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## SHADOW EMPLOYMENT IN UKRAINIAN LABOUR MARKET

The article examines the main causes, scope propagation conditions of existence and effects of shadow employment in Ukraine. Analysis of statistics, in which the identified risks and ways to minimize the spread, limiting the shadow employment in the labour market. In Ukraine in recent years have seen a deterioration of general economic conditions, a significant lagging real life of existing standards, formed a high level of public discontent with the authorities. Thus, excessive inflation, recession, forced underemployment and unemployment, low standards of remuneration, significant weaknesses in the social security system, no legal leverage leading to a drop in real household incomes; strengthening property differentiation of the population; spreading and deepening poverty. Informal employment – employment, determined the number of informal jobs at formal or informal sectors or households during the reporting period. In other words, this is a work in the informal sector. This process occurs only when the normal functioning economy cannot meet people's needs. For example, informal employment is caused by unemployment and other negative social and economic effects when wages cannot cover all living expenses. The main reasons for and consequences of the spread of shadow schemes in domestic employment include: production cuts in basic economic activities influenced the deployment of socio-economic and political crisis in the country; economic reforms inhibition prevents the activation of investment and innovation processes that would enable to increase the number of new jobs;

To gain control over the economic activity of business entities to prevent informal employment can offer the following activities:

- amending legislation that will strengthen the responsibility for failure to pay taxes;
- development and adoption of regulations on compulsory declaration of income on the acquisition of ownership by a significant amount;
- expanding the powers of the Tax Administration and increase the number of tax audits.

Shadow employment considered in transformational economy as perfectly obvious fact, and its illegality instability caused by social and economic institutions. The increase in employment sees a shadow in the reduction of production in most essential economic activities, low share of wages in production, maintaining a high level of working poverty and working population, the high level of taxation of legal business, including contributions to the state social funds, low level of compliance with established laws and the resulting loss of confidence in law enforcement and the judicial system of the state. Although, as a result of employment in the informal sphere can save labour potential leads to help solve the problems of income and even the survival of a population, but it also makes a great addition efforts and resources to hide such activities and their consequences, and most importantly – leads to a lack of required 'compulsory tax revenues as a result of the shadow wage, which is very necessary for the basic functions of the state. Most people involved in the informal economy, consciously and voluntarily opted in its favour. At the same time, many employers tend to violate labour laws, forcing workers as uncontested informal employment phenomenon.

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