

LABOR RESOURCES - INVALUABLE ASSETS

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Annotation:The article emphasizes that employment in the country is a crucial factor in its socio-economic development.

Keywords:Employment, standard of living, quality of life, demand, consumption, savings, wages, population income, minimum wage, taxes.

Introduction: Labor resources are considered as the invaluable assets of a country, and research aimed at their effective utilization has been identified as a crucial factor in advancing the national economy. It plays a significant role in determining the country's production capacity, opportunities for enhancing the national economy, as well as its position and role in the global arena.

Literature: ReviewA plethora of research conducted by economists worldwide has concluded that labor resources, being the primary drivers of a nation's production capabilities, are pivotal. The economic prowess of a country, its place in international labor distribution, location, strength, competitiveness in domestic and foreign markets, and, first and foremost, labor resources, including their quantity and quality, are all taken into account. Consequently, labor resources are deemed to be the most valuable and precious assets capable of yielding the greatest positive outcomes among all production resources, including material, natural, and others.

Research MethodologyGlobal practice indicates that the uninterrupted development of these valuable resources, namely labor resources, in the production of goods and services enhances a country's position in the rapidly globalizing world economy, consolidating its position in the constantly evolving global economy. In our perspective, a country endowed with abundant and high-quality resources, particularly in terms of quantity and quality of labor resources, is adequately responding to current challenges and demands, adapting to the dynamically changing internal and external economic environment with rapid changes, and is poised to occupy a suitable place among the nations of the world.

Analysis and Findings:Uzbekistan's labor resources are substantial. According to official statistics, the population of the country exceeds 750 thousand annually, with a significant portion of the population being eligible for employment. However, as of 2022, the number of officially employed individuals was 5.5 million, representing one-third of the country's economic active population. Consequently, it can't be concluded that the remaining portion of eligible workers is entirely unemployed. A significant portion of the labor resources is engaged in agriculture. The service sector plays a vital role in providing employment opportunities. In Uzbekistan, particularly in the Samarkand region, the development of the service sector, the prosperity of its population, and the growth of incomes, as well as ensuring employment, are recognized as crucial processes.

However, sustainable economic growth, high levels of employment, additional income, and increasing the standard of living require structural changes in the economy, increasing employment, additional income, and raising the level of well-being. Regional placement and structural consolidation issues in the service sector are key to addressing these issues. The primary way to address these issues is to increase the number of high-quality service providers in areas where the population is demanding. Improvements in information, finance, and banking sectors, and rapid development of transportation services are essential. It should be noted that a purposeful program has been adopted to accept targeted measures to

¹ "Economic Theory" textbook. Tashkent: "FAN VA TEXNOLOGIYA", 2018, 272 pages.

increase competitiveness and attractiveness in the service sector, which will be able to generate positive outcomes.

Improving the service sector, increasing the standard of living, and raising the level of well-being are interrelated goals of its activities. This contributes to the development of the conceptual directions and strategies of the service sector in our country. Moreover, it contributes to the creation of opportunities to increase employment by revitalizing the service sector. In our previous sections, we analyzed the factors influencing the improvement of employment through the service sector. We identified factors such as population incomes, average wages in the service sector, and overall production indicators in the sector as significant factors in increasing employment. Therefore, it is important to evaluate the performance indicators of the service sector in order to improve employment.

It is known that in the current stage of economic reforms, important measures are being taken to ensure employment and improve the well-being of the population. These opportunities, in turn, demand a significant role for this sector in the economy. In particular, the revitalization of the service sector to increase employment plays an important role in achieving these goals. In this regard, the adoption of the "Concept for the Development of Tourism for 2019-2025" by the Republic of Uzbekistan and the Law "On Civil Activities and Civil Organizations" have been recognized as significant steps in the development of this sector. In order to preserve and enrich our national traditions and customs, 11 new museums, 2 theaters, 28 children's music and art schools, and 5 higher education institutions have been established. Compared to 2017, more than 5 times more funds were allocated for these goals by 2023, totaling over 712 billion soums. Broadening the investment in the service sector contributes significantly to increasing employment. These tasks, along with the selected topic's purpose and objectives, indicate the conceptual orientation towards addressing one of the most important socio-economic issues, such as improving employment through the conceptual directions of the service sector. Therefore, it is crucial to identify and address the challenges and weaknesses encountered in providing employment through the service sector in Samarkand province, as well as to improve the effectiveness of service sector activities in addressing employment issues.

Improving the labor activity of the unemployed involves not only providing them with various incentives (such as wages, rewards, and benefits) for effective work but also creating necessary conditions for their productive labor through the establishment of essential prerequisites. Because providing opportunities for productive labor to those capable of it ultimately leads to effective labor.²

The measures taken to increase the labor activity of the unemployed through a comprehensive plan of action will yield significant positive results when implemented in conjunction with each other. In Uzbekistan, to improve the standard and quality of living of the population, and to create favorable conditions for their attitude and prosperous life, it is necessary to develop mechanisms for ensuring decent employment of the workforce, creating new jobs, and sharply reducing the number of unemployed. It is envisaged that these tasks will be addressed in the country's socio-economic development through the adoption of appropriate policies and mechanisms, especially in the context of the "2019-2025 Concept for the Development of Tourism" of the Republic of Uzbekistan and the Law "On Public Activities and Public Organizations". To our understanding, resolving the issues of unemployment and underemployment in Uzbekistan and aligning supply and demand in the labor market are two important directions, namely:

- The first direction is the rapid development of industrialization, especially the manufacturing sector and construction, to create new jobs.

² The article, titled "We Need New Strength, New Movement in Spiritual Life," is a speech delivered by the President of Uzbekistan Shavkat Mirziyoyev at the expanded meeting of the Republic's Council on Spirituality and Enlightenment. It was published on December 23, 2023, in issue number 274 (8617) of the newspaper "People's Word," on page 3.

- The second direction is based on the rapid development of the service sector, emphasizing the development of new jobs through high-speed improvements.

As a result of the implementation of these processes, there is a demand for the rapid development of industry to supply the domestic market with goods and services produced domestically, especially in light of the shortage of jobs. This will lead to the emergence of new jobs in this sector. The production of valuable and high-quality agricultural products for export, competition in external markets, and the production of export-oriented products also create opportunities for the development of industry and the creation of new jobs. It is noteworthy that the revival of agricultural products for industrial processing in the country requires at least 3-4 years. Additionally, the socio-political policy of providing the population, especially in rural areas, with new, modern housing is contributing to the development of the construction industry and the creation of numerous new jobs. In the manufacturing sector, as a result of the rapid development of material production, new jobs are created in material service types (material production constitutes 33% of the total). According to our projections, 7,722 new jobs will be created. However, without addressing the issues of underemployment, the industrial sector will not be able to solve the unemployment problem. In our view, some factors can negatively affect the increase in the number of new jobs created in this area. First and foremost, the rapid development and introduction of new, modern equipment and technologies contribute to the acceleration of labor. Moreover, the number of unemployed in the agricultural sector is still very high. Currently, in Uzbekistan, the proportion of the population engaged in agriculture and forestry constitutes 26.2% of the economically active population. In developed countries, this indicator is as follows: 2.6% in Great Britain, 3.3% in the United States, 4% in Spain, and 5.5% in Germany. The consolidation of the material-technical base and the increase in the number of technical facilities in agricultural entities (farmers and dehkans) lead to a decrease in the need for manual labor, and in the future, the number of people unemployed in rural areas will also decrease. According to calculations, if Uzbekistan reaches the level of labor productivity in developed countries in the agricultural and forestry sectors, then 3,395.1 thousand people will be unemployed.

The second direction is the operation of scientific and technological advances in the field of services (similar to material production), resulting in the sharp acceleration of intensive factors in economic growth, the rapid acceleration of labor, and the increase in labor productivity. Undoubtedly, the development of the service sector and the increase in performance indicators, including the significant increase in the volume of internal service production in the industry, will lead to an increase in new jobs created (in terms of the creation of new jobs).

Summary and Recommendations In the context of global operations, today's society cannot function without effective communication and globalization. For example, according to the information provided by the European Commission, 40% of the European Union's internal product and productivity growth is based on the use of telecommunications services. Analysis shows that the level of investment in the telecommunications sector and its competitiveness are key factors in the economic growth rates of developed countries. However, it is possible to argue that in the current context of post-industrial societies, the service sector has the potential to create new jobs and effectively address the issue of unemployment. Therefore, it is essential to expand and develop the service provision sector to increase employment opportunities and enhance the standard of living. In addressing the current challenges of increasing population employment and improving their standard of living, it is imperative to broaden the scope of service provision activities and create opportunities for its development and modernization.³

³ Urunbayeva, Y. P. (2013). Service Provision Sector and the Level of Population Welfare: Interrelation and Development Trends. Monograph. Tashkent: "FAN". (156 pages).

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