



## STATE AND PROSPECTS OF EMPLOYMENT IN THE AGRICULTURAL SECTOR OF UZBEKISTAN

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### Abstract

Labor resources play an important role in the modernization and radical renewal of the modern economy, and their importance in socio-economic development is clearly manifested at the micro-, meso- and macroeconomic levels. The importance of labor resources at the macroeconomic level is based on their role in the country's economy as a whole and its recognition as one of the main benefits. The article analyzes the state of employment in the agro-food sector of the Republic of Uzbekistan and the prospects for its development.

**Keywords:** employment, informal employment, labor resources, labor market, employment in agriculture, imbalance between supply and demand in the educational services market, job creation.

### Introduction

The importance of labor resources at the micro level is determined by their role in the company (organization) and the share of participation in production. As you know, labor resources are a key factor of production, and all resources that generate it are directly controlled by this factor. Where labor resources are high, industry, production, socio-economic infrastructure and communications are developing.

Currently, 600-700 thousand people enter the labor market of Uzbekistan annually, and the number of jobs created is up to 500 thousand, which is clearly not enough. According to the Ministry of Employment and Labor Relations, the total labor force in the country (men aged 16-59 and women aged 15-54) is 19 million people [3]. Of these, 5.1 million are employed informally, and about two million more work abroad. As the analysis showed, the number of resident population of working age has a positive trend and increased by 11.4%, labor resources by 13.3%, including the able-bodied population of working age by 14.1%, however, there is a decrease in working people younger and older of working age by 52.4%. This period is



characterized by the development of employment in the informal sector of the economy: the rapid growth of hidden employment and unemployment. The pandemic not only exposed the weaknesses of the labor market, but also revealed gaps in the system of social protection of the population, especially among migrants and informal workers. In 2020 alone, almost 850 thousand people were employed in the Republic of Uzbekistan. More than 200,000 unemployed people got permanent jobs with the assistance of employment centers. And more than 19 thousand people have been trained, retrained and retrained in the areas of regional specialized bodies. Two hundred and six companies received subsidies totaling more than six billion soums to train their employees to keep jobs. Thirty-seven thousand unemployed in the first half of the year received benefits under the new rules.

## **Data and Methods**

In the process of research, theoretical methods of induction, deduction, generalization and comparison were used. The necessary materials are investigated on the basis of the methods of typological analysis, the synthesis of statistical data.

## **Main Results**

In the Republic of Uzbekistan, there is a decrease in the number of people who are not part of the labor force for the analyzed period (2010-2020) by 100.7 thousand people or 52.4%, which is directly related to the reduction in the total population of retirement age [3]. As a result, the level of participation of the population in the labor force due to the impact of structural transformations in the economy of Uzbekistan. In the period from 2010-2015. there was an increase in this indicator to an average of 78.0%, and then there is a decrease starting from 2016. Until now. Starting from 2010, due to the economic recovery in Uzbekistan, the level of participation in the labor force of women until 2015 was at a high level (increased by an average of 1.3%), the highest value was observed in 2015 (78.2%). However, since 2016, there has been a decrease in the indicator by 1.2 percentage points. At the same time, fluctuations of the considered indicator among the male population were carried out on average by +1.3 percentage points compared to 2015. In general, the level of the analyzed indicator in men is on average 0.4% less than in women.



An analysis of the survey results shows that the unemployment rate over the past 10 years has increased from 2010 to 2020 by 1.7 percentage points and amounted to 9.0% of the economically active population. The number of people in need of employment was 1.4 million people, and by the end of 2020 it increased to 1.9 million people. Most of the problems with employment in 2020 were experienced by residents of the Samarkand and Surkhandarya regions, where almost every tenth (9.8%) is unemployed. The situation is slightly better in Jizzakh, Kashkadarya and Ferghana regions - 9.7%. The minimum unemployment rate in the capital is 7.8%. The unemployment rate among young people (under 30) was 15.3%, among young people aged 15-25 it exceeded 17.1%, the female unemployment rate was 13.0%. At the same time, the unemployment rate among young people aged 16 to 30 is 20.1%, among women - 17.4%. Small fluctuations are observed in the direction of increase and decrease among the economically active population, employed and the level of employment.

In the context of the COVID-19 pandemic, labor authorities provided employment services to 588.2 thousand unemployed and unemployed citizens on the labor market (of which 159.9 thousand are under 30 years old, 229.4 thousand are women). In particular, through employment in permanent jobs and involvement in paid public works, employment was provided for 501.1 thousand, 15 thousand unemployed were sent for vocational training, unemployment benefits were paid to 27 thousand unemployed at the expense of the Employment Assistance Fund for a total of 10.1 billion soums. In addition, due to subsidies from the Employment Promotion Fund, 24.8 thousand people were employed on personal subsidiary plots, 15 thousand citizens were accepted as members of agricultural, clothing or handicraft cooperatives, 3 thousand were involved in entrepreneurial activities. Under the influence of factors that determine transformation processes in the labor market of the republic, the largest share of the unemployed accounted for the released citizens for a number of economic reasons, such as those dismissed of their own free will, the smallest number of the unemployed population accounted for the dismissed citizens for health reasons in connection with the registration of a pension for age and disability.

In the process of studying the dynamics of the main indicators and elements of the labor market, an increase in the number of people included in the labor force was revealed, however, the level of participation of the population in the labor force of the able-bodied population decreased, and, starting from 2020, the with the following circumstances:



- COVID-19 pandemics;
- Transformational processes in the economy that have affected the labor market of the republic;
- Insufficient interface between the professional structure, the quality of training and the basic needs of the labor market;
- Unstable situation in the labor market of certain regions of the republic;
- Seasonality (unevenness) of the use of labor resources for certain types of economic activity (agriculture, forestry and fisheries; the activities of hotels and restaurants; the activities of certain types of transport), etc [10].

To increase employment and incomes of the population, all previously existing tools have been activated, as well as new practices of active programs in the labor market, developed taking into account the specifics of the spread of COVID-19, have been introduced. The Concept for the Development of the State Youth Policy in Uzbekistan until 2025 and the roadmap for its implementation in 2021-2022 were adopted, which provides for the allocation of grant funds for innovative, practical and promising youth start-up projects, vocational training for unemployed youth as part of program "Youth: 1 + 1", as well as the introduction of the tradition of mentoring under the new system.

Based on the Chinese experience, 18.2 thousand, including 6.7 thousand women and 7.6 thousand unemployed youth, members of low-income and poor families were attached to 389 cooperatives established on 8.6 thousand hectares of land in the country, and they were allocated 41.7 billion soums of subsidies as a share in the authorized capital of cooperatives [2].

For the development of personal plots, 11.7 thousand women and 7.3 thousand youth received subsidies in the amount of 73.5 billion soums for the construction of a greenhouse with a light structure, the purchase of seeds and seedlings, as well as the purchase of irrigation equipment.

State measures in the field of employment and labor migration contribute to the achievement of the UN sustainable development goals in the areas of combating poverty, expanding social protection coverage, as well as full and productive employment and decent work for women and men, including young people and people with disabilities. opportunities.

The agro-food sector, which includes agriculture, food and light industry (textile, clothing, knitwear and leather industries), plays a vital role in the economy of Uzbekistan.



Today, agriculture alone accounts for 28% of GDP. More people work here than in any other industry - 27% of the entire workforce or more than 3.65 million citizens. Despite the severe socio-economic consequences of the coronavirus pandemic for Uzbekistan, this industry continues to be an important driver of economic growth. At the same time, it is possible to create more jobs in agriculture than is currently happening. The agri-food sector is estimated to be able to employ between 700,000 and 1.3 million new workers each year through sound government support and investment. This is more than enough to solve the problem of creating jobs for the 600,000 young people who annually fill the labor market throughout the country [11].

The value of agriculture lies not only in the number of jobs created here. Employment in this sector has a stronger impact on reducing poverty and inequality than in any other industry.

In 2019, 9.6% of the population of Uzbekistan (3.2 million people) lived below the poverty line, living on \$3.2 a day, which is the international definition of poverty for lower-middle-income states, which include Uzbekistan. About 80% of the country's low-income citizens live in rural areas, and their income is almost entirely dependent on agriculture. The experience of various countries confirms that economic growth in agriculture helps to reduce poverty by 2-3 times [1].

The opportunities to create more quality jobs in agriculture can be realized in several ways. The most promising are the following measures:

- 1) The transfer of additional areas for the cultivation of more labor-intensive crops, such as fruits and vegetables, which will increase land productivity and provide greater opportunities for the sale of these agricultural products in the domestic and foreign markets;
- 2) Increasing the practice of growing secondary crops of agricultural plants in the field after the harvest of the main crop, yielding a crop in the year of sowing, for example, forage crops for livestock and vegetables;
- 3) The introduction of technologies that will not only increase the profitability of production, but also require more labor costs, such as intensive orchards and vineyards, modern greenhouses, as well as the introduction of international standards of good agricultural practice.

Prospects or opportunities for increased employment in agriculture alone by 2030:



If the area currently occupied by cotton and wheat (from 67% in 2019 to 45% in 2030) is converted to the cultivation of more labour-intensive horticultural crops by 2030, 26% more jobs could be created in agriculture or additional employment 915 thousand employees. Most jobs will be created in the production of vegetables, fruits and berries, potatoes and grapes [6].

If mechanization is taken into account, then employment growth by 2030 may be slightly lower than forecasts in the paragraph above - up to 677 thousand people, or 19% higher compared to 2019. The most amenable to mechanization is the production of cereals, cotton and potatoes, where its level will increase over time. And the level of mechanization of other crops is likely to remain at the same level as in 2019.

Agriculture can also create more jobs through the introduction of modern technologies for growing fruits and vegetables. Especially many jobs are created by intensive gardens and greenhouses. Forecasting employment until 2030, it can be assumed that if 10% of the area is used for growing vegetables in greenhouses or using other intensive production methods, and 40% of the orchards become intensive, then 155,000 jobs can be created on their basis alone. In general, compared to 2019, the total employment of the population may increase by 832 thousand people, or 24%. [5]

More productive agriculture and increased production of raw materials will increase opportunities for job creation in the food and light industries. For example, in 2019, only 107 thousand people worked in the production of food, beverages and tobacco products (in the food industry) (or 2.6% of all jobs in the agri-food sector). Another 214,000 people were employed in the textile, clothing, and leather industries (light industry), or 5.1% of all jobs in the agro-industrial sector.

By 2030, the food and light industries could create an additional 640,000 jobs, mainly in the processing of fruits and vegetables, meat and dairy products, feed production, as well as the production of finished textiles and clothing [6].

## **Conclusion**

Employment statistics and the results of various investment projects in Uzbekistan show that many of these jobs will be filled by women living in rural areas, as well as in small and medium-sized cities, who would otherwise not be able to find work. It should be noted that in solving the problems of employment, in our opinion, it is necessary to implement the following proposals:



1. An important role in solving the problem of employment of young specialists belongs to the state, since it is necessary to determine the forecast parameters of employment from the position of macroeconomics, which only state bodies are able to carry out.
2. The realization of the economic need for young people in the digital economy occurs through the demand for the educational sector from the economy in the form of a state order, and from employers in the form of various agreements with universities themselves and further employment of graduates at enterprises.
3. In order to resolve the imbalance between supply and demand in the educational services market, it is necessary to know what kind of specialists and in what quantity are needed for the development of the economy today and in the future, what labor skills and abilities they must have in order to be competitive in the modern market labor.
4. The next way to solve the problem under consideration, as indicated above, is to train young people in specialties commissioned by enterprises; strengthening links between professional colleges, local enterprises and organizations in the preparation of highly qualified personnel.
5. To increase youth employment, it is also necessary to use various economic methods. These include, for example, tax incentives that are provided to enterprises for the employment and recruitment of young professionals, their further professional training, advanced training and retraining. In addition, it is recommended to involve young people as early as possible in the process of acquiring work skills and in real work.
6. The success of labor adaptation in a new workplace depends on the personal, business qualities and mobility of the person himself, on the level of his professional skills acquired in the process of studying at the university, and on the ability to present them to the employer, on the willingness to start a career in the working conditions offered by the employer. Thus, the changing conditions of various spheres of public life require the state to take a new approach to educating young people and women, to help organize their interaction with employers.

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