

PAPER • OPEN ACCESS

Priority directions of labor market development in rural areas of Uzbekistan

To cite this article: Azizahon M Maksumhanova *et al* 2020 *IOP Conf. Ser.: Earth Environ. Sci.* **421** 022004

View the [article online](#) for updates and enhancements.

Priority directions of labor market development in rural areas of Uzbekistan

Azizahon M Maksumhanova, Madina Kh Saidova and Bahrom X Shafkarov

Tashkent Institute of Irrigation and Agricultural Mechanization Engineers

E-mail: saidova-madina2010@mail.ru

Abstract. This article highlights the socio-economic importance of the labour market in rural areas. The aim of the research is to study the current state of labour resources and employment of the rural population, to identify the impact of various forms of agriculture on employment, to develop proposals and recommendations for the development of the labour market. The article also identifies promising ways of development of small and private entrepreneurship in rural areas and employment. Scientifically grounded practical recommendations on improvement of the state regulation of the labour market and employment in the village have been developed.

1. Introduction and relevance

In all the years of independence, the problem of employment in our country was one of the most acute social and economic problems. Economic reforms implemented in the agricultural sector of Uzbekistan were aimed at improving the material well-being of the rural population, as 50% of the population of Uzbekistan lives in rural areas. The standard of living of the population of Uzbekistan is largely inextricably linked with the development of rural infrastructure and the improvement of living conditions in rural areas. After all, the modernization of economic and social infrastructure in rural areas to modern requirements will not have a positive impact on the development of the country as a whole.

Every year, most of the workforce in rural areas faces difficulties in finding the jobs they need. The main reason for this is the quantitative and qualitative differences in supply and demand in the labour market in rural areas. In addition, as a result of agricultural reforms, the redistribution of surplus labour to other areas and the optimization of farm land have further exacerbated the problem of employment in rural areas. Therefore, the development of evidence-based proposals and recommendations for the development of the labour market and employment in rural areas is one of the most important and pressing issues today.

2. Problem statement

Speaking on the 26th anniversary of the adoption of the Constitution of the Republic of Uzbekistan, President Shavkat Mirziyoyev said: "We need urgent measures to ensure employment and reduce unemployment. "The question arises: how many people are actually unemployed in our country? How many percent of the population is employed in the informal economy? What about those looking for work abroad? We need to understand one thing: one unemployed person means ten problems. These



problems make the problem even more serious when you consider the harm that the unemployed can do to themselves, their families, neighbours and communities."

The process of renewal and democratization of society, modernization and reform of the country is inextricably linked with the development and prosperity of our villages. It is well known that reforms in the agricultural sector, along with the creation of property relations inherent in the market economy, have led to radical changes in economic activity. As a result, the formation of these relations has led to the need to transfer excess labour from a number of sectors of the economy, especially agriculture with a labour surplus, to other sectors.

In Uzbekistan, the population and labour resources are one of the key factors for ensuring sustainable economic growth. The country's population at the beginning of 2018 will reach 32.6 million people. It is actually the natural growth, due to the high birth rate. At the same time, as a result of the reduction in mortality, the demographic status of the country is improving. This leads to an increase in the rural population and labour surplus. The number of rural population in 2017 amounted to 15 869 700 people. The share of rural residents compared with the urban population was 49.4. This is particularly true in the Khorezm (67.8), Surkhandarya (64.4), Samarkand (62.4) and Bukhara (60.5) regions (table 1).

Table 1. Information about the resident population of Uzbekistan (thousand people).

		2017			
№	Republic of Uzbekistan	Total	Urban population	Rural population	Rural population in % of the total population
	Republic of Uzbekistan	32656,5	16532,7	16124,0	49,4
1.	Republic of Karakalpakstan	1842,3	905,5	936,8	50,8
2.	Andijan region	3011,7	1576,0	1435,7	47,7
3.	Bukhara region	1870,2	698,6	1171,6	62,6
4.	Jizzakh region	1325,0	622,2	702,8	53,0
5.	Kashkadarya region	3148,4	1357,5	1790,9	56,9
6.	Navava region	958,0	467,6	490,4	51,2
7.	Namangan region	2699,6	1743,7	955,9	35,4
8.	Samarkand region	3720,1	1390,8	2329,3	62,6
9.	Surkhandarya region	2514,2	893,3	1620,9	64,5
10.	Sirdarya region	815,9	350,0	465,9	57,1
11.	Tashkent region	2861,2	1411,5	1449,7	50,7
12.	Ferghana region	3620,2	2049,9	1570,3	43,4
13.	Khorezm region	1805,0	601,2	1203,8	66,7
14.	Tashkent city	2464,9	2464,9	-	

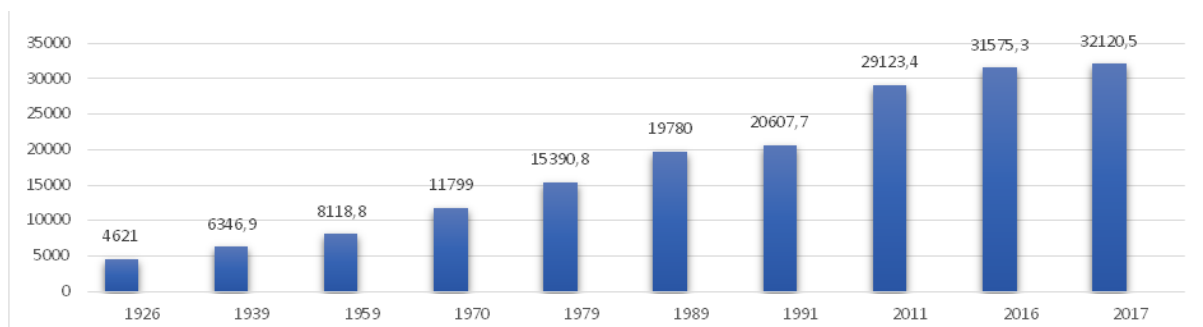


Figure 1. Population growth of Uzbekistan (thousand people).

Figure 1 shows the dynamics of the resident population of the Republic of Uzbekistan. As it can be seen from this diagram, the population is increasing annually.

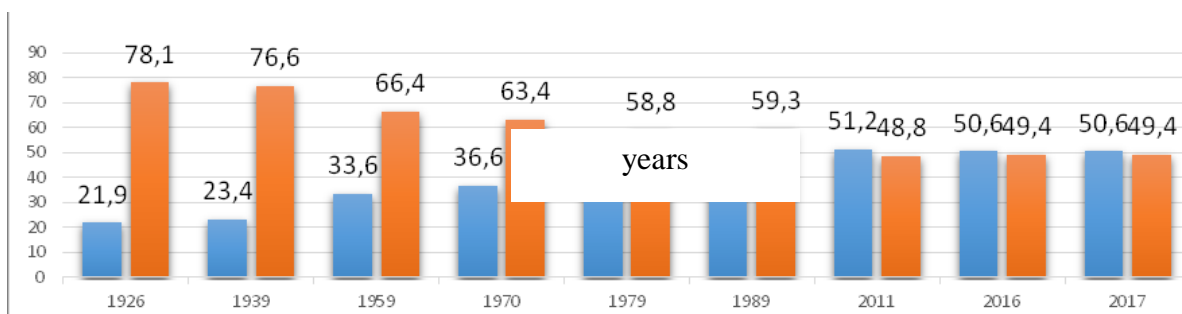


Figure 2. Resident population distribution of the Republic of Uzbekistan

Figure 2 shows the distribution of resident population of the Republic of Uzbekistan in urban (blue colour) and rural areas (yellow colour) by year.

According to the diagram, in recent years, the rural population has been declining, while the urban population has been increasing. The shortage of jobs is growing not only in cities, but also in rural areas. This has a negative effect on employment and the distribution of labor. The average population growth in rural areas in 2010-2017 amounted to 26%.

Table 2. Labour resources of the republic and employment in 2017.

Regions	Total population	Labour resources	Share of people employed in the economy to labour resources%	Economically active population	Share of economically active population to labour resources%	Employed in the economy	Share of people employed in the economy to labour resources %
Republic of Uzbekistan	32656,5	18666,3	57,2	14357,3	76,9	13520,3	72,4
Republic of Karakalpakstan	1842,3	1054,6	57,2	688,8	65,3	647,2	61,4
Andijan region	3011,7	1722,2	57,2	1404,1	81,5	1319,2	76,6
Bukhara region	1870,2	1073,1	57,4	874,6	81,5	826,5	77,0

Jizzakh region	1325,0	756,2	57,1	492,6	65,1	468,2	61,9
Kashkadarya region	3148,4	1784,6	55,5	1296,6	72,6	1218	68,2
Navava region	958,0	547,2	57,1	445,7	81,4	422,4	77,2
Namangan region	2699,6	1549,5	57,4	1099	70,9	1034,9	66,8
Samarkand region	3720,1	2079,6	55,9	1629,8	78,4	1523,1	73,2
Surkhandarya region	2514,2	1423,9	56,6	1062,7	74,6	991,7	69,6
Sirdarya region	815,9	475,2	58,2	371,9	78,3	353,1	74,3
Tashkent region	2861,2	1623,9	56,8	1360,9	83,8	1289,6	79,4
Ferghana region	3620,2	2031,1	56,1	1630,5	80,3	1525,7	75,1
Khorezm region	1805,0	1000,6	55,4	773,3	77,3	729,3	72,9
Tashkent city	2464,9	1544,6	62,7	1226,8	79,4	1171,4	75,8

As it can be seen from the table, Samarkand region (1672.1 thousand people) takes the first place in labour resources. The second place - Ferghana (1667.2 thousand people) and Tashkent region (1 478.0 thousand people). The distribution of labour resources also varies by region depending on the total population. In particular, labour resources in the country as a whole are 54.6%, in Ferghana region - 53.7%, in Andijan region - 54.4% and in the city of Tashkent - 63.6%.

The results of the country's reforms on the development of small business and private entrepreneurship are reflected in the indicators of population employment. The number of labour resources in the Republic of Uzbekistan in 2017 amounted to 18672.5 thousand people, an increase of 183.6 thousand people or 1.0% compared with 2016. In 2017, the share of employees in small business and private entrepreneurship amounted to 78.3%. In the total number of people employed in the country, the share of people employed in the public sector was 17.3%, and in the private sector - 82.7%.

The number of employees in the republic amounted to 13.520.3 thousand and increased by 1.7% compared to the same period in 2016.

3. Research methodology

The forecast parameters of the State program “Creating jobs and employment” in the country are the directions of employment by sector and the demand for employment by region, especially for young people entering the labour market; structural changes in the economy and labour-intensive sectors; development of industrial, agricultural and other sectors of the economy, services, private business and entrepreneurship. As a result, the transfer is determined on the basis of labour demand.

The number of employees in the republic increased by 1.7% compared to the same period of 2016. The share of employees in small business and private entrepreneurship was 78.3%. In 2017, the highest growth rates of the employed population were 2.6% in the field of transport and storage, 2.4% in financial and insurance activities, 2.1% in construction and 1.9% in trade. In the structure of economic activity, the main share of the employed falls on agriculture, forestry and fisheries (27.3%), industry (13.5%), trade (11.0%), construction (9.5%) and education (8, 2%). The share of the economically active population in the total population was 44.3%.

By regions, the most economically active population was registered in Ferghana (1630.5 thousand) and Samarkand (1629.8 thousand) Regions. According to preliminary data, in 2017 the number of people employed in the economy amounted to 13.520.3 thousand and increased by 1.7% compared to 2016.

The lowest rates of economically active population were in Syrdarya (371.9 thousand people) and Navoi (445.7 thousand people) regions.

Analysing the dynamics of the economically active population, employed and unemployed, the level of economic activity of the population in the country in recent years has grown and increased from 71.3% to 73.5%. The unemployment rate, on the contrary, increased from 5.1% in 2014 to 5, 8% in 2017.

4. Conclusions and proposals

In our opinion, taking into account the different distribution of labour resources in the country, it is necessary to take the following measures to develop the labour market in rural areas:

- exercise the competence and competitiveness of local workers and form a new economic, moral and ideological thinking in them;
- encourage the role of regional distribution of labor in improving the efficiency of the regional economy;
- improve the quality of the workforce, stimulating training of the workforce at the expense of budgetary funds, and developing small non-agricultural enterprises in rural areas that require limited resources;
- strengthen ties among professional colleges, local enterprises and organizations in the preparation of highly qualified personnel.
- provide the existing labour resources with the increasing role of the state in the development and development of infrastructure enterprises, such as light industry, cultural services, research and production centres, taking into account the natural and economic potential of urban and suburban areas;
- develop various agricultural production centres in re-development of various agricultural production centres in remote areas of the city and district centres, the creation of new jobs based on industrial processing of agricultural products;
- integrate development of cotton, grain and fruit and vegetable clusters, state support and the creation of new jobs.

References

- [1] Decree of the President of the Republic of Uzbekistan No. UP-4947 dated 02/07/2017. “On the strategy for the further development of the Republic of Uzbekistan
- [2] Decree of the President of the Republic of Uzbekistan No UP 5052 dated May 24, 2017 “On measures to further improve the state policy in the field of employment and radically increase the efficiency of the work of labor institutions