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# State Policy in Supporting an Employment of Population in Uzbekistan

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# STATE POLICY IN SUPPORTING AN EMPLOYMENT OF POPULATION IN UZBEKISTAN

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**Abstract.** Main direction of supporting occupancy of population through developing small business and private enterprise in Uzbekistan and their methods of realization were theoretically given in the following article. Also, it was paid attention to study the process of social security and supporting occupancy of population, mainly to develop in the level of youth through development of small firms, micro firms and private enterprises in the republic.

**Keywords:** employment policy, small business, private entrepreneurship, youth employment, wellbeing of the population.

### Introduction

In increasing the level of without jobs in many countries and the process of financial and economic crises in the world have been reason for development of social-economic problems. The reason or the crises it is being discussed the problems of realizing national program of supporting employment of population in many countries according to the recommendation which was given in the session at International Labor Organization (in 2009-2011). The main attention were paid to problem of employment of youth at 102-session of International Labor Organization and was given to make special recommendation on this field [1]. Nowadays it is begun to add youth employment to national social-economic and political program in the world. It was very important the decree on February 6, 2014 by The President of the Republic of Uzbekistan on this field [2]. (qarorinin uzini lotinchalab bering)

It was edopted several legal documents, orders of Cabinet Minister's, decrees of the President of the Republic on the positive usage of labour power and supporting employment of population in Uzbekistan and it is seen its positive results. But, it has such problems like: to involve usage of labour resources to the positive jobs, to create new vacancies in the regions.

Nowadays, one of the most important aspects of the program is the creation of new jobs and employment of population in Uzbekistan and the task of development of small business and private entrepreneurship, to rise the role of the farmers' direction, production, social and market infrastructure development of hand crafts and other effective forms of employment is considered as a priority.

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#### **Result and discussion**

Modernization and renewal of production in the republic, development of transport and engineering infrastructure, development of small business and private entrepreneurship, as a result of the implementation of programs it was created 1 million jobs in the country in 2014[3].

Supporting with the employment of the population is one of the main indicators which define not only the economic potential but also, level of the native population. Social-economic development of the country, improvement of life style of people and achieving to the social stability of the society is one of the main factors in supporting with the employment of the population. Especially it is very important such Uzbekistan, where main part (60%) of the population consisted the youth of employed population were shown 8924 thousand people in the republic in 2000, but 50.1 % was equal in the field of small business. In 2013 and 2014 the following indicator show 76, 0 and 77,2, last years 7580,3 thousand of them were equal to individual sector, 2317,2 thousand of them were small organization and micro firms. In general the following indicator shown 9897,5 thousand people with employment in the field of small business in the republic in 2014. (Figure 1).

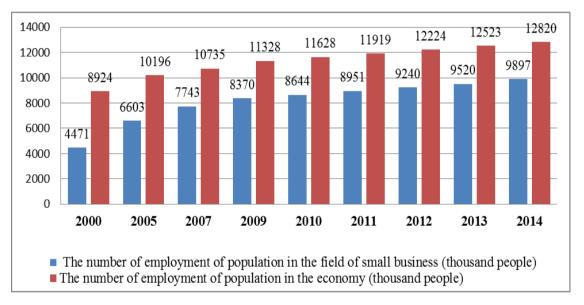


Figure 1: Rising indicator of employment of population in Uzbekistan Source: on the basis of first information of State Statistic Committee of the Republic of Uzbekistan

It is important to mention that in increasing gross of domestic product (GDP) the place and role in small business and private enterprise are getting high proportion. Past few years the proportion of Gross Domestic Product (GDP) in small business is giving its results which carried out issues of the volume of products which were produced by them (Figure 2).

It was created more than 480 thousand work places in the field of small business and private enterprise in 2014 [4]. It means half of created work places. Nowadays, more than 76, 5 % of occupied with the job of the population in the field of economy were working. If we want to compare the following indicators with the past years, the following indicator was equal to 50.1 % in 2000. The following realization and tasks in the economy are giving their highest benefit.

The creation of new job vacancies, the positive carrying out programs for supporting employment of population and creation of new job vacancies are giving positive results in the republic. The following is being main factor for the development of stable economy, increasing life style of people. Present days it has possibilities of doing business and freely choosing the occupancy. It was achieving to keep a job place which was created and stable expiry. Graduators of professional educational institutions, women, disabled and other need layer of the social security, especially, in the villages were organizing in the level of state policy.

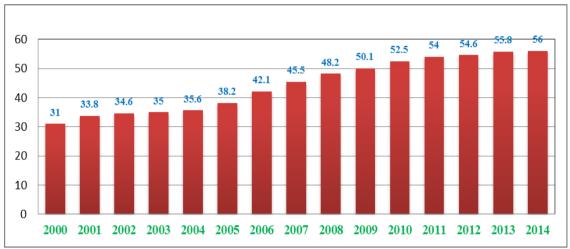


Figure 2: The development contribution of GDP in the field of small business and private enterprise (in %)

Source: on the basis of first information of State Statistic Committee of the Republic of Uzbekistan

The main purpose was to support with employment of people who was able to work. And also, it was very important to increase the level of life style, to create new job vacancies and to support an employment of population. According to the above mentioned, it is possible to create conditions for the usage of positive labor possibilities in areas (cities, districts) and in economy. Development of economic activeness of youth in the national labor market is mainly defined with the direction of social – economic development of the country.

Employment of population especially, youth employments were taken in the level of state policy. The main reason for this the proportion of the youth is very high among the population of the country. Employment tasks as an internal part of social policy help to increase the benefit of people. So, for increasing life style of people, to show full appearance of working ability it was directed to the economic conditions. To the achievement of the same purposes it is paying much attention to the small business and private enterprise in the country. Taking into consideration, it was paid much attention to prepare specialists according to the real need of specialty and directions in professional colleges and the branches and spheres of economy. For supporting employment of the graduators of professional colleges the following ways were taken into consideration by the government [5]:

- 1. To separate preferential loans for establishing a business for the graduators of professional colleges;
- 2. To involve the youth to the small business;
- 3. To teach them the rules of allocation of financial resources for doing business;
- 4. To create supporting regional counseling centers for young entrepreneurs and etc...

Youth plays main important role in economic life of the country, the reason of being active of part of the society their entrepreneurship are getting main direction of the modern economy. To encourage with business activity of youth entrepreneurship in the country has become a global issue. According to statistic information 408493 graduators of the professional colleges and 176681 among them were supported with job vacancies in 2013 [6]. And also, they created their own business and were given more than 140 milliard som (UZB currency) micro credits to professional college graduators who made a decision of doing business [7].

There were two special decision of the state on the direction. The first is the decision of "About additional issues involving to the business the graduators of higher educational establishments". The second is "about additional issues of establishing to the state policy to the youth of the Republic of Uzbekistan". The main purpose of this was to call the usage of youth potentials, to bring high level according to the business principles of youth.

To attract young entrepreneurs, along with the development of small business and private entrepreneurship, youth employment, also envisages the creation of new jobs [8].

In our opinion, in supporting with the employment of population through comprehensive providing with small business and private entrepreneurship in the country and also, realized issues in this field, the priority groups in the following areas are desirable:

- 1. While creating new job vacancies at first, to achieve through small business enterprises, construction works, service spheres, making more extension of private entrepreneurship were considered. To increase size of credits by commercial banks to the small business subject and to take into consideration privilege in tax system plays important role in strengthening financial resources of job places. In particular, the banking and financial system in the past few years, a number of small business and private entrepreneurship, create favorable conditions for flourishing of privileges in this area.
- 2. It should be mention that supporting with employment of youth and to involve the job vacancies is very important in Uzbekistan. The main purpose for this is to extend entrepreneurship activity among youth and totally involve them to the business. So, to increase doing business skills, to finalize youth business ideas and to help them to carry out business in the market. In this regard, it can be achieved with the involvement of employers and students. Nowadays, it is very important that holding labor fairs, contest of business ideas and giving them privilege credits to begin their private business. There were about 200 milliard som privilege micro-credits were separated to graduator of college who decided to begin their business [9]. If we compare them with previous numbers it was higher than 1.4 %.
- **3.** To support with employment of population in the sphere of agriculture is very important because large amount of population live in the village areas in our republic. Nowadays, livestock, poultry, aquaculture, horticulture, producing fruits and vegetables in the farm, through the effective usage of lands the farmers has achieved the creation of new jobs. The tasks which directed to the increasing benefit in this sphere help not only employment of population but also, rise of the product in agriculture. In general, it extends to support of the food security and increase the benefit of the population.
- **4.** It was carrying out the direction together with paying attention to the family entrepreneurship and supporting with employment of population. To adopt decree of "About family entrepreneurship" is created new ways of legal basis of employment and entrepreneurship and creation of new fob vacancies.

Many developed countries, like: in Canada, Chine, South Korea, Italy and India the main part of small enterprises make family entrepreneurship activity [10]. The creation of new job vacancies first of all, influences to supporting benefit economy of the family. That's why

it helps to the extension of privet entrepreneurship. In addition, in this regard, the processing of agricultural raw materials, consumer goods, construction materials from local raw materials has encouraged to the development of private small businesses and hand craft works.

It known from experience, there were objective rules of economic development of the country. It is very important to produce stable economic policy to taking into consideration economic potential and opportunity, national tradition, cultural wealth. In our opinion when we realize the above mentioned it can be developed.

#### Conclusion

To develop social sphere in the country is one of the direction of making stability of the economy in the period of economic process and modernization.

As conclusion it is allowed to add following recommendation of supporting employment of population and to develop social security:

- 1) To develop private entrepreneurship of supporting employment of population and to create possible condition through involving free funds of population;
- 2) more development of small business of employment of population, to support through development of telecommunication services, transport, finance and tourism services;
- 3) to develop services in the provinces of country. Especially, to support with finance of the construction of the public service facilities. Provision of soft loans of such enterprises, to use the practice of giving tax privileges;

So, it is possible to mention that it is allowed to pay attention to the following for ruling of market economy while paying attention to the youth employment:

- mainly to organize social job vacancies for youth (it was allowed to organize to: living areas, roads, services);
- to finance through bringing different possibilities for covering expenses of organizing free vacancies for working youth at private firms;
- to pay any kind of services which belong to communicate with the personnel department where has free vacant places;
- the extension of business activities and to pay extra money for additional work hours;
- to support with lowering the amount of tax for private incomes while employment of youth with full time work places.
- to develop activities of services of supporting with employment of population in the regions.

To control with the employment of population in the stable macroeconomic condition of the country and more development the special socio-economic problem. To solve them successfully will serve the development of national economy.

According to the above mentioned the policy employment of population is shows that one of the main element in social policy. To prevent the decline of the standard of living of the population to eliminate the use of the full potential, to solve mass unemployment, to support of competitive market condition should be directed measures of it.

So, if it realizes possible ways for developing stable level of national economy and to increase the activity of subject of small business and private enterprise can be serve special resource for supporting with employment of population and increasing quality of life style of people.

It possible to say according to the above mentioned, the policy of supporting with employment of population is one of the special element of social policy. It can prevent the decline of the standard of living of the population. Also, it can be achieved to prevent mass

unemployment through mass usage of labor potential. The main thing is it must be directed to measures of supporting with quality employment in the condition of competitive market of population.

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