

Annotation

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Forming level of wages in the context of financial support

The experience of developed countries shows that solution to the problem of creating effective system of wages cannot be made only with the help of market methods or with using public regulatory mechanism. Therefore, at present economic situation it is necessary to improve the existing organizational and economic mechanism of regulating wages at all levels, in all sectors and spheres of the national economy.

During research scientific and theoretical approaches of evaluation of regulating wages by different impact of various factors on the wages including labor productivity, gross domestic product, volume of foreign investment and tax regulation are studied.

At present in countries with developed market economy the considerable attention is paid to stimulating role of wages of flexible tariff rate. Its essence is determined by the fact that the tariff wage along with its main task is to stimulate the development of skills of workers, perform functions of stimulating individual results of their participation in the labor and production quality.

The development of this direction is determined by the fact that modern production imposes on employees new quality requirements. It requires not only the achievement of quantitative and mainly qualitative indicators of work which determines the rate of production efficiency of the enterprise.

Revision of the minimum wage level in each country should take into account the cost for living and other economic conditions. Depending on the country the minimum wage level is carried out by legal and regulatory acts, in other sectors – by economic sectors or professions. In Ukraine the minimum wage is established on the whole territory for all categories of workers.

Due to some changes in the economy there is the concept of inflation which in total reduces the real value of wages in the market of consumer services. Therefore, to equalize wages and restoring purchasing power there is the need to provide indexation. In European countries the indexation which can have different levels is determined by legislative power.

Results of the research clearly demonstrated the dependence of wage levels in Ukraine on the informal employment. Among the major activities of public policy for deshadowing salary we must mention the following:

- to strengthen administrative measures for increasing employees' liability for non-payment of taxes and insurance payments,*
- to increase the level of regulatory support relations on wages in the context of current conditions,*
- to link directly the minimum wage to the minimum pension of the consumer complex.*

Key words: *minimum wage, state regulation of wages, wage indexation, total revenue potential.*