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PUBLIC FINANCE AS THE FOUNDATION OF SOCIAL PROTECTION OF THE POPULATION

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Abstract. *The article explores the controversial issues of the essence of public finances as the basis of social protection of the population. Common and specific features of the components of public finances are identified. The amounts of expenditures of the state budget, the Pension Fund and the Social Insurance Fund for Unemployment on social protection are analyzed; trends and problems of financing social protection in Ukraine are identified.*

Keywords: *public finances, social protection, state budget, local budgets, mandatory state social insurance funds, subsistence minimum, state social guarantees, minimum wage.*

The article investigates the role of public finances as the fundamental basis for ensuring social protection in Ukraine under current economic and geopolitical challenges. The study emphasizes the transformation of state functions toward a socially oriented model and identifies the structural components of public finances, including the state and local budgets, mandatory state social insurance funds, and resources of civic organizations. Special attention is paid to the analysis of social protection expenditures from the state budget, the Pension Fund, and the Social Insurance Fund for Unemployment during 2022–2024, highlighting key trends and imbalances.

The research reveals that despite the overall increase in social protection spending, significant disparities remain in the distribution of resources among different population groups. The paper underlines the gap between the legally established subsistence minimum, minimum wage, and actual living standards, which contributes to widespread poverty. The originality of the study lies in the comprehensive consideration of public finances in the context of their capacity to perform the redistributive function and ensure social security during wartime conditions. The findings confirm that while public financial funds fulfill their role in implementing social policy, the level of benefits often fails to cover basic needs, leaving the majority of pensioners and unemployed below the poverty line. The authors argue for revising state social guarantees, particularly the subsistence minimum and minimum wage, to reflect real living costs, thereby strengthening financial stability and consumption.

The article concludes that improving the methodology for calculating social standards and enhancing transparency in the use of public resources are crucial steps for advancing social protection and building resilience in Ukraine's economy and society.

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