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FACTORS REDUCING THE COST OF PRODUCTION IN THE DEVELOPMENT OF THE AGRICULTURAL ECONOMY

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annotation

One of the main ways to reduce costs is to increase labour productivity. Due to this, any increase in agricultural production will be achieved. There is a strong correlation between productivity and cost.

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Text of the article: At the same time, it is important that the growth rate of labour productivity exceeds the growth rate of wages, better use of agricultural labour resources, complex mechanization, and new technologies for the production of machinery it is necessary to introduce. On the other hand, in order to increase production and improve quality, it is necessary to create the material and moral interest of your workers.

Another way to reduce the cost of production is to save material costs: seeds (sowing high quality seeds); feed (by reducing the cost of the link, rational use, elimination of losses in storage and transportation); reduction of transportation costs, fuel and lubricant costs for spare parts, etc. [3].

It is possible to reduce the consumption of material resources by using resource-saving technologies in the processing of agricultural crops. The introduction of such technologies will reduce material costs by 30-40% and the cost of production by 15-20% [7].

Improving the use of means of production also has a significant impact on reducing the cost of production, because a significant share corresponds to depreciation deductions. The better the farm is equipped with the means of production, the better they are used, and the more products are produced.

The use of the main means of production can be improved by improving their structure by removing the excess means of production. Construction of economic production buildings (structures), increasing the share of the active part of fixed assets in their total volume; better use of machinery and equipment,

increase production (day shift, seasonal) at the expense of a single tractor, combine, car; improving the cycle structure; accelerating the recovery of production assets.

In the cost structure, a significant share is also generated by production and general expenses. It is necessary to reduce redundancies by eliminating redundancies in the administrative apparatus, improving the organizational and economic structure of the enterprise. Elimination of losses in harvesting, storage and processing in multi-sectoral production, which is characteristic of agriculture; organization of processing of perishable and transportable products on the farm; science-based specialization in order to maximize production with minimal labour and investment; timely sale of products and reduction of any non-production costs.

The considered ways of cost reduction do not cover in detail the whole set of possible measures in the sectors and in the agricultural enterprise. They only give an idea of the general direction of work, and should be the basis for specific programs, which are developed taking into account the natural and economic nature of production in enterprises. At the same time, it is necessary to provide the farm with better means of production in order to cover additional material costs and increase the economic efficiency of agricultural production due to lower production costs [1].

It is known that due to the ongoing reforms in Uzbekistan, more than 99% of agricultural products are grown on farms and households, as well as on arable land.

The analysis of the work done so far shows that along with the achievements in this area, there are a number of problems and shortcomings that need to be addressed [2].

In particular, in the implementation of multi-sectoral activities of farms, such as processing, storage, sale of finished products and provision of services, the provision of farms and landowners with material and technical resources and their There are also problems in the provision of services and the formation of market mechanisms in the industry.

Decree of the President of the Republic of Uzbekistan "On measures to protect the rights and legitimate interests of farmers, households and landowners, to radically improve the system of efficient usage of agricultural land" and in order to fulfil the tasks set out in the Action Strategy for the five priority areas of development of the Republic of Uzbekistan for 2017-2021 [5].

It should be noted that the state of labour relations on farms does not meet today's requirements, and a number of problems remain in the use of new agro-technologies in their activities. In this regard, the government intends to increase the efficiency and profitability of agriculture, especially in the mechanization of the cotton harvest, the widespread introduction of market infrastructure, innovation, scientific advances and modern information and communication technologies, as well as further improvement of labour relations in the field. In October, the Strategy of Agricultural Development of the Republic of Uzbekistan for 2020-2030 was adopted [6].

In the context of modernization of the economy, it is important and urgent to properly organize the analysis of production costs and cost on farms.

The analysis begins with an examination of the increase or decrease in the cost of the product over several years and the implementation of the plan to reduce the cost of the main types of products. Then the factors influencing the decrease or increase in the cost of the product are studied. At the same time, the cost of agricultural and livestock products is analysed by type of cost.

The change in the cost of agricultural products is influenced by two important factors: the change in the cost per hectare of land and the change in yield per hectare.

At the same time, it is advisable to take into account other influencing factors. For example, the impact of weather conditions, drought, heavy rainfall, the impact of various natural disasters, non-compliance with agro-technical measures should be taken into account.

In the current situation, the analysis of the composition of the cost of farm products and its elements is an important and topical issue. In this regard, the general requirements for determining the cost of production are set out in the Regulation "On the structure of costs of production and sale of goods (works, services) and the order of formation of financial results." These requirements are also used to determine the cost of production in the activities of farms [9].

➤ Influencing the cost level of agricultural products

Key factors: reducing the labour intensity of processing of raw materials and supplies

- ✓ increase equipment utilization rate
- ✓ reduction of inefficient loss of working time
- ✓ reducing the labour intensity of products
- ✓ reducing the balance of unsold products
- ✓ reducing consumption of materials and raw materials

In addition, the measures taken may have a beneficial effect on the volume of production costs, which is the main factor of profit. The main direction of reducing the cost of production is to increase labour productivity. A sharp increase in labour productivity compared to wage growth directly reduces the level of production costs.

In addition to the direct impact of measures on individual production indicators, there is an impact on labour productivity and, accordingly, production efficiency indicators. Factors of labour productivity growth, which may change as a result of the implementation of measures to increase efficiency, can be divided into the following areas:

1. Improving the technical level of production

- ✓ Modernization of existing equipment,
- ✓ Improving product quality;
- ✓ Improving the use of materials, fuel and energy;
- ✓ Introduction of more efficient types of raw materials and supplies.

2. Improving the organization of production and labour

- ✓ Improving production management;
- ✓ increase in the area of agro-logistics and services;
- ✓ changes in the specialization of production;
- ✓ reduction of working time losses;
- ✓ reduction of defective damage;
- ✓ reduction of the number of workers who do not meet the qualification requirements;
- ✓ Changes in the work cycle in seasonal industries or mitigation of seasonal fluctuations in production and sales.

3. Changes in the volume and structure of production

- ✓ Changes in production volumes;
- ✓ Changes in the share of certain types of products.

Reducing the cost of materials by improving production technology, in addition to reducing the amount of standardized working capital, leads to a reduction in the cost of production.

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