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# RESPONSIBILITY OF DEMOGRAPHIC CHANGES IN UZBEKISTAN FOR LABOR MARKET MANAGEMENT

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#### **Abstract**

This article analyzed the results of the work carried out in Uzbekistan on the impact of demographic changes on the management of the rural labor market, studied and highlighted current tasks and problems. proposals and recommendations on the impact of demographic changes on rural labour market management are also given.

**Key words**: labor market management process, demographic changes, birth rate, natural growth rate, population growth rate, labor supply and demand, working age, total population, market mechanisms, mass unemployment, small business and private entrepreneurship, hired workers, employers, employment problem.

#### Introduction

#### **Enter**

The process of managing the labor market in each country is strongly influenced by the demographic changes there.

Uzbekistan is one of the countries with high birth rate and natural population growth rate. During the past thirty years, the population of the republic has grown by an average of 2.6% annually, which is the highest growth rate among the CIS countries. In most of them, the birth rate has decreased and the rate of population growth has decreased sharply. This aspect has a specific effect on the dynamics of economic growth and solving the problems of the rural labor market.

It is noted that the population of Uzbekistan increased sharply in 1991-2021. In fact, during this period, the population of the country was 20607.7 and 34558.9 thousand people, and increased by 13951.2 thousand people in thirty years. Almost two-fourths of the total increase was accounted for by the rural population, which was 49.40 percent. In Tashkent region, this figure was 2994.0 thousand people in 2021. 50.9 percent of the total growth occurred at the expense of the rural population. So, this indicator in the region is almost 1.5% more than the overall indicator of the republic.

#### Analysis of Literature on the Topic

Many studies are being conducted to study, analyze and evaluate the impact of demographic changes on the management of the rural labor market, as well as to scientifically solve the existing problems in the field. In particular, Alexander M.

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Volume 08, Sep., 2022

Danzera, Robert Grundkelar [1] carried out studies on taking into account competitive structures in local labor markets when evaluating the transfer of wages of workers of developing countries through world market prices.

Ege Aksua, Refik Erzanb, Murat Güray, Kırdarlar [2] conducted their research on the negative effects on the most vulnerable groups in the labor market and the increase in consumer prices, which means that poverty may increase among these local groups. Russian scientists have different approaches to the study of employment and the working mechanism of the labor market. For example, Yu. Odegov "The labor market is a dynamic system, in which the employer (the owner of the means of production, an entrepreneur) on the one hand, and the employer (employee) on the other hand move together. These entities occupy one of the main positions in the structural system of the labor market. Within the framework of the labor market, the agreement of the purpose, interest and requirements of the employer and the hired workers is carried out" [3].

According to A. Rofe, "The labor market is first of all a system of collective relations that is related to those who offer labor and those who hire it, that is, those who sell and buy labor"[4].

Ya. Kornai said that as a result of constant changes in the ratio between demand and supply of labor force, there is a chronic surplus or shortage of labor force in the labor market. A market in which there is a surplus of labor in need of wage labor is called a market with limited demand for labor. Such a market has three features: 1 - the share of the potential reserve of the labor force is large; 2 - chronic unemployment does not completely disappear even at the highest point; 3 - unemployment also threatens traditional wage workers. In a market with a surplus of labor, the starting point is demand. Again, he calls the market where the shortage of labor prevails as a market with limited resources and describes it as follows: 1 - there is no potential reserve of labor and its employment rate is high; 2 - there is no chronic unemployment, and the resulting frictional "unemployment" will be a purely organizational problem; 3 - traditional hired workers are not threatened by competition from the unemployed in the labor market[5].

A number of Uzbek economists have also conducted scientific approaches to labor market relations. For example, K.Kh. Abdurakhmanov defines the labor market as follows: "Labor market means a set of socio-economic relations related to the sale, purchase and use of labor power"[6]. The labor market plays an active role in the regulation of employment, the main national resource - labor force is formed and distributed by enterprises, sectors and regions. The presence of competition in the labor market, on the one hand, encourages employees to grow and expand their professional skills, improve their qualifications, and on the other hand, encourages employers to create and maintain favorable working and payment conditions.

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Volume 08, Sep., 2022

Prof. N.Q. Yoldoshev to labor relations "the most complicated issue of labor relations is the distribution of labor results between owners and employees, members of labor teams" [7].

Prof. Sh.R. Kholmo'minov gave a somewhat full and specific definition of the labor market, and in his opinion: "the labor market is the contracts (labor agreements) that take into account the relations between the employed and unemployed parts of the working population and employers and their personal interests ) is a complex, multifaceted, growing and open socio-economic system of the market economy, which implements the purchase and sale and directly regulates the ratio between the demand and supply of the labor force" [8].

In our opinion, the rural labor market is an open socio-economic system that regulates competition between labor supply and demand. The main subjects of relations in the labor market are recruiters and hired workers, and subjects regulating the demand for labor are also involved in this process. Both the state and other legal entities owning the means of production can participate in these relations as an employer or recruiter.

### **Analysis and Results**

The nature of demographic processes is closely related to the situation in the economy. During the period of economic stagnation in the country in 1991-1995, the standard of living of the population decreased and negatively affected the growth rate of the population. For example, in 1991, the population growth rate was 2.4 percent, and in 1995, it was 1.6 percent[1].

The economic growth that started in 2000 also affected the change in demographic trends. For example, the population growth rate reached 20.4 percent in 2001, 17.4 percent by 2011, and 18.7 percent by 2021.

The uniqueness of the demographic situation in the republic is reflected in the age structure of the population. The share of certain age groups is important in the dynamics of the population of working age. 52.2 percent of the total population or 86.8 percent of the working population belong to the 20-59 age group. The 16-19-year-old group includes 9.4% of the population or 15.6% of working age.

Unlike other CIS countries, the average life expectancy of a person in Uzbekistan increased from 69.3 years in the early 1990s to 70.4 years in the late 1990s, and in 2021, it increased to 73 years for men and 75 years for women.

The listed demographic trends require management of the rural labor market in the following directions:

- The high annual growth of labor supply determines the lower limit of increasing production volumes in order to maintain the level of employment and achieve production efficiency;
- The greatest pressure on the rural labor market by labor force supply is shown in rural areas this sector requires an almost annual increase in production;

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Volume 08, Sep., 2022

- The high percentage of children under the working age causes a high demand for qualified specialists working in the field of preschool education and school institutions;
- High birth rates increase the demand for skilled pediatricians and nursing staff.

In order to effectively manage the rural labor market, it is important to know the prospective population of the rural population.

The value of the population after a certain period of time can be determined using different methods, depending on whether the total population or the number of certain age groups is to be determined.

The prospective total number of the population is calculated on the basis of the data on the natural and mechanical growth rates of the population for a certain period under study, and it is assumed that the determined regularity will be maintained during the forecasted time period.

Often, it is not enough to determine the perspective of the total number of the population, but detailed information about the number of certain age and gender groups of the population is needed (for example, to determine the number of different age groups of the population in the future, to create a labor balance, etc.).

In order to calculate the prospective number of the population by individual age groups, the following are required: information on the number and age structure of the population at the beginning of the planning period; information on survival rates calculated on the basis of death rates; Data on fertility rates for women aged 15-49. For example, when calculating the population of young people of each gender (except age o) after one year, the population of each age and gender is calculated and multiplied by the relevant survival coefficient Rx, resulting in the (prospect) number of the population who will be at age x+1 after one year.

To calculate the number of babies (o-year-olds) who can be born one year later, the age coefficients of births are multiplied by the number of women of the corresponding age (15 to 49 years) in the planning year. The number of children produced can be easily divided into genders based on the ratio of births of boys and girls. After that, taking into account the child mortality rate, the number of children reaching the age of one year is determined, and further calculations are carried out using the method of pushing youth.

Thus, depending on how detailed and for what purpose prospective population data are needed, different methods of calculation are used. In addition to the methods mentioned above, there are other methods of calculation, but in all cases, when calculating the total number of the population in the future, it is taken into account that the laws of changes in the number of the population determined for a certain period will be preserved in the future. However, due to the fact that birth, death and mechanical growth rates do not change, and the age structure of the population

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changes, long-term prospective calculations are not free of errors.

Today's level of employment of the population, and especially its structure, is fundamentally different from the indicators observed in the republic only 5-6 years ago. The rapid progress of state expropriation and privatization, the development of small business and private entrepreneurship, changes in the psychology of hired workers and employers, market dominance and strengthening of labor skills have expanded the market space and created objective conditions for the further development of market relations in the field of labor. The further development of these processes depends on the stabilization and growth of the economy, and public administration in the republic is aimed at these goals.

#### **Conclusions and Suggestions**

According to the results of the analysis, it is necessary to rationally manage the following shifts in the future development of the rural labor market under the influence of demographic trends:

- It is necessary to ensure more effective functioning of the rural labor market through the development of market relations in the areas of broad demographic changes and employment;
- Due to the strengthening of market mechanisms in the field of employment, the increase in unemployment and the possibility of tension in the rural labor market, it is necessary to implement measures to expand the areas of employment;
- 1.7% annual increase in the supply of labor force requires a 5-7% increase in the level of employment and the volume of production;
- The greatest pressure on the labor market from the supply of labor is shown in rural areas which requires an average annual increase of 5% in agricultural production;
- It is necessary to ensure the employment of young people who have not been able to enter higher education institutions after graduating from school, academic lyceum, vocational college and special technical schools, and who do not have a profession, by training them in second specialty professions on the basis of vocational educational institutions;
- To organize retraining of personnel who have been working for many years in enterprises and organizations belonging to various sectors of the economy, who have practical work experience, but who are working in a specialty other than their specialty, in the second specialty professions on the basis of vocational educational institutions;
- With the opening of new enterprises and organizations in the regions through training for second specialty professions on the basis of vocational educational institutions, there will be an opportunity to prepare the needs for specialist personnel in a short period of time and in sufficient quantity;

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Volume 08, Sep., 2022

• The high percentage of children under the working age causes a high demand for qualified specialists working in the field of preschool education and school institutions.

Thus, based on the results of the research, a new information fund was created, which studies the main indicators of the demographic changes that have a serious impact on the management process of providing employment to rural youth in selected districts of our republic.

They serve as important sources of information in the development of recommendations and proposals aimed at the formation of the main principles and economic mechanisms of managing the employment of the population, mainly young people, in rural areas with a lot of labor resources.

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