Diagnostics of the Current Trends in the Employment Sphere of Ukraine

The content of the category "employment" has been disclosed in the article. The dominating factors influencing the labor market and employment development in Ukraine have been defined. The main tendencies of employment in regions of Ukraine have been analyzed. The key problems of employment requiring structural changes of economy, regulation of labor market have been revealed.

employment, labor market, influential factors, effective employment, high-quality employment

Statement of the problem. The difficult period of market transformation of economy in Ukraine influenced the development of labor market and employment of the population in a contradictory way. The imbalance of labor market, growth of employment in an informal sector, difficulty of labor potential implementation in the conditions of the low income, – all these problems require the deep scientific analysis and search of ways of formation of effective employment in Ukraine.

Analysis of recent researches and publications. The analysis of scientific references shows that key provisions of the employment theory have been developed by A. Smith, D. Ricardo, U. Petty, K. Marx, M. Tugan-Baranovsky, J. M. Keynes, A. Marshall, etc. The problems of employment were in center of attention of many scientists during the last years. The various aspects of employment were also actively studied in Ukraine and found the reflection in works of S. Bandur, E. Grishnova, T. Zayats, G. Kupalova, I. Kravchenko, E. Libanova, L. Lisogor, V. Onikiyenko, V. Petyukh, I. Petrova, M. Semikina, S. Paseka, A. Tsimbal, etc. At the same time the contradictions in the employment sphere of Ukraine require continuation and deepening of scientific searches. Transformation processes in the
field of employment in the context of global changes require new approaches to ensure it quality employment, as part of the economic development of the country.

**Statement of the objective.** The purpose of the article is to determine the essence of employment, clear up the factors influencing its development in Ukraine, and detect the main tendencies and problems of employment in Ukraine and its regions.

**The main material.** The first scientific ideas of employment began to be formed simultaneously with appearance of the market relations, formation of labor market, beginnings of problems of interaction of supply and demand for labor.

Ukraine has very limited experience of employment regulation as till 1991, as well as in the Soviet Union labor market as such was absent. The state which gave employment warranties was the single employer. The population which reached working-age was obliged to work. Workplaces were provided to all, unemployment was absent. The situation in labour sphere changed due to the collapse of the Soviet Union and privatization processes. Privatization brought a mass of new owners of the enterprises. Each able-bodied citizen had a right of a labor choice – to work or not to work. In turn, the labor price, i.e. a salary, began to depend not on central state management but on a ratio of supply and demand for certain types of labor services (profession) on the market.

Large-scale researches of labor market and employment problems in Ukraine during the period of market reforms, are connected with the names of famous scientists – V. Onikiyenko, S. Bandur, E. Libanova, A. Kolot, V. Geyts, E. Grishnova, M. Semikina, L. Lisogor, U. Sadova, L. Semiv, etc. The big role in the study of labor market problems was played by the activities of scientific institutes of national academy of Sciences. The leading line items in scientific development belonged to the Council for study of productive forces of Ukraine National Academy of Sciences of Ukraine (Kiev), to Institute of regional researches NAS of Ukraine (Lviv), to Institute of an industrial economy of NAS of Ukraine (Donetsk). Nowadays the leading positions in study of employment and social problems belong to Ptoukha Institute for Demography and Social Studies of the National Academy of Sciences of Ukraine, to Institute for Economics and Forecasting of NAS of Ukraine (Kiev). As E. Libanova said, the turn from technocratic approach of labor forces studying to formation of socially oriented labor market ideas, social problems of employment became the characteristic of the last researches [2, p. 16].

The analysis of the modern literature allows drawing a conclusion that employment is characterized multilaterally today:
- as economic category which reflects the use of labor resources, providing production of a general national product, creation of economic bases of life of the population;
- as process of satisfaction of needs of economy for labor taking into account its quantity and quality;
- as process of use of personal and social labor which is has not only economic, but also social sense (man shall not live by bread alone, not only earnings should be got from work, but also pleasure, self-realization, social communication) [1 p. 150; 2 p. 40; 3 p. 136; 4 p. 114].

In our opinion, the fullest concept of employment was suggested by V. Onikiyenko in the book "Labor market and social protection of the population of Ukraine: retroanalysis, problems, solutions". By determination of the scientist, employment at a stage of the transition to the market is a system of the socioeconomic relations which regulates the support of the economically active population with workplaces, forms of its involvement in a social production, processes of reproduction, distribution and redistribution of economically active citizens and defines the life quality of the population [3, p. 137].
At the same time the Ukrainian law treats the term of employment rather widely. The Law of Ukraine adopted in 1991 "About employment of the population" defines employment as the activities of citizens connected with satisfaction of personal and public needs and such that brings income in monetary or other form, as a rule [5].

Depending on the analysis purposes the experts distinguish a set of varieties and forms of employment. For example, V. Petyukh classifies employment by such signs:
- by the form of organization of working hours (full, incomplete; visible, invisible; voluntary, stimulated);
- by the status (primary and secondary);
- by the character of organization of workplaces and working hours (standard and non-standard);
- depending on stability of work (constant, temporal);
- by the form of legal regulation (it is regulated (legal), independent (illegal)) [4, p. 120].

Many scientists characterizing employment from economic and social points of view mark out:
- rational employment (considers feasibility of labor force redistribution and use);
- productive employment (considers labor productivity concerning creation of material and spiritual benefits);
- effective employment (considers economic feasibility, making of income).

At the same time, we think that classification of employment should be enriched by the characteristics of high-quality employment.

It is very important to direct reforms on creation of high-quality employment in Ukraine which should respond the concept of the International Labor Organization about worthy work.

From our point of view, high-quality employment should be based on creation of high-quality workplaces which will provide implementation of labor, social, creative opportunities and abilities of people, high-quality reproduction of labor potential, and its educational and professional development. Such employment provides:
- shortening of volumes of manual, not prestigious, hard work;
- upgrading of old and creation of new workplaces with more attractive working conditions and its payments;
- support of professional study on workplaces;
- up-dating of knowledge of employees, including managers;
- automation and computerization of labor processes;
- Intellectualization of labor processes, etc.

We think that support of high-quality employment will promote social stability, welfare growth, economic growth and innovative development of the country in general.

Thus it is possible and it is necessary to aim for more effective employment. As M. Semikina and N. Ishchenko consider the decrease of costs of provision of labor services and simultaneous growth of the income for the greatest possible satisfaction of actual social needs of the employed population should become its result [7, p. 22].

The Hindrance on this way is acute system crisis in Ukraine which decelerates the restructuring of economy, deforms reproductive processes, is negatively displayed on employment condition, its productivity, working conditions, support of actual social needs of the population.

The experts recognize the tendencies of ineffective employment in Ukraine, shortening of the labor potential involved in economy [3 p. 52; 4 p. 157; 8; 9 p. 36]. In order to explain the reasons of such situation it is important to understand that employment
development is influenced by the ratio of economically active and inactive population, demographic, political, economic, technical and technological, innovative, competitive and other factors.

On the basis of data of State statistics service of Ukraine (for the 1st of July, 2014) we made the scheme which illustrates a ratio of numbers of whole population, working-age population, the economically active and economically inactive population, a ratio of the employed and jobless (figure 1).

It is important to mark out that the long demographic crisis is resulted by shortening of the population in Ukraine that objectively reduces the labor capacity of the country (quantity of able-bodied population). So, according to the State statistics service of Ukraine for July, 2014 the population of the country made 42,99 million people that is 8,91 million people or 17,2% less than similar index of 1991 (51,9 million people).

<table>
<thead>
<tr>
<th>Population of Ukraine</th>
<th>42988,0 thnd. p.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working-age population (15-70 y.o.)</td>
<td>31,9 mln. p. (74,2% of population)</td>
</tr>
<tr>
<td>The economically active population</td>
<td>20,2 mln. p. (47,0% of population)</td>
</tr>
<tr>
<td>Employed</td>
<td>18,5 mln. p. (43,0%)</td>
</tr>
<tr>
<td>Employees</td>
<td>15,54 mln. p.</td>
</tr>
<tr>
<td>Self-employed</td>
<td>2,96 mln. p.</td>
</tr>
<tr>
<td>Jobless</td>
<td>1,7 mln. p. (4,0%)</td>
</tr>
<tr>
<td>Registered in the Employment Service</td>
<td>0,48 mln. p.</td>
</tr>
<tr>
<td>The economically inactive population</td>
<td>11,7 mln. p. (27,2% of population)</td>
</tr>
<tr>
<td>Non-working pensioners (53%)</td>
<td></td>
</tr>
<tr>
<td>Pupils, students (22%)</td>
<td></td>
</tr>
<tr>
<td>Kept by sickness (19%)</td>
<td></td>
</tr>
<tr>
<td>Undecided in search (1%)</td>
<td></td>
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<tr>
<td>Unemployed for other reasons (5%)</td>
<td></td>
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</tbody>
</table>

Figure 1 – The characteristic of the population of Ukraine according to the positions of economic activity on labor market (for the 1st of July 2014)

Source: compiled by the author based on data [6]

Aging of the population which results from lowering of birth rate and keeping it at the level which doesn't provide simple reproduction of generations became the dominating factor of labor potential development and employment formation. The shortening of young labor influx on the enterprises and increase in a share of senior citizens becomes natural.

At the same time the consequences of world financial crisis and system crisis in Ukraine forced employers to optimize staff costs of by reduction of staff at the expense of pensioners.

The analysis of labor market development in Ukraine shows the tendencies of reduction of number of employed in age higher than able-bodied (employees older than 70 years - according to the methodology of the International Labour Organization).

So, according to State statistics service of Ukraine the dynamics of employment of this category of workers for the last 13 years is characterized by recession tendencies:

- 2010 year– 1829,5 thnd. p.;
- 2011 year– 1808,0 thnd. p.;
- 2012 year– 1617,4 thnd. p.;
- 2013 year– 1502,5 thnd. p [10].
The worsening of a situation in economy caused shortening of staff first of all at the expense of senior citizens. However it is important to mark out that in the conditions of aging of the population the labor potential of people of old age should be inevitably attracted, carefully and effectively used by creating the workplaces (including distant ones) on the terms of a part-time employment, with the convenient work regime, favorable conditions, without allowing discrimination in compensation.

The analysis of employment made by us for 2000-2013 shows that the growth of quantity of employed happens at the expense of increase of the self-employed when the number of employed by enterprises, establishments, organizations continues reducing (table 1).

According to the table 1 it can be seen that in total quantity of the employed population the share of hired in the industry, agriculture, forestry is promptly reduced. At the same time almost double increase in employment in the financial organizations, public administration, independent employment can be watched as a result of extension of an informal sector of economy where people work preferentially without work record card, without expecting social protection (employment in trade, sphere of consumer services, car service, hotel business, etc.).

<table>
<thead>
<tr>
<th>Year</th>
<th>Employed in general, thnd. p.</th>
<th>Employees of enterprises, institutions, organizations, thnd. p.</th>
<th>including in % of total quantity of employed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>industry</td>
</tr>
<tr>
<td>2000</td>
<td>20175,0</td>
<td>16044,0</td>
<td>22,2</td>
</tr>
<tr>
<td>2005</td>
<td>20680,0</td>
<td>14005,3</td>
<td>18,8</td>
</tr>
<tr>
<td>2006</td>
<td>20730,4</td>
<td>14069,2</td>
<td>18,4</td>
</tr>
<tr>
<td>2007</td>
<td>20904,7</td>
<td>14001,9</td>
<td>17,7</td>
</tr>
<tr>
<td>2008</td>
<td>20972,3</td>
<td>13938,9</td>
<td>17,1</td>
</tr>
<tr>
<td>2009</td>
<td>20191,5</td>
<td>12948,5</td>
<td>15,8</td>
</tr>
<tr>
<td>2010</td>
<td>20266,0</td>
<td>12564,2</td>
<td>15,0</td>
</tr>
<tr>
<td>2011</td>
<td>20324,0</td>
<td>12093,8</td>
<td>24,5</td>
</tr>
<tr>
<td>2012</td>
<td>20354,3</td>
<td>10468,8</td>
<td>13,4</td>
</tr>
<tr>
<td>2013</td>
<td>20404,1</td>
<td>9957,7</td>
<td>12,8</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>agriculture, hunting, forestry</td>
</tr>
<tr>
<td>2000</td>
<td></td>
<td></td>
<td>13,6</td>
</tr>
<tr>
<td>2005</td>
<td></td>
<td></td>
<td>6,9</td>
</tr>
<tr>
<td>2006</td>
<td></td>
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<td>6,2</td>
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<td>2007</td>
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<td>5,3</td>
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<tr>
<td>2008</td>
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<td>4,7</td>
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<tr>
<td>2009</td>
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<td>4,4</td>
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<td>2010</td>
<td></td>
<td></td>
<td>3,9</td>
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<tr>
<td>2011</td>
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<td>6,0</td>
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<tr>
<td>2012</td>
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<td>2,7</td>
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<tr>
<td>2013</td>
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<td>2,5</td>
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</tbody>
</table>

Source: compiled by the author based on data [6]

The current state of labor market is characterized by rise of strength in connection with unemployment growth. Data of State statistics service of Ukraine in 2014 recorded disturbing tendencies of decrease of the employed population and increase of the jobless population what is connected with the consequences of system crisis and military operations in the southeast of Ukraine.

The analysis showed that the dominating impacts on employment condition also have:
- slow rates of restructuring of economy, differentiation of economic and innovative development of regions;
- processes of stagnation of economic activity of the population in the conditions of dominance of the low income in official sector of employment;
- dominance of unattractive workplaces (using hard physical work at the enterprises of the industry, agriculture) that causes high turnover of staff, maintains demand for low-paid work of low-skill workers.
**Conclusions and prospects for further researches.** Thus, basic ways of solving problems of employment requiring structural changes of economy, regulation of labor market are:

- decrease of unemployment due to upgrading of old workplaces and creation of new ones, implementations of special target programs of employment;
- extension of non-standard forms of employment for effective use of labor potential of workers of advanced age;
- creation of new workplaces on the basis of support of small business;
- stimulations of demand for work in organizations and enterprises of innovative type for improving the structure of employment in favor of perspective workplaces, development of a domestic production.

From the point of view of perspectives of employment development we will mark that the XXI century (century of computerization, innovations, and high technologies) should bring the amendments in understanding of opportunities of the solution of employment problems. Therefore in the context of perspectives of innovative development, implementation of the objects of the millennium set by the UN, we consider that employment should be not only effective concerning expenses and gained effect, but also qualitative. High-quality employment in our understanding should be based on creation of high-quality workplaces which will provide implementation of labor, social, creative opportunities and abilities of people, high-quality reproduction of labor potential. Such employment provides shortening of volumes of a manual, not prestigious, hard work up to the minimum, intellectualization of workplaces, worthy working conditions and salaries.

**References**


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Київський національний технічний університет, г. Київ
Диагностика современных тенденций в сфере занятости Украины

Целью статьи является исследование понятия категории «занятость», выяснение факторов,
влаштовуючи на розвиток сферы занятости, выявление основных тенденций, поиск новых решений и проблем занятости в Украине.

Проанализированы разные научные подходы к определению сущности занятости, классификации ее форм и видов. Обоснована необходимость выделения понятия «качественная занятость». На основе анализа данных статистики автором составлена схема, которая иллюстрирует население Украины с позицией экономической активности на рынке труда. В процессе анализа выявлен ряд негативных тенденций в сфере занятости Украины: сокращение трудового потенциала страны; снижение количества занятого населения, старше трудоспособного возраста; увеличение количества безработной молодежи; рост самостоятельной занятости в неформальном секторе экономики и др. Аргументирована определяющая роль таких факторов воздействия на состояние занятости, как старение населения, расширение неформального сектора экономики, процесс стагнации экономической активности населения, медленные темпы структурной перестройки экономики и др.

В результате анализа предложено целесообразным стремиться к эффективной занятости на основе модернизации экономики и рабочих мест, использования нестандартных форм занятости, поддержки малого бизнеса. Обосновано, что стратегическим ориентиром преобразований занятости в Украине должна быть реализация целей качественной занятости как необходимой предпосылки социального, экономического и инновационного развития страны в целом.

занятость, рынок труда, факторы влияния, эффективная занятость, качественная занятость

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Regulation of Employees' Competitiveness on the Basis of Activation of Social Partnership

The need of intensification of a role of social interaction of employers, labor unions and public authorities for questions of support and increase of employees' competitiveness of the Ukrainian enterprises has been proved. The activation of a social dialog between employers and labor unions for the sake of saving labor capacity of the enterprises, increase of workers' competitiveness on the basis of modernization of workplaces, retraining of staff has been suggested.

competitiveness, crisis, globalization, labor unions, employers, partnership, labor potential, social protection, training, modernization

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Регулювання конкурентоспроможності найманих працівників на основі активізації соціального партнерства

Обґрунтовано необхідність підвищення ролі соціальної взаємодії роботодавців, профспілок та органів державної влади в питаннях підтримки та підвищення конкурентоспроможності працівників українських підприємств. Запропоновано активізувати соціальний діалог роботодавців та профспілок в організації зарплати збереження трудового потенціалу підприємств, підвищення конкурентоспроможності працівників на основі модернізації робочих місць, перенавчання персоналу.

конкурентоспроможність, криза, глобалізація, профспілки, роботодавці, партнерство, трудовий потенціал, соціальний захист, навчання, модернізація

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