

STATISTICAL ANALYSIS OF THE EMPLOYMENT RATE IN UZBEKISTAN AND ITS DYNAMIC DEVELOPMENT TRENDS.**Razikova Gulmira Sharifovna**Senior Lecturer, Tashkent State University of Economics.
email: gulmirarazikova1975@gmail.ru, phone: +998993730392**Xo'jamqulov Sarvarbek Orifjon ugli**2nd Stage Student of Tashkent State University of Economics. email:
xojamqulovsarvarbek@gmail.com.

Abstract: This article analyzes the employment level and its dynamic development trends in Uzbekistan. Employment indicators in formal and informal sectors are studied regionally, and key factors contributing to unemployment along with recommendations for their mitigation are provided. The results relate to labor resources, their productivity, and the economic and social aspects of employment.

Keywords: employment, formal employment, informal employment, labor participation, labor resources, labor productivity, unemployment, social protection, self-employment, regional analysis.

СТАТИСТИЧЕСКИЙ АНАЛИЗ УРОВНЯ ЗАНЯТОСТИ НАСЕЛЕНИЯ В УЗБЕКИСТАНЕ И ТЕНДЕНЦИИ ЕГО ДИНАМИЧНОГО РАЗВИТИЯ.

Аннотация: В статье анализируется уровень занятости и тенденции его динамического развития в Узбекистане. Рассматриваются показатели занятости в официальном и неформальном секторах по регионам, выявляются основные причины безработицы и даются рекомендации по их устранению. Результаты исследования связаны с трудовыми ресурсами, их производительностью и экономическими и социальными аспектами занятости.

Ключевые слова: Занятость, официальная занятость, неформальная занятость, участие в труде, трудовые ресурсы, производительность труда, безработица, социальная защита, самозанятость, региональный анализ.

O'ZBEKISTONDA BANDLIK DARAJASINING STATISTIK TAHLILI VA UNING DINAMIK RIVOJLANISH TENDENSIYALARI.

Annotatsiya: Ushbu maqolada O'zbekistonda bandlik darajasi va uning dinamik rivojlanish tendensiyalari statistik tahlil qilidi. Rasmiy va norasmiy sektorlardagi band aholi ko'rsatkichlari hududlar bo'yicha o'rganilib, ishsizlikka olib keladigan asosiy omillar va ularni bartaraf etish bo'yicha tavsiyalar beriladi. Tadqiqot natijalari mehnat resurslari, ularning unumdorligi va ish bilan bandlikning iqtisodiy hamda ijtimoiy jihatlar bilan bog'liq.

Kalit so'zlar: bandlik, rasmiy bandlik, norasmiy bandlik, ish bilan bandlik, mehnat resurslari, mehnat unumdorligi, ishsizlik, ijtimoiy himoya, o'zini o'zi band qilish, hududiy tahlil.

INTRODUCTION

In our country, a number of reforms are carried out annually to ensure population employment, and mechanisms for job placement in vacant and quota-based job positions are being improved. Moreover, effective measures are being taken to develop productive forms of self-employment. In turn, a series of normative legal documents are being adopted, aimed at stimulating the working activity and entrepreneurial initiatives of the population, ensuring the employment of socially vulnerable groups of the population, and increasing the accessibility, quality, and speed of public services related to employment.

Currently, a high degree of tension still persists in the regional labor market. Certain issues exist concerning the creation of permanent jobs, ensuring the employment of youth, women, and members of low-income families, especially in rural areas, and regulating the processes of external labor migration. The level of services such as credit provision, consultative and informational services, and other necessary services for the population and business entities in the field of job placement remains low. Due to the vocational training and retraining of personnel often not taking into account the current and prospective needs of the economic sectors, their capabilities, and resources, a shortage of qualified personnel in certain specialties is observed in the labor market.

The level of employment is a crucial parameter defining the economic and social development indicators of every country. Employment reflects not only the efficient utilization of the labor resources of the population and their active participation in the production process, but also the country's social stability, the living standards of the population, and the effectiveness of the social protection system. Therefore, identifying trends in the labor market, studying the structure of the employed population, and determining the factors leading to unemployment are of significant importance in developing strategies for the country's economic development [1].

The issue of employment is particularly relevant in Uzbekistan, and it is necessary to analyze the level of population employment in the formal and informal sectors, the structural changes in the categories of economic activity, and the indicators of the employed population across regions. Official employment indicators reflect the structural trends in the country's labor market, while the informal sector reflects the hidden forms of economic activity. Furthermore, the level and structure of employment are determined by an individual's work ability, professional qualifications, and participation in the production process.

This article performs a statistical analysis of the employment level in Uzbekistan and identifies its dynamic development trends. The results of the study will show the changes in employment in the formal and informal sectors across regions, serve to identify the main factors causing unemployment, and develop recommendations for their elimination. Thus, the findings of the article will serve as a basis for strategic decisions aimed at increasing the efficiency of the country's labor market, socially and economically optimizing employment, and ensuring the full utilization of labor resources.

LITERATURE REVIEW

The study of employment and the labor market is one of the main research areas in economics and social sciences. Globally, there are numerous scientific works devoted to the statistical analysis of employment, the level of employment, and the factors of unemployment. Reports and studies by the International Labour Organization (ILO) provide detailed methodologies for calculating employment indicators in the formal and informal sectors [4]. ILO research indicates that the informal sector constitutes a significant part of the economy, and it is essential to account for this sector to fully reflect employment and the efficiency of labor resources [3].

Furthermore, economists such as A. Smith, J. Stiglitz, and other experts have analyzed the correlation between the employment level and labor productivity, the role of human capital in economic activity, and the impact of employment on social stability. Their studies show that economic growth can be achieved by increasing the efficiency of employment and labor resources.

At the national level, employment issues in Uzbekistan are economically and socially relevant, with analyses focusing on official statistics and regional structural changes. Reports from the Statistics Committee of the Republic of Uzbekistan detail employment indicators for the formal and informal sectors, types of employment, the regional distribution of labor resources, and the unemployment rate [10].

Concurrently, structural changes in the labor market, and regional disparities in employment and unemployment have been studied in the context of Uzbekistan by researchers such as S. Juraev (2021), Kh. Kodirov (2020), and others. Their research highlights the balance between the formal and informal sectors, changes in the composition of the employed population by categories of economic activity, and ways to enhance employment efficiency.

The literature also reviews the correlation between the employment level, the social protection system, the employed population, and forms of self-employment. The balance in the labor market, employment, and the impact of employment types in a market economy serve to increase economic efficiency and social stability. Studies indicate that identifying the factors leading to unemployment in Uzbekistan and developing recommendations for their elimination are crucial for ensuring the sustainable development of the labor market.

The analysis of the literature shows that the statistical analysis of the employment level in Uzbekistan and its dynamic development trends have significant scientific and practical importance for optimizing the labor market, increasing employment, and contributing to economic growth. From this perspective, studying employment across regions for both the formal and informal sectors, identifying the factors of unemployment, and developing recommendations for their elimination constitute a pressing scientific task.

RESEARCH METHODS

In this study, statistical and analytical methods were utilized to examine the employment level in Uzbekistan and its dynamic development trends. Specifically, indicators of the employed population in the formal and informal sectors, their regional distribution, and changes over time were analyzed based on statistical data. Furthermore, factors leading to unemployment were identified, and the employment structure and efficiency of labor resources were evaluated using comparative, generalization, and mathematical methods. The scientific foundation of the research was formed by national and international literature, ILO reports, and state statistical reports.

RESULTS AND ANALYSIS

In the labor market of Uzbekistan, a positive, yet slow, growth trend was observed during the period of 2020-2024. According to the data from the National Statistics Committee, the total number of the employed population increased from 13,236.4 thousand people (2020) to 14,260 thousand people (2024), representing a growth of 7.7% or an average of 1.8% annually [10]. It is noteworthy that this indicator is almost equal to the natural population growth rate, which indicates that structural tensions persist in the labor market [2].

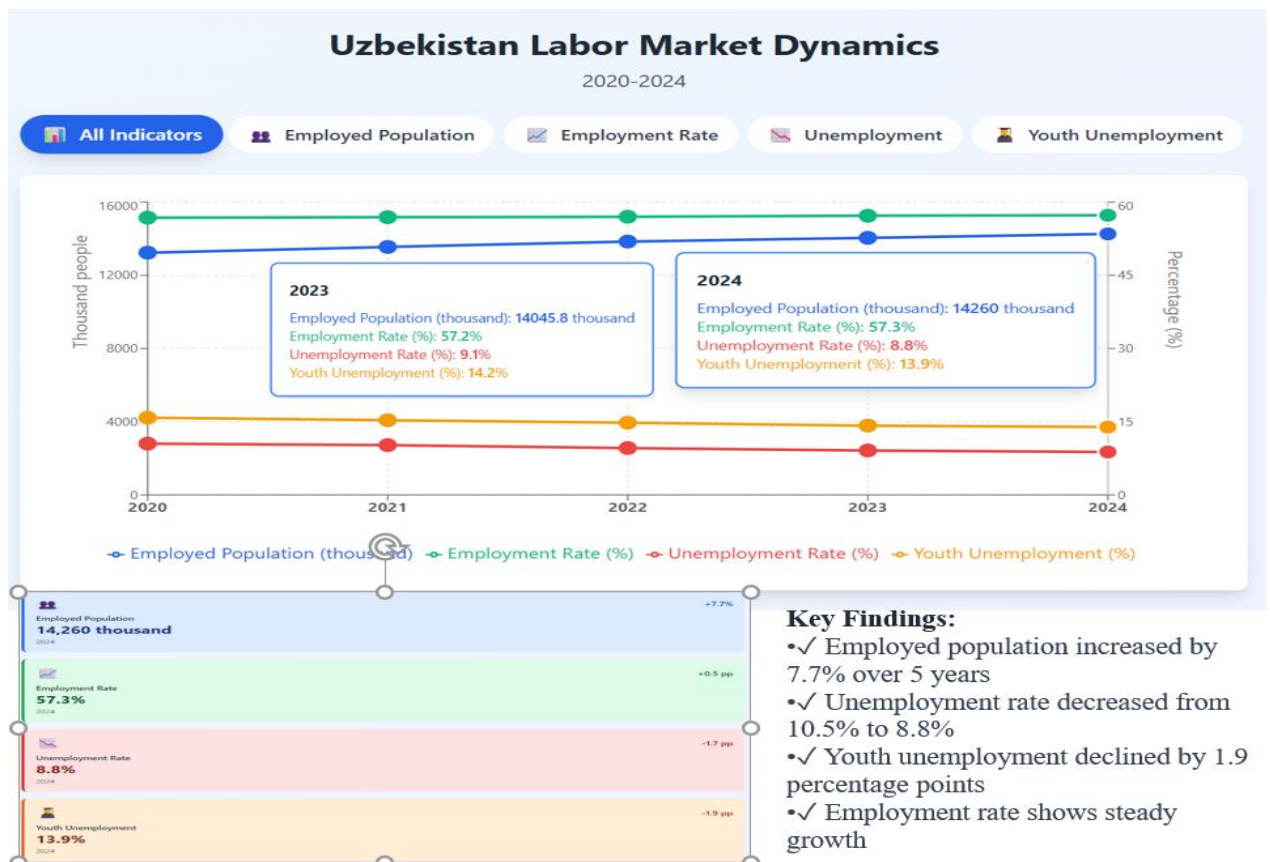


Diagram-1. Source: The Statistics Committee of the Republic of Uzbekistan, ILO Statistics (2024)

In accordance with the International Labour Organization (ILO) methodology, although the decrease in the unemployment rate from 10.5% to 8.8% is a positive trend, youth unemployment (13.9%) is almost 1.5 times the general rate, reflecting a mismatch between the education system and labor market needs [7].

The most significant positive change is the increase in the share of formal employment from 36.2% to 42.0%. This outcome is assessed as the result of tax reforms, programs to stimulate entrepreneurship, and the improvement of the state social insurance system [2].

The growth of employment across regions is unevenly distributed, which indicates the differences in regional economic development and urbanization processes [10].

Table 2. Dynamics of regional employment growth (2020-2024)

Region	2020 (thousand person)	2024 (thousand person)	Growth Rate (%)	Description
High Growth				
Tashkent city	1 243,5	1 410,3	13,4	IT, Services, Urbanization
Kashkadarya	1 171,0	1 296,2	10,7	Oil-and-Gas, Chemical Industry
Andijan	1 225,9	1 346,7	9,9	Auto Industry, Small

				Business
Low Growth				
Bukhara	788,0	807,8	2,5	Low Diversification
Surkhandarya	985,5	1 018,7	3,4	Migration, Isolation
Syrdarya	332,2	351,1	5,7	Small Territory, Limited Resources

Source: Compiled based on data from the Statistics Committee of the Republic of Uzbekistan. The high growth in Tashkent City (13.4%) is linked to innovative technologies, the IT industry, and a strong migration flow from the regions. Growth in Kashkadarya (10.7%) and Andijan (9.9%) regions was achieved through industrial diversification and large investment projects. Conversely, minimal growth in Bukhara (2.5%) and Surkhandarya (3.4%) regions reflects economic isolation and a lack of investment [10].

A separate analysis of public sector employment shows that the number of employees in this sector increased by only 4.4% between 2020 and 2024, confirming the stable and low-variability nature of public jobs. The sharp decrease in Navoiy Region (-29.9%) is the result of structural reorganizations in the mining industry [2].

According to data from the World Bank and the International Labour Organization, the ongoing structural transformation in Uzbekistan's economy has led to significant changes in the distribution of labor resources. While agriculture accounted for 27.3% of employment (3.89 million people) in 2024, this figure has significantly decreased from the 35–38% observed in 2015 [13]. This reflects the process of reallocation of the labor force from material production sectors to the services sector.

The services sector ranks second with a share of 26.4% (3.76 million people), indicating the development of the services sector and the increasing intensity of urbanization. Trade (16.8%), industry (14.2%), construction (8.9%), and transport (6.4%) are other important sources of employment [14].

An analysis of labor productivity reveals an inter-sectoral imbalance. In 2024, labor productivity in the industrial sector was 487.3 million UZS/worker, while it was only 89.7 million UZS/worker in agriculture, a 5.4-fold difference [10]. This structural mismatch indicates the necessity of modernizing agriculture and gradually transitioning labor resources to higher-productivity sectors.

Informal employment remains a dominant characteristic of the Uzbekistan labor market. The share of informal employment decreased from 63.8% to 58.0% during 2020-2024, representing an improvement of 5.8 percentage points [4]. Absolute figures for formal employment also significantly increased: from 4.79 million people in 2020 to 5.98 million people in 2024, an increase of 25% [2].

The distribution of informal employment across sectors is highly uneven: 73.4% in agriculture, 68.9% in construction, 64.2% in trade, 56.7% in transport, 48.3% in services, and 31.8% in industry [6]. These indicators reflect the vulnerability of labor rights protection and the lack of social guarantees in these sectors.

The high share of informal employment leads to serious consequences. Workers in the informal sector are deprived of pension, occupational disease insurance, and employment contract protection, and the state budget suffers from loss of tax revenues. The inaccuracy of labor statistics complicates the development of effective economic policies [8].

The most significant challenge in the Uzbekistan labor market remains the persistence of gender inequality. In 2024, women's employment was 52.6%, while men's employment was 78.6%, resulting in a 26 percentage point gap [12]. This inequality is linked to traditional social norms, domestic burdens, labor market discrimination, and a shortage of preschool institutions (kindergartens).

The gender distribution across sectors is imbalanced: women are more employed in education (64%), healthcare (68%), trade (58%), and services (52%), while their share is very low in industry (23%), construction (8%), transport (11%), and the IT sector (19%) [12].

Youth (15-24 years old) constitute the most vulnerable segment of the labor market. In 2024, the youth unemployment rate was 13.9%, 1.5 times higher than the general unemployment rate. The NEET ("Not in Education, Employment, or Training") indicator was 20.8%, meaning one out of every five young people is outside the scope of labor activity [7].

Group	Employment rate (%)	Unemployment rate (%)	NEET Rate (%)
Men (15-64)	78,6	7,2	-
Women (15-64)	52,6	11,4	-
Youth (15-24)	40,9	13,9	20,8
Young women (15-24)	33,2	16,8	24,9

Table 3. Employment by gender and age groups

Source: ILO Statistics, UN Women (2024)

According to data from the Ministry of Education, over 40% of higher education graduates cannot find employment in their specialty, indicating a deep mismatch between the education system and the labor market [11].

The employment disparities between urban and rural areas are significant: the employment rate is 61.8% in urban areas and 54.2% in rural areas. The actual difference is more pronounced in the structure of formal employment: 68.4% in cities versus only 38.7% in rural areas, a gap of 29.7 percentage points [10, 14].

Sharp differences are also observed across sectors. Employment in the services sector is 42.1% in cities and 18.3% in rural areas. While agriculture accounts for 41.7% of employment in rural areas, it is only 8.4% in cities [13]. The unemployment rate is also higher in rural areas (10.9%) compared to cities (7.3%), reflecting a deficit of job opportunities and limited economic diversification in rural areas.

The COVID-19 pandemic dealt a significant blow to the labor market: unemployment rose from 9.2% to 10.5% in 2020 [5]. The services, trade, and transport sectors were the most severely affected. However, state anti-crisis measures, tax incentives, subsidies, and support for small businesses led to a rapid recovery.

By 2024, most indicators had improved beyond pre-pandemic levels. Specifically, the number of employed people increased by 9.6% compared to 2019 (14.26 million), unemployment improved by 0.4 percentage points (8.8%), and informal employment decreased by 7.1 percentage points [2].

In the Central Asian context, Uzbekistan occupies an intermediate position. The employment rate (57.3%) is lower than in Kazakhstan (63.2%) and Turkmenistan (59.7%), but higher than in Kyrgyzstan (54.1%) and Tajikistan (51.8%). The share of informal employment (58.0%) is higher than in Kazakhstan (38.2%) but lower than in Kyrgyzstan (68.4%) and Tajikistan (74.2%) [6].

Based on the main forecast developed through econometric modeling, it is expected that by 2030, the employed population will reach 16.47 million people, the employment rate will increase to 62.1%, unemployment will decrease to 6.0%, and formal employment will rise to 56.4%. This forecast is contingent on the continuation of institutional reforms, the improvement of the investment environment, and the modernization of the education system.

The comprehensive analysis conducted allows for the identification of the following key challenges in the Uzbekistan labor market:

Deep Mismatch between the Education System and Labor Market Needs: Over 40% of higher education graduates cannot find work in their specialty [11]. This leads to the ineffective utilization of human capital investments and the misallocation of economic resources.

High Share of Informal Employment (58%): This results in the vulnerability of social protection, loss of budget revenues, and violation of labor rights. Workers in the informal sector are deprived of pension provision, healthcare services, and employment contract protection [3].

Regional Imbalance: Employment growth rates vary significantly between Tashkent City and the regions, from 2.5% to 13.4%. This deepens regional economic inequality and intensifies internal migration flows [2].

High Level of Gender Inequality: Women's employment is 26 percentage points lower than men's employment, implying the incomplete realization of gender potential. According to World Bank estimates, eliminating gender inequality could increase Uzbekistan's GDP by 15–20%.

High Youth Unemployment: The unemployment rate for the 15–24 age group is 1.58 times higher than the general unemployment rate, limiting the ability to capitalize on the demographic dividend.

Low Labor Productivity: Labor productivity in agriculture is 5.4 times lower than in industry, highlighting the necessity of structural transformation.

CONCLUSIONS AND RECOMMENDATIONS

Based on the results of the above analysis, the following recommendations were developed:

1. **Diversify the Regional Employment Strategy:** It is necessary to develop specialized employment programs for each region, based on their economic potential and comparative advantages. Attracting new investment projects, creating industrial clusters, and developing infrastructure should be priority areas in regions with slow growth rates, such as Bukhara, Surkhandarya, and Jizzakh.

2. **Gradual Formalization of the Informal Sector:** Encourage informal workers to transition to the formal sector by further reducing the tax burden, simplifying registration procedures, expanding digital platforms, and making social protection programs more attractive. Specific attention should be paid to agriculture, construction, and trade.

3. **Systemic Support for Youth and Women's Employment:** Develop programs for first work experience (internship, apprenticeship) for youth, vocational guidance services, and the startup ecosystem. For women, expanding the network of preschool institutions, flexible working arrangements, gender quotas, and vocational training programs are crucial.

4. **Align the Education System with Labor Market Needs:** Introduce long-term cooperation mechanisms between higher education institutions and production enterprises, regularly update

curricula, emphasize practical skills and STEM education, and implement the concept of lifelong learning.

5. Stimulate the Digital Economy and Innovative Sectors: Develop special support programs for the IT sector, e-commerce, fintech, agritech, and other high value-added sectors. Increase the level of digital literacy and create a favorable ecosystem for technological startups.

6. Effective Management of Labor Migration: Encourage job creation in the regions to balance internal migration flows. Ensure the protection of labor rights within the framework of international labor migration and the reintegration of returning migrants.

7. Strengthen the Social Protection System: Reform the pension system, improve the unemployment benefit mechanism, expand occupational disease insurance, and provide social protection coverage to workers in the informal sector.

The complex implementation of these recommendations will allow Uzbekistan to increase the employment rate to 62%, the share of formal employment to 56%, and labor productivity by 2.2 times by 2030. This, in turn, will create a solid foundation for significantly improving the population's welfare, reducing poverty, and ensuring sustainable economic growth.

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