also expanded in South Africa over the past decade, mainly as a result of increased yields per hectare. As a result of the country's limited arable land which comprises a mere 8 % of the total area, its irregular rainfall, limited water supplies and the fact that only a small area of approximately 13 million hectares in the South Western corner of the country has a mediterranean climate i.e. winter rainfall, it is not particularly suited for wheat production. Consequently the country's wheat crops may vary substantially from one year to another.

The Republic's 1979/80 wheat crop for example yielded 2,086 million tons and the 1980/81 crop only 1,470 million tons. The 1981/82 crop is presently estimated at 2,035 million tons.

The Board's wheat purchases for the past 10 years in the various production areas, the total production and the total area under wheat as well as estimates for the 1981/82 season are given in table 2.

In the Republic the producers' prices of wheat are determined on a cost plus basis and the consumers' prices are fixed in accordance with the producers' prices. Domestic prices of wheat are, therefore, not subject to world market forces.

Considering also the country's limited arable land it is very unlikely that an increase in world market prices during the nineteen eighties would result in horizontal expansion of local production. Expansion of wheat production in the Republic during the next decade will, therefore, largely depend on improved technology, the availability of better adapted higher yielding and desease resistant cultivars and the possible diversion of land from other crops.

Since the domestic prices of wheat are not determined by market forces there is no relation between domestic prices in the Republic and world market prices.

The producers' prices of class A and class B grade one wheat and the Board's basic selling prices for the past 10 years are shown in table 3.

1.2.2/...

1.2.2 Consumption

Local consumption of wheat, has for many years showed a steady increase of about 4 % per annum. Approximately 97 % is used for human food. During the 1979/80 season the rate of increase in consumption, however, dropped to 1,3 % but it rose sharply during the 1980/81 season to 7,8 % . The decline in the rate of increase experienced during the 1979/80 season can to a certain extent be ascribed to a notable switch in consumer demand from white to brown bread as a result of a considerable price difference between the two classes of bread while the sharp increase during the 80/81 season mainly resulted from increased bread consumption due to the fact that bread in general but brown in particular was heavily subsidised during that season.

The Republic's wheat consumption for the 1980/81 season amounted to 1 890 000 tons compared with the Board's purchases of 1 385 000 tons. This represents a shortfall of 505 000 tons. The 1980/81 crop together with the carry-over stocks of 601 000 tons on 30 September 1980 was, therefore, not sufficient for the country's requirements until supplies of the 1981/82 season's crop became available. Consequently approximately 284 000 tons of wheat had to be imported during the 1980/81 season.

The 1981/82 season's purchases are presently estimated at 1 976 000 tons. Should consumption again increase by 7,8 % during the 1981/82 season the country's total requirements will amount to approximately 2 040 000 tons. The current season's crop together with the carry-over stocks of 320 400 tons from the previous season, will, therefore, not be sufficient for the country's requirements plus a carry-over of 3 months' supplies.

Since substantial supplies of the new season's crop only start becoming available from about the second half of November of each year a carry over of at least 3 months supplies is required to see the country through until sufficient supplies of the new season become available. It may, therefore, be necessary to import approximately 280 000 tons of wheat during the 1981/82 season.

Table 4 shows the local comsumption of wheat for the past decade as well as an estimate for the 1981/82 season.

Considering the consumption growth rate during the 1980/81 season and the variability of the Republic's wheat production it seems unlikely that the country will remain selfsufficient during the 1980's as it has been during the 1970's.

In view of the current food shortage in many African countries which is expected to worsen during the nineteen eighties, the anticipated tight supply position in the world and the Republic's fluctuating wheat production mainly as a result of its irregular rainfall, it is considered of major importance that in years of surplus production provision should be made for sufficient strategic carry-over stocks.

Considering further the fact that there is hardly any substitute for wheat and the risks attached to wheat production in the Republic on account of its climate there should be some incentive for producers to produce wheat to enable the country to remain selfsufficient in respect of its wheat requirements.

1.2.3 Wheaten bread

Earlier in this report mention was made of the sharp increase of 7,8 % in the commercial wheat milling during the 1980/81 season largely due to an increase in bread consumption as reflected in the table below:

Bread manufactured in the R S A

Season/...

Season	Bread manufactured	Percentage increase over previous season
1977/78	1 091 728 tons	2 %
1978/79	1 162 528 tons	6,6 %
1979/80	1 286 928 tons	10,7 %
1980/81	1 374 240 tons	6,8 %

Montly growth in bread consumption 1980/81 season

Month	% increase (+) or decrease (-) over corresponding month previous season
October 1980	+ 8,4
November 1980	+ 4,2
December 1980	+ 10,2
January 1981	+ 6,8
February 1981	+ 2,7
March 1981	+ 5,5
April 1981	+ 10,6
May 1981	+ 9,7
June 1981	+ 14,0
July 1981	+ 12,3
August 1981	- 1,7
September 1981	+ 1,6

The marked decline in bread consumption during August 1981 can largely be ascribed to the sharp increase in the price of bread as from 1 August 1981. The price of white bread was increased from 30 c to 40 c per loaf (33 %) and that of brown bread from 20 c to 28 c per loaf (40 %).

Although the bread turnover for August 1981 compared with the turnover for August 1980 showed a decline of only 1,7 % , the turnover for August 1981 compared with that for July 1981 showed a decrease of as much as 11,6 %. The bread turnover during September 1981 showed an increase of 1,6 % compared with that for September 1980 which may be an indication that the consumers' resistance brought about by the increased bread price is declining.

Judging from the bread consumption figures for the different areas it would appear that the measure of consumers' resistance varies from one area to another. For example the consumption figures for the Witwatersrand delivery area for August 1981 compared with those for July 1981, showed a decline of 7,5 % whereas the consumption figure for the rural areas which include the self-governing National states declined by 16,5 % . From this it may be concluded that the Black consumer's resistance to the increased bread prices is stronger than the white consumer's resistance.

With the limited available particulars it is very difficult to gauge the effect of the increased bread prices on the bread market in the long term. However, judging from past experience as regards bread price increases and their ultimate effect on bread consumption and taking into account current trends, a modest growth in the demand for bread during the 1981/82 season can be predicted.

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2. BARLEY

2.1 Production

Contrary to most of the major barley producing countries where the bulk of the crop is used for feeding purposes and only a small portion for malting purposes, barley is produced mainly for malting purposes in the R S A. Barley production is, therefore, relatively small in comparison with wheat production.

Approximately 90 % of the Republic's barley crop is produced in the Rûens area of the South Western Cape Province where barley yields compare favourably with that of wheat.

Until the 1973/74 season barley production was limited to approximately 20 000 tons per year due to the fact that no suitable high yielding cultivars were available. Production, however, gained momentum from the 1974/75 season when the high yielding cultivar Clipper was released for production.

The Board's barley purchases according to production areas for the past 10 years and an estimate for the 1981/82 season are shown in table 1.

From the table it will be noted that there was a sharp decline in barley production during the 1980/81 season. This was mainly due to drought conditions which prevailed during the planting and early growing period of the barley in the main barley producing area.

2.2 Local Demand

Since the late 1950's except for the 1978/79 season when a record quantity of 126 000 tons of barley was purchased by the Board, the production of malting barley has never been sufficient to meet the local demand. The local consumption of malting barley was, however, limited to less than production during the late 1970's due to inadequate malting capacity. Substantial quantities of barley, therefore, had to be exported during this period while barley malt had to be imported by the breweries.

Local maltsters have since, however, increased their malting capacity to 86 000 tons of barley. Further extentions in the near future to the new maltings at Caledon in the Cape are planned as it is estimated that the demand for local malting barley will reach approximately 175 000 to 180 000 tons per year by 1985/86.

The consumption of local barley for the past 10 years is shown in table 2.

2.3 Prices

Since barley and wheat are in direct competition with each other in the barley producing areas a balanced price ratio should exist between the two cereals in order to avoid discouragement of one and over stimulation of the other. For the 1981/82 season the price of the best grade class B barley has, therefore, been fixed at 87 % of the price of the best grade class A wheat.

The producers' prices and the Board's basic selling prices of barley for the past 10 seasons are shown in table 3.

TABLE 1

BOARD'S BARLEY PURCHASES ACCORDING TO PRODUCTION AREAS (tons)

	1971/72	1972/73	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82 (Estimate)
CAPE PROVINCE:											
South Western Cape:											
mainly Swartland area	337	320	1 042	4 851	4 968	3 846	2 481	1 704	1 748	1 195	1 290
mainly Rûens area	15 942	18 006	13 856	39 270	45 053	57 003	77 985	112 225	99 450	49 197	95 300
Total South Western Cape Province	16 279	18 326	14 898	44 121	50 021	60 849	80 466	113 929	101 198	50 392	96 590
Coastal areas	2 038	730	1 438	3 770	4 924	4 657	3 244	7 606	2 568	1 935	4 390
Karoo	1 060	212	384	1 125	485	1 228	1 160	549	579	119	810
Vaalharts	1 090	1 140	2 796	1 809	1 059	2 005	1 508	1 876	2 139	652	620
Namaqualand	103	33	27	865	299	685	564	-	59	156	220
North Eastern Districts and Border	104	35	73	331	162	240	160	119	177	-	-
Griqualand East	-	-	-	-	-	23	-	-	-	-	-
TOTAL CAPE PROVINCE	20 674	20 476	19 616	52 021	56 950	69 687	87 102	124 079	106 720	53 254	102 630
ORANGE FREE STATE	39	5	111	402	253	367	280	147	48	37	170
TRANSVAAL	246	26	493	436	608	1 233	1 224	1 802	201	20	70
NATAL	2	-	1	1	-	-	-	4	-	-	-
GRAND TOTAL	20 961	20 507	20 221	52 860	57 811	71 287	88 606	126 022	106 969	53 311	102 870

TABLE 3

THE BOARD'S BASIC PRODUCERS' PRICE AND SELLING PRICE OF A1 AND B1 WHEAT IN BAGS

Season	Producers' price R/t		Selling price R/t	
	A1	B1	A1	B1
1971/72	R 72,96	R 71,31	R 73,51	R 71,86
1972/73	75,23	71,93	75,83	72,53
1973/74	82,74	79,44	83,44	80,14
1974/75	95,16	91,86	95,91	92,61
1975/76	106,80	103,50	107,60	104,30
1976/77	121,35	118,05	123,85	120,55
1977/78	121,35	118,05	123,98	120,68
1978/79	136,35	132,26	141,60	137,51
1979/80	185,21	179,65	188,06	182,50
1980/81	215,20	208,74	218,25	211,79
1981/82	241,40	234,16	244,80	237,56

TABLE 4

LOCAL CONSUMPTION OF WHEAT (tons)

Wheat used for	1971/72	1972/73	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82 (Estimate)
Commercial milling	1 320 972	1 373 567	1 482 018	1 542 772	1 638 392	1 583 981	1 603 447	1 671 734	1 694 284	1 827 100	1 955 000
Breakfast foods	2 544	4 876	2 923	2 708	2 719	2 976	2 939	3 165	3 015	3 886	4 000
Domestic use	5	3	48	72	39	35	41	73	19	18	50
Seed	35 137	35 824	31 444	33 071	37 884	37 690	25 220	33 528	31 040	28 133	30 000
Feed	145	2 223	308	866	2 529	1 404	1 436	413	47	770	800
Sundries	588	663	1 034	958	1 290	1 043	2 607	17 645	29 034	30 423	32 150
	1 359 391	1 417 156	1 517 775	1 580 447	1 682 855	1 627 129	1 635 690	1 726 558	1 757 439	1 890 330	2 022 000

TABLE 1

WORLD AREA UNDER WHEAT, PRODUCTION, CONSUMPTION, TRADE AND CARRY-OVER STOCKS AT 5 MAJOR EXPORTERS

Season	Area mil. ha	Production mil. tons	Consumption mil. tons	Trade mil. tons	Carry-over stocks mil. tons
1971/72	217,9	353,3	341,6	52,00	48,7
1972/73	215,6	346,9	361,6	68,00	27,3
1973/74	223,7	376,7	364,0	63,00	25,6
1974/75	224,2	359,3	362,4	63,00	28,4
1975/76	228,5	355,8	352,3	66,00	36,1
1976/77	236,6	425,0	378,5	62,00	52,7
1977/78	232,0	390,0	400,5	73,00	50,5
1978/79	232,1	450,0	424,4	72,00	53,0
1979/80	226,0	416,0	437,4	84,00	45,5
1980/81	236,0	444,0	445,2	93,00	43,4
1981/82	238,4	450,0	450,7	105,00	43,0

TABLE 2

THE BOARD'S PURCHASES OF WHEAT PRODUCED IN THE REPUBLIC AND THE AREA UNDER WHEAT 1971/72 - 1981/82

Season	Swartland area	Rûens area	Remainder of Cape Province	Total for Cape Province	Orange Free State	Transvaal	Natal	Total for Republic	Receipts from Lesotho, Swaziland, Botswana, Bophuthatswana and S W A (tons)	Total production in Republic (retentions on farms included) (tons)	Total area under wheat in the Republic (ha)
1971/72	225 054	298 275	234 659	757 988	617 782	220 758	6 951	1 603 479	2 871	1 670 000	2 010 000
1972/73	252 713	282 670	225 345	760 728	714 793	206 804	11 515	1 693 840	3 851	1 746 000	2 017 000
1973/74	261 913	169 095	171 573	602 581	1 019 684	202 934	13 697	1 838 896	4 961	1 871 000	2 025 000
1974/75	270 627	165 326	193 131	629 084	721 825	172 944	7 806	1 531 659	2 834	1 596 000	1 865 000
1975/76	272 149	184 158	163 197	619 504	854 168	254 707	6 810	1 735 189	1 911	1 792 000	1 788 000
1976/77	239 267	193 238	198 787	631 292	1 118 523	415 480	4 740	2 170 035	2 299	2 239 000	1 866 000
1977/78	204 843	203 669	183 731	592 243	894 690	298 601	3 542	1 789 076	1 556	1 860 000	1 705 000
1978/79	81 575	143 355	125 044	349 974	944 562	204 093	2 472	1 501 101	4 019	1 590 000	1 792 000
1979/80	250 030	197 283	158 379	605 692	1 242 335	179 600	2 901	2 030 528	5 214	2 086 000	1 901 000
1980/81	281 761	143 800	160 017	585 578	518 234	274 333	2 842	1 380 987	3 899	1 470 000	1 623 000
1981/82 (Estimate)	261 000	229 290	246 440	736 730	943 720	287 780	3 110	1 971 340	4 620	2 035 000	1 787 000

TABLE 2

LOCAL BARLEY CONSUMPTION (tons)

	1971/72	1972/73	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79	1979/80	1980/81
Seed	3 229	4 720	5 404	4 807	6 015	5 642	7 712	6 426	4 558	5 612
Malt	563	988	1 257	1 578	2 022	1 357	853	-	688	2 354
Pearl barley	2 820	3 014	1 639	2 979	2 617	2 860	3 305	2 371	3 885	2 861
Malt for brewing	13 453	12 038	11 894	41 560	29 281	52 011	57 426	60 760	57 798	41 150
Coffee	90	3	2	8	4	9	9	3	9	-
Animal feed	114	371	38	130	176	582	361	897	805	549
Total	20 269	21 134	20 234	51 062	40 115	62 461	69 666	70 457	67 743	52 526

TABLE 3

BASIC PRODUCERS' PRICE AND SELLING PRICE OF B1 AND C1 BARLEY IN BAGS

	Producers' price R/t		Selling price R/t	
	B1	C1	B1	C1
1971/72	R 63,35	R 36,30	R 63,90	R 36,85
1972/73	66,29	36,30	66,89	36,90
1973/74	76,29	51,30	76,99	52,00
1974/75	90,29	70,30	91,04	71,05
1975/76	102,03	82,04	102,83	82,84
1976/77	105,00	80,20	107,69	82,89
1977/78	105,00	80,20	107,82	83,02
1978/79	120,75	92,23	123,69	95,17
1979/80	125,75	92,23	128,79	95,27
1980/81	182,92	130,00	186,16	133,24
1981/82	210,02	140,00	213,61	143,59