

demand for personnel and to claim their training. Businesses experience both excess and shortage of personnel simultaneously (2, pp. 46-47), and additional demand is determined by personnel departments based on managers' claims considering mainly natural flow of personnel. The following things shall be taken into account:

- a) according to businesses, additional demand for personnel is chiefly caused by replacement of natural retirement and filling of vacancies,
- b) it's difficult to forecast prospective demand for personnel considering structural changes in economy, especially demand for future skills and qualifications,
- c) insufficient methodological support of personnel departments and paperwork management as their main function.

Probably, regular surveys conducted among employers can be a solution to these problems. In such case this entails development of a survey form, creation of electronic platform for its regular performance, and creation of statutory and regulatory basis. Businesses need a methodology for determining additional demand for personnel and improvement of potential of their personnel departments. To achieve this the following tasks should be solved:

- refinement of questionnaire for employers, determination of representative selection of businesses, training of employment department specialist to conduct the survey,
- prognostic modeling from a perspective of economic activity and major professional qualification groups and publication of models.

References

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THE INFLUENCE OF FLEXICURITY ON DECENT WORK INDICATORS

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Abstract. The article discusses aspects of flexicurity concept implementing, proposed by the European community and intended to enable simultaneous increase of labour market flexibility and social protection of workers. Author analyzed of the relationship between implementation of the flexicurity concept and the indicators of labour market efficiency on example of the EU-28 and concluded about the influence of flexicurity on indicators of the labor market efficiency.

Increasing labor market flexibility in many countries has led to realization of the need to take measures to reduce the negative effects of this phenomenon (in particular, employment precarization) in form of the proclamation of the flexicurity concept.

The concept of flexicurity is an integrated strategy to simultaneously enhance flexibility of the labor market and social protection of workers. Flexicurity is designed and implemented across four policy components: 1) flexible and reliable contractual arrangements; 2) comprehensive lifelong learning strategies; 3) effective active labour market policies; and 4) modern social security systems providing adequate income support during employment transitions [1, p.12].

However, modern researchers claim that flexicurity needs to be updated, because it does not always fulfill its tasks.

In order to understand how effective the flexicurity concept and whether it provides the balance, which is expected, we selected the indicators characterizing the degree of realization of this concept (percentage of the adult population between 25 and 64 participating in education and training, educational attainment of age cohort 45-54, educational attainment of age cohort 25-34, aggregate replacement ratio, unemployment trap, expenditure on active and passive labour market policies as a percentage of GDP, expenditure on active and passive labour market policies per unemployed person) in order to understand how effective the flexicurity concept and whether it provides the balance, which is expected to, we selected the indicators characterizing the degree of realization of this concept and the labour markets efficiency for EU-28, including indicators reflecting the degree of implementation of the concept of Decent work. These include the following:

1. Employment rate, total;
2. Employment rate, for women;
3. Employment rate, for older workers;
4. Youth unemployment ratio (15-24 years);
5. Long-term unemployment rate, in % of active population;
6. Growth in labour productivity.

The dynamics of these indicators by country is shown in table 1.

Table 1 – Dynamics of indicators characterizing the labour markets efficiency in the EU-28 countries (2005-2014)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Employment rate, total	67.9	68.9	69.8	70.3	69.0	68.6	68.6	68.4	68.4	69.2
Employment rate, for women	60.0	61.1	62.1	62.8	62.3	62.1	62.2	62.4	62.6	63.5
Employment rate, for older workers	42.2	43.3	44.5	45.5	45.9	46.2	47.2	48.7	50.1	51.8

Table 1 – Dynamics of indicators characterizing the labour markets efficiency in the EU-28 countries (2005-2014): Continues

Youth unemployment ratio (15-24 years)	14.6	18.4	26.3	26.1	30.6	36.5	32.9	42.2	38.1	30.2
Long-term unemployment rate, in % of active population	4.1	3.7	3.1	2.6	3.0	3.8	4.1	4.7	5.1	5.1
Labour productivity*	1.0	1.6	1.2	-0.6	-2.7	2.8	1.6	-0.1	0.6	0.4

*percentage change over previous period.

Source: author's elaborations on [2].

Table 2 – Dynamics of indicators characterizing the implementation of flexicurity in the EU-28 countries (2005-2014)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Percentage of the adult population between 25 and 64 participating in education and training	9.6	9.5	9.3	9.3	9.3	9.1	8.9	9.0	10.5	10.7
Educational attainment of age cohort 45-54	67.1	67.8	68.6	69.5	70.2	71.0	71.7	72.4	73.3	74.0
Educational attainment of age cohort 25-34	78.5	78.9	79.4	80.0	80.3	80.9	81.2	81.7	82.4	83.1
Expenditure on active and passive labour market policies as a percentage of GDP	1.94	1.75	1.54	1.55	2.07	2.06	1.82	:	:	:

Table 2 – Dynamics of indicators characterizing the implementation of flexicurity in the EU-28 countries (2005-2014): Continues

Expenditure on active and passive labour market policies per unemployed person	:	:	5845	6028	6684	6639	5924	:	:	:
Aggregate replacement ratio	:	:	:	:	:	0.52	0.53	0.54	0.56	0.56
Unemployment trap (euro per inhabitant)	:	:	:	326.8	420.1	421.1	407.1	411.9	:	:

Source: author’s elaborations on [2].

As dependent variables we selected indicators of the labour market efficiency. The results of correlation are presented in Table 3.

Table 3 – The results of correlation between labour market efficiency and indicators of flexicurity implementation

Dependable variable (y)	Linear coefficient of Pearson correlation under independent variables – indicators of flexicurity (x)						
	Percentage of the adult population between 25 and 64 participating in education and training	Educational attainment of age cohort 45-54	Educational attainment of age cohort 25-34	Aggregate replacement ratio	Unemployment trap (tax rate on low wage earners)	Expenditure on active and passive labour market policies as a percentage of GDP	Expenditure on active and passive labour market policies per unemployed person
Employment rate, for women	0.301	0.800	0.804	0.571	0.780	-0.207	0.164
Employment rate, for older workers	0.539	0.983	0.991	0.899	0.815	0.065	-0.009

Table 3 – The results of correlation between labour market efficiency and indicators of flexicurity implementation: Continues

Youth unemployment ratio (15-24 years)	-0.046	0.821	0.783	0.505	0.704	0.199	0.307
Long-term unemployment rate, in % of active population	0.583	0.670	0.686	0.852	0.338	0.259	-0.344
Labour productivity*	-0.066	-0.087	-0.077	-0.044	-0.326	-0.067	-0.274

Source: author's elaborations.

The calculation of the coefficients of pair correlations between the efficiency indicators of the labour market and indicators of implementing the concept of flexicurity, it can be noted that among the indicators of the implementation of the concept of flexicurity, there are those that have a significant impact on all the chosen indicators relevant to the effectiveness of the labour market. Among these indicators: educational attainment of age cohort 45-54, educational attainment of age cohort 25-34, aggregate replacement ratio, unemployment trap (tax rate on low wage earners). Changes in other indicators have little effect on the labour markets efficiency. Among the least deterministic of the performance indicators of the labor market is labor productivity, which suggests that there is virtually no relationship between the flexicurity and increase labour productivity. The most determined was the level of employment among the elderly, women and youth unemployment, which leads to the conclusion that the implementation of the flexicurity concept helps to cope with some problems of socially vulnerable groups of the population.

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