

## Analysis of New Established and Liquidated Enterprises as a Basis for Jobs

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**ABSTRACT:** Reducing unemployment and creating jobs for the population is one of the most pressing problems of the day. The article analyzes active, passive, newly created and liquidated enterprises that form the basis of jobs. Based on the results of the analysis suggested ways to provide the population with jobs.

**KEYWORD:** sustainable jobs, employment, entity.

### Introduction

Today, one of the most pressing issues in the country is to provide employment and reduce unemployment by increasing the number of jobs. Employment is an important factor in economic development, GDP growth, raising living standards and incomes. Reducing unemployment is one of the most important macroeconomic features of socio-economic development of society and has a special significance in the economy.

The issue of creating new jobs in Uzbekistan is one of the priorities of state policy.

Non-compliance of the number of stable jobs with the requirements of the labor market leads to a violation of the balance of supply and demand in the labor market, rising unemployment in the regions, informal labor migration and growth of informal employment.

Despite the creation of jobs in the country, the unemployment rate remains high. The main reasons for this are:

- short-term re-loss of some of the jobs created in the private sector;
- Insufficiency of stable enterprises and organizations, which are the basis of jobs in the private sector;
- short-term completion of newly established enterprises and organizations;
- insolvency of active enterprises;
- Factors such as the fact that investments are not directed to stable enterprises and organizations due to market demand

Based on the above, this study aims to provide an in-depth analysis of the type of economic activity of enterprises and organizations that are the basis of jobs. To achieve this goal:

- analysis of active, inactive, newly established and liquidated enterprises in the country;

- to analyze the types of economic activities of existing, liquidated and newly established enterprises and organizations.

### Analysis of the literature on the subject

The enterprise is an independent business entity with the right of a legal entity, established for the production of goods, goods, services, works, engaged in various types of economic activity. Enterprises and organizations are the basis of jobs. [2]

A number of economists have expressed their views and opinions on job creation and job creation.

According to economist academician Abdurahmanov, the workplace is part of the production area, which has all the main and auxiliary technological equipment, tools, tools, office furniture, special equipment for certain types of work. From an economic point of view, work is a source of income that allows a person to achieve high labor productivity and live a good life for himself and his family. [5]

According to Professor Nazarov's definition, a workplace is an area of a production area that is allocated to a single contractor or group of workers and is adequately equipped with the tools and objects needed to produce a product or service”[6]

According to Russian scientist Kuznetsov, the number of new jobs can be increased through scientific and technological progress, the launch of new production facilities, and support for existing ones. [7]

Jobs are created on the basis of investments in fixed assets, ie construction costs, equipment costs, purchase of vehicles, equipment and household inventory, and other costs.

According to research by Dutch researchers Karen Van Dama, Tinka Van Vuurenb and Sofia Kemrs, sustainable jobs are more important for those who have been working for many years than young people who have just entered the labor market. Because young people have a high level of mobility, they often change jobs.[1]

According to the British scientist Michael Pitt<sup>1</sup>, companies and organizations can ensure sustainable employment of their employees by creating an HR manager system in their activities. [3]

### Research methodology

To achieve this goal, methods of collecting and comparing statistical data, methods of analysis in summarizing and substantiating the results obtained were used. These methods were used in the analysis and results section of the article, which helped us to conclude below. The result of the methods used is to provide the population with stable jobs

### Analysis and results

Favorable conditions have been created in the country to support enterprises and organizations, which are the basis of jobs, and to increase their number. Newly established enterprises and organizations are provided with benefits, and the reasons for the liquidation of liquidated enterprises are being studied. This is because even if several jobs are created with a newly established enterprise, a number of jobs will be lost in enterprises that have been liquidated in the same way. There are also inactive companies and organizations, which leads to job losses. First of all, it is necessary to analyze this situation at the national level. (1- table)

<sup>1</sup> <https://www.researchgate.net/publication/243460259>

**1- table. Number of enterprises and organizations by region**

(without farmers and farms)

	as of January 1, 2020				
	Registered	Active	Inactive	New established	Finished
Republic of Uzbekistan	419,5	398,1	21,4	96,7	16,9
The Republic of Karakalpakstan	18,8	18,4	0,4	3,9	1,1
Regions:					
Andijon	33,9	30,7	3,2	6,9	2,1
Bukhara	24,5	23,5	1,1	6,4	0,9
Jizzax	18,0	17,2	0,9	3,6	0,6
Qashqadaryo	26,0	25,3	0,7	5,5	1,1
Navoi	17,8	17,1	0,7	7,3	0,8
Namangan	26,6	25,9	0,7	5,7	1,5
Samarkand	33,3	31,3	1,9	8,4	1,4
Surxandaryo	19,6	19,2	0,4	5,0	0,9
Sirdaryo	14,0	13,2	0,8	3,3	0,5
Tashkent	44,3	38,5	5,7	10,0	1,7
Fergana	35,9	35,4	0,5	7,0	0,7
Khorezm	19,6	18,6	1,0	4,8	1,0
Tashkent city	87,2	83,8	3,4	18,9	2,6

According to Table 1, there are 419.5 thousand legal entities registered in the country, of which 398.1 thousand are active and 21.4 thousand are inactive. The number of newly established enterprises and organizations amounted to 96.7 thousand. However, 16.9 thousand enterprises and organizations have ceased their activities. Many jobs have been lost in these closed legal entities. In Samarkand region, 1.4 thousand enterprises and organizations have ceased their activities.

Given that enterprises and organizations are the basis of jobs, it requires a more in-depth analysis of the type of economic activity of enterprises and organizations in the analyzed region in terms of operating, liquidated and newly established enterprises and organizations.

**2- table. Distribution of enterprises and organizations operating in Samarkand region by type of economic activity<sup>2</sup>**

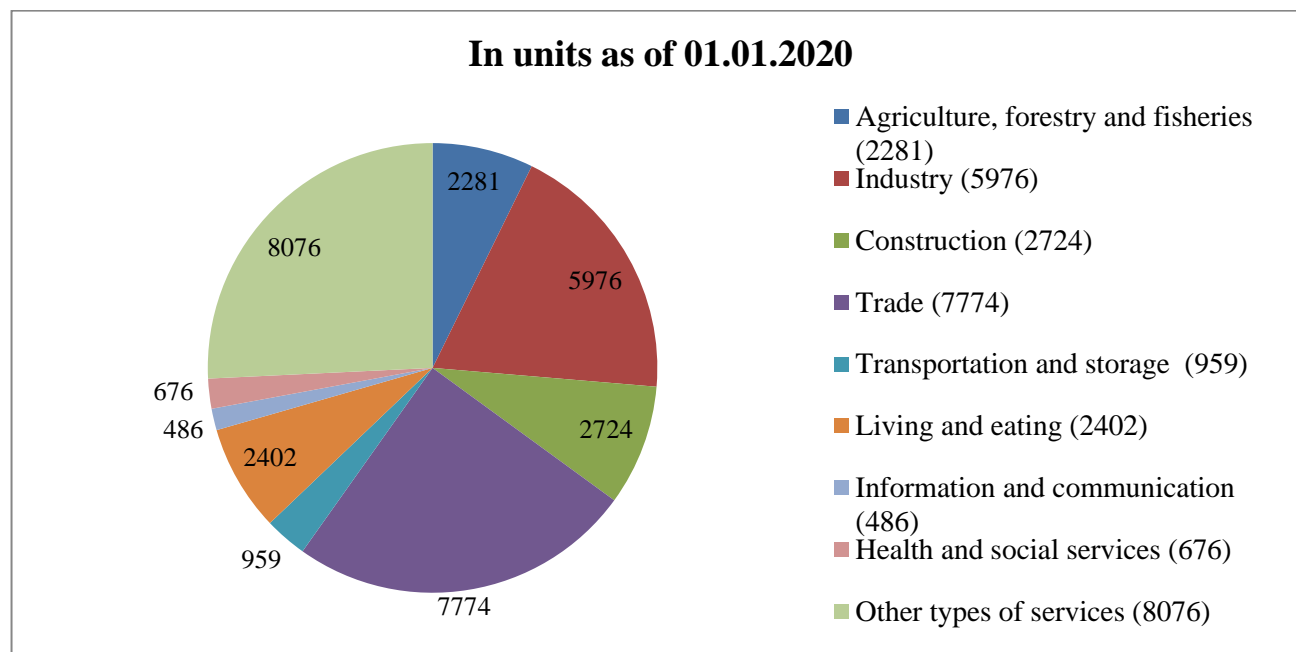
Types of activities	01.01.2016 year	01.01.2017 year	01.01.2018 year	01.01.2019 year	01.01.2020 year
Agriculture, forestry and fisheries	1116	1144	1440	1925	2281
Industry	2953	3082	3713	4654	5976
Construction	1442	1551	1667	2199	2724
Trade	4303	4475	4737	5549	7774
Transportation and storage	511	574	703	824	959
Living and eating	871	999	1207	1628	2402

<sup>2</sup> Based on data from the State Statistics Committee of the Republic of Uzbekistan

Information and communication	346	324	391	411	486
Health and social services	726	741	465	561	676
Other types of services	6285	6545	6738	7315	8076
<b>The total</b>	<b>18553</b>	<b>19435</b>	<b>21061</b>	<b>25066</b>	<b>31354</b>

As of January 1, 2016, 18,553 enterprises and organizations were operating in Samarkand region, while at the beginning of 2020, the number was 31,354. The average growth in 2016-2017 was 8-9 percent, while in 2018-2020 it was 20-21 percent. The number of registered legal entities has increased dramatically in recent years.

As of January 1, 2020, the enterprises operating in agriculture, forestry and fisheries accounted for 2281 and 7%, industry - 5976 and 19%, construction - 2724 and 9%, trade - 7774 and 25%, transportation and storage - 959 and 7%. and 2,402 in nutrition and 8 percent in information and communication, 486 and 2 percent, 676 and 2 percent in health and social services, and 8,076 and 26 percent in other types of services. Apparently, the highest share falls on enterprises and organizations engaged in other types of services. This can also be seen in the diagram (Diagram 1)



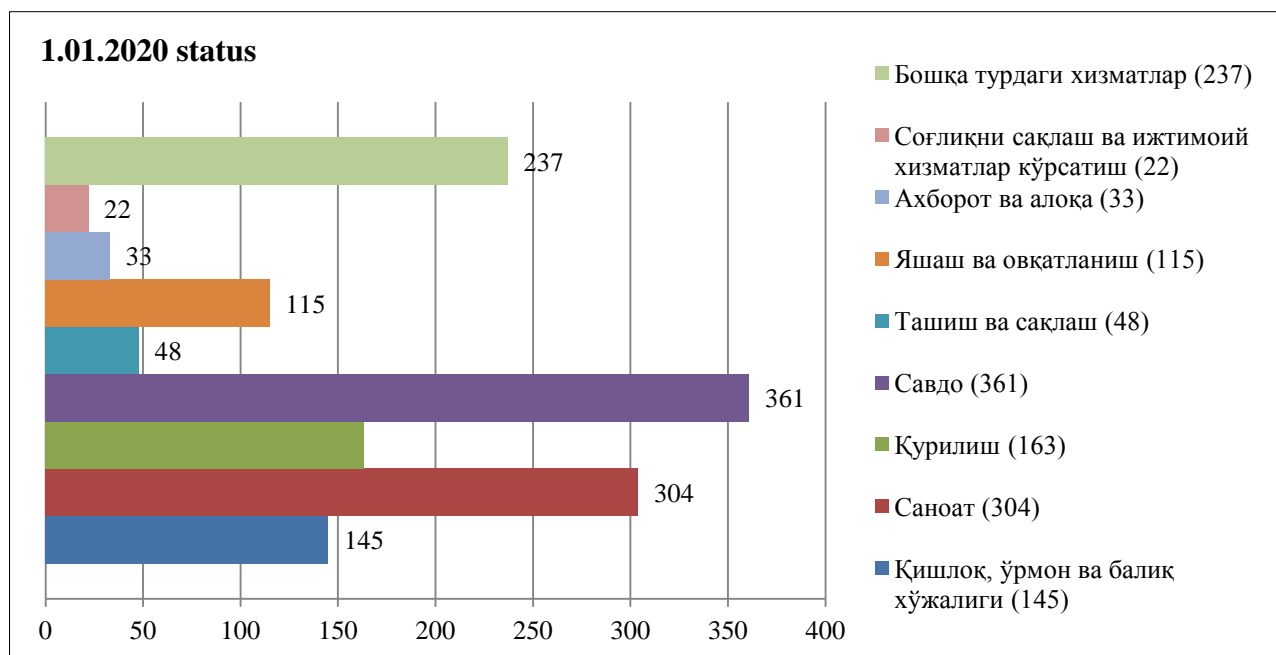
**Figure 1. Distribution of enterprises and organizations operating in Samarkand region by type of economic activity**

There are also liquidating legal entities in the structure of operating enterprises and organizations, the liquidation of which leads to the loss of a number of jobs. This situation requires an analysis of the legal form of legal entities and sectors of the economy, terminating the activities of legal entities in the region and its districts. (Table 3)

**3- table. Distribution of liquidated enterprises and organizations in Samarkand region by type of economic activity<sup>3</sup>**

	01.01.2016 year	01.01.2017 year	01.01.2018 year	01.01.2019 year	01.01.2020 year
Agriculture, forestry and fisheries	147	128	140	122	145
Industry	353	322	289	215	304
Construction	181	172	213	102	163
Trade	585	503	477	314	361
Transportation and storage	62	53	41	25	48
Living and eating	138	101	115	75	115
Information and communication	67	38	46	23	33
Provision of health and social services	23	29	374	8	22
Other types of services	336	295	293	204	237
<b>The total</b>	<b>1892</b>	<b>1641</b>	<b>1988</b>	<b>1088</b>	<b>1428</b>

The table shows that as of January 1, 2016, a total of 1,892 legal entities ceased their activities, and by 2020 this number was 1,428. As of January 1, 2020 in agriculture, forestry and fisheries - 145 and 10 percent, in industry - 304 and 21 percent, in construction - 163 and 11 percent, in trade - 361 and 25 percent, in transportation and storage - 48 and 3 percent, in housing and nutrition. 115 and 8 per cent, in information and communication 33 and 3 per cent, in health and social services 22 and 2 per cent and in other types of services 237 and 17 per cent, respectively. Over the years, there has been a decline and a resurgence of numbers. As of January 1, 2020, the largest share of liquidated enterprises and organizations (Diagram 2)



**Diagram 2. Distribution of liquidated enterprises and organizations in Samarkand region by type of economic activity**

<sup>3</sup> Based on data from the State Statistics Committee of the Republic of Uzbekistan

Great attention is paid to the development of small business and private entrepreneurship in the country. As a result, the number of newly established enterprises and organizations is growing. (4-table) This, in turn, leads to an increase in the number of jobs.

**Table 4 Distribution of newly established enterprises and organizations in Samarkand region by type of economic activity<sup>4</sup>**

Types of economic activity	01.01.2016 year	01.01.2017 year	01.01.2018 year	01.01.2019 year	01.01.2020 year
Agriculture, forestry and fisheries	137	213	476	615	639
Industry	466	466	895	1058	1971
Construction	215	263	338	556	704
Trade	672	616	680	946	2782
Transportation and storage	63	104	116	150	202
Living and eating	194	235	362	474	913
Information and communication	56	66	82	82	161
Provision of health and social services	36	49	94	117	145
Other types of services	272	374	342	833	848
<b>The total</b>	<b>2111</b>	<b>2386</b>	<b>3385</b>	<b>4831</b>	<b>8365</b>

According to table 4, as of January 1, 2020, 8365 new enterprises and organizations have been established in the region. As of January 1, 2020, the newly established legal entities are 639 and 8% in agriculture, forestry and fisheries, 1971 and 24% in industry, 704 and 8% in construction, 2782 and 33% in trade, 202 and 2 in transportation and storage. percent, 913 and 11 percent in accommodation and nutrition, 161 and 2 percent in information and communication, 145 and 2 percent in health and social services, and 848 and 10 percent in other types of services. Over the years, the number of newly established legal entities has increased.

### Conclusions and suggestions

From the results of the above analysis, it can be concluded that the number of newly established enterprises and organizations, which are the basis of jobs, has increased over the years. In turn, several legal entities have ceased operations. This situation can lead to a decrease in the number of jobs and an unemployment rate. You can also see inactive legal entities close to termination. Based on these conclusions, the following suggestions can be made:

- to study the reasons for the liquidation of liquidated enterprises and organizations and take measures to eliminate them;
- reactivation of inactive enterprises, their full support and prevention of job losses;
- establishment of sustainable and active enterprises and organizations in each district, attracting investment;
- It is necessary to develop the business environment in order to prevent the inactivity of enterprises and organizations.

<sup>4</sup> Based on data from the State Statistics Committee of the Republic of Uzbekistan

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