

# CHARACTERISTICS OF BASIC COMPONENTS OF THE SOCIAL AND LABOR RELATIONS REGULATION MECHANISM IN THE UNITED TERRITORIAL COMMUNITIES

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## ABSTRACT

The study is devoted to the substantiation of the basic components of the mechanism of regulation of social and labor relations in the united territorial communities of Ukraine. The article analyzes the research on the role of the state and local governments in regulating and developing social and labor relations at the local level. The leading world concepts in regulating social and labor relations have been characterized. The purpose and role of local self-government bodies in regulating social and labor relations have been defined. The basic scientific approaches to the concept of “community development” have been investigated. Based on the research, the basic components of the mechanisms of regulation of social and labor relations in the united territorial communities have been identified and their characteristics have been given.

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**Introduction.** Under current conditions, ensuring sustainable development of social and labor relations requires not only the updating of regulatory tools, but also the development of new forms and approaches of state regulation, the construction of new mechanisms in the field of SLR regulation, taking into account the existing laws and trends in the world and local labor markets. The role of local self-government bodies in the mechanisms of regulating social and labor relations needs to be rethought, since in the conditions of reforming the administrative and territorial structure of Ukraine, they receive full responsibility for the level of their well-being and quality of life, socio-economic development of the territories, etc. Hence the need to identify a number of basic components of the mechanisms of regulation of social and labor relations and social and labor sphere of the united territorial communities, with the substantiation of their functional purpose for further development in Ukraine of systems of effective territorial regulation and development of SLR.

The role of the state in regulating social and labor relations is investigated in the writings of a number of scholars, whose views can be reduced to two main directions:

- maximum decentralization of regulation, transfer of its basic measures to the level of production systems, significant limitation of state intervention [1, 2, 3];
- active involvement of the state in the social and labor sphere, including in the sphere of social and labor relations of individual employers [4, 5, 6].

At the same time, representatives of all economic schools and trends fully or with some reservations support the thesis about the scale and multi-vector nature of the state’s role in shaping socio-economic policy [7].

All the variety of subjects regulating social and labor relations in the scientific literature is reduced to three groups:

- 1) regulation of employment;
- 2) regulation of social and labor relations related to the organization and efficiency of work;
- 3) regulation of issues of remuneration and social and labor relations arising from remuneration for work [8].

The leading role in the development of social and labor relations belongs to the state, represented by the relevant authorities and local self-government, on the basis of adherence to the principle of “tripartism”, as recommended by the International Labor Organization (ILO). Tripartite cooperation is a proven form in many countries of achieving a balance of state, employers, and employees in many countries. Under this form of cooperation, the implementation of social policy is divided between three partners, and the bodies representing the interests of the state have the opportunity to check in practice the effectiveness of the principles of social partnership, the perfection of the current legal framework, and realize the national interests. With this form of cooperation the state should carry out procedures that ensure effective consultations, regular negotiations between representatives of the social partnership parties on issues that are the subject of social and labor relations [9].

The greatest attention of modern researchers is drawn to social partnership as a method of regulating social and labor relations. Social partnership is now regarded as one of the most important principles of building social and labor relations in organizations and in the economic environment, since it determines the need for interaction of all factors of welfare and development of society, taking into account the interests not only of business owners, but also of all actors affected by it.

In the Western concept of social partnership, the mechanism of its action is based on three elements:

- developed practice of collective interaction and ability to conduct business negotiations from the positions of representatives of certain socio-economic groups;
- ethics of contractual relations, i.e., in the fact, any contract is executed and the guarantor of its implementation is the entire administrative and legal system of the state;
- a high level of self-organization of workers and the population, which determines their ability to formulate their interests and goals, to form representative bodies that uphold these interests and to produce various forms of social protest that allow them to achieve their goals [10].

Instead, in Ukraine, although the need to develop social partnership relations is emphasized everywhere, no real preconditions for this have been created yet. Current national scientific opinion is based on the consideration of social partnership as the main method of regulation of SLR at the level of local self-government, although it acknowledges that its application is not effective at present. On this basis, we can say that the development of social partnership relations should take place in the system of regulation of social and labor relations, but it should not be considered as the main method, and, therefore, it is worth exploring in more detail the issue of isolation of the main components of the mechanism of regulation of SLR in united territorial communities.

**The purpose of this study** is to identify and characterize the basic components of the mechanism for regulating social and labor relations in the united territorial communities of Ukraine.

**Research results.** The generalized designation of local self-government bodies of the united territorial community is to ensure sustainable socio-economic development. Hence, the regulatory activities of the territorial authorities should be directed at protecting the interests of the UTC and its population, ensuring compliance with the law, preserving, multiplying and efficient use of resources, etc. In this context, the regulation of social and labor relations in UTC should aim, first, to ensure their development and, second, to function in the legal field. At the same time, the general direction of regulation of social and labor relations should be in the plane of improving the quality of life of the population of the community, because the higher it will be, the more developed the community will be, and therefore it will contribute to the further social development of the united territorial community.

Consequently, the purpose of regulating social and labor relations in UTC is to ensure the development of social and labor relations in the community in the legal field and in the direction of improving the quality of life of the population. Achieving this goal is possible during the following tasks implementation:

- to ensure compliance with social and labor legislation;
- to promote the development of the labor market and social and labor relations in the community;

- to ensure sustainable social and economic development of the community;
- to implement measures aimed at improving the quality of life of the population.

It is worth noting that at the present stage the idea of the driving forces and the correlation of various factors of development, the role and the place of a person in civilizational progress have changed radically. The experience of economically developed countries, and, even more so, of the countries that made the economic breakthrough (in different periods of the twentieth century: Japan, Korea, Germany, Ireland, Czech Republic, Hungary, Slovenia), testifies to the crucial importance of human capital, quality of workforce and motivation for effective work. This is a new concept focused on the primacy of human development [11].

The concept of “community economic development” is largely interpreted in two respects:

- prevailing focus on economic development [12, 13];
- inclusion of a wide range of components, among which, in addition to indicators of social and economic development of the community, the state of the environment and the results of the activities of the authorities [14].

That is, the global scientific community views the economic development of communities as a process or strategy that is used to improve social and economic development, improve well-being, ensure progress in the social and work spheres, and so on.

Community development is related to community progress. It is a process of developing and enhancing a community’s ability to act collectively. The result of these actions is to improve the indicators of community social and economic development in aspects of the physical, social, political and economic spectrum [15].

Community development is a sustainable concept and, as proven by world practice, is more successful if clear methodology, approaches and state support are applied. In doing so, a quality approach is one in which “the community economy builds connections with the surrounding environment and seeks and uses the possibility to invest in the underlying economic plans, strategies and opportunities that shape the wider economy around it” [16].

It is human and social capital that is currently delivering the highest rates of economic growth. The need to ensure the economic development of the united territorial communities of Ukraine requires improvement of conditions and strengthening of incentives for formation of labor potential and its maximum utilization. Hence, the mechanisms for regulating social and labor relations in the UTC must consist of a hierarchical system of components, the implementation of which aims to promote the progress of the community as a whole and the development of its social and labor sphere in particular.

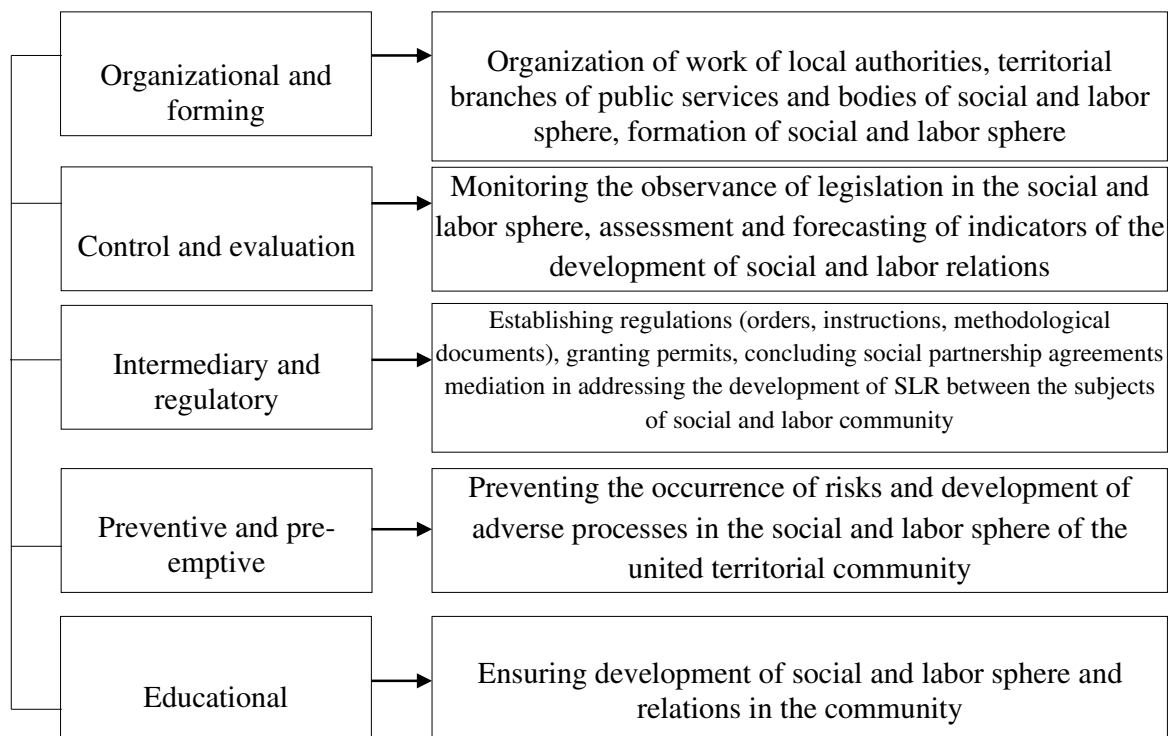
In general, at the level of the united territorial community, the regulation of social and labor relations is intended to establish social dialogue between the subjects of social and labor sphere, to ensure compliance with the legislation in the process of social and labor relations and to promote the development of SLR in the community. Hence, the local self-government bodies of the united territorial community must ensure the territorial development of the SLR in the community; contribute to the formation and expansion of the social and labor sphere of the UTC; to organize and coordinate the work of territorial branches of public services and bodies of social and labor sphere; to establish social dialogue between the subjects of social and labor relations, to participate in the settlement of conflicts; to monitor the indicators of development of social and labor sphere of the community.

At the local level, that is, at the level of individual settlements, the functional purpose of regulating social and labor relations is to create incentives and conditions for the development of SLR at the local level, and to establish relations between local subjects of social and labor sphere. In particular, it is necessary to monitor the indicators of development of social and labor sphere of the settlement; promote reconciliation between the parties of social and labor relations in conflict situations; to stimulate the development of SLR and social and labor sphere of the settlement; ensure harmonization of relations between the parties of social and labor relations in the settlement; promote the development of social and labor relations at the local level.

Based on the above, we can distinguish a number of major components that should underpin mechanisms for regulating social and labor relations in the united territorial communities (Figure 1).

The organizational and forming component of the mechanism is intended to ensure the qualitative formation of the social and labor sphere of the united territorial community through the clear organization of the work of local self-government bodies, coordination of their activities with the territorial branches of state services and bodies of the social and labor sphere, development of the

infrastructure of control services in social and labor services. field, development of organizational regulations (organizational projects), regulations on structural units, job descriptions, working hours and recreation, consultations, negotiations between the social partners, the conclusion of a system of agreements and contracts at different levels of social and labor relations.



*Fig. 1. Basic components of mechanisms for regulating social and labor relations in united communities*

The control and evaluation component is intended to ensure a qualitative assessment of the state of development of the social and labor sphere of the community as a whole and its individual components, with the identification of factors influencing the development of UTC and forecasting the dynamics of evaluation indicators, as well as the effective control over the implementation of regulations, socio-economic programs, observance of norms, standards in social and labor sphere, provisions of collective agreements, etc.

The intermediary and regulatory component is necessary in the mechanism of regulation of social and labor relations of the united territorial community in order to define the legal framework of functioning of the social and labor sphere of the community; development of standards, criteria; imposition of restrictions, prohibitions, limits, penalties; creation of regulatory norms (orders, instructions, methodological documents), granting of permits, conclusion of agreements on social partnership; participation in resolving conflicts in the social and employment sphere through negotiations, consultations, fact-finding, testimony in court and arbitration hearings; the application of specific ways of resolving disputes and conflicts in the social and labor sphere aimed at reaching an agreed solution; implementation of indirect regulation (subsidies, state orders, accelerated depreciation, financial and credit and tax benefits, direct financial assistance for the implementation of government programs).

The preventive and pre-emptive component of the mechanism is intended to ensure the quality work of local self-government bodies in the direction of preventing the occurrence of risks and development of adverse processes in the social and labor sphere of the united territorial community, prevention of conflict situations.

The educational component in the mechanism of regulation of social and labor relations in the UTC aims to ensure the development and implementation of development programs (territorial, local) in the social and labor sphere, the introduction of modern forms and methods of involvement of employees in production management, adoption and organization of organizational and management

innovations, work to expand the community's social and work spheres, increase employment and living standards of the population, etc.

**Conclusions.** The implementation of decentralization reform in Ukraine after the long-term implementation of the centralized public administration system has raised a number of issues related to the organization of effective local self-government, including the establishment of effective mechanisms for regulating social and labor relations at the local level. Applying the world's leading experience in addressing the issue at present cannot produce tangible positive results in relation to the historically shaped features of the country's social and economic development. Therefore, it is necessary to form new mechanisms for regulating social and labor relations in the united territorial communities, adapted to the Ukrainian realities and able, if implemented, to ensure the effective activity of local self-government bodies in the direction not only of regulating social and labor relations in the communities, but also their sustainable development.

On the basis of the conducted research, five main components have been identified, on which mechanisms of regulation of social and labor relations in the united territorial communities of Ukraine can be based. They are, in particular, organizational and forming, control and evaluation, intermediary and regulatory, preventive and pre-emptive and educational. The further direction of the research should be the formation of organizational and functional structures of the considered mechanism, taking into account certain components.

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