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TRANSFORMATION OF THE LABOR MARKET IN THE CONTEXT OF DIGITALIZATION IN UZBEKISTAN

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Abstract. This article examines the transformation of the labor market in Uzbekistan amid the digitalization of the economy in 2024–2026. Key employment trends, changes in the structure of labor demand, and the impact of information and communications technology and artificial intelligence on the professional structure are analyzed. Particular attention is paid to the growth of the IT sector, digital services, and the need to develop new competencies. Based on statistical data, key areas of labor market transformation are identified and recommendations for its adaptation to the digital economy are formulated.

Keywords: labor market, digitalization, employment, IT sector, digital economy, Uzbekistan, human capital, innovation, artificial intelligence.

In the modern world, the digitalization of the economy is becoming a key factor in the transformation of socioeconomic systems in all countries. In Uzbekistan, this process is actively developing within the framework of the "Digital Uzbekistan 2030" strategy, significantly impacting the labor market, employment structure, and skill requirements.

In 2024–2026, a transition from the traditional employment model to a digital one is underway, characterized by the growth of the IT sector, the spread of remote work, and the increasing importance of digital skills.

Uzbekistan's economy is demonstrating steady growth: 6.5% in 2024, 6.8% in 2025, and a forecast of around 6% in 2026. This is contributing to the expansion of employment and the creation of new jobs.

Table 1 - Key labor market indicators

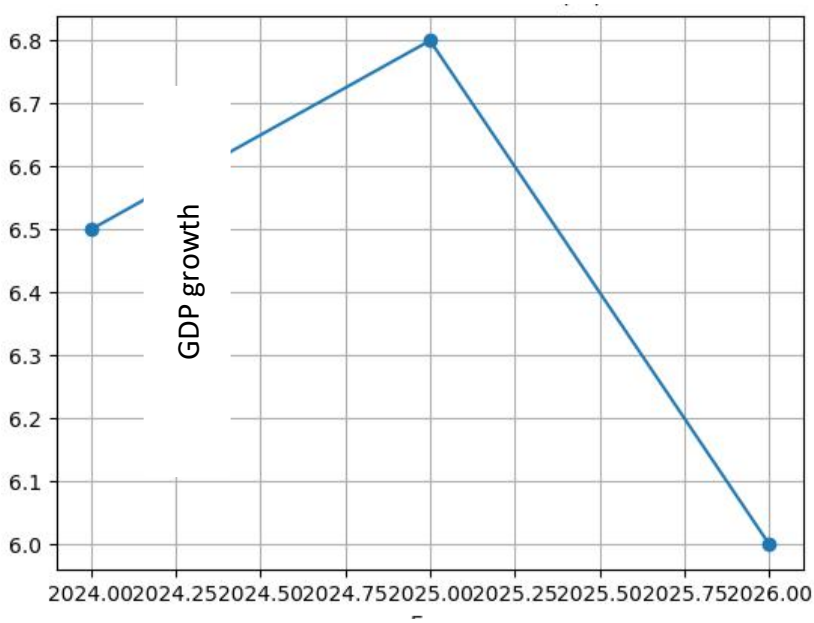
Indicator	2024	2025	2026 (forecast)
GDP growth (%)	6.5	6.8	6.0
Unemployment (%)	8.2	7.8	7.5
Employment (million people)	20.5	21.0	21.5

The total labor force in 2025 was estimated to be over 21 million people. The unemployment rate is declining and is estimated to be 7.5–8% in 2025.

An important indicator is the state's active employment policy: in the first eight months of 2025 alone, approximately 5 million people were employed.

At the same time, the role of the service sector is increasing, becoming a key driver of employment and accounting for a significant portion of GDP.

Figure 1- GDP growth dynamics



The share of IT in GDP reached approximately 2.1% in 2024. IT services exports exceeded $1 billion. The number of vacancies in the IT sector increased by 27.6% in 2025.

Digitalization has a dual impact on the labor market:

• reduction of routine jobs;
• emergence of new digital jobs;
• increased demand for highly qualified personnel.

The introduction of artificial intelligence is changing the nature of work: repetitive tasks are being automated, and workers are moving on to more complex analytical tasks. A key trend is the widespread retraining of workers, as the digital economy demands new skills (data processing, programming, analytics). One of the most dynamic segments of the labor market is the IT sector.

The greatest demand in our country is for the following specialties:

• Programmers and developers;
• Business analysts;
• Information security specialists;
• Digital product managers.

About 91.9% of IT vacancies are concentrated in Tashkent, demonstrating the territorial concentration of the digital economy.

In 2025, the services market in Uzbekistan reached 1.05 quadrillion soums, an increase of 14.7% compared to 2024.

Digitalization contributes to:

✓ the development of e-commerce;
✓ the growth of platform employment;
✓ the expansion of remote work;
✓ the emergence of freelancing.

For example, the development of digital ecosystems has led to an increase in the number of online service users from 3 million in 2024 to 4.6 million in 2025.

Digital transformation is creating new demands on workers.

Key employee competencies today include digital literacy; analytical thinking; data skills; flexibility and learning ability.

Employers are increasingly focusing on practical skills and the ability to adapt to new technologies.

However, the problem of insufficient digital skills among the population persists, requiring the development of education and professional training systems.

The state plays a key role in transforming the labor market:

• e-government is developing;
• digitalization of government services is expanding (more than 1,000 services by 2026);
• IT parks are being created, and educational programs are being transformed;
• startups and innovation are being supported.

Of particular importance is the development of infrastructure and training of personnel through specialized training and retraining programs.

Despite positive trends, the following problems persist:

• an imbalance between the supply and demand of qualified personnel;
• regional uneven development;
• digital divide;
• the need to reform the education system.

The main areas of labor market transformation are:

1. Further growth of digital professions;
2. Development of flexible forms of employment;
3. Integration of artificial intelligence into work processes;
4. Increasing the role of continuous education.

Digitalization is expected to transform the employment structure rather than lead to mass unemployment.

Thus, Uzbekistan's labor market in 2024–2026 will be undergoing active transformation under the influence of digitalization. The main trends are the growth of the IT sector, changing employment structures, increasing skill requirements, and the development of new forms of employment.

To successfully adapt to the digital economy, Uzbekistan needs:

- further development of the education system;
- support for a system of retraining programs;
- reduction of regional disparities;
- stimulation of innovation.

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