

Reform Forum

EFFECTIVE DISPUTE RESOLUTION FOR A SOCIAL-LABOUR PARTNERSHIP: THE EXPERIENCE OF UKRAINE

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Summary: 1. Introduction. – 2. Social Partnership within the National Legislation of Ukraine. – 3. Dispute Resolution within the Labour Partnership System in Ukraine. – 4. Conclusions.

Keywords: social partnership, collective bargaining, social dialogue, labour relations, court proceedings, socio-economic development

ABSTRACT

Background: The further democratic development of Ukraine requires the formation of the ideology of social partnership, which is a form of social interaction of many state institutions and social groups of civil society that allows them to express their interests freely and find civilised ways to harmonise and implement them. An important task is the development of social partnership to ensure justice in the field of labour relations. Social partnership and its tools are recognised worldwide as the most civilised way to reconcile the interests of employees, employers, and the state.

Methods: The research methods were chosen based on the purpose and objectives of the study, its object, and subject. During the research, philosophical, general scientific, and special legal methods of scientific cognition were used. The purpose of the study is to identify the features of the prospects for developing a mechanism of social partnership in terms of reforming all spheres of public life in the context of social security and identify features of social and labour partnership within court proceedings in Ukraine.

Results and Conclusions: The authors argue that the effectiveness of social partnership depends on how fully it is integrated into the management system of the socio-economic development of the state. The labour legislation of Ukraine needs to be improved. In particular, a special law covering individual contracts (agreements) in flexible forms of employment must be adopted.

1 INTRODUCTION

Social partnership is a necessary condition for the formation of civil society in a market transformation. In many countries with economies in transition, social partnership is still under development, and many social problems remain unresolved not only due to the lack of necessary financial resources but also due to a lack of initiative and coordination between civil society, government, and business. At the same time, building a platform for dialogue and identifying prospects for cooperation is essential in the development of social partnership and outlining its forms.⁶

The development of the social partnership system as one of the forms of regulation of social and labour relations at the present stage of market transformations in Ukraine is a very urgent problem. The very idea of social partnership occupies an important place in the scientific analysis of modern society, the evolution of labour relations, and legislative practices in many countries. In addition, for Ukraine, social partnership is an institutional mechanism through which the subjects of social and labour relations learn new social roles and patterns of behaviour in the regulation and coordination of interests. The formation of market relations in our country is closely connected with the processes of Ukraine's integration into the European Union (EU), whose countries have been using the principles of social partnership for a long time and actively.⁷

6 O Kostyuchenko, 'The essence of social partnership' (2017) 1 BNTUUKPIPSSL 78-82.

7 L Ostapenko, 'Legal regulation of employment of the population of Ukraine' (2016) 1 (2) SBKSUSLS 86-88.

Establishing the function of the social partnership system in Ukraine is a guarantee of maintaining an appropriate level of competitiveness for employees and creating social dialogue in society. Thus, it is relevant at the present stage of development of the domestic economy to study the peculiarities of the formation of social partnership in Ukraine and identify shortcomings in the functioning and development of prospects and areas for further improvement.

Effective social partnership is an integral part of the labour market and social policy at the national, regional, sectoral, and microeconomic levels. Its development both depends on and leads to the improvement of the socio-economic situation, the growth of wages and employment, respectively, the reduction of unemployment and poverty, and the improvement of legislation in the field of social policy. Through the prism of the implementation of social partnership mechanisms, the role of social and human capital, the degree of integration and development of society, and the level of development of corporate governance can be traced.

The model of the welfare state is attractive because it guarantees economic freedom and recognition of the right of entrepreneurs and employees (their representatives) to tariff autonomy. This principle is the basis for the regulation of social and labour relations through the negotiation process and the development of agreements through a system of social partnership with the mandatory participation of the state in the legal provision of conditions for this.⁸ In addition, the model of the welfare state assumes industrial democracy, i.e., employee participation in the management of the organisation: the development and implementation of socio-economic decisions regarding pay and labour conditions and prospects for the organisation, which creates conditions for employee interest in collective results. Even though nowadays, social partnership as a basis for conflict-free regulation of social relations in economically developed countries is based on general principles, the evolutionary nature of social partnership has led to differences between models of social partnership in different countries due to national characteristics and the implementation of social partnership in the respective state.⁹

The aim of the present article is to identify the peculiarities of the formation and prospects of forming a model of social partnership as a prerequisite for the development of a socially oriented economy in Ukraine. The growing interest of scientists in the problem of social partnership is natural for our country, which has faced social contradictions and conflicts on the way to the transition from an administrative-command economy to a market model of management

2 SOCIAL PARTNERSHIP WITHIN THE NATIONAL LEGISLATION OF UKRAINE

The basis of social harmony in industrial and post-industrial society is the consideration and reconciliation of the interests of different social groups, strata, and classes. This task is best solved through social partnership. The system of social partnership is based on the coordination and protection of the interests of different social groups. Recognising the difference, diversity, and insecurity (in isolation) of the interests of individual social groups, strata, and classes, partnerships also involve awareness of the need for interaction, interdependence, and the impossibility of existence without each other.

8 S Synchuk, 'Model of the national social security system in the context of the European direction of Ukraine's development' (2016) 8 LU 17-23.

9 V Sydorenko, I Shorobura, A Ponomarenko, M Dei, O Dzhus, 'Application of technologies of formal and non-formal education for continuous professional development of the modern specialist' (2020) 13 (32) RTEE 1-24.

Social partnership provides for the provision of appropriate rights to various social groups, strata, and classes to participate in political and economic processes of development and decision-making on topical issues of society. Social partnership is a special type of social relation and a natural result of a developed, socially oriented economy. Thus, it is an important indicator of the economic, social, and political maturity of a society. In an industrialised society with a market economy, there is a need to move towards social partnerships in the field of labour due to a number of economic and social factors.

In a general sense, social partnership is a system of relations between employees (mostly trade unions), employers and their associations, and the state and local governments, which is expressed in mutual consultations, negotiations, and conciliation procedures on mutually agreed principles to respect the rights and interests of each party. Social partnership is a recognised global form of reconciling interests and increasing the social responsibility of the parties and subjects of social dialogue (employees, businesses (employers), the state, civil society institutions).

'Business' in the system of social partnership means the owners, entrepreneurs, employers, and their authorised persons, as well as a set of structures and institutions of the market economy that provide the production and distribution of goods and services and meet the needs of individuals, social groups, and society as a whole. It would be useful for participants in social dialogue, and especially businesses and government agencies, to remember the existence of the so-called 'iron law of responsibility', which was formulated in the 1970s by the famous American scientist K. Davis. The essence of this law is as follows: 'Ultimately, those who use power in a way that society considers responsible may lose it'.¹⁰

According to many scientists, an important prerequisite for the implementation of social partnership in modern conditions is its foundation on the principles of social responsibility. However, some scholars identify corporate social responsibility with social partnership. In particular, these arguments are based on the statement that social partnership is one of the most effective means of forming a system of social responsibility, and the latter can be considered, on the one hand, as a result (or one of the results) of social partnership, and, on the other, as a prerequisite for success. The feasibility and effectiveness of social responsibility at the micro level are confirmed by many different studies that have shown a positive effect of the implementation of social responsibility for reputation, achieving competitive advantage, and one of the main goals of its operation: profit maximisation. Studies conducted by the American consulting companies Walker Information and Council on Foundations have confirmed the hypothesis of the impact of social factors, on a par with financial and economic, on the company's core business performance.¹¹

The main purpose of social partnership is to ensure the sustainable development of social and labour relations. Thus, it is important to determine the conditions under which such development may be possible. The modern concept of social partnership was established in the legislation of a number of European countries (Germany, Austria, Scandinavia) in 1960 as a result of many years of searching for effective forms of regulation of social and labour relations. Experts from the International Labor Organization (ILO) define social partnership as a mechanism by which employers, workers' representatives, and governments develop a set of agreed and multilateral issues to address socio-economic issues by finding compromises. In the West, social partnership is seen as a concept that characterises the principle of organisation of society, which regulates the joint work of social partners – the parties to social and labour relations.¹²

10 L Borysova, 'Problems and prospects of social partnership development in Ukraine' (2016) 3 ES 350-354.

11 L Mogilevsky, 'To the problem of defining the concept of "social partnership"' (2018) 1 BCNUOLA 96-106.

12 Ibid.

Ukrainian researchers propose to consider social partnership in several aspects: as a principle of activity of the subjects of collective labour relations (in the broad understanding of the term) and as a legal institution (in the narrow understanding of the term), which is a set of rules governing the competence of specially trained bodies (obviously, one of these bodies is the National Mediation and Conciliation Service). In view of this, the goals of social partnership in the labour sphere are: the formation of a mechanism of collective bargaining regulation of social and labour relations; ensuring employment and social protection, labour protection, and safety; the professional training of employees; the preservation of the labour potential of society; a gradual increase in employee incomes based on productivity growth; and increase production efficiency.¹³

Models of social partnership in Ukraine have the following characteristics. First, there is the existence of special bodies that would coordinate the activities of the parties to social and labour relations, such as the National Council of Social Partnership, a special advisory body under the President of Ukraine. The creation of the National Council for Social Partnership was to promote the formation and better coordination of employers' organisations, giving them a more active role in solving problems of social and labour relations. The National Council consists of an equal number of plenipotentiaries of the parties to the social dialogue at the national level and unites 60 members who exercise their powers on a voluntary basis: 20 trade union members who are delegated by representative unions of all-Ukrainian unions; 20 members of the employers' party, who are delegated by representative associations of employers' organisations, which are all-Ukrainian; 20 members of the executive bodies appointed by the Cabinet of Ministers of Ukraine.¹⁴

The Regional Council of Social Partnership has the function of creating a common policy in the most important areas of socio-economic development of the region and is the coordinator of joint actions of the parties and their implementation. One of the areas of this work was the conducting of tripartite consultations and negotiations focusing on the adoption of agreed decisions on socio-economic protection of relations between workers and workers, reducing social tensions, and preventing the emergence of collective labour disputes. An exchange of views takes place during the negotiations.

The most developed and important form of social partnership is collective bargaining, which is aimed at resolving individual labour relations, but this form mainly operates only in large enterprises of state and mixed ownership. Many private companies still do not have such agreements. A lack of collective agreements, weak control by trade unions over the implementation of the provisions of collective agreements, a significant percentage of unregistered agreements with local authorities, i.e., that have no legal force, and a lack of accountability measures for managers who evade signing and execution complicate social relations. Thus, the low level of collective bargaining in the regions is one of the reasons for the emergence of collective labour conflicts.¹⁵

The ideology and culture of social partnership are spreading in the state and social awareness, and certain normative-legal and organisational mechanisms of formation of the system of social partnership are being created. The organisational mechanism of the social partnership system consists of collective agreements at enterprises and the existing system of agreements – the General Agreement and sectoral and regional agreements. The economic mechanism

13 N Gabelko, 'Social partnership: the main element and method of social management of society' (2015) 4 TS 100-107.

14 I Sydoruk, 'Social partnership in the formation of competence of future social workers' (2020) 102 (2) NPT 80-83.

15 A Amirkhanyan, 'Social partnership as a regulator of labor relations' (2015) 2 (13) MYV 91-95.

of the social partnership system is a set of economic conditions that affect the subjects of government. The effect of this mechanism should be manifested in the emergence of the subjects of management liability and interest in the implementation of requirements that have been fixed in collective agreements and contracts. The social mechanism of the social partnership system is a set of psychological attitudes that characterise society's attitude towards the idea of social partnership.¹⁶

Ukraine adopted the Law of Ukraine 'On Social Dialogue'¹⁷ in 2010. This law defines the legal basis for the organisation and procedure of social dialogue in order to develop and implement state, social, and economic policies, regulate labour, social, and economic relations and improve the standard and quality of life of citizens and social stability in society. The law stipulates that social dialogue is a process of defining and converging positions, reaching joint agreements, and making decisions by the parties to the social dialogue representing the interests of employees, employers and executive authorities, and local governments on the formation and implementation of state social and economic policy and the regulation of labour, social, and economic relations.

The specifics of the formation of social partnership relations in Ukraine at the present stage is their formation in terms of the abandonment of a centralised (state) regulation of labour relations, as well as changes in ownership associated with the privatisation process in various fields. Weakening state intervention in social relations and the formation of a new sector of the economy independent of the state significantly increase the role of local (contractual) regulation, in which contractual forms of establishing the rights and responsibilities of participants in the social process are crucial. This model is based on socio-cultural heritage and the realities of a market economy.

The large number of formal procedures for the interaction of social partnership actors, the lack of a regulatory framework, and the low level of self-organisation of workers and civil society in general make this model quite vulnerable to pressure from the authorities concerned. The system of interaction of institutions representing the interests of the parties is developing at regional and territorial levels. Thus, the Ukrainian model of social partnership is characterised by pronounced regional features.¹⁸

It should be noted that today, the social partnership system in Ukraine is not fully formed, and traditional reasons for low efficiency can be considered, mainly the underdevelopment of some elements of the social partnership system (legislative, organisational, socio-economic, etc.) at both state and regional levels. Therefore, government officials need to develop the main legislative provisions for the formation of Ukrainian integrated corporate structures and the procedure for applying their innovation and investment potential. The state should pay attention to the development of corporate legislation, which needs to be reformed in Ukraine.

The low efficiency of trade unions as the primary links to protect the interests of employees is due to several factors. First, there is the imperfection of the content of collective agreements, which does not cover all the important aspects of social relations. In addition, the process of collective bargaining involves an insufficient number of employees – the signing of collective agreements does not guarantee their fair implementation, which is sometimes associated with incompetence and reluctance of social partners to reach a compromise. There is also the inability of employees to

16 N Romanova, I Melnik, Social partnership (National Pedagogic Dragomanov University 2017).

17 Law of Ukraine No 2862-VI 'On Social Dialogue in Ukraine' (2010) <<https://zakon.rada.gov.ua/laws/show/2862-17#Text>> accessed 2 February 2022.

18 O Ostapenko, L Ostapenko, O Khytra, M Tsvok, S Vasylyv, 'A modern vision of methodological approaches in regulation of labor relations' (2019) 10 (7) JARLE 2070-2076.

actively influence the formation of socially responsible employer behaviour. Further improvement of the social partnership system in Ukraine implies the need to develop an organisational and economic mechanism to increase the efficiency of the social partnership system.¹⁹

Today in Ukraine, the development of forms of social partnership is hampered by political and socio-economic factors. In particular, the legal framework for social partnership in Ukraine is underdeveloped. Its imperfection, as well as the violation of the rights of working citizens by employers, are causes of serious social and labour conflicts, which could be prevented by establishing adequate legal mechanisms. It is difficult to imagine overcoming such a situation without the presence of state legal regulation and the formation of a regulatory framework that would ensure the avoidance of social conflicts between the parties to social partnerships and contribute to their improvement. In this regard, it is especially important to develop and provide recommendations for the improvement of social partnership in Ukraine.

Various transformational changes in our country have led to a change in attitudes towards social partnership. The sharp division of citizens by income, the presence of socially vulnerable segments of society, the desire to move away from the established paternalism of the state of the previous historical epoch – all these situations required new approaches to the whole sphere of social policy. The state began to actively promote the ideology of social partnership as an attribute of a modern market economy and successful national development. Social partnership is designed to ensure civil peace in the context of radical market reforms and the principles of market development of the national economy.²⁰

Studies of social partnership in Ukraine have shown that the following problems are inherent in our state: 1) the dominance of paternalistic sentiments in the minds of the citizens of Ukraine; 2) the weakness of trade unions as a representative and defender of the interests of workers and the social dialogue; 3) the dominance of employers in the process of social dialogue; 4) overcoming the negative impact of the actual inequality of the parties to the social dialogue; 5) overcoming the formal nature of the collective bargaining process; 6) strengthening the responsibility of the social partners for non-compliance with their collective agreements and contracts; 7) ensuring the possibility of prompt resolution of the conflict.

The current state of relations of social partners in the field of labour in Ukraine should be characterised by the predominance of formal social partnership procedures that do not have significant real economic consequences. These factors in the development of social partnership need to be translated into a specific program of action for the social partners. It is necessary to develop the concept of social partnership for the period of stabilisation and economic growth that began in recent years.

Thus, in the near future, all parties to social and labour relations in Ukraine should occupy their niche in regulating the national labour market in order to socialise it: the main task of trade unions should be a real improvement in the sale of labour services by employees; entrepreneurs must realise the dependence of the success of their business on the social situation in the country and in the enterprise, and therefore take into account the goals of entrepreneurship and human life in general; the state must create a mechanism to encourage (especially economic) parties to solve social and labour problems by methods of social partnership.

19 L Ostapenko, 'Legal regulation of employment of the population of Ukraine' (2016) 1 (2) SBKSUSLS 86–88.

20 T Tkachuk, L Chystokletov, O Khytra, V Shyshko, L Ostapenko, 'Philosophical reflections on the information society in the context of a security-creating paradigm' (2021) 13 (1) IJESDF 105-113.

3 DISPUTE RESOLUTION WITHIN A LABOUR PARTNERSHIP SYSTEM IN UKRAINE

The majority of the population of Ukraine believes that the state should ensure the material well-being of citizens and maintain social justice in society. In general, paternalism leads to the dominance of relations between managers (owners) and employees in the social and labour sphere. This type of relationship, based on the loyalty of employees to management in exchange for management considering their interests, precludes both equal cooperation between the parties and their open confrontation. This situation significantly limits the possibilities of effective social dialogue.

The weakness of trade unions has a negative impact on the effectiveness of the collective bargaining process and contributes to the consolidation of low national standards at the national level. The state should be interested in strengthening trade unions as a party to social dialogue because it is ultimately responsible for the living standards of citizens and the state of the social sphere and will be forced to take on challenges that are transformed into socio-political instability in the country.

In modern social and labour relations in the practice of Ukrainian social dialogue, employers are the strongest and most influential party. In the process of social dialogue, employers' organisations are focused primarily on defending their own corporate economic interests. This position of employers is possible, in particular, due to the low level of social responsibility of Ukrainian businesses, which sees a duty to employees and society not as an integral part of the social partnership system but as a pure expression of goodwill or charity. This situation creates the danger of replacing a clearly structured system of social partnership with vague and optional corporate social responsibility. The current situation is complicated by the lack of a basic law in Ukraine that would regulate the issue of corporate social responsibility.²¹

The most powerful factor in the development of social partnership (as well as its result) is the creation of a favourable economic climate, in particular, by easing tax pressures and combating corruption, which will lead to the recovery of the national economy and its de-shadowing and gradual exit from the crisis. Increasing the income of the population in general, and labour income in particular, overcoming poverty, and creating conditions for the development of the middle class should become a priority of society and the state. State protectionism in the labour market, its socialisation, and a significant increase in wages in state budget organisations should be considered an important prerequisite for reconciling the interests of the subjects of social partnership. A separate large-scale task should be considered for improving the moral climate in society, overcoming corruption, ensuring law and order, and restoring confidence in state institutions and civil servants.²²

The role of employers and their representative organisations in society in general and in the organisation of social partnership in particular must be established. It is also important to increase social awareness and the role of employees as participants in social partnership. Trade unions must become real representatives of workers' interests. According to trade unions, the authorities and employers (and society as a whole) should have the right to fight for the establishment of more favourable (compared to non-union workers) working conditions and payment for trade union members. The employee must have a real motivation to join trade unions, in particular, the opportunity to collectively sell their labour services more profitably.²³

21 V Venediktov, *Modern problems of labor law of Ukraine* (Pravo 2018).

22 O Kostyuchenko, 'The essence of social partnership' (2017) 1 BNTUUKPIPSSL 78-82.

23 M Butko, A Revko, 'Social infrastructure as a catalyst for modernization of the socio-humanitarian space of the regions of Ukraine' (2018) 4 RE 28-36.

Since it is unrealistic to count on the de-monopolisation of the labour market in the near future (this can be considered a task of social partnership down the road), it is necessary to focus on such a balance in the labour market that the monopoly of buyers of labour services – employers – would be balanced with the monopoly of sellers. In order to balance the interests of the subjects of social partnership, employees and their representatives – trade unions – must compensate employers and the state for the increase in the price of labour services. An attractive but abstract goal – social harmony – does little to inspire employers to make concessions. Increasing labour productivity and the final results of the enterprise depend not only on employees but also on the level of management and support of the production process. The counter-responsibilities of employees should be as specific as the responsibilities of employers to increase wages.²⁴

The following responsibilities can be considered as possible, real contributions of employees and trade unions to economic growth at the micro, meso, and macroeconomic levels: the participation of employees in investment programs of their enterprises (industries, regions); the formation of a self-financed system of maintenance of the qualification of the labour force and the development of human capital; targeted lending to state and municipal programs in agreed strategic areas, etc. Mechanisms for ensuring counter-obligations of employees and trade unions and their dependence on the level of performance of their duties by employers must be set aside in the relevant agreements. However, the principle of voluntary participation of a particular employee in programs that provide for certain deductions from wages should not be violated.²⁵

State authorities and local self-government should create such conditions that would focus the parties' attention on common interests, encourage them to settle social and labour relations through all the above steps, and spread the practice of social partnership. In particular, it is necessary to create a mechanism that would link the possibilities of state and municipal preferences (budget loans, tax benefits, government orders) with the level of efficiency of social and labour relations in a particular enterprise.²⁶

In order to ensure the balance of interests of the parties to social partnership and the effective development of the tripartite system, it is necessary to consistently spread the ideology and technology of social partnership and establish it in the consciousness and practice of all labour market actors – state, businesses, and trade unions. Much work is needed to form full-fledged parties to the social partnership. It is important for the creation and functioning of a successful social partnership system to improve its mechanism, the main components of which will be discussed in the next section.²⁷

Another important task is the education of citizens regarding social competence and legal training in human rights and building relationships with employers, employment, social protection, labour law, trade unions, pensions, insurance and other funds, and more. For the younger generation, this task needs to be addressed primarily through the education system, and this should also become an important contribution of the state in the formation of social partnership relations. For citizens who have already entered the labour market, such training and education could become one of the important new functions of public organisations, especially trade unions, in their contribution to the dissemination of social

24 S Sunyagin, *Socio-normative principles of social policy: the need for systematic understanding*. State and law (Yuridichna Dumka Publishing House 2016).

25 VV Tatarinov, VS Tatarinov, A Ivko, 'Social partnership as a factor in the development of small business in Ukraine' (2019) 1 EVED 138-154.

26 T Shapovalova, *Economic bases of social security* (Lviv Polytechnic Publishing House 2018).

27 V Sydorenko, I Shorobura, A Ponomarenko, M Dei, O Dzhus, 'Application of technologies of formal and non-formal education for continuous professional development of the modern specialist' (2020) 13 (32) RTEE 1-24.

partnership ideas. At the same time, it will help increase the competitiveness of employees, increase their social and economic activity, and their responsibility for their own destiny, which will have not only social but also economic results.²⁸

Unfortunately, today, significant obstacles to civilised social partnership are widespread corruption in Ukraine, the predominance of corporate interests and attitudes, and the merging of entrepreneurship with hardware structures. Entrepreneurs find themselves in conditions far from the normal, legal relationship between capital and power. A vicious circle is being created: the state does not protect the interests of entrepreneurs; entrepreneurs do not follow the law. To a lesser extent, this also applies to other citizens.

A significant share of the 'shadow' economy in Ukraine also does not contribute to the development of social partnership. As a rule, shadow enterprises do not comply with labour legislation, in particular, labour protection and social guarantees, do not pay taxes, and do not register employment agreements. Workers are considered exclusively as labour resources for production, the sole purpose of which is to make a profit. A significant obstacle to the formation of social partnership is the erosion of the regulatory system of society due to mass violations of laws and social norms. This does not contribute to the spread of social partnership practices.²⁹

Thus, the processes taking place in Ukraine require a significant adjustment of social security policy. In such a situation, it is necessary to build a society on the principles of cooperation and mutual respect and the implementation of the principles of social justice, which becomes possible only if economic and social development are balanced. Universal and social values must come to the fore. This requires the pooling of all constructive forces at both the national and regional levels and the creation of an effective social partnership system to address emerging issues and ensure sustainable development. Moreover, it is important to develop such mechanisms of interaction between the subjects of social partnership so that the interests of some do not harm the interests of others. Cooperation and partnership are important to address as serious issues that can affect the processes that take place.³⁰

For Ukraine, the need to form an effective model of social partnership arose after the transition of the economy to a market basis in connection with the separation of business from the state. The reforms carried out in the country primarily affected the most vulnerable segments of the population: pensioners, the disabled, and large families. The adoption of a number of laws and the development of social programs have not alleviated the vital problems of many groups of the population. One of the problems caused by socio-economic and political reforms in Ukraine is the acute conflict of value orientations. In the absence of a basic system of values capable of being the basis of social consensus, such a conflict carries the danger of an irreversible division of society.³¹

4 CONCLUSIONS

Establishing a functioning social partnership system in Ukraine is a guarantee of maintaining an appropriate level of competitiveness of employees and establishing social dialogue in society. Thus, it is relevant at the present stage of development of the domestic

28 S Synchuk, 'Model of the national social security system in the context of the European direction of Ukraine's development' (2016) 8 LU 17-23.

29 M Pyzhova, 'Peculiarities of labor relations regulation regarding the implementation of legal guarantees' (2020) 2 (14) ESPLIS 46-50.

30 M Pyzhova, 'Functions of legal guarantees in labor law: current issues' (2021) 1 (33) LI 65-69.

31 A Shevchenko, S Kydin, S Kamarali, M Dei, 'Issues with interpreting the social and legal value of a person in the context of the integrative type of legal-awareness' (2020) 38 (2) FARPLSS 54-61.

economy to study the peculiarities of the formation of social partnership in Ukraine, identify shortcomings in the functioning, and develop areas for further improvement.

In the conditions of social partnership, various social problems arising in a society can be rationally and effectively solved. It is this circumstance that makes social partnership an essential factor in ensuring social security as a component of Ukraine's national security and is one of the mechanisms that makes it possible to reduce tensions in society. Social partnership in a market economy is the most promising and civilised type of relationship between these entities. This form of agreement between government agencies and NGOs combines intellectual potential and human and financial resources around a particular social problem.

Social partnership in Ukraine is in its infancy, but the conditions for civilised, equal, and effective interaction of the main social partners (workers, employers, and the state) have not yet been created. However, it is necessary to recognise the fact that this process is evolutionary and long, so it is unlikely that there will be radical changes in the social and labour sphere in the near future. It is necessary to create a single legal space in the system of social partnership in accordance with International Labor Organization conventions to improve the material and technical base. The effectiveness of social partnership will depend on how fully it is integrated into the management system of socio-economic development of the state. The labour legislation of Ukraine needs to be improved – in particular, a separate law on the use of individual contracts (agreements) in flexible forms of employment must be developed.

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