Section: Financial Economics

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## PROBLEMS AND PRIORITY AREAS OF DEVELOPMENT OF SOCIAL INSURANCE IN CASE OF UNEMPLOYMENT IN UKRAINE

In recent years, much attention has been paid to reforming the social security system in the event of unemployment in Ukraine. The current social security model has been flawed due to the lack of a comprehensive employment policy and the unfavorable demographic structure of the labor market. All this does not contribute to the creation of jobs in the country, which could be the object of application of knowledge and abilities, and therefore the effective use of their work potential. Therefore, improving the functioning of the social security system in case of unemployment in Ukraine is one of the most urgent problems of modern state employment policy.

Despite the fact that during the existence of social insurance in the case of unemployment, certain positive results were achieved, in particular: regularity and completeness of payment of assistance to the insured, gradually increased the amount of insurance payments, debt of the past years was repaid. On the plus side, the payments to the unemployed are made regularly and in full. However, the current system of social insurance against unemployment has its disadvantages. Due to the scarcity of financial resources in the social security system in case of unemployment, the level of financial support for active measures related to employment of unemployed citizens remains rather low. There is a lack of clear methodological approaches to spending funds for various employment promotion and budgeting expenditures for the insurance fund for the current and future periods.

All of the above makes it possible to conclude on the necessity and feasibility of further reforming and improving the system of formation and use of funds intended for financing employment promotion measures in such areas [1, p. 32]:

- development at the same time as the system of compulsory state unemployment insurance voluntary unemployment insurance with partial replacement of the first type of insurance by the second;

 – elimination of losses of financial resources from qualitative mismatch between the demand and supply of labor in the vocational qualification section by ensuring the maximum possible compliance;

– maximizing the elimination of the loss of financial resources from the competitiveness of the labor force by ensuring the correspondence between the volume of professional training of specialists and the need for regional labor markets in such specialists;

– ensuring timely and high-quality labor and professional orientation of graduates of higher education institutions in order to eliminate unnecessary losses of financial resources for long-term job search by specialists who have acquired a profession and are not competitive in the labor market;

- search for non-traditional sources of financing of employment policy measures, in particular – youth, public, sponsorship funds, funds of enterprises and others.

Thus, the effectiveness of unemployment insurance depends on the ability to solve problems in this area. One of the most pressing issues is the broad exchange of practical experience, the discussion of the scientific point of view and, undoubtedly, the active support both at the state level and wide public circles.

## **References:**

1. Zakrevsky V. The system of compulsory state social insurance in Ukraine: problems and ways of development. *Ukraine: aspects of work*. 2006. № 5. P. 27–34.