№. 1 (5), 2019

http://jees.usch.md/

e-mail: journal.ees@usch.md

COOPERATION OF PERSONAL SUBSIDIARY ECONOMIES OF THE WESTERN KAZAKHSTAN REGION AS A FACTOR OF INCREASING THE POPULATION WELFARE

Kazambaeva Aygul M.,

candidate in economic sciences, associate professor, West Kazakhstan Agrarian Technical University named after Zhangir Khan, Uralsk, Kazakhstan

Comparison of Compari

Yessengaliyeva Sultanat M.,

candidate in economic sciences, senior lecturer, West Kazakhstan Agrarian Technical University named after Zhangir Khan,
Uralsk, Kazakhstan

e-mail: salta_em@mail.ru

Summary. The main problems of the economic availability of food to the population of the West Kazakhstan region are considered. The wages, pensions and benefits in the region over a ten-year period are analyzed. It was revealed that the main source of income is income from labor activity, whose share in the income structure is gradually decreasing, and the state, in order to increase real disposable incomes of the population, increases social transfers. The distribution of the self-employed population in the districts of the region is shown. It has been determined that in the districts of the region agricultural production provides employment for both hired workers and the self-employed population. It has been determined that the self-employed population in the rural areas of the region is engaged mainly in the management of personal farms. The structure of agricultural production by categories of farms has been analyzed and it has been determined that over 50% of the industry's products are provided by households. The volumes of production of the main types of agricultural products in the region per capita are considered. It was determined that measures aimed at increasing the demand for agricultural products as food and raw materials for the food industry should be carried out by stimulating the development of agriculture itself in the region.

Keywords: income, income structure, self-employed population, economic affordability of food, agriculture, households, production, consumption, cooperation of households

JEL classification: Q01, Q11, Q18 UDC: 338.43:334.72(574)

Introduction. In the Republic of Kazakhstan, one of the priorities of the state economic policy is the national agri-food market, which is responsible for providing the population of the country with high-quality food. This is evidenced by the fact that food security is incorporated into national security as an element of economic security. Ensuring food security means that the state undertakes to ensure the physical and economic availability of safe and high-quality food products to the population, sufficient to meet the physiological standards of consumption and demographic growth [1,2]. The national agri-food market, as a system, includes regional agri-food markets. And if the national market is responsible for food security, then the regional market is responsible for the food self-sufficiency of the region [3]. The present state of development of the economies of the regions of the Republic of Kazakhstan are different. Also, the levels of production and consumption of basic types of food and the potential of their agriculture are different in terms of compliance with obtaining the necessary quantity of agricultural products, raw materials and food [4, Ch. eight]. In this regard, in order to develop recommendations on the formation of conditions for increasing the incomes of the rural population, studies were conducted on the existing income levels, their structure, the production of basic agricultural products and the consumption of basic food products by the population of the region.

Materials and research methods. In the economic literature, methodological approaches to assessing the current state and development of the agri-food market are based on the main goal and in two aspects: relative to the territory and to each individual person. Thus, in relation to each individual, food supply is necessary for the formation of a physically and intellectually developed person,

№. 1 (5), 2019

http://jees.usch.md/

e-mail: iournal.ees@usch.md

improvement of well-being and the eradication of poverty in the reform of social infrastructure. With reference to a separate state, this is ensuring the food security of the country.

In assessing the level of food security of the population, a system of indicators is used that characterize not only the production or consumption of the main types of food, but also the potential of the country's agriculture in terms of compliance with obtaining the required amount of agricultural products, raw materials and food [5,6].

Two basic groups of indicators were used as initial information for the analysis of the economic affordability of foodstuffs: monetary incomes of the population, production of main agricultural products and consumption of the most important food products in a separate region of the Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan and its territorial bodies [7].

To provide a comprehensive study in the work used such analysis methods as summary, grouping, comparison, ranking, visualization of statistical data, the application program VS Excel [8, 9]. Materials and research methods. In the economic literature, methodological approaches to assessing the current state and development of the agri-food market are based on the main goal and in two aspects: relative to the territory and to each individual person. Thus, in relation to each individual, food supply is necessary for the formation of a physically and intellectually developed person, improvement of well-being and the eradication of poverty in the reform of social infrastructure. With reference to a separate state, this is ensuring the food security of the country.

In assessing the level of food security of the population, a system of indicators is used that characterize not only the production or consumption of the main types of food, but also the potential of the country's agriculture in terms of compliance with obtaining the required amount of agricultural products, raw materials and food [5,6].

Two basic groups of indicators were used as initial information for the analysis of the economic affordability of foodstuffs: monetary incomes of the population, production of main agricultural products and consumption of the most important food products in a separate region of the Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan and its territorial bodies [7].

To provide a comprehensive study in the work used such analysis methods as summary, grouping, comparison, ranking, visualization of statistical data, the application program VS Excel [8, 9].

Results and its discussion. Analysis of official statistics shows that in the republic's GRP for 2008-2017. the share of products of the West Kazakhstan region is decreasing. So, if in 2008 the region provided 5.1% of the gross output of the republic, then in 2017 - only 4.3%. In the period under review, the highest value of the indicator - 5.6% was in 2012, the smallest - 4.2% in 2015, in 2018 it was 4.1%.

The share of agricultural production in the republican GDP also declined from 3.9% in 2008 to 3.4% in 2017, and in 2018 to 3.9%.

The economic availability of food means that the population of the country has the opportunity to purchase food in accordance with the minimum standards of food at the prevailing prices and incomes of various groups of the population. We have analyzed the dynamics of real disposable money incomes of the population, real wages, the real size of the assigned monthly pensions and benefits in the West Kazakhstan region over a ten-year period - 2008-2018. Results and its discussion. Analysis of official statistics shows that in the republic's GRP for 2008-2017. the share of products of the West Kazakhstan region is decreasing. So, if in 2008 the region provided 5.1% of the gross output of the republic, then in 2017 - only 4.3%. In the period under review, the highest value of the indicator - 5.6% was in 2012, the smallest - 4.2% in 2015, in 2018 it was 4.1%.

The share of agricultural production in the republican GDP also declined from 3.9% in 2008 to 3.4% in 2017, and in 2018 to 3.9%.

The economic availability of food means that the population of the country has the opportunity to purchase food in accordance with the minimum standards of food at the prevailing prices and incomes of various groups of the population. We have analyzed the dynamics of real disposable money incomes of the population, real wages, the real size of the assigned monthly pensions and benefits in the West Kazakhstan region over a ten-year period - 2008-2018.

№. 1 (5), 2019

http://jees.usch.md/

e-mail: iournal.ees@usch.md

The official statistics for 2008-2017 show that during this period, with a relatively stable growth of the consumer price index in the region, the real disposable money income of the population, real wages, the actual amount of assigned monthly pensions increased, but the rates of growth were different over the years .

The highest growth rate of the real average monthly wage in the years under consideration was in 2014. In this year relative to 2013, this indicator increased by 4.4%, the smallest growth was observed in 2017, when relative to 2016 its value decreased by one%. In 2018, the average monthly salary was 151478 tenge. The real wage index of 2017 increased by 4.4%.

These indicators differ from the average national indicators. The real salary in the country in 2015 compared to 2014 decreased by 2.3%; in 2016, compared to the previous year, it decreased by 1.1%, in 2017, as compared to 2016, it decreased by 1.7%.

In the composition of the income from labor activity is significant income from employment. In 2008, it accounted for 60.4% (in urban areas - 66.6%, in rural areas - 51.9%). In 2017, its share increased to 64.2% (in urban areas - 66.9%, in rural areas - 60.1%). At the same time, the share of business income is reduced from 16.6% in 2008 to 9.7% in 2017. In the third quarter of 2018, income from hired work accounted for 62.5% of the income, 10.4% from self-employment employment, 23.5% - social transfers, 3.6% other cash income.

In 2008, in urban areas, entrepreneurship provided 9.2% of income, in rural areas - 26.8%. In 2017, the share of business income decreased to 8.0% in urban areas and 12.3% in rural areas.

Economic theory shows that, as a rule, in a period of business decline, the state, in order to stimulate aggregate demand, increases transfers. Social transfers during this period increased from 18.8% in 2008 to 21.2% in 2017; in urban areas - from 18.4% to 19.9%, in rural areas - 19.5% to 23.1% respectively by years. The size of the real accrued pension to the population of the region in 2013-2015.increased. But in 2016 relative to 2015, its size decreased by 4.5% and in 2017 relative to 2016, it grew by 12.4%.

As a result of these changes, the real income index of the population of the region decreased in 2015 relative to 2014 by - 2.5% and increased in 2016 relative to 2015 by - 5.9% and in 2017 compared to 2016. increased by only 2.2%.

In order to identify the factors that influenced the change in the monetary incomes of the region's population, we studied the structure of income. Studies have shown changes in the income structure of the population. In the years under consideration, the main source of income for the population was income from labor activity. However, their share in total revenues is reduced from 77% in 2008 to 73.9% in 2017%. In rural areas - from 78.7% to - 72.4%, respectively, by year.

In the West Kazakhstan region, employment affects the income and expenditure of the population. People carry out labor activities to meet personal and social needs, to obtain a certain income in order to ensure the economic affordability of food.

Consider the employment rate for 2008-2018. population of the West Kazakhstan region. The study data in the framework of the years under review show fluctuations in employment in the West Kazakhstan region. They can be divided conditionally into three periods. In the first period - 2008-2010.the value of the indicator decreased from 69.3% to 68.8% (by 0.5%).

The second period - from 2011 to 2014. The highest level of employment in this period was recorded at 69.9% in 2012 (as compared to 2010, employment increased by 1.1%, and compared to 2011, - by 0.4%). In subsequent years of this period, employment decreased. The third period is from 2015 to 2017. In 2015, the smallest employment was observed in the region for the entire study period (2008-2017), which increased in subsequent years. The values of these indicators differ from the average employment indicators in the republic. In the republic in 2008-2017 the minimum level of employment - 66.1% was observed in 2009 and 2015, the maximum employment of the population during this period - 68% was recorded in 2013.

In the West Kazakhstan region, over 48% of the region's population, including those of working age, live in rural areas. The entire urban population is concentrated in the city of Uralsk - the regional center and the city of Aksai - the center of the Burlin district.

Employment in the districts of West Kazakhstan Oblast during the study period was different. So, in 2008, employment above the average regional level was in Burlinsky and the smallest - in the

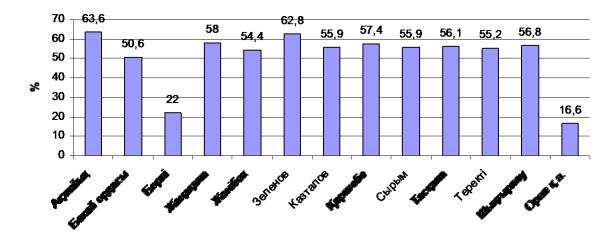
№. 1 (5), 2019

http://jees.usch.md/

e-mail: journal.ees@usch.md

Bukeiardinsky districts. In 2017, the largest employment was provided by the Burlinsky district (77.8%), and the smallest - by the Kaztalovsky district (71.2%). Employment in the regional center - Uralsk was below the regional average (64.5%).

As shown by our studies of the structure of the employed population by employment status, it is most preferable in the region to have the status of an employee. This makes it possible to work under a contract of employment, providing for payment (remuneration) in the form of wages, salary, bonuses, allowances, etc., or in kind. However, in 2017, in the region, 36.9% of the employed had the status of self-employed population. In all districts of the region, with the exception of Burlinsky district, their share is higher (Fig. 1).



Note: Compiled according to the Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan. www.stat.gov.kz

Figure 1 - Distribution of the self-employed population in the districts of the West Kazakhstan region

Akzhayy, Bokeiorda, Zhangalinsky, Zhanibek, Kaztalovsky, Karatobinsky, Syrymsky, Taskalinsky, Terektinsky, Chingirlau districts are characterized by relatively favorable natural conditions for agricultural production. There are no cities here, other sectors of the economy are not developed, therefore agricultural production provides employment for the population. It provides employment for both employees and self-employed people. For the self-employed population, the sphere of employment is their personal households, which provide more than 50% of the industry's products (Table 1).

Table 1. Structure of gross agricultural output of the West Kazakhstan region by categories of farms in 2013-2017,%

	2013	2014	2015	2016	2017	
Grossissue - total	100,0	100,0	100,0	100,0	100,0	
including:						
Agriculturalenterprises	5,9	6,1	5,7	8,0	9,0	
individual entrepreneurs and peasant	28,6	32,1	30,5	36,7	37,1	
orfarms						
households	65,5	61,8	63,8	55,3	53,9	

Note: Compiled according to the Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan. www.stat.gov.kz

It should be noted that the share of production of private households in the total volume of agricultural production in the region is decreasing. So, if in 2013, the share of household households accounted for about 52.7% of gross agricultural output: 78% in livestock production, 27% in crop production, and 53.9% in 2017. But, as studies show, in personal subsidiary farms there are significant

№. 1 (5), 2019

http://jees.usch.md/

e-mail: journal.ees@usch.md

amounts of shadow turnover of cash and informal employment. This is due to the imperfection of tax legislation, small-scale production, underdeveloped trade and logistics infrastructure, which leads to an increase in the number of small players in the market and an unreasonable increase in the cost of products [10].

One of the most important tasks that the agricultural and food market and agriculture of the West Kazakhstan region should solve is self-sufficiency of the population of the region with the main types of agricultural products as food and raw materials for food products. However, this question is determined by the combination of natural conditions in regions of the region (provision with heat, moisture and soil fertility) for various branches of agriculture and land supply - the area of agricultural land per capita of the region. The specific feature of the combination of these factors in the region is reflected in the production per capita of the region of grain, potato, meat and milk (Table 2).

Table 2. Production of certain types of agricultural products in the West Kazakhstan region per capita

	2008	2015	2016	2017	2017 %	
					2008	2016
Grainandlegumes	1194,0	150,6	484,7	572,1	47,9	118,0
Potatoes	80,4	109,2	114,1	90,9	113,1	79,7
Vegetables	63,8	96,4	99,7	81,0	127,0	81,2
Gourds	28,6	43,5	44,3	36,3	126,9	81,9
Meat	59,2	61,9	63,5	67,2	113,5	105,8
Milk	375,7	357,4	356,2	359,4	95,7	100,9
Eggs	172,4	237	240,5	251,7	146,0	104,7

Note: Compiled according to the Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan. www.stat.gov.kz

The data obtained indicate that the agriculture of the region in 2017 compared to 2008 increased production per capita: potatoes - by 13.1%, vegetables - by 27%, melons - by 27% and reduced grain production - by 52, one%.

Of livestock production, meat production increased by 13.5%, milk production decreased by 4.3%. The production of eggs has increased most significantly in the region - by 46%.

At the same time, in 2017, relative to 2016, the volume of potato production decreased by 20.3%, vegetables - by 18.8%, melons - by 18.1%. Livestock production increased slightly: meat - by 5.8%, milk - by 0.9%. Egg production increased by 4.7%.

It should be noted that the main producers of potatoes, vegetables and melons in the region are low-power households, which, in the absence of financial support from outside, as well as their cooperation in 2017, could not increase their production volumes.

In order to identify the factors of increasing effective demand for food, we examined the dynamics of the average monthly wage by type of economic activity in the region. Studies have shown that in 2017, more than 60% of those employed in the regional housekeeper had a salary lower than the average monthly nominal wage. So in agriculture, where 22.7% of the employed worked, wages made up 49.6% of the average monthly indicator in the region. Another popular activity in rural areas is trade, where wages are equal to 76.6% of the monthly average, in education 56.1%, and in health care 72.3% of the average monthly nominal wages.

Changes in household incomes have influenced the consumption of basic foodstuffs by the region's population. The current level of consumption was higher than the 2008 level for all major types of food, with the exception of milk and dairy products, the consumption of which decreased by 2.2%. The consumption of meat and meat products increased by 38%, eggs - by 46%, potatoes - by 11.9%, bread and bread products - by 5%, fruits and berries, vegetables and melons - by 85.7%.

Consumption growth in 2007 relative to 2016, it was less significant, and decreased for individual products. The consumption of bread and bread products, fruits and berries, vegetables and melons - has not changed. Consumption of milk and dairy products increased by 0.4%, eggs - by

№. 1 (5), 2019

http://jees.usch.md/

e-mail: journal.ees@usch.md

0.7%. The consumption of meat and meat products decreased by 1.4%, the consumption of potatoes - by 2.1%.

The dynamics of per capita food consumption in the West Kazakhstan region is presented in table 3.

Table 3. Consumption of basic food products per capita in the West Kazakhstan region

	2008	2015	2016	2017	2017 %	
					2008	2016
Meatandmeatproducts	50	70	70	69	138	98,6
Milkanddairyproducts	232	222	226	227	97,8	100,4
Eggs	100	147	145	146	146	100,7
Potatoes	42	48	48	47	111,9	97,9
Fruits and berries, vegetables	42	80	78	78	185,7	100
and melons						
Bakeryproducts	119	125	125	125	105	100

Note: Compiled according to the Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan. www.stat.gov.kz

Compared to rational norms, the nutrition of the region's population is deficient in all food groups, with the exception of bread products.

There are differences in food consumption among rural and urban residents. Studies of official statistics show that villagers consume more bread and bread products, vegetables and melons.

At the same time, they consume less meat and meat products, milk and dairy products, eggs, fruits and berries, potatoes.

Comparison of indicators of actual consumption of the main types of foodstuffs by the population of the republic with scientifically-based physiological consumption norms show that, on average, their consumption in the republic is higher than the subsistence minimum. At the same time, a comparison of the current level of consumption with rational norms, approved by order of the Ministry of National Economy of the Republic of December 9, 2016 No. 503, shows that the nutrition of the country's population is deficient in virtually all foodstuffs under consideration. The shortage of meat and dairy products attracts attention. In the diet, the necessary, but expensive products (for example, meat, cheese) are replaced with less useful, but more affordable and cheaper (bread products, potatoes).

Findings:

- 1. Measures aimed at increasing the demand for agricultural products as food and raw materials for the food industry should be carried out by stimulating the development of agriculture itself in the region. To this end, in the West Kazakhstan region, it is necessary to implement programs for the development of personal subsidiary farms through their cooperation. The cooperation should be a source of increasing the incomes of the rural self-employed population and the profitability of personal subsidiary farms.
- 2. It is necessary to implement a regional program to support the most vulnerable groups of the population whose incomes do not make it possible to purchase a set of food products necessary to maintain an active and healthy lifestyle. In particular, the purpose of increasing the demand for food could be facilitated by the provision of subsidies for catering for children, pensioners, pregnant and lactating women.
- 3. It is necessary to develop the network trade of agricultural products through the creation of electronic trading platforms. This will allow co-operatives of personal subsidiary farms, small farms and farmers to feel like equal participants in a large market, since any manufacturer who wants can post information about themselves completely free of charge and will increase their incomes.
- 4. Governmental investments are needed in the development of the region's transport infrastructure, which will also indirectly contribute to increasing the demand for agricultural products as foodstuffs and raw materials for their production.

№. 1 (5), 2019

http://jees.usch.md/

e-mail: journal.ees@usch.md

REFERENCES:

- 1. On the national security of the Republic of Kazakhstan. Law of the Republic of Kazakhstan dated January 6, 2012 No. 527-IV. URL: http://www.adilet.zan.kz/rus/docs/ z050000066 (access date: 01/18/2019).
- 2. On state regulation of the development of the agro-industrial complex and rural areas. Law of the Republic of Kazakhstan dated July 8, 2005 No. 66. URL: http://www.adilet.zan.kz/rus/docs/z1200000527 (appeal date: 01/18/2019).
- 3. F.O. Kaliyev, Ch. KimimbekovaKazakstanRespublikasynyayulaumaktarynykəleumettikdamuy // Agrarlyknarykproblemalary.- 2018.-N2.- B. 7-13.
- 4. Gizatov A.I. Questions of theory and practice of the agri-food market of the Republic of Kazakhstan: Monograph / A.I. Gizatov. Uralsk: RIC ZKGU them. M. Utemisov, 2018. 226 p.
- 5. Borodin K.G. Economic accessibility of food: factors and assessment methods // Economic Journal of HSE. 2018. Vol. 22. No. 4. P. 563–582
- 6. The Economist Intelligence Unit. Global Food Security Index 2017 | A Report. London, 2017.-15-22.
- 7. Ministry of National Economy of the Republic of Kazakhstan. Committee on Statistics [Electronic resource]. 2018. -URL: http://www.stat.gov.rz (appeal date 01/18/2019).
- 8. Eliseeva I.I. Statistics: textbook / I.I. Eliseev. M .: Prospect. 2013. 342 p.
- 9. Methodological position on statistics / Fourth edition, supplemented / in Russian, Astana, 2018. 502 p. [Electronic resource]. URL: http://www.stat.gov.rz (appeal date 01/18/2019).
- 10. Esengaliyeva S.M. Organizational and economic aspects of the development of agricultural cooperation // Problems of the agrimarket. 2018. № 1 p. 156-163

Received: 11.06.2019 **Reviewed:** 21.06.2019

Accepted to publishing: 27.06.2019