

The Role of Small and Private Business in Providing Employment for the Population at the New Stage of Development

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ANNOTATION

This article reveals the role and importance of small and private entrepreneurship in ensuring employment of the population at a new stage of development.

International experience shows that the impact of small and private entrepreneurship on economic growth by providing employment to the population is very important. In the conditions of Uzbekistan, the importance of providing employment to the population through the development of small and private entrepreneurship in economic growth is incomparable. After all, the origin of small and private enterprises is a reflection of a complex set of needs with different contents, which are, first of all, the need to increase the enterprises that are effective in the market competition of the country's economy and can withstand it; secondly, small and private business entities are distinguished by the fact that they are the cheapest, preferred and priority way of attracting the population to work.

In the conditions of Uzbekistan and its regions, the surplus of the labor force used in production increases the urgency of the issue of creating new jobs.

The surplus of workers, especially in agriculture, is acute. At first glance, this situation seems to soften the situation in the labor market. However, its negative consequences outweigh the positive aspects. The main reason for this is the fact that the use of more employees than the norm reduces labor productivity and does not allow to increase the salary level, sharply reduces the work responsibility and enthusiasm of employees. During rehabilitation and transformation of agricultural enterprises into companies, the experience of reducing excess labor force shows that wages increased

by 25-30 percent when the number of employees was brought to the normative level.

At the same time, the reduction of excess labor force creates the problem of employment of the released employees. It is necessary to employ them in small and private enterprises for the processing of local raw materials with high wages and favorable working conditions, to attract them to the service sectors in rural areas, social and market infrastructure networks.

According to the data, 85 percent of the growth of employment in small and private business is due to employment in individual labor activities. In other words, the growth of employment is mostly attributed to farmers and entrepreneurs who do not have legal personality rights. In particular, only about 5% of the employed in the economy, or only 9% of the total employed in small and private businesses, are in small and private enterprises with stable and efficient working places. Farms account for 4% of the economy's employed people, or only 7% of those employed in small and private businesses. The rest of those working in small and private businesses are self-employed on farms and self-employed.

In our country, small and private entrepreneurship not only plays a decisive role in the production of the gross domestic product, but also plays an important role in increasing the well-being and income of the population, in solving the unemployment problem, especially in providing employment to the population in small cities and rural areas. In developed countries, special attention is paid to expanding the network of small and private enterprises. Small businesses accounted for 60 percent of all new jobs created in the United States in the next period, and they account for more than 50 percent of the country's gross domestic product. [6,64]

A similar situation can be seen in other industrialized countries. Small and private enterprises account for 50-70 percent of the export of goods from Germany, Italy, and Japan. In Asian countries, the weight of small and private entrepreneurship is 60-70 percent of the number of workers employed in the national economy. They employ more than 70 percent of all employed people across the country, and 52 percent of all value generated in the industry is created by small and medium-sized private enterprises. There are more than 2 million small and medium-sized enterprises in Germany, which employ 75% of the economically active population.

According to the data analysis, 99% of the total number of companies in the Italian economy are companies with less than 100 employees, and 69% of all employees are employed in them. In general, in the European Union, small and medium-sized enterprises make up 95% of all enterprises and employ 75% of employees.

The decisive importance of small and medium-sized business in providing employment to the population is known from the world experience. According to experts, 50 to 80 percent of workers in developed countries work in this field. On average, there are 742 small and medium-sized businesses per 10,000 people in the United States. 54% of the employed in this country are entrepreneurs in small and medium businesses. This figure is 72% in the European Community, 78% in Japan, and almost 90% in Latin America, where there are few large enterprises.

As we mentioned above, a number of laws and decisions are being adopted in the Republic of Uzbekistan in order to assess the real situation in the labor market and determine the number of people who need employment. On the basis of these, the method of identifying persons in need of employment and drawing up the balance of labor resources was approved. Today, intensive work is being done in this regard. In particular, studies show that today almost 25% of labor resources are employed in the informal sector of the economy. According to the Ministry of Employment and Labor Relations, today 5 out of 100 people earn income from temporary one-time jobs, while 24 out of 100 people - without a patent or with a one-time patent or help them. , and about 5 out of every 100 people go to foreign countries to earn income.

Of course, such processes also make it possible to temporarily "hold" the level of unemployment in places at a safer level. Regular studies [7] show that the number of people in need of employment in our country is 500,000. This means 4% of the economically active population and requires more

active activity of the state, local authorities and public organizations in the labor market. Therefore, ensuring the balance of demand and supply in the labor market by creating jobs has become one of the important tasks of the current era. It is not possible to raise the standard of living of the population if permanent jobs with high wages are paid and comfortable working conditions are not created, if many small enterprises for processing local raw materials are not established, if service and market infrastructure sectors are not developed. , insufficient funds are collected to fully solve social protection problems. Even when looking at the situation in the labor market with indicators of economic development, financial and economic problems (local budget revenues, taxes, emissions, etc.), social tasks (financial support of low-income families) in places without a supply and demand balance , payment of allowances, pensions, etc.) seems to be difficult to solve.

In this regard, the allocation of investments to create new jobs is of great importance. Investments and cash flows provide an opportunity to develop not only the objects to which they are directed, but also related industries. Today, more investments are going to cities, because investments in cities have a faster return, there is less risk of them being wasted. Now, as much as possible, it is necessary to ensure that investments in the form of microcredits come to small producers and family businesses. Family business has the opportunity to solve the problem of employment and income. Today, the time has come to organize the creation of a collateral-free microcredit mechanism for family businesses under the guarantee of local self-government bodies. Here is an example: in India and Egypt, 70 percent of small and private entrepreneurs are engaged in family business.

Another important problem of balancing supply and demand in the labor market is to ensure that the population enters the labor market with skills that are in demand as much as possible. If the job-seeking citizen has a low qualification level, then, of course, his employment opportunities will be limited. Another aspect of the matter is that the labor market cannot be filled with one type of profession. Because in this case, there will be an increase of unnecessary qualified population, and it will be difficult to provide them with work. Therefore, regulation of such situations and training of only necessary specialists depends on the effective functioning of the personnel training system and mechanism. The national personnel training program implemented in our republic is primarily aimed at solving this issue.

In this regard, it is important to determine the need for personnel in each specialty, taking full account of the development of the local economy. In these days of liberalization processes, economic growth depends to a large extent on our knowledge of which professions specialists are needed in the near, medium, and even distant future. This issue is especially important for the small and medium business sector for the reasons mentioned above. For this, of course, we need to have sufficient information about which industries and professions specialists are not trained enough, and for which areas they are overtrained. Every specialist who is trained unnecessarily is harmful to the economy. Another important tool to effectively solve this problem is the labor cost. Simply put, it's the wage rate paid for work at the workplace. If the salary offered in the labor market is low, then most of the professionals who are looking for work will start looking for work in other fields or go to other places. The main reason for the lack of highly qualified specialists in many necessary specialties is the following: either the salary is low or it is not paid on time.

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