

WAYS TO REDUCE UNEMPLOYMENT IN UZBEKISTAN

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Abstract: *This thesis describes in detail the strategic measures aimed at reducing unemployment in Uzbekistan, and also analyzes the practical measures taken in the country to eliminate this problem. Vocational training, entrepreneurship development, attracting foreign investment, social protection programs and agricultural modernization are indicated as the main ways to reduce unemployment. The official figures show that the creation of jobs, regulation of labor migration and attraction of foreign investments significantly reduce the level of unemployment.*

Key words: *Unemployment, vocational training, new jobs, entrepreneurship development, small business, foreign investments, labor migration, employment, job creation*

From an economic point of view, unemployment is a situation in which the labor force is not provided with a job and does not have a legitimate source of income. According to the Law of the Republic of Uzbekistan "On providing employment to the population"¹, an unemployed person is considered to be able to work (from the age of sixteen until the right to receive a pension), who has a job and a salary. Persons who are unemployed, who are registered with the local labor body as jobseekers, who are ready to work, undergo vocational training and retraining, and improve their qualifications are recognized.

By definition, unemployment is the number of people who want to work, but are not employed.

A number of strategic measures are being taken to reduce unemployment in Uzbekistan. These measures are implemented in the following main areas:

¹ Lex.uz No. 616-I
www.pedagoglar.org

First, vocational education and training courses play an important role in reducing unemployment, and there is a demand for highly skilled labor in many fields, so Uzbekistan pays great attention to the training of qualified personnel.

Secondly, opportunities to create new jobs through the development of entrepreneurship are expanding. To support private entrepreneurship and small businesses, the government offers tax breaks, loans and subsidy programs. This will support new business projects.

Thirdly, attracting foreign investments helps to develop new enterprises and production industries. Inflow of foreign investment contributes to reducing unemployment by creating new jobs.

Fourth, social protection programs are implemented to help disabled people, low-income families and other vulnerable social groups. These programs will provide them with employment opportunities.

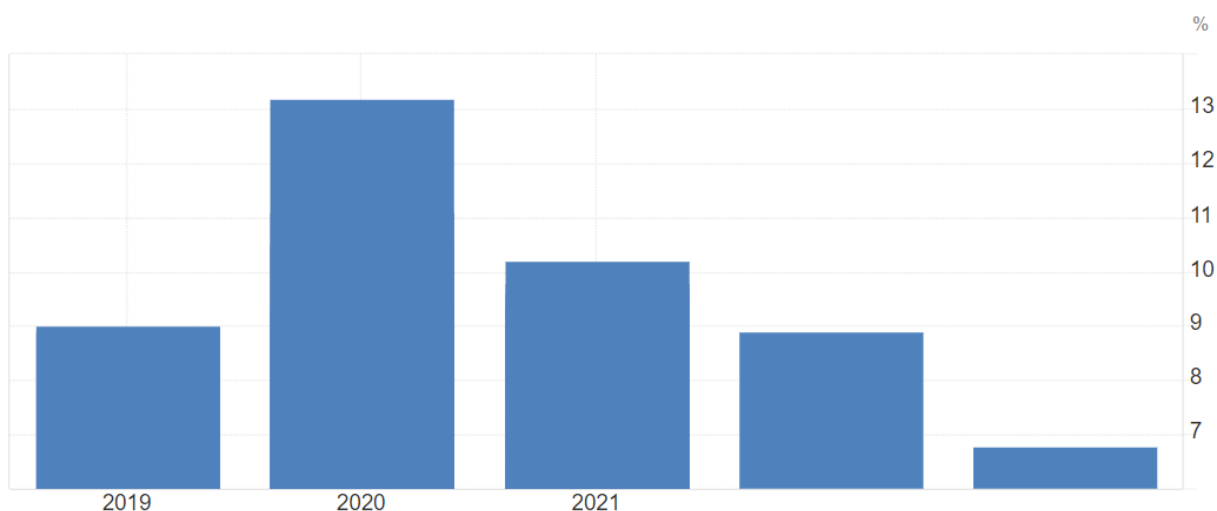
Fifth, the modernization of agriculture is also aimed at reducing unemployment. It is aimed to create jobs in rural areas by developing agriculture in Uzbekistan, implementing new technologies and increasing labor productivity.

As a last line, opportunities for citizens to find jobs abroad are being expanded by managing labor migration. Legal assistance is provided to labor migrants, attention is paid to their repatriation and creation of stable jobs.

Based on official statistics, below are unemployment figures and ways to reduce unemployment:

1. Unemployment rate: According to the Ministry of Poverty Reduction and Employment of the Republic of Uzbekistan, Unemployment Rate in Uzbekistan decreased to 6.80 percent in 2023 from 8.90 percent in 2022. Unemployment Rate in Uzbekistan averaged 8.00 percent from 1991 until 2023 , reaching an all-time high of 13.30 percent in 1998 and a record low of 1.90 percent in 1991.²

² Mehnat.uz
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Source: Ministry of Employment and Labor Relations of the Republic of Uzbekistan

2. Creation of new jobs: More than 457,000 new jobs were created in Uzbekistan in 2023. This indicator was achieved especially as a result of supporting small and medium-sized businesses, developing agriculture, expanding jobs in the production and service sectors.³

3. Vocational and vocational training: In 2023, about 1 million citizens are involved in vocational colleges and vocational training programs. These programs are aimed at training young people and unemployed citizens in new professions in order to meet the needs of the labor market.

4. Labor migration: According to the Foreign Labor Migration Agency of the Republic of Uzbekistan, more than 2 million citizens of Uzbekistan worked abroad in 2023. A number of works have been carried out in terms of legal protection and improvement of working conditions for these citizens. At the same time, measures are being taken to create new jobs for returning labor migrants within the country.

5. Attracting investments: Many new jobs are being created in Uzbekistan by opening new enterprises and attracting foreign investments. In 2023, more than 12 billion US dollars of foreign investment will be made in the country, through which thousands of jobs will be created.

³ Mehnat.uz
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These official figures show the effectiveness of the measures taken to reduce unemployment in Uzbekistan. Creation of new jobs, training of qualified personnel, attraction of foreign investments and regulation of labor migration serve to consistently reduce the level of unemployment.

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