

DOI: 10.55643/fcapt.3.44.2022.3751

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ANALYSIS OF THE DYNAMICS OF INCOME AND EXPENSES OF THE PENSION FUND OF UKRAINE

ABSTRACT

The article raises the issue of receipt and distribution of funds of the Pension Fund of Ukraine (PFU). Factors and features of the PFU deficit are revealed. The dynamics of pension expenditures as a percentage of Gross Domestic Product (GDP) is analyzed. Ways to increase revenues to the PFU and areas for improving the mechanism of redistribution of funds and optimization of the expenditure side of the budget are proposed. Examining the state of pension provision in Ukraine, it is noted that the current pension insurance system is in a difficult financial situation and does not properly perform its main task – does not provide retirees with the necessary level of income to maintain at least a minimum standard of living. The author determined that the main reasons for the growth of debt are: non-payment of obligations on the amount of Single Social Contributions (SSC) by natural persons-entrepreneurs; lack of funds to finance the current liabilities of state-owned enterprises to reimburse the actual costs of payment and delivery of preferential pensions and debt repayment. It is determined that the main priorities for solving the problem of functioning of the pension social protection system are: the need to eliminate (reduce) the deficit in the PFS budget by increasing the maximum size of the base of SRS from 15 to 25 minimum wages the amount of SSC payment from the salary of income that exceeds the maximum amount, for example, the SSC rate is reduced by 5-10% by the amount of salary that exceeds the maximum accrual base; legally establish requirements for the payment of SSC for managers of enterprises at the rate of at least three minimum wages; in the labor law to introduce a clear monetary valuation of "unit of labor", which will allow enterprises and organizations to apply the principles of wage differentiation, depending on the complexity, skills and responsibilities of work and eliminate the so-called "equalization"; create conditions for the introduction of a mandatory funded pension system; to optimize the size of labor and social pensions, making their payments from the joint pension system as a basic, at a level not less than the subsistence minimum and not more than 10 subsistence minimums, on the principle of direct dependence of pension benefits on paid insurance premiums; cancel unjustified benefits; use a simplified procedure for resolving disputes concerning the recovery of arrears of reimbursement by enterprises of the actual costs of payment and delivery of pensions granted on preferential terms under lists № 1 and № 2.

Keywords: incomes, expenses, deficit, substitution coefficient, Pension fund, demographic situation

JEL Classification: D33, E64, G23

INTRODUCTION

In the process of the formation of a market economy in the country, it is necessary to create a number of effective mechanisms of social protection. In modern conditions, Ukraine is under the influence of complex large-scale transformations, which include the reform of the social protection and pension system as its main component. In international practice, pension insurance is an important component of the economic and social prosperity of the population and is the most important area of social policy. In this context, one of the most important national tasks is building and construction of an effective pension insurance system aimed at ensuring a full standard of living at retirement for all categories of citizens. The issues of income and expenditure formation of the PFU require special attention because they are the most important direction of the

Received: 05/04/2022

Accepted: 11/05/2022

Published: 30/06/2022

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social policy of the state. In recent years, the problem of the budget deficit of the PFU is relevant, in particular the violation of the principle of economic dependence of consumption expenditures on income and GDP, the imbalance in the pension system with regard to revenue and expenditure PFU budget. Also, an important problem for Ukraine is - demographic. Especially the aging of the nation, which leads to a reduction in the share of the working population and, consequently, an increase in the burden on the PFU. In this context, special attention needs to balance the budget of the PFU, as well as the efficient and rational use of its funds, which will provide a decent pension for retirees. Therefore, the study of the pension system of Ukraine, its current problems, and prospects for development is a topical issue today.

LITERATURE REVIEW

Many scientists and economists have studied the domestic pension system and the mechanism of its financial provision. For example, Klymenko A.L. [1], Libanova E.M. [2], Lavrukhina N.O. [3], Oginska A.Y. [4], etc study the social context of the impact of pension reforms on the population of Ukraine in the context of EU integration. The negative impact of corruption, the shadow sector, and the low management system of the pension system of Ukraine were studied by Nitsenko V. [5, 6], Pavlov K. et al [7], Nadruga V.I. [8], etc. Scholars such as Smovzhenko T.S. et al [9], Tkachenko L. [10], Shumylo M.M. [11], Shaliievaska L.I. [12] and others.

AIMS AND OBJECTIVES

The PFU provides pensions to about 11 million retirees. The average pension in Ukraine is one of the lowest in Europe. Part of SSC is the main source of revenue for the budget of the PFU. The level of its payment determines the ability of the Fund to ensure timely and full payment of pensions. The imposition on the tax authorities of the functions of administering the single contribution has led to a situation in which two essentially different concepts of "tax" and "single contribution", which have a special socio-economic nature enshrined in current legislation. The PFU's income planning and day-to-day financing of insurance payments have become more complicated

The current system of single contribution administration complicates the formation of the register of insured persons of the State Register of Compulsory State Social Insurance, taking into account the methods of reporting by taxpayers to the State Tax Service of Ukraine and the mechanism of influencing the correction of inaccurate (incomplete, erroneous, incorrect) data.

The purpose of the article is to analyze the financial condition and identify the main problems of the PFU, as the main component of the state pension system, in particular the analysis of revenues and expenditures of the PFU's budget.

METHODS

The research conducted on the basis of empirical and dialectical methods, as well as an analysis of identified trends in income and types of the pension fund of Ukraine, allowed a comprehensive analysis of the problem of receipt and distribution of funds in the PFU.

In the preparation of materials, the methods of inductance and utilization of materials were chosen when funds were received by the PFU in the dedicated period of time.

RESULTS

The shortage of funds in the Pension Fund of Ukraine has caused significant external problems, which are a consequence of socio-economic transformations in the country. It should be noted that the revenues of the Pension Fund consist of its own revenues and co-financing from the state budget. Thus, in 2020, the Pension Fund of Ukraine had its own funds of UAH 281.6 billion or 60.4%. Total revenues amounted to UAH 466.1 billion. Compared to 2019, total revenues increased by UAH 31.2 billion, or 7%. At the same time, supplementary finance from the state budget decreased by 4.5%, and the Pension Fund of Ukraine's own revenues increased by 16.5%. Expenditures for this period amounted to UAH 479.3 billion. Thus, the excess of revenues over expenditures reached UAH 13.2 billion.

The average salary is growing up every year, so the pension coverage of Ukrainians must be "modernized" and also increase, but unfortunately, it should be noted that today the replacement rate of the average pension (the ratio of average pension and average salary from which contributions are paid) has reached its highest level. In 2006 - 50.5%. Since 2006,

this figure has been declining. The replacement rate began to decline sharply in 2014 - from 48.26% to 27.9% in 2018, approaching the level of 1999 and 2004. In the fourth quarter of 2017, after the recalculation of pensions for all pensioners, the pension replacement ratio increased to 35.44%. The dynamic of the substitution factor is clearly shown in Fig. 1.

On 1-th January 2020, this ratio has decreased again and is equal to 33.49% (UAH 3082.98: UAH 9205.19). The pension replacement rate had been relatively low in recent years (less than 40%). However, according to the forecast calculations of the Research Institute of Labor and Employment, it will continue to decline.

The establishment of less level of pension coverage in 40% of the minimum wage for persons who had reached the age of 65 and have the required insurance period for the minimum pension has not significantly increased the amount of the minimum pension coverage. The reason for this is the low level of the minimum wage (UAH 4723 until September 1, 2020, and UAH 6000 from 01.01.2021), which is crucial for the calculation of pensions, while in Ukraine, as in other countries, there is an informal economy and undeclared work is a deep-rooted problem and a major obstacle to expanding social security coverage. Policies of movement to formalities and reducing undeclared work require a long-term commitment and ongoing efforts by all stakeholders. Also, in Ukraine, the number of non-standard forms of employment is growing up and parts of the growing labor relations. Ukraine is one of the leading countries in terms of employment on digital platforms, but these new types of labor relations are insufficiently protected by labor legislation [14]. These reasons also have an impact on pension coverage in Ukraine. That is why the amount of pensions is still insufficient to ensure a decent standard of living. According to the level of economic activity of the population, the retirement age remains highly active, which is a sign of the inadequate financial condition of retirees and the need to find additional income.

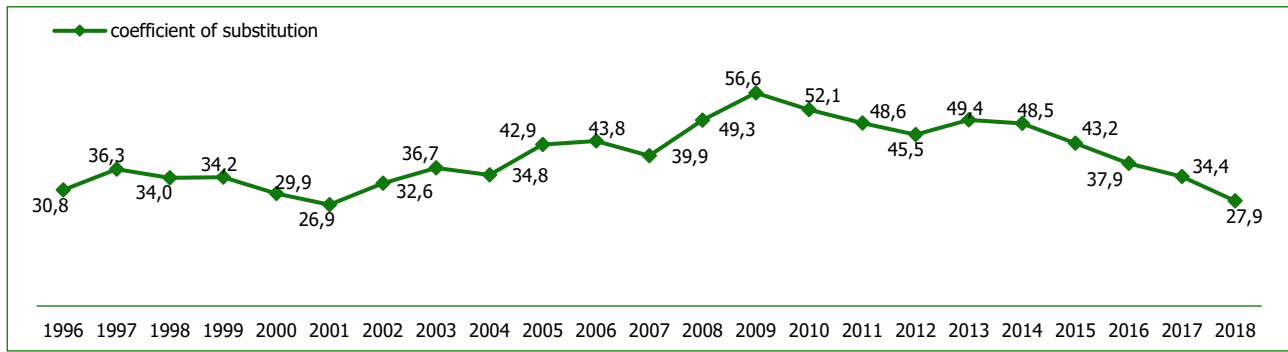


Figure 1. Dynamics of the substitution coefficient from 1996 to 2018. (Source: based on [15])

According to the PFU, on 1-th January, 2021, the Pension Fund of Ukraine registered 11130.95 thousand pensioners and a pension of up to UAH 1500 was received by 75.3 thousand pensioners or 0.7% of the total number, and a pension in the amount of UAH 1500 to 2000 - 1.816 million elderlies, or almost 16.3%, from 2001 to UAH 3000 - 4.588 million elderlies, or almost 41.2%, and from UAH 3001 to UAH 4000 - 2.126 million elderlies, or almost 19.1% and 8.1% of elderlies (89852 people) received a pension of up to UAH 5000 (see Table 1).

If we use the international estimate of poverty, at which the cost of daily consumption is set at the USD 5 level (to UAH 4300 per month), then 85.4% of Ukrainian pensioners as of 01.01.2020 received a pension lower or at the level of this limits, near UAH 5000.

Table 1. Distribution of pensioners in the bodies of the PFU, according to the amount of monthly pensions as of January 1, 2021. (Source: based on [14])

The amount of the assigned monthly pension, UAH	The amount of elderlies receiving a pension, person	In %, by the total number of elderlies	The average amount of the assigned monthly pension coverage, UAH	In %, relative to the subsistence level for persons who have lost their ability to work
to 1500 UAH inclusive	75309	0.7	998.19	56.4
from 1501 UAH to 2000 UAH inclusive	1816083	16.3	1796.28	101.5
from 2001 UAH to 3000 UAH inclusive	4588898	41.2	2427.17	137.2
from 3001 UAH to 4000 UAH inclusive	2126086	19.1	3420.57	193.4
from 4001 UAH to 5000 UAH inclusive	898525	8.1	4445.08	251.3
from 5001 UAH to 10000 UAH inclusive	1289068	11.6	6759.55	382.1
over 10000 UAH	336985	3,0	13610.60	769.4

The main components of the formation of the revenue side of the budget of the Pension Fund in recent years are:

- 1) own income;
- 2) the balance of own funds at the beginning of the year;
- 3) funds of the State Budget of Ukraine for financial support of payment of pensions, allowances, and increases to pensions granted under pension programs, and deficit of funds of the Pension Fund of Ukraine.

Table 2 shows the structure of revenues and expenditures of the Pension Fund of Ukraine during recent years.

Table 2. Structure of PFU revenues and expenditures for 2014-2020, UAH billion. (Source: based on [15])							
Indexes	Years						
	2014	2015	2016	2017	2018	2019	2020
PFU own revenues	166.9	172.5	109.9	158.91	202.08	241.75	281.75
PFU expenditures	243.5	265.7	253.4	291.5	358.6	435.9	479.34
Level of SSC	159.5	165.4	107.2	154.3	196.8	236.3	254.5
Funds from the state budget of Ukraine	81.9	94.9	142.6	133.46	150.09	181.8	184.4
Balances of own funds at the beginning of the year	2.2	1.7	0.8	0.8	0.8	0.1	0.16
Total income	251.0	269.1	254.9	292.37	352.18	434.9	466.3

The result of analyzing the Table 2 can be concluded that the total revenues to the Pension Fund during 2014-2020 were constantly growing and in 2020 the amount of income amounted to UAH 466.3 billion. This is almost 2 times more than in 2014, and UAH 31.4 billion or 7.2% more than in 2019. In general, this is a positive trend, but more attention should be paid to the formation of the revenue structure of the Pension Fund of Ukraine and focus all efforts on increasing the share of owned revenues compared to the share of funds allocated from the state budget.

To analyze the general trend in the formation of the revenue side of the PFU budget, it is advisable to analyze the share of the State Budget of Ukraine (see Fig. 2).

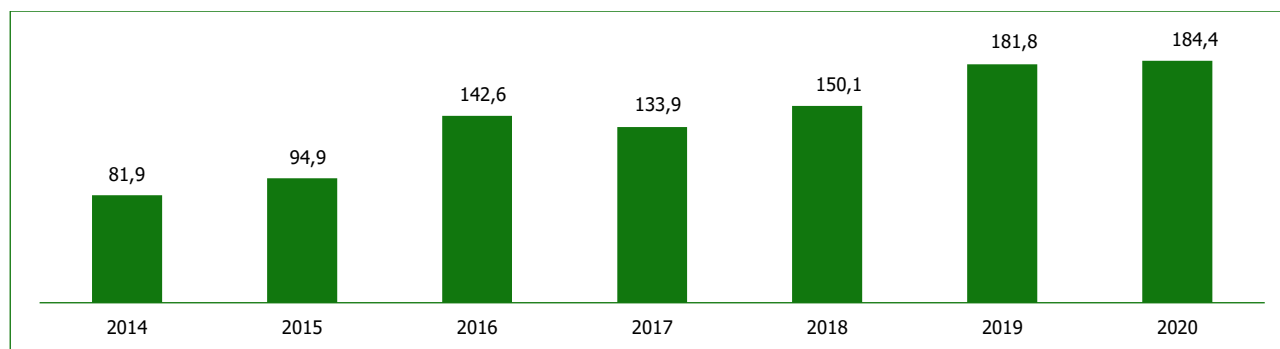


Figure 2. Grants to the Pension Fund of Ukraine from the State Budget, UAH billion. (Source: based on [15])

Funds of the State Budget of Ukraine amounted to UAH 81.9 billion in 2014, and in 2020 increased to UAH 184.4 million or more than 2 times. In 2017, compared to the previous 2016, the State Budget funds decreased by 11.6% or UAH 16.35 billion. But already in 2020, UAH 184.4 billion was allocated from the State Budget, which is much more than in all previous analyzed periods.

In the structure of revenues of the Pension Fund of Ukraine, part of own revenues is quite unstable, as in 2014 it amounted to 66.49% of total revenues. However, in 2015 its part was 64.10% in the amount of income, which is a negative trend. In 2016, part of own revenues was 43.11% of total revenues, which is an extremely negative phenomenon and indicates major problems with filling the budget of the Pension Fund this year. In 2017, the situation improved - the part of own revenues was 54.66%. This positive trend was observed in 2018 and 2019. In 2018 in the structure of total revenues UAH 202.08 billion - own, in 2019 - UAH 241.75 billion (55.6%) - own funds, and in 2020 - UAH 281.8 billion (60.4%), it's, in compare to 2019 more on UAH 40 billion or 16.5% [13].

Generally, we can conclude that the complex and systemic problem of filling the revenue side of the PFU at its own expense, because the State budget for the analyzed period averaged 45%.

According to the sources of income own revenues are shared on:

- part of the SSC, divided into compulsory state pension insurance;
- other own income.

The main part of the revenues of the PFU is occupied by the revenues from the SSC, divided into compulsory state pension insurance and the State Budget of Ukraine, part of it in 2020, the total revenues of the PFU were 54.6% (UAH 254.5 billion) and 39.5%, respectively (see Table 2). Other own revenues amounted to 5.9% (UAH 27.2 billion). The amount of SSC in 2020 compared to the previous year increased by UAH 18.2 billion. In 2019, the share of SSC in the total revenues of the PFC was 54.3% (UAH 236.3 billion) and 41.8% were funds from the State budget.

In 2015-2017, a similar trend was observed from 2018: in the total revenues, on average, 53% are SSC revenues, about 45% - from the State budget, and 2% - other revenues.

In 2016, revenues from SSC decreased by UAH 58.2 billion compared to the same period of the previous year. At the same time, funds from the State budget increased by almost UAH 48 billion. In 2017, compared to 2016, revenues from SSC increased by UAH 47.1 billion, and funding from the State budget decreased by UAH 9 billion.

In 2018, both revenues from SSC increased by UAH 42.5 billion, and funding from the State Budget increased by UAH 16.6 billion. In 2020, revenues from SSC increased by UAH 18.2 billion, while funding from the State budget for funding for pension benefits decreased by UAH 1.1 billion.

As a result of laws' changes adopted in 2015, the size of the single social contribution was reduced from 40% to 22%. The idea was that reducing the amount of SSC paid by the employer would stimulate the exit of enterprises from the shadow economy and increase revenues to the PFU. At the same time, there was no significant increase in pension contributions and wages in the shadows, and revenues from social security contributions fell by almost 4% of GDP in 2017.

In 2020, compared to 2019, own revenues increased by UAH 40 billion, or 16.5%, and amounted to UAH 281.8 billion, but the PFU under-received insurance funds substantially by UAH 20.0 billion.

Experts, economists, and trade unions noted that the drastic laws changes to reduce the single contribution from 2016 may pose risks in terms of money laundering, increase the revenue side of the PFU budget and improve the financial provision of relevant insurance benefits and social services.

Also, the size of the single social contribution in Ukraine as a whole (employers + employees) was at the level of similar contributions of EU countries, such as Belgium (42.5% = 28.5 + 14.0), Italy (41.1% = 31.6 + 9.5), France (49.5% = 35.1 + 14.4), Austria (46.5% = 28.5 + 18.0), Czech Republic (45% = 34.0+ 11.0) etc. And after the reduction of the single social contribution, its amount for the employer in Ukraine became lower than for employers in these countries, as well as in Sweden (31.4% is paid only by the employer), Slovakia (31%), Spain (29.9%), Estonia (33.8%) and others. And this is despite the fact that they also pay workers, and therefore the financial content of the social insurance system in these countries is more significant. In the event of a change in economic conditions, these ratios change. Only the principle of equal participation in social insurance, which has been violated in Ukraine since 2016, remains unchanged. Thus, an imbalance was formed in the relations between the participants of the pension system, both in the context of revenues and expenditures of the PFU's budget.

Analyzing the expenditure part of the budget of the PFU (Table 2), it is noticeable that in 2018-2020 expenditures exceeded revenues by UAH 6.42 billion, UAH 1 billion, and UAH 13 billion, respectively. 2015-2017 is characterized by an excess of revenues over expenditures - by UAH 3.4 billion, UAH 1.5 billion, and UAH 0.9 billion for each year.

Expenditures of the PFU in 2020 amounted to UAH 479.34 billion, which is UAH 43.4 billion or 10.0% more than in 2019. UAH 466.9 billion (97.4%) was allocated for pension payments, UAH 1.1 billion for loan repayment in 2019, and UAH 3.6 billion for one-time assistance in the amount of UAH 8000. Other expenditures - UAH 11.3 billion, of which UAH 2.4 billion - payment for postal services for the payment and delivery of pensions (0.5% of total expenditures), UAH 5.3 billion - administrative expenditures (1.1%). The run-up of the expenditure part of the PFU's budget in 2020, compared to the same period in 2014, is UAH 235.8 billion.

The main problem of the pension system of Ukraine, which is pointed out by both Ukrainian experts and representatives of international organizations, isn't the run-up of total expenditures of the PFU, but the deficit of the PFU. According to the Auditing Chamber, the real size of the PFU budget deficit, taking into account the amounts of outstanding loans in

previous years in 2017 increased from UAH 82.2 billion (of which UAH 31.8 billion - the deficit in 2015) to UAH 133.46 billion (UAH 85.6 billion - deficit in 2016). The deficit of the PFU in 2017 amounted to over UAH 133.46 billion (Fig. 3).

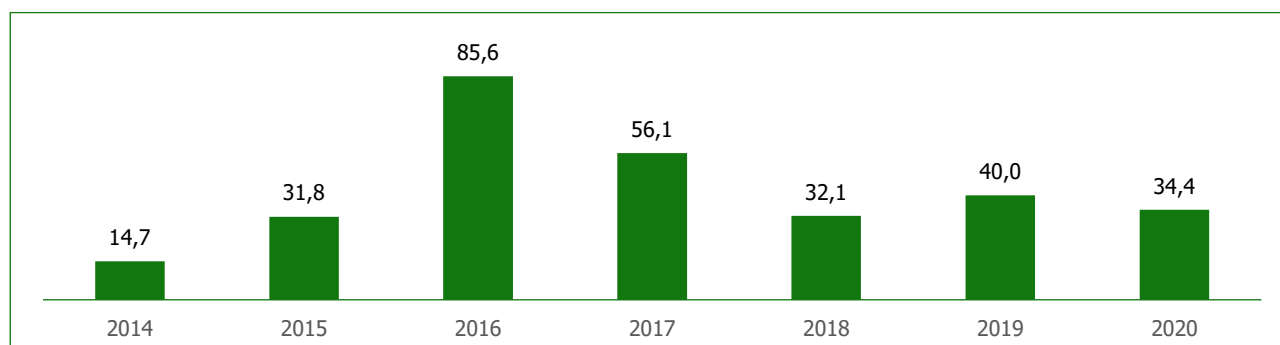


Figure 3. Deficit of the PFU, UAH billion. (Source: based on [15])

In 2019, the State Budget of Ukraine allocated appropriations to the PFU in the total amount of UAH 184.4 billion. Of the total amount of appropriations from the state budget in 2020, UAH 34.4 billion was allocated to cover the deficit of the PFU, which is UAH 5.6 billion less than in 2019. The part of the deficit of the PFU in 2020 in the total expenditures of the Fund was 7.2%, while in 2019 - 9.2%, in 2016 - 33.8%. In terms of GDP, the deficit of the PFU was: in 2020 - 0.9%, in 2019 - 1.0%, in 2018 - 1.0%, in 2017 - 1.9%, in 2016 - 3.6% [13].

Thus, the deficit of revenues of the PFU remains. Its source of coverage is still the State Budget. The financial burden of pension expenditures on the State budget is quite high. The share of expenditures of the PFU in GDP in 2020 was 7.2%, which is 2.0% less than in 2019.

Subsidies to the PFU budget at the expense of the State Budget led to forced reduction of expenditures on other programs of economic, social, cultural, innovative development, etc.

Consider the main reasons for the lack of revenue to the PFU:

- low contribution rate for compulsory pension insurance and understated maximum size of the SSC base (15 minimum wages), which violates the vertical solidarity in the payment of contributions ("the rich pays for the poor") and creates a proportionally high burden for people with low- and medium-income level.
- informal employment and payment of SSC from the minimum wage, or even less than it, the so-called "incomplete wage", ie there is a kind of evasion of contributions.

Another reason is the impact of the demographic situation: low birth rate, high mortality and mass emigration.

Scientists from the Institute of Demography and Social Research. M.V. Birds note that according to the UN, Ukraine is among the ten countries with the highest rates of population decline (more than 15% by 2050).

We should analyze another important factor that affects the lack of funds in the budget of the PFU - arrears of payments to the PFU.

As of January 1, 2021, the total arrears of payments to the PFU and SSC amounted to UAH 37.6 billion, including [13]:

- arrears of SSC payment (according to the State Tax Service of Ukraine) - UAH 20.7 billion (54.9% of the total debt), of which arrears of individuals-entrepreneurs UAH11.8 billion;
- on reimbursement of preferential pensions - UAH 15.5 billion (41.2%);
- on reimbursement of scientific pensions - UAH 0.1 billion (0.3%);
- for financial sanctions and fines - UAH 0.5 billion (1.3%);
- on reimbursement of recourse claims - UAH 24.5 million (0.1%);
- arrears of insurance premiums of previous periods - UAH 0.8 billion (2.2%).

During 2020, the total debt on payments to the PFU and SSC increased by UAH 3.7 billion (10.9%), in particular, the debt on reimbursement of preferential pensions increased by UAH 1.5 billion, on the payment of SSC - by UAH 2.2 billion, including the increase in debt of natural persons-entrepreneurs in comparison with 01.01.2020 by UAH 1.8 billion, or 81.3% of the total increase in debt with SSC [13].

The main reasons for the growth of debt are:

- non-payment of obligations on the amounts of SSC by natural persons-entrepreneurs;
- lack of funds to finance the current liabilities of state-owned enterprises to reimburse the actual costs of payment and delivery of preferential pensions and debt repayment.

For example, we can analyze the activities of the Main Department of the PFU in the Kyiv region for the current year.

Expenditures for financing pensions in 2020 amounted to UAH 23.283 billion.

During the year, with the planned UAH 9.342 billion, the Fund's budget received UAH 10.855 billion, its 116.2% of the planned revenues were received. Thus, comparing revenues and expenditures for financing pensions, the provision of own funds is 46.6%.

As of January 1, 2021, the debt on the single social contribution is UAH 664.8 million, of which UAH 477 million is the debt of individual entrepreneurs.

As of January 1, 2021, the arrears on payments administered by the PFU amount to UAH 236.735 million, including budget institutions - over UAH 1 million.

The Main Department of the PFU in the Kyiv region has almost 548 thousand pensioners, at the same time, the number of insured - 550112 people, including employees - 400698. It turns out that 100 employees keep 101 pensioners. The figure is quite disappointing. Compared to December 2019, the number of insured persons decreased by 9,176 units (98.4%, and the average in Ukraine - 97.3%), and compared to September 2020 compared to the same period last year, the number of insured persons decreased by 10845 units.

According to the results of the analysis of the reporting of employers, it founded that more than 11 thousand people are on leave without pay. This is a loss of almost UAH 57 million of the wage fund and, accordingly, UAH 12 million of the single contribution to the obligatory state social insurance.

Legislative and organizational principles of ensuring the collection and accounting of the single contribution, conditions and procedure for its accrual, payment and powers of the body collecting and keeping records are determined exclusively by the Law of Ukraine of 08.07.2010 № 2464-VI "On collection and accounting of the single contribution "binding state social insurance" with changes and additions. According to the Law of Ukraine of 04.07.2013 № 406-VII "On Amendments to Certain Legislative Acts of Ukraine in Connection with Administrative Reform", from October 1, 2013, the administration of a single contribution to the obligatory state social insurance is carried out by the authorities State Tax Service of Ukraine.

However, effective legislative mechanisms and tools for timely repayment of arrears on SRS are currently insufficient. Although the law provides that in accordance with Part 12 of Art. 9 of the Law of Ukraine № 2464 "On collection and accounting of the single contribution to the obligatory state social insurance" with changes and additions the single contribution to the obligatory state social insurance is payable regardless of the financial condition of the payer. Therefore, it should be noted that according to paragraph 6 of the first article of the Law № 2464 the amounts of SSC, not accrued on time and / or not paid on time, are arrears.

A fine of 20 percent of unpaid or late payment of SSC is imposed for non-payment (non-transfer) or late payment (late transfer) of SSC (paragraph 2 of the eleventh part of Article 25 of Law № 2464). The amount of arrears is subject to a penalty at the rate of 0.1 percent of the amount of arrears for each day of delay (part ten of Article 25 of Law № 2464). For non-payment, incomplete payment or late payment of the amount of SSC simultaneously with the issuance of payments on which SSC are accrued (advance payments), a fine of 10 percent of such unpaid or late payments is imposed (paragraph 6 of the eleventh part of Article 25 of Law № 2464). Also, officials of payers are administratively responsible for violating the procedure for accrual, calculation and terms of payment of SSC (the second paragraph of the first part of Article 26 of Law № 2464).

Non-payment or late payment of SSC, including advance payments, in the amount of more than three hundred non-taxable minimum incomes - entails the imposition of fines on officials of enterprises, institutions and organizations, regardless of ownership, sole proprietorship or self-employment, from eighty to one hundred and twenty non-taxable minimum incomes.

Repeated in a year of such actions - entails the imposition of fines on officials of enterprises, institutions and organizations, regardless of ownership, self-employed or self-employed, from one hundred and fifty to three hundred non-taxable minimum incomes.

CONCLUSIONS

Ukraine has been trying to implement pension reform for almost 20 years. However, an effective result has not yet been seen. At the present stage, the following problems of the development of the pension system of Ukraine can be identified: unbalanced budget of the PFU; difficult demographic situation; low level of pensions of most people who have reached retirement age [3]; high level of "shadowing" of the economy; the macroeconomic situation of the state (inflation, unemployment, crises); political populism. Among the main priorities that would solve the problems of the pension system of social protection, it is appropriate to highlight:

- the need to eliminate (reduce) the deficit in the PFU budget by increasing the maximum size of the base for accrual of SSC from 15 to 25 minimum wages, ie up to UAH 125000 and the introduction of a regressive scale of SSC payments from wages in excess of the maximum SSC is reduced by 5-10% of the amount of salary that exceeds the maximum accrual base;
- legislate requirements for the payment of SSC for managers of enterprises at the rate of at least three minimum wages;
- in the labor law to introduce a clear monetary value of "unit of labor", which will allow enterprises and organizations to apply the principles of wage differentiation, depending on the complexity, skills and responsibilities of work and eliminate the so-called "equalization";
- create conditions for the introduction of a mandatory funded pension system;
- optimize the size of labor and social pensions, making their payments from the joint pension system as a basic, at a level not less than the subsistence level and not more than 10 subsistence minimums, on the principle of direct dependence of pension benefits on insurance premiums;
- cancel unjustified benefits;
- cancel the payment of early pensions to certain categories of citizens until they reach retirement age [10];
- to ensure the dynamics of wage growth in the country's economy; reduce the social burden [6];
- taking into account the long experience of European countries, increase the deduction of SSC to 38%;
- concentration of SSC administration in the PFU. This will make it possible to conduct timely and complete monitoring of SSC revenues, strengthen control over the accrual and collection of contributions, apply administrative fines to officials of insurers, and comprehensively provide methodological assistance to employers in accruing SSC to restore the rights of insured persons;
- amend Article 165-1 of the Code of Administrative Offenses of Ukraine in terms of increasing the number of sanctions for late payment of SSC to 1000 non-taxable minimum incomes (as of December 2020, the tax-free minimum income of citizens is UAH 17.00);
- use the simplified litigation procedure to resolve disputes over the recovery of arrears of reimbursement by enterprises of actual costs for payment and delivery of pensions granted on preferential terms under lists № 1 and № 2 by supplementing Article 263 of the Code of Administrative Procedure of Ukraine 6): "recovery of debts of the PFU on reimbursement by enterprises of actual costs for payment and delivery of pensions granted on preferential terms under lists № 1 and № 2, in accordance with items" a "and" b "-" c "of Article 13 of the Law Of Ukraine "On pension provision".

The proposal can be taken into account in the development and implementation of financial and economic policies to improve the pension system. I want to believe that in the coming years, we will be able to achieve a higher level of social protection and, most importantly, to satisfy the aspirations, hopes, and expectations of people who have reached retirement age and beyond, to make them happier.

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АНАЛІЗ ДИНАМІКИ ДОХОДІВ І ВИДАТКІВ ПЕНСІЙНОГО ФОНДУ УКРАЇНИ

У статті порушується питання надходження та розподілу коштів Пенсійного фонду України. Виявлено фактори та особливості дефіциту Пенсійного фонду. Проаналізовано динаміку пенсійних видатків у відсотках до ВВП. Запропоновано шляхи збільшення надходжень до Пенсійного фонду України та напрями вдосконалення механізму перерозподілу коштів і оптимізації видаткової частини бюджету. Досліджуючи стан пенсійного забезпечення в Україні, учені зазначають, що нинішня система пенсійного страхування перебуває в скрутному фінансовому становищі та не виконує належним чином свого основного завдання – не забезпечує пенсіонерів необхідним рівнем доходу для підтримки хоча б мінімального стандарту життя. Авторами визначено, що основними причинами зростання заборгованості є: 1) несплата фізичними особами-підприємцями зобов'язань на суму ЄСВ; 2) відсутність коштів для фінансування поточних зобов'язань державних підприємств для відшкодування фактичних витрат на виплату та доставку пільгових пенсій і погашення боргу. Визначено, що основними пріоритетами вирішення проблеми функціонування системи пенсійного соціального захисту є: 1) ліквідація (зменшення) дефіциту бюджету ПФУ шляхом збільшення максимального розміру бази ЄСВ з 15 до 25 мінімальних; 2) виплата заробітної плати суми ЄСВ із заробітної плати, що перевищує граничний розмір, наприклад, ставка ЄСВ зменшується на 5-10 % на суму зарплати, що перевищує максимальну базу нарахування; 3) законодавче встановлення вимоги щодо сплати ЄСВ для керівників підприємств у розмірі не менше трьох мінімальних заробітних плат; 4) запровадження в трудовому законодавстві чіткої грошової оцінки «одиниці праці», яка дозволить підприємствам та організаціям застосовувати принципи диференціації заробітної плати залежно від складності, кваліфікації та відповідальності робіт, та усунення так званого «зрівнювання»; 5) створення умов для запровадження системи обов'язкового накопичувального пенсійного забезпечення; 6) оптимізація розмірів трудових і соціальних пенсій із виплатою їх із єдиної пенсійної системи як базової на рівні не нижчому за прожитковий мінімум і не більшому за 10 прожиткових мінімумів за принципом прямої залежності пенсійних виплат від сплачених страхових внесків; 7) скасування невикористаних пільг; 8) використання спрощеної процедури

розв'язання суперечок щодо стягнення заборгованості з відшкодування підприємствами фактичних витрат на виплату та доставку пенсій, призначених на пільгових умовах за списками № 1 та № 2.

Ключові слова: доходи, витрати, дефіцит, коефіцієнт заміщення, Пенсійний фонд, демографічна ситуація

JEL Класифікація: D33, E64, G23