

TREND IN ANIMAL PRODUCTION DEVELOPMENT IN PRESENT STAGE OF AGRICULTURE IN THE SLOVAK REPUBLIC

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This contribution is continuous with the paper on situation in animal production in Slovakia held during 3rd Round Table in Warsaw in February 1993 as a supplement with new data. It contains a brief characteristic of current macroeconomic situation and underlines the agrifood complex in SR.

Basic trend in economic policy

The year 1993 was the first of existence of the independent Slovak Republic and also the first year of Slovak economy within an independent state. The economic development was influenced with specific problems following from the split up of the former CSFR when compared with other post-communist countries. It was possible to keep high level of price liberalization and economic relations inclusive liberalization of foreign trade. Inner convertibility of the Slovak crown was kept, too.

Changes in the conception of privatization stressed more its standard methods. However, it must be stated that the progress in privatization of large and middle sized enterprises slowed down. Gross home product achieved 336.7 ths mil Sk in 1993 i.e. it decreased by 4.6% compared with 1992 (the decrease was 7% in 1992 compared with 1991). Unemployment rate achieved 14.4% in 1993 (10.4% in 1992). Inflation rate measured with index of consumers prices represented 25.1% in 1993, living costs increased by 24% at the same time.

Financial and budget policy

The main intention of financial policy was to stabilize the state budget during the first year of existence of the Slovak Republic. The deficit in state budget was 10.2 thousand millions Kčs (35% gross home products) in 1991 and 7.9 ths mil. Kčs (2.8% GHP) in 1992, the state budget for 1993 was drawn up as balanced with its incomes and expenses 158.2 ths mil Sk. Total incomes in state budget achieved 150.3 ths mil Sk in 1993. i.e. by 7.8 ths mil less (deficit represented 6.5% GHP).

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Influence of the transformation process

The transformation process influences the situation in economy as well as the possibilities of its further development. This process brought a number of hitherto unknown problems into the economy on one hand, however, at the same time it creates a potential basis for their solution on the other.

If the general conditions of economic development are taken into consideration it is possible to presume that the development in economy will be more favourable in 1994 than in 1993.

Agriculture

There were certain stabilizing elements present in the development of agriculture in 1993 - as opposed to industry and building industry. There is estimated a decrease of 6-7% in gross agricultural production, i.e. approximately half-value of decrease in 1992. The economic position improved partly in agricultural enterprises owing to a more marked increase of prices of agricultural products as in previous years (4.4% in 1991, 6.5% in 1992, 14.6% in 1993). Their efficiency increased by 17.1% with almost stable costs (increase only by 1.1%) during 1st - 3rd quarters of 1993, losses in agriculture decreased from 9.6 ths mil Sk in 1992 to 4.3 ths mil Sk in 1993 (data for 1st - 3rd quarter of 1993). Heavy drop-off in plant production caused by drought during the main vegetation period (yield of grain crops decreased by 11% compared with 1992) did not influence the farmers succeeded to reverse the process of opening of price scissors between inputs and outputs to a certain extent, which was characteristic of the hitherto period of reform. However, it was detriment to consumers of foodstuffs.

Table 1 - DEVELOPMENT OF POPULATION SIZES IN SLOVAKIA 1989 - 1993

Category (in thousands anim)	Livestock population				
	1989	1990	1991	1992	1993
Cattle total	1559	1494	1313	1195	993
- cows	537x	549	501	429	386
Pigs total	2708	2521	2428	2373	2179
- sows	182	180	180	179	166
Sheep total	621	600	531	494	411
- ewes	357	355	368	335	234

Table 2 - LEVEL OF PERFORMANCE TRAITS IN SR 1989 - 1993

Efficiency	1989	1990	1991	1992	1993
cows (kg) live weight, gains (g)	3653.7	3531.0	2888.0	2877.0	2945.0
- calves	640	640	590	580	580
- heifers	550	530	457	450	440
- fattening of bulls	740	715	602	605	579
- pigs	530	530	500	477	436

Table 3 - LEVEL OF REPRODUCTION CHARACTERISTICS IN SR 1989 - 1993

Reproduction	1989	1990	1991	1992	1993
- raising per 100 cows (heads)	98.30	95.80	83.00	79.50	80.40
- culling of cows (%)	31.50	32.10	35.70	29.50	32.10
- raising per sow (heads)	17.00	16.20	15.20	13.90	13.10
- culling and death of sows (%)	38.80	44.50	43.30	37.20	31.30
- raising per 100 ewes (heads)	112.0	107.0	98.0	99.0	99.0

The transformation of agricultural enterprises goes on: the agricultural enterprises shall be privatized within the second wave of great privatization. The process of transformation of agricultural enterprises slows down because it is difficult to prove the ownership and ownership relations.

The subsidy policy will be one of the decisive forms of state influence on the agricultural and food policy in 1994. Problem orientation of subsidies and principles of their provision issue from hitherto experiences and analyses of influence of the economic reform and from present economic situation in the agriculture as well.

The decisive problem orientation of subsidies will be aimed at the support of economic stabilization of agricultural enterprises, market and at gradual renewal of its dynamism by forms which are mentioned in the main spheres of the subsidy policy in 1994.

Susidies are granted in 1994 to:

- entrepreneurs and entrepreneurs in agriculture irrespective of forms of ownership and organization
- realize entrepreneurial intentions which are competitive, effective and which show continuity of entrepreneurial intention using the natural and human sources economically in order to ensure food security of state and sufficient amount of nourishment for inhabitants, observing and developing the rural settlement, ecology and cultural agricultural landscape.

Subsidy titles:

- system subsidies to eliminate farming in unfavourable natural conditions (according to so-called price groups (15) per 1 ha agricultural land from 400 to 3400 Sk)
- non-investment subsidies to ecology and landscape creation (in direct form from real costs connected with this activity)
- subsidies to bonus interests from credits (compensation of interests to the amount of 10% from rate of these credits)
- non-investment subsidies to stabilize the production process (up to the amount of 30% from first costs)
- subsidies to support the scientific and technical development (up to the amount of costs settled in contract)
- subsidies to preserve gene pool, selection and to support the genetic potential in farm animals

(in dependence on species, breed and specific breeding activity according to enumeratively fixed prices)

Basic trends in animal production in the Slovak Republic are given in Tables 1 - 3.

General appointments:

The subsidies are strictly specialized and they are bound to specific object or project. There is no legal claim to the subsidies.

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