

# Agriculture

Mr Nils Dittmer, Executive Director of the Organisation of Livestock Producers (OLP), and FMF Council Member, reports on several successes in the liberalisation of agriculture in South Africa:

- All the Control Boards have been abolished and Liquidation Committees are in the process of winding up their affairs.
- All compulsory levies on the sale of agricultural products have been abolished. Recent attempts to have compulsory levies re-imposed or retained to pay for research, information, generic marketing and promotion of the emergent sector have failed. Producer organisations, the National Agricultural Marketing Council and the Parliamentary Portfolio Committee on Agriculture all rejected compulsory levy proposals.
- The import of agricultural products is now controlled by the imposition of import duties instead of the quantitative controls which previously applied. The result has been a substantial increase in the quantity of meat imports whilst locally-produced grain has been able to compete on a price basis with potential imports.
- Price fixing of agricultural products has been totally abolished.
- The liberalisation of agriculture has compelled large meat companies that controlled 80% of the meat industry (ie production to retail) to rationalise. Many functions have been taken over by a multiplicity of smaller and more competitive organisations.
- Co-operative societies across the country have converted to public companies and have lost the special privileges they enjoyed under the one-channel grain-marketing system which has been abolished.

Mr Dittmer believes that South African agriculture has undergone one of the most extensive liberalisation processes that has occurred anywhere in the world. Massive restructuring has resulted and the farming sector is now much more competitive than it was in the past.