

THE PROBLEMS AND PECULIARITIES OF HOUSEHOLDS FUNCTIONING IN THE ECONOMY OF UKRAINE

Pikulyk O.I.

Candidate of Economic Sciences, Associate Professor,
Senior Lecturer at Department of Economic Theory,
Ivan Franko National University of Lviv

A household consists of one or more people who live in the same dwelling and also share at meals or living accommodation and may consist of a single family or some other grouping of people. Most economic models do not address whether the members of a household are a family in the traditional sense. The household is the basic unit of analysis in many social and economic models and is important to the fields of economics.

Household production is the production of goods and services by the members of a household, for their own consumption, using their own capital and their own unpaid labour. Most economic theories assume there is only one income stream to a household but many households now include multiple income-earning members.

It is important to determine the impact of households' finances in Ukraine on their mobility in the labour market, social and economic indicators, indicators of the fiscal sector and market economy.

Based on a detailed analysis of the structure of income and expenditure of households, it is found that, firstly, the primary source of the money income of households in Ukraine is wages, secondly, the dynamics of households' expenditures show that

there is an increase in consumptive use of revenues, while their structure is sub-optimal because of excessively big share of food expense and too low non-consumptive expenses; thirdly, households are characterized by a low level of mobility, irrational behaviour, limited investment potential of savings.

The proposed state reforms in the context of addressing the identified issues should concern: the active involvement of households into the investment process by strengthening the level of trust and ensuring their rights, comprehensive promotion and development of self-employment and entrepreneurship; employment through the optimization of regional labour markets, increasing investment in education and training; creating conditions for the return of skilled emigrants into the country; coordination of the state tax policy and the policy of wages level regulation, differentiation of work payment according to the area of employment and the region.

It will promote economic growth in Ukraine, which requires immediate changes in the regulation of households' finance and shift from the support of socially vulnerable population to stimulation of economic activity and household mobility.