

## Formation of Labor Resources and Employment Problems in Uzbekistan

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**Abstract:** In this article, an attempt was made to reveal the differences in the formation of labor resources and the reasons affecting employment in Uzbekistan based on the demographic processes and their territorial characteristics during the implementation of structural changes in the economy and its modernization, deepening of economic reforms.

**Keywords:** Economy, labor resources, population employment, labor migration, Koets-coefficient, birth rate, demographic factors.

**Introduction.** In the development of every state and society of the world, in the socio-economic development of a certain region, researching the problems related to the population, the labor resources that make up its economically active part, acquires important scientific, practical and organizational importance. This situation requires countries to carry out reforms aimed at ensuring the employment of their population and reducing the level of unemployment.

Particular attention is being paid to the issue of formation, distribution of labor resources in the world, determining socio-demographic factors and territorial characteristics of their use, researching the main directions of increasing the level of employment of the population. In this regard, priority is given to regional features such as socio-demographic factors of labor resources formed as a result of natural and mechanical movement of the population, education, labor migration, provision of employment, reduction of unemployment and use of labor resources..

Comprehensive measures are being taken to increase the level of employment of the population in Uzbekistan. In particular, socio-demographic factors and territorial characteristics of the formation of labor resources are considered to be the main factors in the distribution and use of labor resources. In the Development Strategy for the further development of the Republic of Uzbekistan in 2017-2021, important tasks regarding “.....increasing the employment of the population in the regions, creating new jobs” are defined.

Decree of the President of the Republic of Uzbekistan № PF-5052 of May 24, 2017 “On further improvement of state policy in the field of employment and measures to fundamentally increase the efficiency of labor bodies”, Resolution of the Cabinet of Ministers of December 22, 2017, № 1011 “On determining the number of people in need of employment, including conducting studies on employment issues of households, as well as improving the methodology of forming the balance of labor resources, employment and employment of the population, and Resolution № 841 dated October 20, 2018 “On measures to implement national goals and objectives in the field of sustainable development until 2030” and implementation of the tasks specified in the relevant regulatory legal documents in this area is envisaged [1,2,3].

**Analysis of literature on the topic.** Scientific research aimed at assessing the territorial characteristics of demographic processes, the demographic situation of the population and settlements is carried out by the world's leading scientific centers and higher education institutions, including the Institut national d'études démographiques (France), Max Planck Institute for Demographic Research (Germany), The Viennese Institute of a demography (Austria), University of Nebraska-Lincoln (USA),

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As a result of studies on population and demographic development, a number of scientific results were obtained, including the following: family planning programs were developed, the consequences of early and late childbearing were determined (Max Planck Institute for Demographic Research, Federal Institute for Population Research); it has been proven that it causes a demographic problem such as a decrease in the birth rate in families, population aging (Australian National University, International Institute for Population Sciences (Deemed University)); regional characteristics of population regeneration, a program of actions to improve the demographic situation was developed (Moscow State University); aspects of the relationship between the age of first marriage and population employment have been determined (Institut national d'etudes demographiques, University of Nebraska-Lincoln); Based on the economic aspects of population aging, which is a demographic problem of the 21st century (The Viennese institute of a demography).

**Research methodology.** In the course of the research, the literature on the topic was analyzed. Analyzing the statistical data, the cross-comparison method was used in the cross-section of the regions.

**Analysis and results.** Labor resources in Uzbekistan are steadily growing due to the positive demographic situation. Under the influence of demographic processes, the number and weight of labor resources is high, the gender composition is almost equal, the average working age is young. "The source of labor resources is the population of the country. Only the part of the population suitable for work is considered labor resources. It makes up about half of the country's population" [4]. During the period of transition to a market economy and modernization of the economy, demographic replenishment and subsequent, in particular, the coming of age of those born between 1960 and 1985, and the participation in the process of population reconstruction led to an excess of labor resources in the country or a decrease in the level of use.

The natural movement of the population of our country serves as a leading factor in the effective implementation of the process of re-establishment of labor resources today and in the near future. The reason is that the renewal of labor resources is narrower in content and essence than the renewal of the population, and it is reflected in the restoration of the number and quality of the economically active population, as well as the spiritual and physical abilities. Natural movement of the population, age-sex structure plays an important role in the formation of the labor resources of the republic, and in some regions, mechanical movement also has a role in its use and internal territorial distribution.

According to statistics, 61,4% of the population of the republic is of working age, and 74,4% of it is economically active today. As a result of the continuous natural increase of the population of Uzbekistan, the number and weight of labor resources in the demographic structure is also increasing. For example, the number of labor resources in the republic reached 10,213,2 thousand in 1991, and 19,517,5 thousand in 2022, or equal half or more of the total population of the country in all years. The share of labor resources employed in the economy in the total population of the country has decreased and will increase in the following years. Because in 1991, 80,8% of all labor resources were employed in the economy, in 2001 it was 71,3%, and in 2022 it was 73,7%. [5].

In the years of independence, the level of education and qualifications of the young people who are able to work in the republic has increased significantly. The available sources show that the share of people with secondary and incomplete secondary education is high in the level of education of the population employed in the economy. Especially in the period under review, the share of the employed population with higher and secondary specialized education among women is higher than that of men, and it has developed rapidly. In 1989, the share of highly educated women among the total employed was 1,2 percentage points less than men, and in 2022 it increased by 0,3 percentage points, which is directly reflected in their socio-demographic development. The fact that 56,2 percent of the economically active population is located in rural areas also shows that villages are the leaders in the socio-demographic development of the country. However, the development of industries in rural areas



that can be employed in a narrow range has led to the concentration of most of it in agriculture. In addition, the above-mentioned demographic situation is aimed at ensuring population growth, which causes rural areas to be oversupplied with labor resources.

The fact that labor resources and economically active population do not differ sharply in terms of age, gender and territorial composition within the republic is due to the positive demographic situation of the regions. Gender equality is important for the high number and potential of the economically active population, as well as for its reproduction. Because the proportional development of the population's sexual composition serves to increase the efficiency of the formation and use of labor resources in the country.

Despite the high employment of women in the field of education, which includes 12,8% of the employed population in the economy of Uzbekistan, its level decreased by 7,4 times in 1999-2022. The number of workers in the fields of health, sports and social welfare, which covers only 7,2% of the total population employed in the economic sectors of the republic, is increasing year by year..

Moreover, the employment rate of women in these fields is high, about 75,5 percent. In particular, it can be observed that the share of women in the population working in trade, general catering, and service sectors is increasing. Increasing female employment and education are important determinants of fertility. Therefore, in recent years, the increasing level of employment of women in economic sectors is directly reflected in their socio-demographic activities, demographic views, and changes in the socio-demographic situation of the regions. In particular, during the research period, the employment of women in the industry, public education, culture, art and science, healthcare and sports increased by 1,4-4,1 times. In turn, during this period, the number of women with PhDs increased to 483, the number of doctors of science increased to 201, and the percentage of women with higher education employed in the sectors of the national economy was higher than that of men, reaching 32,0%, which contributed to the decrease in birth rate to a certain extent. The state's attention to women's employment, the increase in the level of education, will lead to the acceleration of the transition of the ordinary population in the future from the re-establishment of the population to the reduced type, and the doors of economic opportunities will be closed. In particular, the results of the calculations on the employment coefficient of labor resources and the efficiency coefficients of the age structure of the population fully prove this point of view.

In macroeconomics, the employment rate of labor resources-"Kb" is used to determine the level of utilization of labor resources. The higher this coefficient is, the higher the employment rate of the working population. For example, the employment rate per 100 people of the republic's total labor resources decreased from 72,6 to 70,8 in 1999-2022, and in 2022 it was equal to 74,8. This indicator is higher than the national level in the regions of Tashkent, Fergana, Navoi, Bukhara, and Tashkent city, where the social production is mainly developed, the industry and public service sectors are developed, the demographic structure is diverse, and the "demographic burden" is heavy. On the contrary, there are regions where only 61-70 of every 100 labor resources work in social production. These include the Republic of Karakalpakstan, Jizzakh, Namangan, Surkhandarya, and Kashkadarya, regions with a high rate of natural population growth, the employment sectors of the population are mainly agriculture, and in that region, mountain-pasture cattle-breeding is the leader compared to agriculture.

Efficiency coefficient of the age structure of the population, which describes the number of adolescents up to the working age per 100 working-age population - when viewed by "Kyots" territorial structure, it was observed that its indicator is decreasing in all regions. For example, in the republic, there were 80,7 teenagers per 100 working-age population in 1999, and 48,7 in 2022, or during this period, this number decreased by 1.7 times. In Jizzakh, Surkhandarya and Kashkadarya regions, "Kyots-coefficient is higher than the national level, about 52,4, respectively; 52,9 and 53,4 are only the result of demographic development. This coefficient does not reach 50 in Tashkent city and its region, and Navoi, Andijan, Bukhara, Syrdarya, Fergana regions, which are urbanized, have sharply different demographic structures, and the rate of natural population increase is rapidly decreasing.



However, in 1999, there were 72,9 and 76,2 adolescents per 100 working age in these regions. Among them, the economic development of the capital region and the city, densely populated location, demographic structure and situation, relatively low growth of labor resources and their high level of employment in social production require. In addition, it is the leader in the republic in terms of the percentage of working-age people in the age structure of the population. The decrease of the "Kyots" coefficient once again confirmed that the number of children and adolescents is decreasing due to the decrease in the birth rate of the population in the conditions of market relations in the republic, and the population of the regions is moving to the modern type of reconstruction or the third phase of the "demographic transition".

According to the International Labor Organization, 211.5 million people are unemployed worldwide, that is, 6.6% of the economically active population. Experts believe that "when the unemployment rate is around 4-5%, it is economically normal, it is a natural situation" [6]. The unemployment rate in Uzbekistan is currently 8,9%, despite the positive demographic situation, it remains stable. The unemployment rate is higher than the national average in the Republic of Karakalpakstan, Khorezm, Namangan, Surkhandarya and Navoi regions, and relatively low in the rest of the regions..

**Conclusions and suggestions.** Those born during the period of high birth rate in the 80s of the last century are now considered to be of working age, they are participating in the reconstruction of the country's population. At the same time that the number of the working-age population is increasing year by year, it is natural that the problem of unemployment is getting worse. These problems are clearly observed in young people and women in rural areas, leading to changes in their demographic inclinations, views and attitudes.

New forms and types of employment of the population of Uzbekistan have appeared, which make it possible to use the growing demographic potential at home, sometimes often abroad. This includes temporary employment abroad organized by the state (in the country of Korea), illegal temporary employment of the population abroad, a certain part of the population engaged in bringing goods abroad individually (Russia, Kazakhstan, UAE, Turkey, China, etc.) ) and temporary employment in the cities and regions of the republic on the basis of very widespread private employment.

Some of these new forms and types of employment of labor resources represent self-employment without the help of the state and play an important role in solving the problem of unemployment. However, it cannot be denied that in these types of employment, negative situations and consequences occur in the processes related to the demographic development of the working-age population (death, divorce, marriage, birth). Therefore, it is necessary to review the relevant legislation based on the principles of legal, social and demographic protection of people working in new forms and types of employment in the employment policy of the republic.

Today, the demographic development of the republic's regions requires effective use of the existing labor potential. Because a large part of the population is engaged in agriculture, the active demographic development of the population of regions with a low employment rate in industry and other sectors, the increase of labor resources, allows the doors of economic opportunities to remain open for a long time. As a result, it is necessary to further improve the productive use of the labor potential through daily, temporary (for a certain period of time) and permanent migration of the rural population in cities and other countries. Only if this economic opportunity created in the republic is properly used, problems related to demographic development such as unemployment and poverty will not worsen or the cause of all problems will not be sought in the demographic situation.

## LIST OF REFERENCES

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