The Changes in Employment of Labor Resources of Uzbekistan

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Abstract: In this article analyzes changes in the formation, dynamics, regional structure and division of the labor resources of Uzbekistan in the economic sectors. Therefore, it this research showed that it is of scientific and practical importance to study the formation, distribution and allocation of labor resources in the economy, as well as the development of ways to effectively use them as well.

Keywords: labor resources, employed population in the economy, economic sectors, industry, agriculture, service, automotive industry cluster, agribusiness

1. INTRODUCTION

Labor resources are the main production force of society and the most important component of social production. Number of labor resources, growth dynamics, training and territorial location have a major impact on the specialization, organization and development of production at the country, regional and district levels. Therefore, it is of scientific and practical importance to study the formation, distribution and allocation of labor resources in the economy, as well as the development of ways to effectively use them.

The large population of Uzbekistan is one of the main factors causing problems with the efficient use of labor resources and employment. Demographic, geographical, economic and social factors have a significant impact on the reproduction of labor resources. Among them, demographic factor plays an important role. This factor contributes to the reproduction of labor resources by the age and sex composition of the population, which is a net demographic indicator, and their differences and natural growth rates.

2. METHODS

The part of people that has ability to work according to their physical and spiritual capacities is called labor resources. According to the viewpoint of ability to work, the population is classified into the following three major groups:

1) able-bodied population (children and adolescents);
2) able-bodied population (able-bodied);
3) population over working-age (elderly people).

Under Article 77 of the Labor Code of the Republic of Uzbekistan, sixteen years of age are allowed to work [2], [40]. According to Article 289 of this Code, pensions are awarded to men at the age of 60 and women at 55 [2], [139]. It can be seen that men aged 16 to 60 and women between the ages of 16 and 55 are labor resources. Adolescents, as well as a part of men over 60 and women over the age of 55 also participate as labor resources.

As article 37 of the Constitution of the Republic of Uzbekistan states: “Everyone has the right to work, to free choice of work, to fair conditions of work, and to defense from unemployment in accordance with the law”[1],[14]
3. RESULTS AND DISCUSSIONS

Although natural population growth in Uzbekistan has stabilized in recent years and fluctuates between 17 and 19 per mille on average, the absolute number of population and labor resources is increasing. The population is growing at an average of 500-550 thousand people a year, and 300-350 thousand people join the labor force.

Diagram 1. Dynamics of labor resources of the Republic of Uzbekistan (in thousand)

In 2018, the number of manpower in the Republic was 18829.6 thousand people. During the period under review (2000-2018), their number increased by 6,111,600 or 148.0% (Diagram 1).

At the national level, labor resources are unevenly distributed. Due to population and active demographic processes, Samarkand, Fergana, Kashkadarya and Andijan regions have the highest labor resources. The largest share of labor resources is in the Samarkand region (2103,400 people). This region alone accounts for 11.2 percent of the country's workforce. The number of labor resources in the Kashkadarya region is 1806.8 thousand people and its share in the country is 9.6%. According to the quantity of labor resources, the regions of Fergana Valley also have the highest number of manpower. In particular, the share of Fergana region in the country is 10.9%, Andijan region - 9.2% and Namangan region - 8.3%. In the Jizzakh, Navoi and Syrdarya regions with extreme conditions, labor resources are the least concentrated in the country.

Employment of labor resources in sectors of economy is an objective process that is typical of all socio-economic processes of human society. For a certain period of time, they are engaged in a particular type of labor, creating a product and earning a profit.

As a result of the distribution and redistribution of the population across industries and sectors of the economy, social involvement and co-operation of labor are integrated into production, in some areas of the economy and work.

Distribution of employed population by sectors of economy, by different forms of ownership, by country, region, district, city and town level reflects the level of development of productive forces and distribution of social labor. It is one of the most important economic indicators. The distribution of the population determines the efficiency of the production and services, the degree of satisfaction of the various needs of the population. The solution of various social problems depends largely on the composition of the employed population. The President of the Republic of Uzbekistan comments on this: « ... the task of creation of new productive capacities, creation of new jobs and increasing incomes of population through development of
entrepreneurship and small business, farmers' movement, service sector, home-based work will always be in our attention» [3], [15].

A number of changes in employment indicators in the economy of Uzbekistan have taken place. Significant changes are associated with a sharp decrease in the employment of the agricultural sector. As a result of the ongoing reforms in the priority sectors of the industrial sector, the share of labor resources in agriculture has decreased. Some of them were involved in the social infrastructure system. Therefore, the share of labor resources in trade, public catering, logistics, trade and procurement has increased significantly. The contribution of education, culture, art, science and scientific services is also increasing (Table 1).

Table 1. Distribution of employed population in the economy of the Republic of Uzbekistan by industries (in percentage to total)

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<tbody>
<tr>
<td>Total population employed in the economy</td>
<td>100,0</td>
<td>100,0</td>
<td>100,0</td>
<td>100,0</td>
<td>100,0</td>
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<tr>
<td><strong>Including</strong></td>
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<tr>
<td>Industry</td>
<td>12,7</td>
<td>13,2</td>
<td>13,2</td>
<td>12,8</td>
<td>9,5</td>
<td>9,5</td>
<td>9,5</td>
<td>13,5</td>
</tr>
<tr>
<td>Agriculture, forestry and fisheries</td>
<td>34,4</td>
<td>29,1</td>
<td>26,9</td>
<td>27,6</td>
<td>29,9</td>
<td>29,9</td>
<td>29,6</td>
<td>26,6</td>
</tr>
<tr>
<td>Transport and communication</td>
<td>4,3</td>
<td>4,8</td>
<td>5,2</td>
<td>5,3</td>
<td>5,0</td>
<td>5,1</td>
<td>5,2</td>
<td>4,9</td>
</tr>
<tr>
<td>Construction</td>
<td>7,5</td>
<td>8,3</td>
<td>9,2</td>
<td>9,4</td>
<td>9,0</td>
<td>9,2</td>
<td>9,3</td>
<td>9,1</td>
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<tr>
<td>Trade and catering, logistics, trade and procurement</td>
<td>8,4</td>
<td>8,9</td>
<td>10,7</td>
<td>11,2</td>
<td>12,7</td>
<td>12,8</td>
<td>12,9</td>
<td>10,6</td>
</tr>
<tr>
<td>Living and catering services</td>
<td>2,8</td>
<td>3,1</td>
<td>3,4</td>
<td>3,6</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,3</td>
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<tr>
<td>Health, physical training and social security</td>
<td>6,5</td>
<td>7,2</td>
<td>7,7</td>
<td>7,2</td>
<td>4,9</td>
<td>4,9</td>
<td>4,8</td>
<td>4,5</td>
</tr>
<tr>
<td>Education, culture, art, science and scientific services</td>
<td>12,8</td>
<td>13,6</td>
<td>13,8</td>
<td>12,8</td>
<td>12,6</td>
<td>12,4</td>
<td>12,3</td>
<td>8,4</td>
</tr>
<tr>
<td>Finance, credit and insurance agencies</td>
<td>0,6</td>
<td>0,5</td>
<td>0,6</td>
<td>0,5</td>
<td>0,6</td>
<td>0,5</td>
<td>0,5</td>
<td>0,5</td>
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<tr>
<td>Other industries</td>
<td>10,0</td>
<td>11,3</td>
<td>9,3</td>
<td>9,6</td>
<td>15,8</td>
<td>15,7</td>
<td>15,9</td>
<td>19,9</td>
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The table is based on the data of the State Committee on Statistics of the Republic of Uzbekistan. Agriculture is the largest sector of the country's economy. The share of labor resources in agriculture, forestry and fisheries has declined slightly in recent years. For example, in 2000 its share was 34.4%, in 2010 it was 26.9% and in 2018 it was 26.6%[4], [40]. It should be noted that the share of the employed population in the agricultural sector is almost twice that of the industry. This requires further reductions in the number of labor resources in agriculture and other areas.

Industries also include industries with high employment rates. Industry employs 13.5% of the country’s labor force. It is noteworthy that the share of employed population has increased slightly in recent years. Particularly, the share of industry employment was 13.2% in 2005 and 2010, and by 2018 it reached 13.5%. On the contrary, the share of education, culture, art, science and scientific services declined by 8.4% in 2018 from 13.6-13.8% in 2005-2010.

One of the most concentrated sectors of labor resources is trade, catering and logistics. The share of the employed population is gradually increasing. Thus, at the beginning of the current period (2000), it was equal to 8.4%, and at the end of the period (2018) was 10.6%. The same can be said about the construction industry.
In recent years the standard of living of the population has significantly increased. This has had a positive impact on the expansion of construction and creative work. As a result, the number of people working in this area is growing. According to the data, 7.5% of labor resources were employed in construction in 2000, 10.7% in 2010 and 9.1% in 2018.

There are some differences in the distribution of employed population by economic sectors throughout the country. It is known that agriculture is the leading sector of the national economy and its population is significantly higher than in other sectors. As of January 1, 2019, industrial employment in the Syrdarya region was only 9.3%, with 44.1% of employment in agriculture and forestry. Jizzakh region belongs to the regions with the highest share of the population in agriculture too (39.1%). Moreover, the majority of labor resources in Khorezm (35.9%) and Surkhandarya (36.3%) regions are in agriculture. On the contrary, the lowest rates of labor resources in the agricultural sector were found in Navoi (22.5%) and Namangan (24.7%) regions.

The highest employment rate in the industry in the country is in Navoi region (27.0%). The highest employment rates in the industry are in Tashkent region (20.8%) and Tashkent city (19.4%). It is noteworthy that the Ferghana Valley regions also have high rates in this regard across the country. In particular, this figure was 17.3% in Ferghana region and 14.5% in Andijan region, which is higher than the national average. Only in Namangan region was slightly lower, that is, it was 12.5%.

As can be seen from the above, as labor resources in the industrial sector with high employment in Navoi region, which is rich in mineral resources and limited irrigated agriculture, in Tashkent city and Tashkent region located in the center, the majority of labor resources in Syrdarya and Jizzakh regions, which comprise protected areas are in the agricultural sector. This calls for the redistribution of labor resources in agriculture, accelerated development of industrial enterprises, primarily in automotive or service industries, due to the strictly limited land and water resources in the country located in arid zone, taking into account the high demographic pressure and the harsh ecological environment.

The country has great potential for export of horticulture, vegetables and grapes. The nature of the country is ideal for the intensive development of horticulture, viticulture, vegetables, melons and gourds. Most importantly, there are cheap labor resources that can grow and cultivate them. Due to the high utilization of available resources, some of the population will be employed and the country's exports will increase. This will cause that in the near future, the country will become a region for growing and exporting vegetables, fruits, grapes, and, in turn, will strengthen economic ties with Russia, Kazakhstan and Central Asian countries. This process will have a positive impact on the economic and social development of the country.

In rural areas of the country, in medium and small towns there are many young people, especially women, who are not employed, and using them is one of the most urgent tasks. Therefore, further development of such industries as yarn, silk, knitwear, sewing and embroidery is required at the expense of local raw materials in the region.

As you know, Uzbekistan has become a center for labor migration. Sociological studies show that people aged 20-25 years (27.1 percent) and 26-30 years (22.0 percent) with secondary special education went abroad to work. According to professions, the largest influx consists of construction workers (37.3 percent). When studying the reasons of migration, 25.4% of migrants indicated that they left for work abroad, “because of the absence of high paid jobs in their place of residence”. 83.0% of migrants went abroad informally.

4. CONCLUSION

Employment of labor resources in industry, first of all, in automotive, textile, food, horticultural and service sectors, due to the establishment of industrial enterprises in view of the severe constraints of land and water resources and high demographic pressure in the country is the most optimal way. The creation of the automotive cluster will play an important role in the provision
of qualified labor resources, which will promote industrial cooperation among industrial enterprises, the creation of industrial parks, research and development bureaus and, as a result, it will create fundamental of improving living standards of the population. Also, the establishment of food, textile and horticulture clusters will increase the level of labor resources, especially the degree of provision work for women.

Today, international labor migration is one of the main ways of using labor resources. The largest flows of labor resources in Uzbekistan are in countries with high labor demand, such as the Russian Federation, Kazakhstan and the Republic of Korea. The use of the “shift” method is of great importance in this regard. As is known, the Russian Federation and Kazakhstan are among the countries with huge economic potential and rich mineral resources. Labor resources of Uzbekistan can be used for the development and exploitation of new mines located in these countries. For this purpose, employees are sent to these countries for work at specific times of the month. As a result, some of the labor resources will be employed, and the skills and experience in science and high industrial production will increase. In turn, currency earnings also increase. All this contributes to the end result, that is, it will serve to develop the living standards of the population.

REFERENCES: