

ინოვაციური ეკონომიკა და მართვა

INNOVATIVE ECONOMICS AND MANAGEMENT

ნატალია შალიმოვა,

ეკონომიკის დოქტორი, პროფესორი,
ბუღალტრული აღრიცხვისა და
ფინანსების ფაკულტეტის დეკანი,
ცენტრალური უკრაინის ეროვნული
ტექნიკური უნივერსიტეტი,
e-mail: nataliia.shalimova@gmail.com
orcid.org/0000-0001-7564-4343

მანანა მოგოვაც,

ეკონომიკის მეცნიერებათა
კანდიდატი, ასოცირებული
პროფესორი,
აუდიტისა და დაბეგვრის
დეპარტამენტის უფროსი,
ცენტრალური უკრაინის ეროვნული
ტექნიკური უნივერსიტეტი,
orcid.org/0000-0002-2124-4026
e-mail: magserg@ukr.net

ვოლოდიმირ შალიმოვი,

ეკონომიკის მეცნიერებათა
კანდიდატი,
ფინანსების, საბანკო სისტემებისა
და დაზღვევის დეპარტამენტის
ასოცირებული პროფესორი,
ცენტრალური უკრაინის ეროვნული
ტექნიკური უნივერსიტეტი,
https://orcid.org/0000-0001-9462-8277
e-mail: v.shalimov@ukr.net

შემოსულია რედაქციაში:

ივლისი, 2019

რეცენზირებულია:

აგვისტო, 2019

რეგიონის ეკონომიკურად აქტიური და არააქტიური მოსახლეობის თვისებრივი და რაოდენობრივი შემაჯანღელობის კვლევა, როგორც ინოვაციური განვითარების სტრატეგიის შორმირების ფაქტორი

RESEARCH OF QUALITATIVE AND QUANTITATIVE COMPOSITION OF ECONOMICALLY ACTIVE AND NON-ACTIVE POPULATION OF THE REGION AS A FACTOR OF FORMATION OF INNOVATIVE DEVELOPMENT STRATEGY

ანოტაცია. ნაშრომში გაანალიზებულია რეგიონის შრომის პოტენციალი (კიროვოგრადის რეგიონის მაგალითზე), მისი ფორმირების ტენდენციები, როგორც ინოვაციური საქმიანობის მთავარი რესურსი რეგიონის ინოვაციური განვითარების უზრუნველსაყოფად. 2000-2018 წლის პერიოდისთვის განსაზღვრულია კიროვოგრადის რეგიონის ეკონომიკურად აქტიური, დასაქმებული და უმუშევარი მოსახლეობის შეცვლის ტენდენციები. კიროვოგრადის რეგიონის შრომითი რესურსების ნაშთი, მათი განაწილების თვალსაზრისით, ასაკობრივი ჯგუფების მიხედვით, სამუშაო შესაძლებლობების გათვალისწინებით, ეკონომიკური საქმიანობის დონის მიხედვით. გამოკვლეულია კიროვოგრადის რეგიონის ეკონომიკურად არააქტიური მოსახლეობის ასაკობრივი დინამიკა და სტრუქტურა 2000 წლიდან 2018 წლამდე პერიოდში. ჩატარებულია უკრაინისა და კიროვოგრადის რეგიონის ეკონომიკურად აქტიური და ეკონომიკურად არააქტიური მოსახლეობის სტრუქტურის შედარებითი ანალიზი ასაკისა და განათლების დონის მიხედვით. მითითებულია რეგიონის შემდგომი ინოვაციური განვითარების შემდეგი საფრთხეები: ეკონომიკურად არააქტიური, უმუშევარი და არაფორმალურად დასაქმებული მოსახლეობის მნიშვნელოვანი წილი, ახალგაზრდების მნიშვნელოვანი გადინება, როგორც მოსახლეობის კატეგორიის ინოვაციური საქმიანობის ყველაზე მეტად მიდრეკილება, შიდა და გარე მიგრაციის

საკვანძო სიტყვები: შრომითი რესურსი, შრომითი პოტენციალი, რეგიონის ინოვაციური განვითარება, ეკონომიკურად აქტიური მოსახლეობა, ეკონომიკურად არააქტიური მოსახლეობა

ABSTRACT. The labor potential of the region (on the example of the Kirovohrad region), tendencies of its formation as the main resource of innova-

NATALIYA SHALIMOVA,
 Doctor of Economics, Professor,
 Dean of Accounting and Finance
 Faculty, Central Ukrainian National
 Technical University
e-mail: nataliia.shalimova@gmail.com
orcid.org/0000-0001-7564-4343

OLENA MAGOPETS,
 Candidate of Economic Sciences (PhD
 in Economics), Associate Professor,
 Head of the Department of Audit and
 Taxation, Central Ukrainian National
 Technical University
orcid.org/0000-0002-2124-4026
e-mail: magserg@ukr.net

VOLODYMYR SHALIMOV,
 Candidate of Economic Sciences (PhD
 in Economics), Associated Professor,
 Associated Professor of the Department
 of Finance, Banking System and
 Insurance, Central Ukrainian National
 Technical University,
orcid.org/0000-0001-9462-8277
e-mail: v.shalimov@ukr.net

Received: July, 2019

Accepted: August, 2019

JEL Classification J21. R11.

tive activity in the context of providing innovative development of the region are analyzed. The tendencies of change of economically active, employed and unemployed population of Kirovohrad region for the period 2000-2018 are determined. The balance of labor resources of Kirovohrad region from the point of view of their distribution by age groups, taking into account working capacity, by level of economic activity, employment, including formal is calculated. Dynamics and structure of age of economically inactive population of Kirovohrad region for the period from 2000 to 2018 are investigated. A comparative analysis of the structure of economically active and economically inactive population of Ukraine and Kirovohrad region by age and level of education is conducted. The following threats for further innovative development of the region are specified: a significant share of economically inactive, unemployed and informally employed population, significant outflow of young people, as the most prone to innovative activity of the population category, due to internal and external migration. The official reasons for economic inactivity of the population of Kirovograd region and tendencies of their similarity with other regions of Ukraine are distinguished. It is substantiated that by the share of economically inactive population who fulfills their household duties and is "lost" in the job search process Kirovograd region is among certain western regions of the Ukraine. It is concluded that the actually economically inactive population of these regions forms the proportion of the population who goes to work abroad or work in the informal sector and is not covered by the relevant statistical observations.

Key words: labor resources, labor potential, innovative development of the region, economically active population, economically inactive population

The purpose of the article is to analyze the economically active and inactive population of the region (on the example of the Kirovograd region), its age and educational structure as the main resource of innovative activity in the context of regional innovation development.

Originality and value, problem statement:

It is substantiated that solving the problems of employment and unemployment at the regional level is one of the most important prerequisites for its sustainable development, especially in the conditions of activation of the innovative component. The following threats to further innovative development of the region are specified: a significant share of economically inactive, unemployed, significant outflow of young people, as the most prone to innovative activity of the population category, due to internal and external migration. The risks of youth loss as the most prone to innovative activity of the population category, taking into account the intensity of both internal and external educational migration at the level of undergraduate and graduate level, are identified. The necessity of development of the regional innovative development strategy, levers and mechanisms of its management with emphasis on preservation and development of labor resources is substantiated.

Materials and methods, analysis of recent research:

In the article general scientific and special methods of research have been used. The following general scientific methods were used in the research process: induction and deduction; classification; abstraction, analysis and synthesis; methods of system analysis and concretization. Methods of comparative and economic-mathematical analysis were

used to study the trends of formation and structure of economically active and inactive population of the Kirovograd region of Ukraine. The graphical representation method was used to illustrate the obtained results.

Resolving issues of employment and unemployment at the regional level is one of the most important prerequisites for its sustainable development, especially as the innovation component becomes more active. Thus, human capital is the main determinant of national innovation competitiveness, but now its efficiency in Ukraine is low.

Factors that determine the sources of economic development and enable it physically include: the availability of resources in quantitative and qualitative aspects; educational and qualification aspects of labor resources; the qualitative structure of the capital and its technical condition; technology [1, p. 108]. In the case of enterprises that are guided by the concept of innovative marketing, the most important resources are labor and information, because it is people who, based on the available information, are generators of innovation ideas, and it is they who can create programs for the implementation of these ideas, based on the facts that the main link of the mechanism of creation of innovations is labor resources, and the process of their involvement is one of the most important [1, p. 168]. Therefore, the formation of a strategy for innovative development of the region can be carried out not only based on the understanding the economic situation, but also the essence of socio-economic relations in the regional labor market.

Highlighting unsolved parts of a common problem:

Many scientists have explored the problems of formation and efficient use of labor resources, factors that shape their structure and impact on regional development. First of all, it is worth noting the scientific achievements in the study of the problems of formation of labor resources, which were made by scientists of the Ptoukha Institute for Demography and Social Studies of the National Academy of Sciences of Ukraine [11; 17]. The models of the transitive labor market, the interconnection between different spheres of life (education, household, unemployment, employment, retirement) are presented in a monographic study by Ilyich L.M. [10]. Models for identifying economically active, employed and unemployed people in the context of social ties are of scientific interest of other scientists [8]. Of particular note is the study of the unemployed economically active population of the Lviv region, conducted by scientists of the Institute of Regional Research named after M.I. Dolishniy of the National Academy of Sciences of Ukraine [13]. Problems of innovative development are also presented in a large number of monographic studies, in particular [2; 18; 14; 1; 9; 4]. At the same time, the influence of the structure of economically active and economically inactive population on the innovative development of the region needs further research.

The purpose of this study is to analyze the economically active and inactive population of the region (on the example of the Kirovograd region), its age and educational structure as the main resource of innovative activity in the context of regional innovation development.

Presenting main material:

The current state of the labor market in the Kirovohrad region is characterized by the presence of certain problems, which are a barrier to the innovative development of the region, since the labor potential of the Kirovohrad region during the period 2000-2018 has significantly decreased (Table 1). Of particular concern is the quantitative and qualitative imbalance between supply and demand for labor, high unemployment, falling employment, and low employment in rural areas.

In particular, the economically active population aged 15-70 years decreased from 511.1 thousand people in 2000 to 430.4 thousand people in 2018. But we have an increase of 1 thousand people in 2018 compared to 2017 due to 400 people of working age, 600 people of working age.

The number of employable population in the period from 2000 to 2018 decreased from 493.3 thousand people to 416.0 thousand people. The number of employed population aged 15-70 has decreased from 435.2 to 380.5 thousand people, but again in comparison with 2017 we have an increase of 3.7 thousand people, due to persons of working age - 2.3 thousand people and disabled people - 1.4 thousand people. The share of employed population aged 15-70 in the total population of the corresponding age increased from 52.4 to 54.5%.

TABLE 1

**CHARACTERISTICS POPULATION OF THE KIROVOGRAD REGION BY THE
LEVEL OF EMPLOYMENT AND ECONOMIC ACTIVITY IN 2000-2018, THOUSAND PEOPLE**

Year	Economically active population		Employed population		The average number of full-time employees, thousand people	Unemployed of working age
	at the age of 15-70 years	of working age	at the age of 15-70 years	of working age		
2000	511,1	493,3	435,2	419,0	317	74,3
2001	504,9	486,0	428,2	410,0	292	76,0
2002	517,8	480,1	470,0	433,3	275	46,8
2003	504,4	471,6	454,9	422,1	255	49,5
2004	499,3	467,7	444,5	413,7	241	54,0
2005	501,5	460,0	457,5	416,0	237	44,0
2006	500,2	460,1	458,9	418,8	235	41,3
2007	503,2	461,3	462,4	420,5	229	40,8
2008	499,2	458,7	459,1	418,6	223	40,1
2009	480,3	435,9	432,7	388,3	209	47,6
2010	473,5	431,6	431,2	389,3	210	42,3
2011	474,0	436,1	433,1	395,2	204	40,9
2012	473,7	437,0	433,7	397,0	204	40,0
2013	471,0	434,3	434,0	397,3	197	37,0
2014	440,3	420,8	391,1	371,6	190	49,2
2015	436,6	419,7	386,8	369,9	180	49,8
2016	428,8	416,5	375,7	363,4	177	53,1
2017	429,4	416,4	376,8	363,8	175	52,6
2018	430,4	416,0	380,5	366,1	176	49,9

Source: calculated and summarized by the authors based on [3; 5; 6; 16; 15].

The number of unemployed in 2000 was 75.9 thousand people aged 15-70 years and 74.3 thousand persons of working age, which made up 14.9% and 15.1% of the economically active population of the respective age group. In 2018, the number of unemployed decreased by 26 thousand people aged 15-70 and by 24.4 thousand working age population compared to 2000, which made up 11.6% and 12.0% of the economically active population of the respective age group.

Thus, the positive trends are: (1) the decrease in the number and share of the unemployed in the economically active population; (2) the growth of the employed and economically active population aged 15-70 compared to 2017 and the increase in their share in the population of the corresponding age, compared to 2000; (3) there are no significant changes in the share of employed and economically active population of working age in the population of the corresponding age (from 64.5% to 63.8% and from 76.0 to 72.5% respectively).

But at the same time by all indicators (level of economic activity, employment rate, unemployment rate) Kirovograd region is below the average level in Ukraine (Table 2).

In 2018, the level of economic activity of the population of the Kirovograd region is lower than in Ukraine, except for economic activity in urban settlements: in the Kirovograd region this indicator is 64.2%, and in Ukraine as a whole - 62.8%. At the same time, the employment rate is below the average in Ukraine by 3 percentage points, with the exception of the employment rate in rural settlements - in the Kirovograd region it is 48.3% and in Ukraine - 54.4%. Accordingly, the unemployment rate in the Kirovograd region exceeds the average level in Ukraine by 3 percentage points and is the highest among men - 14.1%. The lowest unemployment rate was observed in Kharkiv (6.1%), Kyiv

(6.5%), Odesa (7.3%) regions and the city of Kyiv (6.9%), and the highest in Poltava (12.0%). , Kirovograd (12.2%), Volyn (12.5%), Donetsk (14.6%) and Luhansk (6.6%) regions.

TABLE 2

**ECONOMIC ACTIVITY OF THE POPULATION BY SEX AND PLACE OF RESIDENCE
IN KIROVOHRAD REGION AND UKRAINE IN 2017-2018**

Indicator	2017		2018	
	Kirovohrad region	Ukraine	Kirovohrad region	Ukraine
The level of economic activity,%	60,8	62,0	61,6	62,6
<i>women</i>	54,5	55,7	54,9	56,8
<i>men</i>	67,7	69,0	69,1	69,0
<i>urban settlements</i>	64,2	62,8	65,5	63,5
<i>rural settlements</i>	54,6	60,4	54,7	60,6
Employment rate,%	53,3	56,1	54,5	57,1
<i>women</i>	49,0	51,4	50,2	52,5
<i>men</i>	58,2	61,4	59,2	62,1
<i>urban settlements</i>	56,2	56,9	58,1	58,1
<i>rural settlements</i>	48,3	54,4	48,0	55,0
Unemployment rate,%	12,2	9,5	11,6	8,8
<i>women</i>	10,2	7,7	8,6	7,4
<i>men</i>	14,1	11,1	14,3	10,0
<i>urban settlements</i>	12,6	9,3	11,3	8,6
<i>rural settlements</i>	11,6	9,9	12,2	9,2

Source: calculated and summarized by the authors based on [3; 5; 6; 16; 15].

Analysis of the structure of economically active population of the Kirovograd region showed its change in 2018 compared to 2017. Thus, in 2017, the educational level of the economically active population of the Kirovograd region was dominated by those with vocational (30%) and incomplete higher education (22%), their share higher than the average in Ukraine - 19% and 26% in accordance. In comparison with the average in Ukraine, the share of those with full higher education (educational and qualification levels of “master’s” and “specialist”) was lower. If in the whole in Ukraine this indicator is 32%, in the Kirovograd region - 28%.

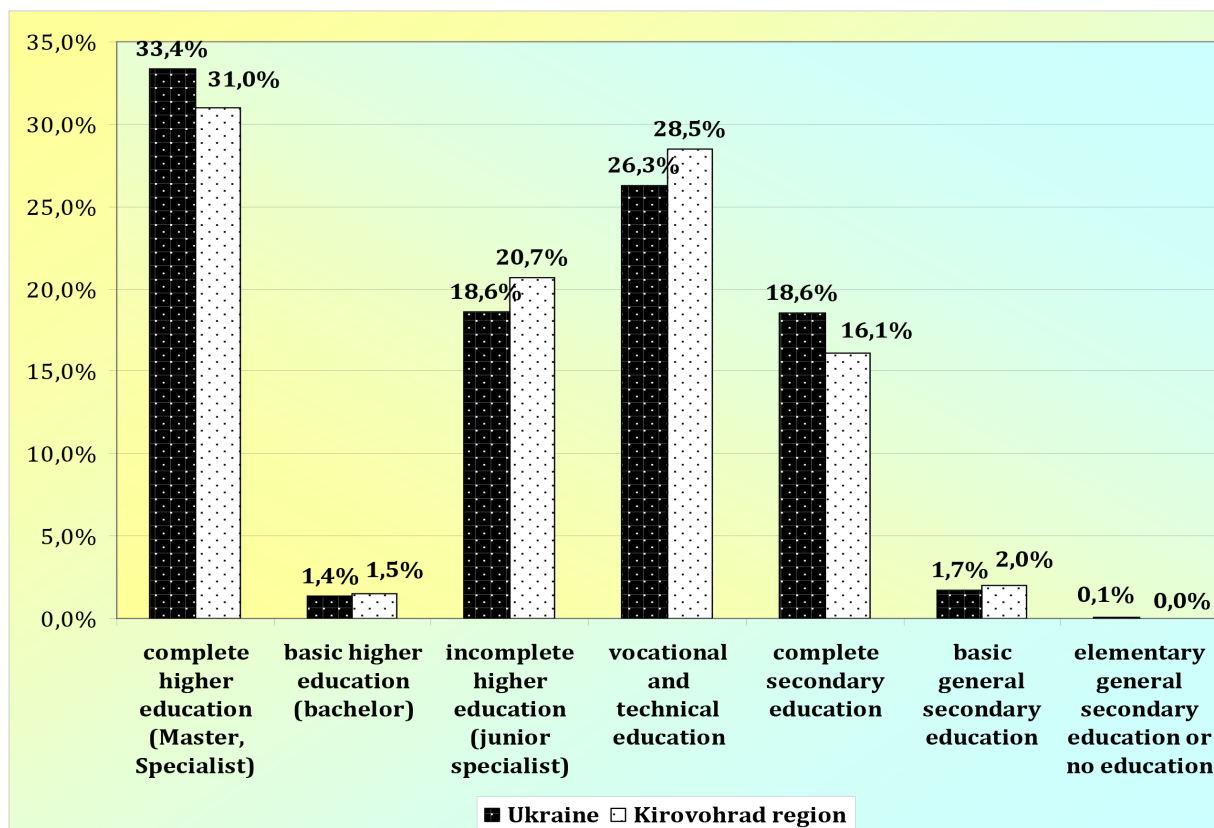
In 2018, those who have gained full high education degree (master’s or specialist) begin to occupy the largest share in the economically active population: 31.0% in the Kirovograd region (Figure 1).

The share of people with complete secondary education has also increased: in 2017 - 15.7% of the total economically active population, in 2018 - 16.1%. At the same time, differences from the Ukrainian average levels remain. If the share of those with full and basic higher education in Ukraine is 34.8%, in the Kirovograd region this indicator is 32.5%. On the contrary, the highest is the share of those who get a diploma of junior specialist and working profession (graduates of vocational schools): 49.2% - in Kirovograd region, 44.9% - in Ukraine. The share of those with only secondary education in Ukraine is 20.3%, in the Kirovograd region - 18.1%.

Internal educational migration of young people is one of the main channels of territorial redistribution of the population of Ukraine and, in fact, its starter. The intensity of internal educational migration at the level of bachelor’s and master’s degrees (universities, academies and institutes) is traditionally higher than at the level of short cycle of higher education (colleges) [17], which is clearly illustrated by the example of the Kirovograd region. According to the CEDOS Research Center [12] in the Kiev city and Kharkiv region, almost 100% of entrants have enrolled in higher education institutions in their region, in Odessa, Lviv and Chernivtsi regions - about 90%. In the other 18 regions, this figure ranges from 70-40%, and only in the Kirovograd region does not exceed 30%. Thus, in 2017, only 683 persons of the 2541 applicants (or 26.9%) from the Kirovograd region entered higher education institutions in the same region; in 2018 only 832 of the 2,686 entrants or 31.0%.

FIGURE 1.

STRUCTURE OF ECONOMICALLY ACTIVE POPULATION OF UKRAINE AND KIROVOGRAD REGION BY LEVEL OF EDUCATION IN 2018, %



Source: calculated and summarized by the authors based on [3; 5; 6; 16; 15].

In most cases, applicants with high external independent assessment scores left their region. High mobility is a typical feature of modern youth. The internal educational migration remains the most affordable way of integrating into the labor market of another city and region after receiving education in relevant higher education institutions.

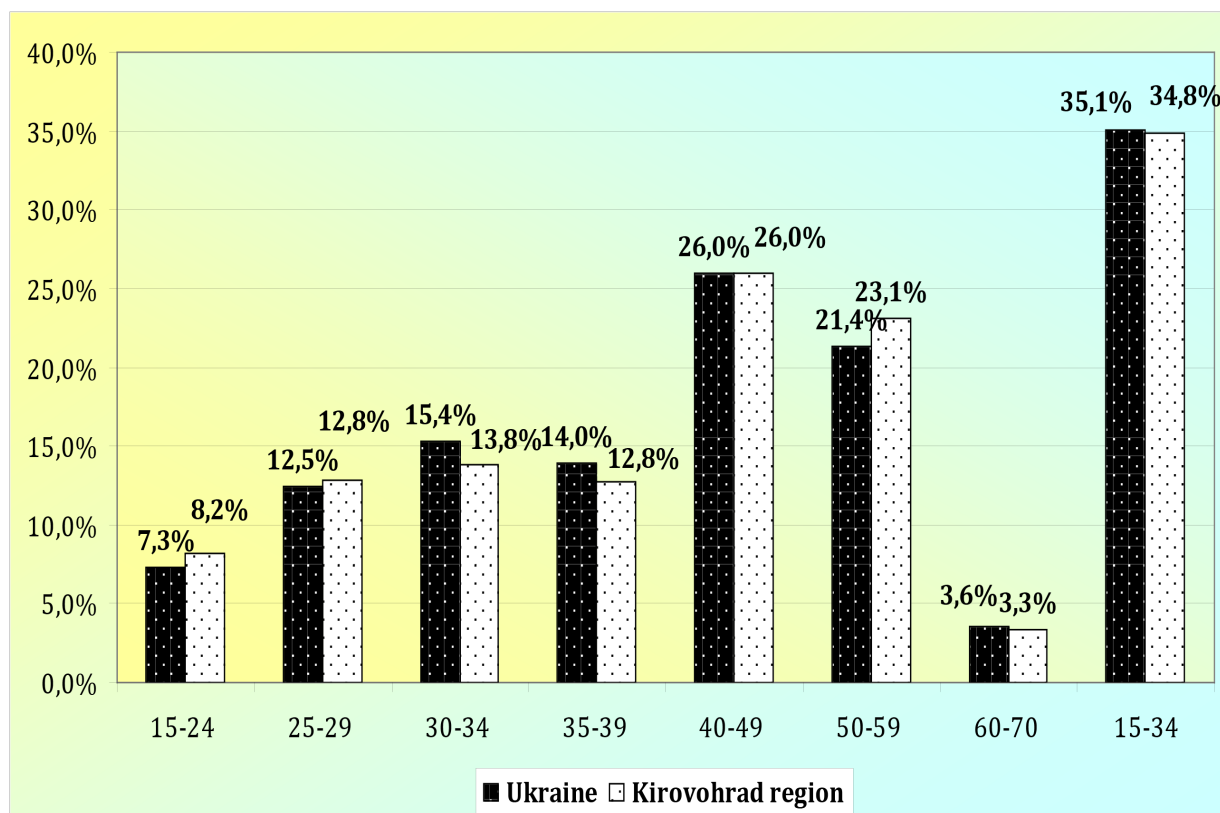
The analysis of the structure of economically active population by age showed that the share of young people (15-34 years) in 2017 was the same in Ukraine and Kirovograd region - 36%. Although in the Kirovograd region the share of young people aged 15 to 24 years was higher than the average in Ukraine, the share of persons aged 30 to 34 years was lower than the average in Ukraine. Also in the Kirovograd region, a smaller proportion of those aged 35-39 are in the total economically active population, but larger of those aged 40-59.

In 2018, the age structure of the economically active population has changed. If in Ukraine the share of young people aged 15-34 is 34.1% and in the age group 15-39 it is 48% (that is, almost half of the economically active population aged 15-70 years), in the Kirovograd region these indicators are 32.2 % and 44.8% (Figure 2). Such structure confirms the conclusions about the redistribution of youth from the Kirovograd region for the benefit of other regions of Ukraine.

The potential workforce is economically inactive people, unemployed and informally employed. In the Kirovograd region, there were 401.7 thousand people in 2017 and 378.1 thousand people in 2018. In its composition, the largest share is the economically inactive population, which necessitates a change in approaches to the estimation of labor resources, because for a long time it was traditionally assumed that person may be either employed or unemployed, and the fact of the possibility of economic inactivity and its causes remained neglected.

FIGURE 2.

**STRUCTURE OF ECONOMICALLY ACTIVE POPULATION
OF UKRAINE AND KIROVOHRAD REGION BY AGE IN 2018, %**



Source: calculated and summarized by the authors based on [3; 5; 6; 16; 15].

The number of economically inactive population of the Kirovohrad region decreased from 319.8 thousand people to 268.4 thousand people by 16.1% (Figure 3), which corresponds to the overall trends of changes in economically active population. But this decrease was only due to the decrease of economically inactive population older than working age: from 163.6 to 110.4 thousand people. The number of economically inactive population of working age has not changed: 156.2 thousand people in 2000 and 158.0 thousand people in 2018. Accordingly, the share of persons of working age in the total number of economically inactive population increased significantly: from 48.8% to 58.9%.

Among the main global reasons for the decline in economic activity of the population of the countries of the former USSR are distinguished the following: abandonment of the ideology of forced and compulsory employment, increasing the share of extreme age groups of population, refusal to distribute social goods and services through enterprises, increasing the role of income from property and from others non-labor income, land acquisition for use [7, p. 18-20]. However, now these reasons are complemented by others.

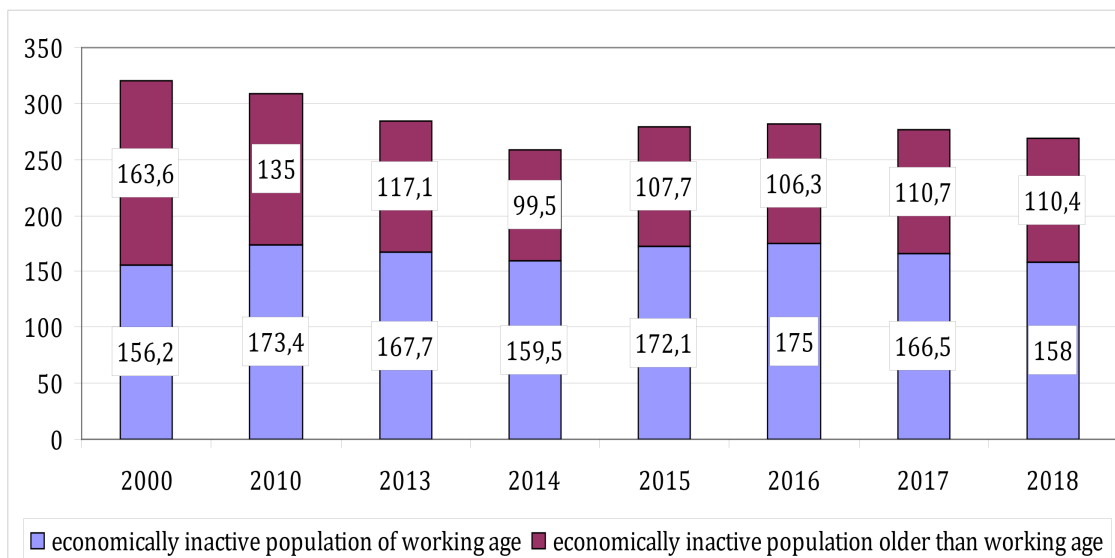
The reasons for the economic inactivity of the population aged 15-70 include objective reasons (pensioners and students, who are not expected to be obliged to work in principle) (Figure 4). In 2017, the share of pensioners and students was 53.6% and 20.7% in Ukraine, 53.8% and 15.4% respectively in the Kirovohrad region. In 2018, the share of pensioners and students was 54.7% and 20.97% in Ukraine, 53.0% and 17.0% respectively in the Kirovohrad region.

But other reasons are also officially stated, including: home (family) duties, health, seasonal nature of work, frustration, lack of desire to look for work or non-acquaintance of where and how to do it. The number of such persons in the Kirovohrad region is almost 83 thousand, and the share of those who are not economically active for other reasons

is one of the highest in the Kirovohrad region - 30%, including 25% are those who do their home (family) duties, 5% are the so-called “desperate” ones.

FIGURE 3.

DYNAMICS OF ECONOMICALLY INACTIVE POPULATION OF KIROVOGRAD REGION AND ITS STRUCTURE IN 2000-2018

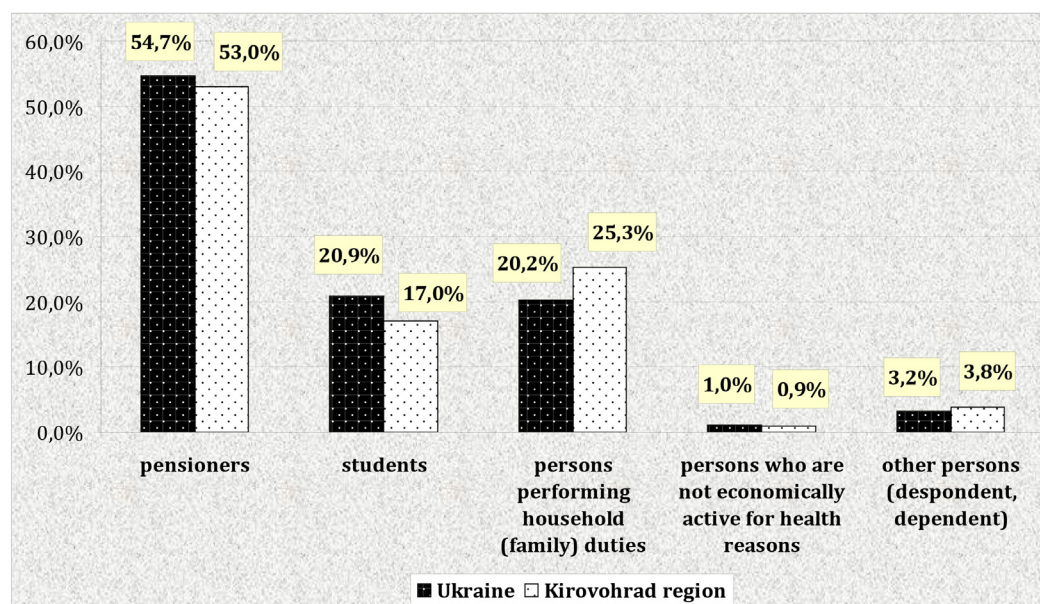


Source: calculated and summarized by the authors based on [3; 5; 6; 16; 15].

Kirovohrad region is among the first six regions in which this figure exceeds 30%. In 2017, such regions of Ukraine were Ternopil (36.4%), Zakarpattia (35.4%), Volyn (34.6%), Rivne (34.4%), Chernivtsi (31.1%), Kirovohrad (30.8%). In 2018, the list of such regions has changed (Figure 5).

FIGURE 4.

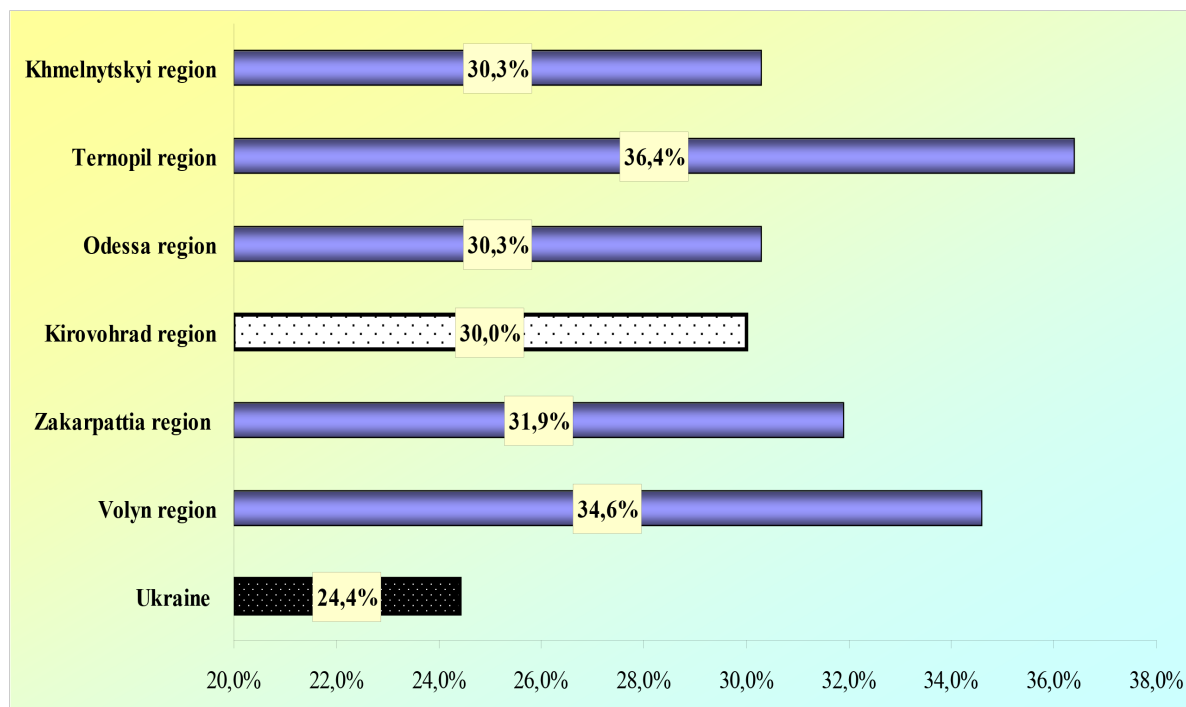
THE REASONS OF THE ECONOMIC INACTIVITY OF THE POPULATION IN UKRAINE AND KIROVOGRAD REGION IN 2018



Source: calculated and summarized by the authors based on [3; 5; 6; 16; 15].

FIGURE 5.

REGIONS WITH THE HIGHEST PROPORTION OF PERSONS WITH HOUSEHOLD (FAMILY) RESPONSIBILITIES AND THE “DEPRIVED PERSONS” IN THE TOTAL ECONOMICALLY INACTIVE POPULATION IN 2018, %



Source: calculated and summarized by the authors based on [3; 5; 6; 16; 15].

In fact, the economically inactive population of these regions forms the population who goes abroad for work or works in the informal sector and is not covered by relevant statistical observations.

Scientists emphasize that the causes of economic inactivity and its level have certain differences in socio-demographic groups of the population [10, p. 183]. The analysis of the structure of economically inactive population by age shows that the share of young people (15-34 years) in the Kirovograd region is smaller than in Ukraine (34% and 33% respectively) (Figure 6).

But this situation is caused by the economically inactive youth aged 15 to 24 years - its share is 21% in the Kirovograd region, which is 3 percentage points less than the average in Ukraine. However, in the Kirovograd region the proportion of those aged 25 to 49 is higher than the average in Ukraine (24% and 22% respectively), and the proportion of persons aged 50 to 70 is the same – 54%.

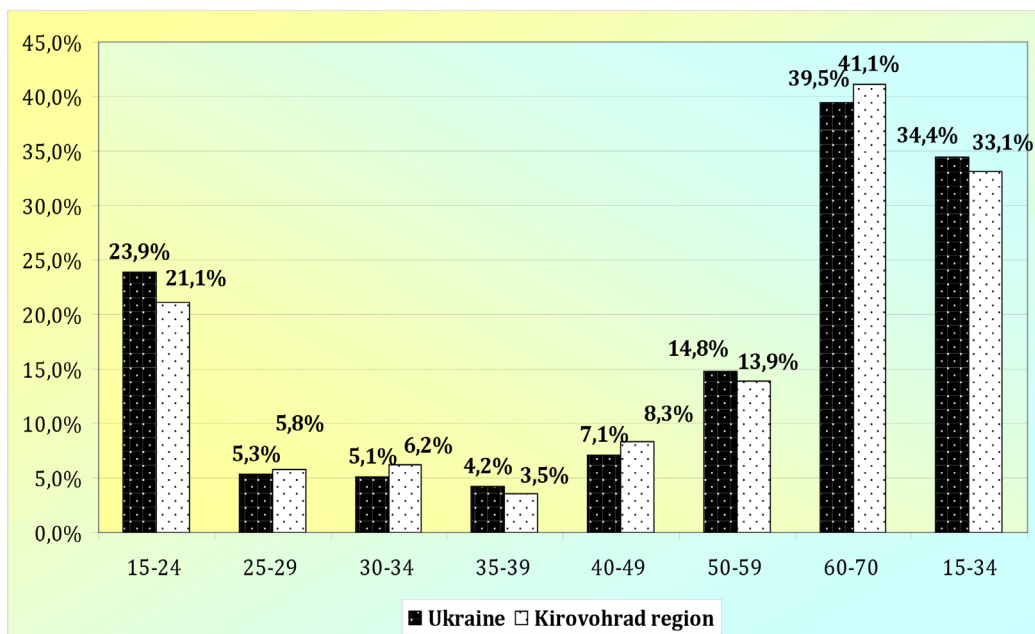
When comparing the structure of economically inactive population of Kirovograd region by the level of education with the average indicators in Ukraine (Figure 7), it can be concluded that the share of those who have incomplete higher, vocational education and no education at all in Kirovograd region (19.1%, 22.4% and 2.5% respectively) higher than the corresponding indicators in Ukraine (15.0%, 19.0%, 1.9% respectively).

In Ukraine as a whole, the share of those who have a complete higher (15.9%), a basic higher (1.6%), a complete secondary education (32.9%) is higher than in the Kirovograd region (12.7% - a complete higher, 0.8% - a basic higher, 27.7 % - a complete secondary education). As a whole, in Ukraine among economically inactive people the share of those who have additional education, except general secondary education is 51.5%, with almost the same distribution between those who have complete higher, incomplete higher and vocational education. In the Kirovograd

region, there are 55.0% of such persons, with a predominance of persons with vocational, technical and incomplete higher education.

FIGURE 6.

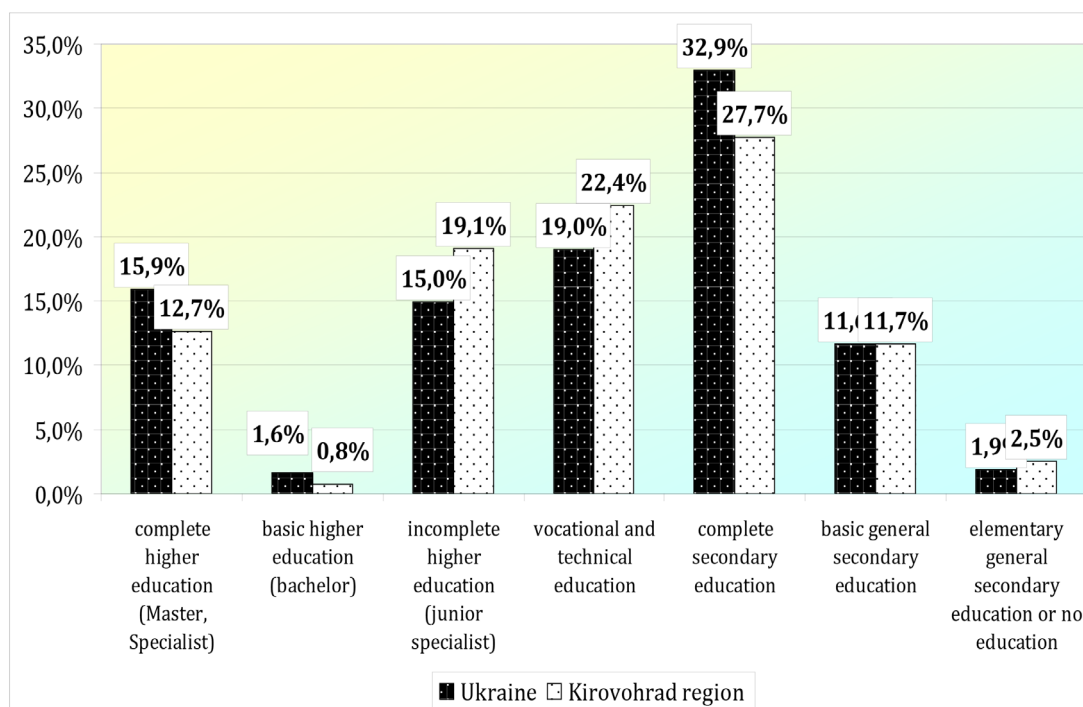
**STRUCTURE OF ECONOMICALLY INACTIVE POPULATION
OF UKRAINE AND KIROVOGRAD REGION BY AGE IN 2018,%**



Source: calculated and summarized by the authors based on [3; 5; 6; 16; 15].

FIGURE 7.

STRUCTURE OF ECONOMICALLY INACTIVE POPULATION BY LEVEL OF EDUCATION IN 2018,%



Source: calculated and summarized by the authors based on [3; 5; 6; 16; 15].

In order to reduce threats in the sphere of formation of labor potential in the context of regional innovation development, it is advisable to use the measures proposed to overcome threats in the sphere of innovation employment implementation processes [11, p. 303]:

- implementation of an effective socio-demographic policy, the main instruments of which should be: increasing the share of people involved in productive activities by reducing the proportion of economically inactive population, developing and implementing measures to promote greater and more harmonious inclusion in employment of women taking maternity leave to care for children 3 years of age or younger, improving mechanisms for preventing the spread of labor diseases and premature death of the employed;
- expanding the involvement of older workers in productive activities with a view to increasing their economic activity, gradually raising their retirement age, improving their retraining programs, and involving them in non-formal education programs, especially in innovative fields of activity;
- introduction of broad educational programs on priority areas of innovative economic development, reform of the vocational education system (both vocational and higher) in order to improve the quality parameters of the workforce;
- stimulating the increase of the number of jobs, especially in the innovation-active spheres of activity, improving the quality and expanding the range of social guarantees for the employed, facilitating access to their employment, providing broad access to career, professional and individual development opportunities for the employed regardless of their age, level well-being and status.

As L. Ilyich emphasizes, the basic idea of the policy of attracting economically inactive population to the transitive labor market should be refusal to focus on the current job offer [10, p. 26]. The essence of the idea is that with civilized recognition of human rights and freedoms, as well as under flexible state governance, each person - independently or in cooperation with any number of persons - gets the opportunity to create new units of self-employment, micro and small-format jobs, to start classical enterprises with minimal transaction costs for their legitimation [10, p. 26-27].

CONCLUSIONS:

The generation of innovative potential and the provision of innovative development can occur through various sources according to the types of resources used, among which labor and intellectual resources are of great importance. Despite the minimal but important tendency of increasing the number of economically active and employed population and decreasing number of unemployed and informally employed in Kirovohrad region, it is necessary to emphasize the significant threat to the further innovative development of the region: a significant proportion of economically inactive, unemployed and informally employed population in Kirovohrad region, significant outflow of young people through internal and external migration.

The analysis shows a large proportion of the economically inactive population who declare fulfilling their home-work responsibilities and are “deprived” about the job search process. By this indicator, the Kirovograd region is in sixth place among such regions of the western region of Ukraine as Chernivtsi, Volyn, Ternopil, Zakarpattia.

Unfortunately, the conclusion is that “the situation of those depressed territories, where the low proportion of potential (children) and actual (working age) employable persons, the high proportion of elderly people, and the particularly unfavorable balance of natural migration movement population is combined with large-scale migration outflow and with “stagnant” dynamics and conservative structure of economy and employment of population (Sumy, Chernihiv, Luhansk, Kirovograd regions) “, are already particularly difficult in the context of the formation of labor potential” [17, p. 251], confirmed by regional analysis. Already, the Kirovohrad region is experiencing acute negative effects of the large-scale outflow of labor, and the lack of appropriate qualifications is an obstacle to the creation of

new jobs. Trends in innovation activity in Ukraine show its declining nature, which is manifested in the decline of innovatively active enterprises, the decrease in the number of employees involved in the implementation of research and development, the decline in GDP, which requires a thorough study and take into account the factors that provide the transition from the traditional model of economy to the innovative one. The determining factor for the development of innovative activity in Ukraine is human capital, whose potential is hardly used to accelerate the development of an innovation-oriented economy in the country. The problem is the lack of interest of the employed population in the work of innovative content due to the low remuneration of such work, the use of imperfect and ineffective tools for its motivation and stimulation.

Developing a strategy for regional innovation development, levers and mechanisms for its management, with an emphasis primarily on the conservation and development of human resources, is an area for further research.

REFERENCES

- [1] **Belovodskaya, O.A.** (Eds.). (2012). Mechanism of strategic management of innovative development: monograph. Sums: University Book. [in Ukrainian].
- [2] **Chorna, M.V., & Glukhova S.V.** (2012). Assessment of efficiency of innovative activity of enterprises: monograph. Kharkiv: KhDUHT. [in Ukrainian].
- [3] Demographic and social statistics / Labor market / Employment and unemployment / State Statistics Service of Ukraine. ukrstat.org. Retrieved from <https://ukrstat.org/uk/menu/publikac.htm>. [in Ukrainian].
- [4] **Dyba, M.I., & Yurkevich, O.M.** (2013). Financial Support for Innovative Development of Ukraine : monograph. K.: KNEU. kneu.edu.ua. Retrieved from <http://kneu.edu.ua>. [in Ukrainian].
- [5] Economic Activity of the Population of Ukraine 2017: Statistical Collection / State Statistics Service of Ukraine. ukrstat.org URL : <https://ukrstat.org/uk/menu/publikac.htm>
- [6] Economic Activity of the Population of Ukraine 2018: Statistical Collection / State Statistics Service of Ukraine. ukrstat.org URL : <https://ukrstat.org/uk/menu/publikac.htm>
- [7] **Gimpelson, V.E.** (2001). Economic activity of the Russian population in the 1990s: preprint WP3. M. : GU VShE. [in Russian].
- [8] **Havinson, M.Yu.** (2016). Modeling the dynamics of the number of employed, unemployed and economically active population in the region, taking into account social ties. Vestnik VGU. Seriya : Ekonomika i upravleniye - Bulletin of the VSU. Series: Economics and Management, 4, 178-185 [in Russian].
- [9] **Ilyashenko, S.M., & Belovodskaya, O.A.** (Eds.). (2018). Tools and methods of commercialization of innovative products: monograph. Sumy: Territory. [in Ukrainian].
- [10] **Ilyich, L.M.** (2017). Structural Transformations of the Transitive Labor Market of Ukraine : Monograph. Kyiv : Alerta. [in Ukrainian].
- [11] **Libanova, E.M.** (Eds.). (2016). Human development in Ukraine. Innovative types of employment and prospects for their development; monograph. Kyiv : Institute of Demography and Social Research named after M.V. Ptukha of NAS of Ukraine. [in Ukrainian].
- [12] Movement of entrants between regions of Ukraine: comparison of 2017 and 2018. cedos.org.ua. Retrieved from <https://cedos.org.ua/uk/articles/rukh-abituriientok-ta-abituriientiv-mizh-oblasti-ukrainy-porivniannia-2017-ta-2018-rokiv>. [in Ukrainian].
- [13] Report “Conducting analytical research to determine the dynamics and structure of the unemployed economically active population of Lviv region”. (2016). National Academy of Sciences of Ukraine State Institution “Institute for Regional Studies. Named after M.I. Dolishnyi Of the National Academy of Sciences of Ukraine». loda.gov.ua. Retrived

from https://loda.gov.ua/upload/users_files/22/upload/Struktura_nezaynyatogo_ekonomichno_aktYvnogo_naselennya.pdf. [in Ukrainian].

- [14] **Rogoza, M.E., & Vergal, K.Yu.** (2011). Strategic Innovative Enterprise Development: Models and Mechanisms: Monograph. Poltava: RVV PUET. [in Ukrainian].
- [15] Statistical information. kr.ukrstat.gov.ua. Retrieved from <http://kr.ukrstat.gov.ua/?r=stat-info>. [in Ukrainian].
- [16] Ukraine's work in 2017: a statistical compilation. (2018). Kyiv : State Statistics Service of Ukraine. ukrstat.org. Retrieved from <https://ukrstat.org/uk/menu/publikac.htm>. [in Ukrainian].
- [17] Ukrainian society: the migration dimension: national report. (2018). Kyiv : Institute of Demography and Social Research named after M.V. Ptukha of NAS of Ukraine. [in Ukrainian].
- [18] **Zianko, V.V., & Epifanova, I.Yu.** (2015). Innovation activity of enterprises and its financial support in the conditions of transformational changes of Ukrainian economy: monograph. Vinnitsa: VNTU. [in Ukrainian].