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**THE CURRENT PROBLEMS OF YOUTH EMPLOYMENT IN THE LABOR
MARKET OF UKRAINE**

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Annotation. The article presents the trends of employment and unemployment in modern conditions. The most vulnerable categories of the population among the employed and unemployed have been identified. An analysis of changes in the number of employed and unemployed, identified reasons for the increase in the number of unemployed among the country's youth. Measures to improve the situation on the labor market in the current conditions of economic development are proposed.

Key words: labor market, employment, unemployment, youth, problems, activities.

The national labor market in Ukraine is characterized by an occupational imbalance in labor supply and demand. Growing contradictions between the labor market and education have arisen since the proclamation of Ukraine's independence. Demand in the labor market has grown mainly for representatives of the service sector, who have certain, not always high, basic knowledge of visual form, practical skills and some experience. In such conditions, the acquisition of basic education lost its meaning. Modern universities and new employers began to operate not in a mode of cooperation, but in a mode of competition. And this largely leads to an even greater imbalance in the domestic labor market. Modern universities should not compete with each other to train more specialists, but to focus their efforts on the release of highly qualified specialists who are in urgent need in the labor market. Rising unemployment is one of the main signs of the economic crisis in Ukraine this year. The economic

downturn caused by global trends will only be exacerbated by the quarantine measures introduced to counter the spread of the COVID-19 coronavirus pandemic. Youth employment will be a problem for Ukraine in the current state of affairs. This is especially true for those young professionals who have just been educated and are trying to get a job for the first time. The dynamics of the number of employed and unemployed in Ukraine is presented in Fig. 1.

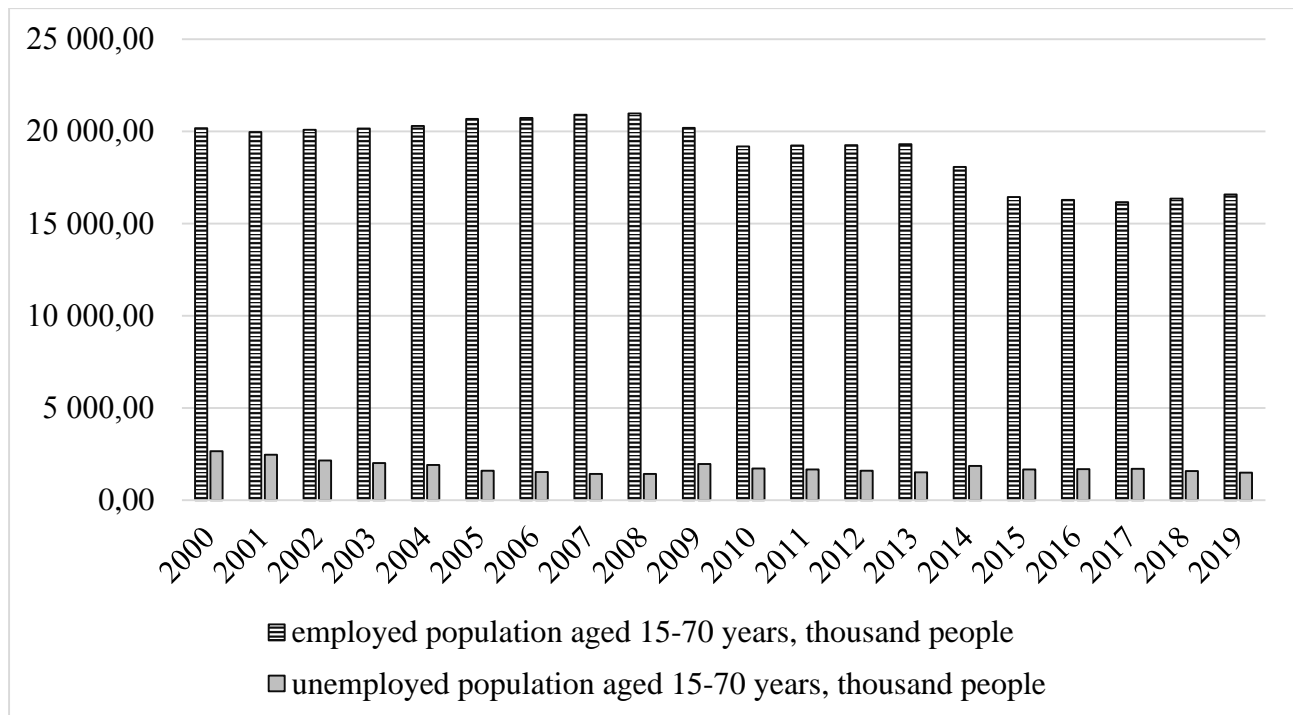


Fig. 1. Dynamics of the number of employed and unemployed in Ukraine, thousand people

Analyzing the data presented in Fig. 1 indicate that by 2016 the number of employed gradually decreased, the same trend was observed with the number of unemployed. However, starting in 2017, the number of employees is increasing, which indicates an improvement in the labor market. A positive trend was observed until 2020. The increase in the number of unemployed in the first quarter of 2020 is due to the spread of the COVID-19 coronavirus pandemic. The main indicator that characterizes employment in the labor market is the level of employment, which is defined as the ratio (as a percentage) of the employed population aged 15-70 years to the total population of that age or population on the relevant socio-demographic

characteristics [2]. Analysis of the level of employment of the population, including young people, is presented in table. 1.

Table 1

Dynamics of employment rate by age groups, %

Population groups	Years				
	2015	2016	2017	2018	2019
in% to the total population of the corresponding age	56.7	56.3	56.1	57.1	51.7
including by age groups					
15-24 years	28.2	27.0	27.9	27.6	30.6
25-29 years	71.8	69.8	69.7	71.8	73.3
30-34 years	74.3	74.7	74.6	75.9	76.0
35-39 years	79.1	78.4	77.6	76.7	79.3
40-49 years	78.6	78.2	77.3	79.4	78.7
50-59 years	61.1	62.4	62.9	65.5	67.9
60-70 years	14.5	14.3	13.9	13.2	13.7

From the data presented in table. 1 shows that among young people aged 15-24 and 25-29 employed in 2018 there were 27.6% and 71.8%, while among people 30-34, 35-39 and 40-49 years this figure reaches is 75.9%, 76.7 and 79.4%. The level of employment by age groups over the past five years tends to decrease in the age groups 15-24, 35-39, 60-70 years, for the age group 25-29 - the rate is stable, and for people aged 30-34, 40 -49, 50-59 employment rate is growing, which suggests that youth employment in the labor market of Ukraine is declining, while employment of people aged 30-59 years -increases.

In order to identify the factors influencing the level of employment and unemployment to analyze the level of youth unemployment will be analyzed according to table 2.

Analyzing the data presented in table. 2, indicate that during 2015 and 2016, the unemployment rate gradually decreased. In 2017, the highest unemployment rate was recorded, which amounted to 9.5% of the population aged 15-70. In 2017, the largest share among the unemployed was occupied by the population aged 15-24 and 25-29, it was equal to 18.9% and 11.3%, respectively, with an average unemployment rate of

9.5%. However, since 2018, the number of unemployed has tended to decrease.

Table 2

Dynamics of the unemployment rate by age groups, %

Population groups	Years				
	2015	2016	2017	2018	2019
in% to the total population of the corresponding age	9.1	9.3	9.5	8.8	8.0
including by age groups					
15-24 years	22.4	23.0	18.9	17.9	15.4
25-29 years	11.2	11.7	11.3	9.8	8.4
30-34 years	9.7	8.9	9.8	8.9	7.2
35-39 years	7.2	8.0	8.4	9.5	7.5
40-49 years	7.6	7.7	8.7	7.7	8.1
50-59 years	6.3	7.3	8.1	7.4	7.8
60-70 years	0.1	0.1	0.1	0.2	0.1

Thus, analyzing the dynamics of changes in the number of unemployed by age groups for the period 2015-2019, young people occupy the largest share, this indicates the problems of their employment in the labor market, which in turn has a negative impact on the country's economy. The development of the youth segment of the labor market is characterized by increasing imbalance between labor supply and demand, lower economic activity of young people, rising unemployment, increasing the share of young people employed in the informal economy, increasing the number of young migrant workers [1]. It is young people who are the driving force of the economy due to their mobility and high intellectual potential, but at the same time the labor market does not use much of the labor potential of young people, who often cannot compete with older generations with extensive experience.

Unemployment is a serious problem among recent graduates. To date, there is no state forecasting of the needs of the economy for specialists with higher education in Ukraine. Therefore, there are disparities in the labor market between supply and demand of certified professionals. Thus, nine people apply for the position of a lawyer, eight for a manager, and six for an accountant. There is also the problem of quality

training of young professionals.

Society should constantly take care of professional training, education and career guidance of young people. It is necessary to forecast and plan this work taking into account the needs and demand for specific professions from the production, business, management and the state as a whole. Training of the necessary personnel should be organized on advance. A significant problem is the fact that employers do not want to hire beginners who do not have work experience. We believe that educational institutions should restructure their work on the organization of industrial practice. Students and pupils should undergo it at workplaces and preferably at those enterprises where they will work in the future. To do this, it is necessary to establish closer links between educational institutions and industry.

Employment problems for young people registered with the state employment service (a third of the total number of unemployed citizens) are regulated in accordance with the laws of Ukraine "On Employment" and "On Compulsory State Social Insurance in Case of Unemployment". According to these laws, graduates of educational institutions are provided with the first job under the state order for the training of skilled workers and specialists; at enterprises, organizations and institutions of various forms of ownership, jobs are reserved for working professions for young people, etc. But in practice, these rules of law are not always met.

The Ukrainian state constantly carries out active social protection of youth in the labor market [3]. The following categories of young people are the most uncompetitive on the labor market:

young people who have graduated or terminated their studies in secondary schools, vocational or higher education institutions;

released from conscript or alternative military service;

persons who are given the first job;

orphans left without parental care;

persons who have reached the age of fifteen and who, with the consent of one of the parents or a person replacing them, may be employed.

According to the Law of Ukraine "On Employment", these categories of citizens

are classified as those who are not able to compete on an equal footing in the labor market and need social protection. For the employment of such young people, Article 5 of this law provides for the establishment of a quota of jobs for enterprises, institutions and organizations with more than 20 employees, regardless of ownership, to book up to 5% of the total number of jobs, including flexible forms of employment.

Previously, this list did not include young people who graduated from higher education institutions. Every student from the beginning of his studies hopes that this will help him find a prestigious job in the future. The search for work by students begins during their studies, when everyone gets a job not in their specialty, but in order to receive additional income, hoping that after graduation they will find a job that will correspond to professional education, and for many - not free. After graduation, difficulties in finding work continue. Employers are looking for people with experience and certain skills, if experience is not required - wages are so low that the graduate will not be able to arrange their lives on their own. Also, work experience is often not required in those areas of economic activity where higher education is not required. In 2005, the Law of Ukraine "On Amendments to Certain Laws of Ukraine on Ensuring Youth Employment" introduced amendments aimed at improving the employment of graduates of higher educational institutions. However, the employment situation of school and university graduates has not improved significantly since this legislation.

Insufficient number of jobs and unfavorable conditions for business development lead to an increase in the number of young people realizing their own economic activity in the shadow economy. According to sociological data, the share of young people who are now involved in informal, ie officially unregistered activities, is about 30%, and about the same percentage of young people have experience of such activities in the past [5]. The most common types of youth employment in the informal economy are the production, sale and resale of domestic agricultural products and industrial goods, casual earnings from individuals.

Analyzing the logic of youth behavior in the labor market, we can say that the problem arises due to certain factors, which are presented in Fig. 2.

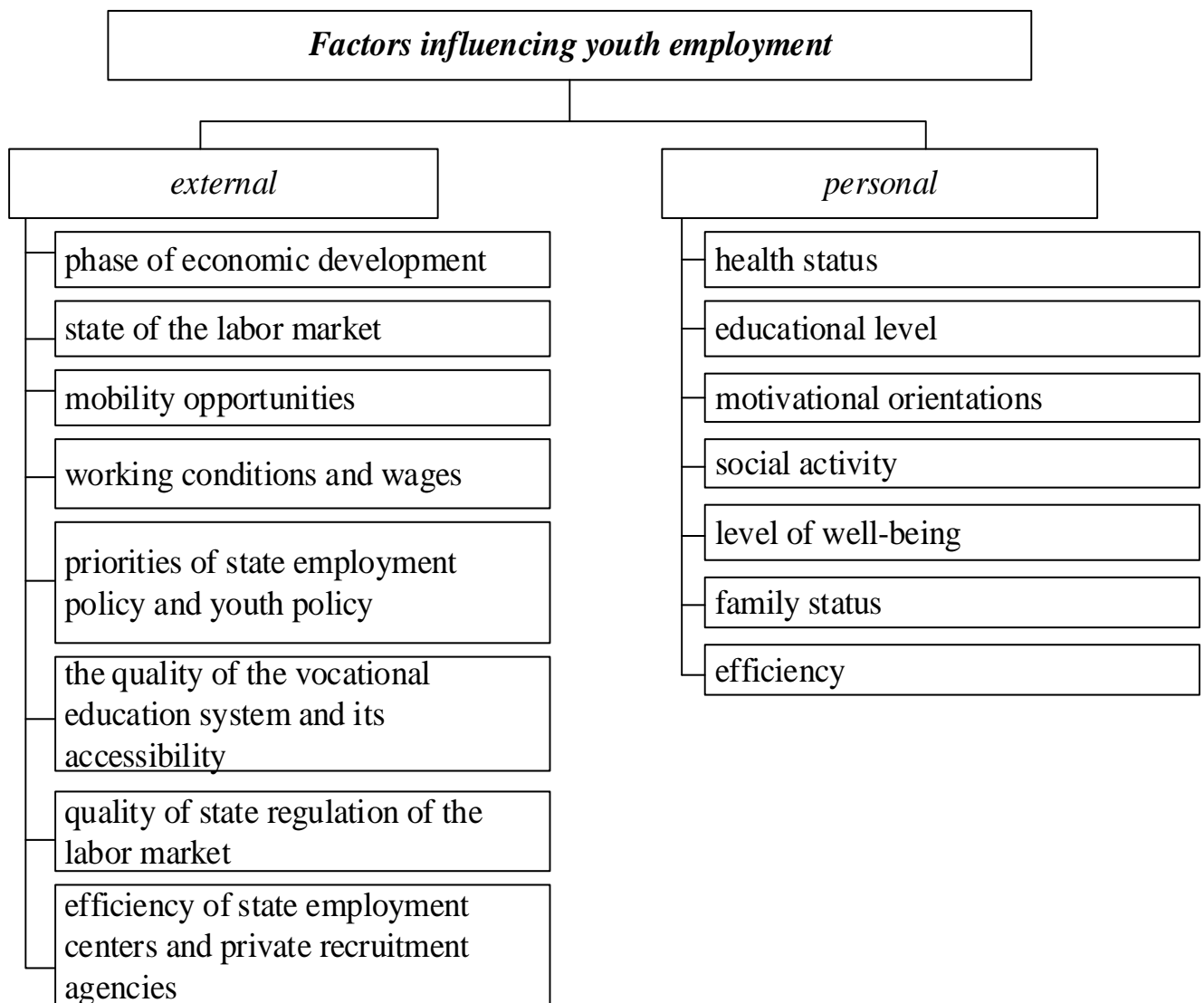


Fig. 2. A list of reasons that affect the employment of young people in modern conditions

Presented in Fig. 3 factors confirm that low employment in the domestic labor market also leads to an increase in the number of migrant workers among young people. People, including most of them young people aged 15-29, either consider the low level of wages in Ukraine to be the main reason for employment abroad, or have gone abroad because there is no suitable job in our country or there is no possibility of employment.

Therefore, an important component of state policy in this area should be to stimulate the return of workers to their homeland. To do this, it is necessary to develop and implement programs to create new jobs and small business development, especially in those regions where there is intensive labor migration abroad.

In Ukraine, from time to time there are parliamentary hearings "On the situation

of youth in Ukraine", which notes that the exacerbation of socio-economic problems, imperfections of the legal and regulatory framework, lack of effective mechanisms of state support intellectual potential, labor resources of the state, negatively affected the financial situation of young families, health, physical and spiritual development of young citizens, led to rising unemployment among young people, exacerbation of the criminogenic situation in society.

To date, 100 youth labor centers have been established in the regions of the country, including 19 regional, 22 district, 14 city and 45 student employment sectors in higher education institutions [6].

The main tasks of youth labor centers are the following:

ensuring the rights and interests of young citizens in the labor market;

promotion of employment, training, retraining and advanced training of young people;

organization of youth employment in extracurricular time;

involvement of young people in entrepreneurial activity, creation of appropriate conditions for the functioning and effective development of youth entrepreneurship;

providing young people with services related to career guidance and preparation for work in a new profession;

study and dissemination of advanced domestic and international experience in employment and training of young people;

cooperation with relevant international organizations.

However, unfortunately, most of the recommendations of the parliamentary hearings and even some sections of the government's policy documents on the situation of youth in Ukraine have not been implemented, and an effective state mechanism to support youth has not yet been formed.

According to the results of the study, the following areas of improvement of state regulation of youth employment are proposed:

- conducting constant monitoring of the labor market in order to forecast the demand for youth labor in terms of occupations and planning the qualification and educational structure of its supply;

- introduction into the practice of regulating youth employment of the mechanism of state ordering, as a prerequisite for overcoming the imbalance of supply and demand in the youth segment of the labor market;

- encouraging employers to employ young people by providing them with soft loans and subsidies;

- creation of appropriate conditions for the development of youth entrepreneurship;

- restoration of the internal form of vocational training in order to attract young workers to industrial enterprises.

Thus, the existence of existing problems in youth employment requires further research in this area and intensification of state efforts to find effective mechanisms to improve the process of state regulation of youth employment in Ukraine in the labor market.

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