

The impact of public investment programs on the development of jobs in small and medium enterprises in Algeria

أثر برامج الاستثمار العام على تطوير فرص العمل بالمنشآت الصغيرة والمتوسطة في الجزائر

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Abstract:

The study aims to determine the relationship between public investment programs and the development of small and medium enterprises in Algeria, and the importance of the study lies in highlighting the extent of small and medium enterprises 'coverage of job positions and reducing the unemployment rate. The study concluded to determine the result to the extent of the actual impact on economic growth and saving The torch positions increase the investment programs directed towards small and medium enterprises .

Keyword: investment programs, small and medium enterprises, jobs

JEL classification codes: H19 , P12

ملخص:

تهدف الدراسة لتحديد العلاقة بين البرامج الاستثمارية العامة و تطور المؤسسات الصغيرة و المتوسطة في الجزائر و أهمية الدراسة تكمن في إبراز مدى تغطية المؤسسات الصغيرة و المتوسطة لمناصب الشغل و تخفيض نسبة البطالة, و قد خلصت الدراسة لتحديد النتيجة إلى مدى التأثير الفعلي علي النمو الاقتصادي و توفير مناصب الشغل بزيادة البرامج الاستثمارية الموجهة نحو المؤسسات الصغيرة و المتوسطة في الجزائر.

الكلمات المفتاحية: برامج استثمارية, مؤسسات صغيرة و متوسطة , مناصب الشغل.

تصنيف: H19 , P12

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1. Introduction :

Small and medium enterprises aim to provide ignition positions, reduce unemployment, and reduce the burden on major public state

institutions. On the other hand, raise the rate of economic growth by reviving investment in small and medium enterprises, and to measure that, they adopted manufacturing and distribution indicators for small enterprises and evaluate And medium-cost labor in these institutions, where investment in institutions is the leading role of small, medium and small enterprises and their contribution to reviving the economy and improving national income, and the ease of adaptation to the environment and its flexibility makes it capable of raising competitive and development challenges, including the invasion of local, national and even foreign markets , This gives it a new position on the map of the national economy, as it represents the best available means for economic recovery in light of the economic reforms in Algeria. That is why the research came to answer the fundamental question, which is:

What is the developmental role that investment plays in the field of micro, small and medium-sized enterprises in Algeria?

In order to answer the problem of the study, the relationship between the number of directed investments and the number of job positions in small and medium enterprises in Algeria has been tested, and statistical assumptions have been formulated for the study (null hypothesis, alternative hypothesis) as follows:

The first hypothesis relates to the effect of investment programs on the development of jobs in small and medium enterprises in Algeria.

- ✓ H0: There is no statistically significant relationship between public investment and the number of jobs in small and medium enterprises in Algeria.
- ✓ H1: There is a statistically significant relationship between public investments and the number of jobs in small and medium enterprises.
- ✓ H2 There is a statistically significant relationship between public investment and the number of job positions in small and medium enterprises.

Most of the previous studies have shown that there are several factors that control the sector of small and medium enterprises from covering their investment needs (the investment rate), and from covering the needs of society for work and reducing unemployment (the unemployment rate), and thus the institution can in light of the availability of investment programs directed to it From achieving its economic goals, which generates revenue for the small and medium-sized enterprise in which several variables are affected, including the unemployment rate, the rate of inflation, the rate of economic growth, and other variables that have a direct relationship to this type of institution in Algeria.

Our study aims to build a model that demonstrates the relationship between the revenues generated by investments directed to small and medium enterprises and their relationship with both the rate of economic growth in Algeria and the extent to which jobs are created in Algeria. The study population is represented in small and medium enterprises in Algeria that range from 993170 (حمزة, 2015) ,in the employment category 10 employees, and 26281 in the employment category between 10-49 employees and 3170 in the employment category between 50-249 employees, for the year 2016, and based on the strong criterion The workforce provided by this community, consisting of the sum of small and medium enterprises, public and private, in all sectors, so that the size of the market share of the study sample is about 80% of the size of the sector of small and medium enterprises in Algeria.

And according to a descriptive approach based on the analysis of our data collected, we tried to build a model for investments of small and medium enterprises in Algeria, and the investment data of small and medium enterprises were addressed with the enumeration of jobs or workforce in Algeria in the period 2015/2016 in four sectors (industrial, service , Agricultural, real estate), and we did not obtain any information regarding investments in the mining sector, so we excluded it By determining the correlation relationship, its nature, and its direction, using the Pearson linear correlation coefficient and our correlation coefficient, symbolized by (r) , it is a digital scale that is limited to $+1 \geq r \geq -1$ and the coefficient indicates Positive on the direct relationship while negative on the inverse relationship. The Pearson coefficient of linear correlation can be calculated in terms of the readings of the data

of the variables X, Y where X expresses the number of projects directed to investment in small and medium enterprises and Y expresses the number of jobs created resulting by using the following formula:

$$r_p = \frac{\sum(x-\bar{X})(y-\bar{Y})}{\sqrt{\sum(x-\bar{X})^2} \sqrt{\sum(y-\bar{Y})^2}} (*) \dots\dots$$

Also by using the simple linear regression equation by finding solutions for the regression equation that determines the relationship between the number of projects directed to small and medium enterprises and the number of jobs in Algeria in terms of the following variables: X represents the number of projects directed to small and medium enterprises and Y represents the number of jobs Created by these institutions, through the following form of the equation:

$y = \alpha + B(x) + U \dots\dots (**)$ as Y represents the number of jobs in Algeria. α is a constant value.

B Slope of slope Y (number of jobs) on the variables of investment projects in small and medium enterprises in Algeria. U random error. Where: $a = \frac{\sum y - b \sum x}{n}$ $b = \frac{n \sum xy - (\sum x)(\sum y)}{n \sum x^2 - (\sum x)^2}$ To find a new value for the dependent variable y_n , we substitute the value of the independent variable information with x_n in the equation for the regression line y.

The introduction contains the following elements: introduction, main question, sub-questions, hypotheses, research objectives, research model, and previous studies.

***Table No. (1): classification of small and medium enterprises for the
year 2016***

%	Number of Small	Small and Medium
97.12	993170	Workforce 10 employees
2.57	26281	Workforce between 10-49
0.31	3170	Between 249-50
100	1022621	Total

Source: CNAS

Table No. (2): Distribution of small and medium enterprises according to the size of the workforce and the activity sector in 2016

%	Total manpower	%	The total number of small and medium enterprises	249-50 employees		49-10 employees		From 1 to 9 employees		section	Activity
				Powers Working	the number	Powers Working	the number	Powers Working	the number		
36.43	10372	24.87	97	10144	82	428	15	/	/	Industrial	
26.64	7731	20.77	81	7190	54	513	23	28	4	Services	
21.38	6204	46.41	181	2878	32	3203	115	123	34	Agricultural	

14.36	4169	7.18	28	4046	24	123	4	/	/	<i>Real estate</i>
1.20	348	0.77	3	4046	2	43	1	/	/	<i>Mines</i>
100.00	29024	100.00	390	24563	194	4310	158	151	38	<i>Total</i>

Source: ecofie

Table No. (3): The authorized employment is evaluated according to the type of small and medium-sized enterprise (2015-2016).

<i>Private small and medium enterprise</i>					
6.90%	58.62%	1489443	58.75%	1393256	<i>employees</i>
9.44%	40.23%	1022231	39.40%	934037	<i>Laborers</i>
7.92%	98.86%	25116744	98.16%	2327293	<i>Total</i>
-33.62	1.14%	29024	1.84%	43727	<i>Small and</i>
7.16%	100%	2540698	100%	2371020	<i>Total</i>

Source: ANSEJ

Table No. (4): The number of jobs in the authorized SMEs according to the 2015-2016 categories

<i>Tota</i>	<i>Agricu</i>	<i>the</i>	<i>Tou</i>	<i>Serv</i>	<i>Indus</i>	<i>Rea</i>		<i>In the</i>	Million DZD
7950	244	134	232	1176	2124	146	2572	2015	
7185	209	142	298	1054	2509	912	2061	2016	
100.	2.91	1.9	4.15	14.6	34.92	14.6	28.68	2016	
-9.62	-14.34	5.9	28.4	10.3	18.13	37.8	-	Evalua	
1473	53498	304	139	1991	75539	116	17432	2015	
1839	67530	475	203	1916	11695	926	11916	2016	
100.	3.67	2.5	11.0	10.4	60.74	5.04	6.48	2016	
1506	2895	207	701	1494	71362	328	19459	2015	
1644	3646	398	156	1511	94134	152	13683	2016	
100.	2.22	2.4	9.52	11.0	57.25	9.25	8.32	2016	

Table No. (5): The establishment of regional and private small and medium enterprises for the year 2016

<i>%</i>	<i>The number of small and medium</i>	<i>Region</i>
69.56	4006.5	<i>North</i>
21.83	125696	<i>The plateaus</i>
8.61	49595	<i>the South</i>
100	575906	<i>Total</i>

SOURCE :CNAS

Table No. (6) linear correlation equation and simple linear regression

Y^2	X^2	$x.y$	<i>Public investments</i>	<i>Work positions</i>	<i>sectors</i>
10757838	6295081	26023348	10372	2509	<i>industrial</i>
59768361	1110916	8148474	7731	1054	<i>My sevice</i>
38489616	43681	1296636	6204	209	<i>agricultural</i>
17380561	831744	3802128	4169	912	<i>Real estates</i>
569623922	8281422	39270586	28476	4684	<i>total</i>

Source: Prepared by the researcher relying on the values of Table No. (5) and Table No. (2) and using the equation () and the equation (**)*

2. Analysis of the results:

Algeria's definition of micro, small and medium enterprises is summarized in Law No. 18/01 of December 12, 2001, which includes the Directive for the Promotion of Micro, Small and Medium Enterprises, in which Algeria relied on the criteria for the number of workers and the number of businesses. This law contains in its fourth article a comprehensive definition of enterprises Miniature, small and medium and then articles 7, 6, and 5 come from it to show the boundaries between these institutions among themselves as shown in Table No. 1 , It appears through the table that the workforce institutions with 10 employees constitute the number and the largest percentage in Algeria in addition to the arrival of these institutions as a total number in various forms to 1022621 institutions in 2016 according to CNAS which is a large number compared to various other types of institutions, and is known as a small, small and medium-sized enterprise Whatever its legal nature, it is an enterprise that produces goods and services employing between 1 and 250 workers ,Its annual turnover does not exceed one billion dinars, firstly it exceeds the total annual proceeds (five hundred 500 million dinars, while fulfilling the independence criterion). (رحموني, 2012)

- ✓ The mini enterprise: The mini enterprise is defined as an organization that employs between one worker to 9 workers, and achieves a business number of less than 20 million dinars, or the total annual turnover does not exceed 10 million dinars.
- ✓ Small Corporation: The small organization knows that each organization occupies between 10 and 49 people, and its annual turnover does not exceed 200 million dinars, firstly the total annual turnover exceeds 100 million dinars.
- ✓ The intermediate corporation: The intermediate corporation is defined as an organization that employs between 50 and 250 workers, and its turnover is between 200 million dinars and one billion dinars, or the total annual turnover is between 100 and 500 million dinars.

Where loans are the heartbeat in the establishment of micro, small and medium enterprises through the funds granted by each of the banks, devices and bodies that support this type of investment and encourage and develop them, the most important of which is "ANSEJ" the National Agency for the Support and Employment of Youth, "ANGEM" the National Agency To manage microcredit as well as the National Unemployment Insurance Fund "CNAC".

National Agency for Youth Support and Employment Agence Nationale de Soutien a l'Emploi des Jeunes. This agency was established by Executive Decree No. 296/96 of Rabi` al-Thani 24, 1917 corresponding to September 8, 1996 and supplemented by Executive Decree 03/288 of September 6, 2003. It is an agency placed under the authority of the government that supports and monitors small, medium and medium-sized enterprises established by owners Projects, where the Minister in charge of operation undertakes the practical follow-up of all its activities. It is run by a steering board, is run by a general manager, and is provided with an oversight board. This agency has moral personality and financial independence and its head office is in Algiers, and it has branches throughout the entire national territory. The agency started its actual work in June 1996.(2006، فالة)

Agence Nationale de Gestion du, the national microcredit agency(Microcrédi, this agency was established in accordance with

Executive Decree No. 14-14 of January 22, 2004. It is an agency placed under the authority of the Prime Minister, which supports micro, small and medium enterprises established by the owners of projects, where it is run by a steering board and managed by a general manager. This agency has legal personality and its main headquarters in Algiers and has regional branches on the national soil, and the agency began actual work for it in January 2004 AD.

The National Unemployment Insurance Fund: Within the framework of the policy to combat unemployment and promote activities that produce wealth, The government recently decided to create a new agency to provide for unemployed persons between the ages of 35 and 50 to establish small, medium and medium enterprises, and this is a complement to the agency of the National Agency for Support and Employment of Young Persons targeting young people. This agency was established on May 26, 1994 as the holder of valuable experience in the field of helping to create small enterprises through the self-employment support centers located across the entire national territory.

If we take, for example, the European Union, which has a successful experience in this field, we find that the number of micro, small and medium enterprises exceeds 20 million, representing 98.8% of the total productive structure, occupies 66.6% of the volume of employment, and contributes about 64.6% of the volume of trade. European. Arab countries are also giving increasing attention to small and medium enterprises, whose number represents more than 90% of the number of productive institutions, and they employ more than 30% of employment, And contribute about 20 % Of the GDP in Algeria, according to the Ministry of Small and Medium Enterprises and Handicrafts, the number of small and medium enterprises, which are mostly and most of them small enterprises, was 410,959 as of the end of 2009, of which 293,946 are small and medium-sized private enterprises. (عدون، 2010)

It appears through Table No. (2) that small and medium enterprises intensify their activity in the industrial sectors with 97 institutions and agricultural with 181 institutions more than the rest of the sectors and by

24,87% and 46,41%, respectively. As for the workforce, we note that the industrial sector provides 10372 jobs, with a rate of 36,43% above the other sectors, followed by the services sector, then agricultural, then real estate, and in close proportions, according to ecofie statistics for the year 2016AD.

Micro-enterprises also play a leading role towards creating a broad base of skilled workers and administrators. These institutions often adopt the use of untrained or low-skilled labor. Over time this labor turns into skilled labor where it acquires technical expertise, and this was done in the range of low costs of society because Training is related to production within the micro-enterprise, as well as to the growth of management within it and its relatively high efficiency.(الجزائرية، 2014)

The average cost of job opportunities from the capital invested in MSMEs is three times less than the average cost of job opportunities in enterprises as a whole, which means that the amount of investment required to operate a single worker in large enterprises can employ three workers in MSMEs . If we take, for example, the European Union, which has a successful experience in this field, we find that the number of micro, small and medium enterprises exceeds 20 million, representing 98.8% of the total productive structure, occupies 66.6% of the volume of employment, and contributes about 64.6% of the volume of trade. European. Arab countries are also giving increasing attention to small and medium enterprises, whose number represents more than 90% of the number of productive institutions, and they employ more than 30% of employment, and contribute about 20% to the GDP in Algeria. According to the Ministry of Small and Medium Enterprises and Traditional Industries, the number of institutions Small and medium enterprises, which are mostly and mostly small enterprises, were estimated at 410,959 enterprises by the end of 2009, of which 293,946 small and medium-sized private enterprises.(الجزائرية، 2014)

All of this comes through: (l'industrie, 2011)

Supporting large industries:

It is known that the mini-enterprises, even small and medium-sized enterprises, and large institutions are not subject to competition and differentiation as much as they are integrators. Cooperation between the mini-institutions and large institutions leads to strengthening the activity sector in which you work. For example, in the industrial sector, it organizes intermediate consumption and the diversity of industrial production, through this Relationships between sectors and its work to create links between industrial and agricultural production.

- **Intensification of the industrial and economic fabric:**

Investment in the mini enterprise can play its role in technological development, by merging these institutions within a national technological structure capable of raising the national economy on the perceptions of self-reliance through: Achieving sectoral interlocking at the production level through relations of interdependence between the micro-enterprise and the large corporation in terms of technology and technology, i.e. on the vertical level, including the relationship of integration through several methods, perhaps the most prominent of which in global experiences is the method of subcontracting. (طاهر, 2009)

Micro and small enterprises, including industrial ones, can be integrated into appropriate technology for self-reliance through an integrated technological scientific course that begins with research through the process of primary industrial and engineering designs, "R&D" and technological development and ends with the manufacture of technological goods, and this course is achieved based on the axes of creativity and development.

There is also a near-consensus among economists on the inability of modern large institutions to provide sufficient employment opportunities to absorb widespread unemployment, whether in developing or developed societies, alike, or to absorb the growing numbers of workers that are added every year to the workforce(2006، فالة) hence the importance of Investing in the mini enterprise in providing job opportunities.

Also shown through Table No. (4) the increase in the number of public projects directed to the industry sector by 2124 projects for the year 2015 AD and 2509 projects for the year 2016 AD and the number of jobs is 755397 million dinars for the year 2015 AD and 116955 million dinars for the year 2016 AD and the lowest in the health sector by 232 projects for the year 2015 and 298 projects for the year 2016 AD, and the number of jobs is 30,089 million, for the year 2015 AD and 47,525 million for the year 2016 AD, according to ANDI for the year (2015-2016).

It can be seen the development in the number of workers employed in the sector of small and medium enterprises and traditional industries in Algeria through table (3), through which it appears that the number of workers and employees in private institutions exceeds the number in public institutions where the number of employees in private small and medium enterprises reaches 1393256 employees while in public institutions we find a total of what is an employee and worker that reaches 43727 only for private institutions, and this indicates the large contribution of small and medium private enterprises in providing jobs and reducing unemployment, where the proportion of the workforce in small and medium private enterprises It is 98.16% according to ANSEJ (2015-2016).

We note through table No. (6), and by using the equation (*), we find that the correlation coefficient ($r = 0.184$) confirms the validity of the hypothesis H2 that there is a weak direct relationship between the number of positions in small and medium enterprises and the evolution of the number of projects granted during the years 2015 and 2016 Which explains the inadequacy of the projects granted in this sector by what makes a difference in the absence of a clear increase in the positions of work, we find also by using the simple linear regression equation (**) we find the regression constant $a = -3843.6$ and the regression coefficient $b = 6.9$, and this explains the relationship Parity between the two variables of the phenomenon, and the simple regression equation is shown as $y = 3843.6 + 6.9x$

It should be noted that SMEs can provide job opportunities, taking into account the following considerations:

- Micro-enterprises also play a leading role towards creating a broad base of skilled workers and administrators. These institutions often adopt the use of untrained or low-skilled labor. Over time this labor turns into skilled labor where it acquires technical expertise, and this has been done in the low cost of society because Training is related to production within the micro-enterprise, as well as to the growth of management within it and its relatively high efficiency (الجزائرية، 2014) .
- Investing in the mini-enterprise, as well as providing job opportunities, is an engine for jobs, that is, an important source for creating new job opportunities that are created annually. Statistics show the number of new jobs in the United States that investment in small enterprises, including mini-enterprises, outperformed large institutions in the number of new jobs that Created by it since 1956, and in 1993 the number of new jobs reached about 700 thousand new jobs. This contribution is the reason that some specialists crossed the small and small enterprises as the job engine and the engine of the economy.
- Regulating intermediate consumption: By the process of organizing intermediate consumption, we mean the cooperation of large industries with small and small industries through what is called contracting. Small and medium to small enterprises work to provide intermediate industries for large enterprises, and this is done according to an agreement that is between large institutions and a small or small to medium enterprise in order to manufacture a part Of the product, and may be called an industry as a subcontractor, as it allocates 50% or more of its production value to cover the production mentioned in the contract, but the marketing function is not within its competence. (عزيز، 2011)

With the expansion of the industrial base in Algeria, and the proliferation of many industrial vehicles among the various regions that are embodied in Algeria with 72 industrial zones except for the

Hassi Messaoud regions, Hassi Raml with 449 activity areas, this type of activity represented in the subcontracting has expanded greatly, as The small and small enterprises take care of the secondary matters of these complexes, such as transporting workers and supplying foodstuffs to their restaurants. This type of contract has received great attention from Algeria, as it results in facilitating the manufacturing process and supporting large industries.

3. CONCLUSION

A study of the most important concepts related to economic development shows that the concept of economic development has become a striking and comprehensive convergence on the part of thinkers, so that economic measures correspond to other social measures that accompany and go hand in hand with them.

The concept of development is related to many other meanings, the most important of which is the development of the local community or the local development that takes place in specific regions, i.e. local communities, which is a modern method of economic and social work, It is based on the foundations and rules of the economic and social sciences curricula, and works to bring about a change in the way of thinking, work and life of members of the local community, by raising their awareness of this change, if this awareness does not exist, or organizing it if it exists and of course the process aims to raise the level of The local community economically, perhaps the most important of which is encouraging investment, especially in the field of small and medium-sized enterprises, including mini-projects that are more appropriate to advance the wheel of local development, and the latter we touched upon and emphasized in it the developmental role played by investment in mini-institutions highlighting the most important aspects in a:

Creating sufficient job opportunities to absorb unemployment in developing countries by replacing available work with capital.

- ✓ _ Contributing to attract local savings, as the development of this type of institutions contributes to the investment process in the

economic aspects, especially the tendency to replace local commodities and contribute to exports. (karima, 2013)

- ✓ _Investment in micro and small enterprises prepares markets for goods produced by the local population, relying on national equipment or materials, and thus these goods satisfy various needs of social groups and correspond to their actual levels of income, which can be said with all of this: that investment in micro enterprises helps To deepen the principles of social justice and work to develop national capabilities. Through this study, some recommendations can be presented:
- ★ _ All regions of the country must take advantage of the available capabilities and the distinctive features of them all through the assistive devices to invest in the mini enterprise to put it in the service of local development and encourage investment.
- ★ -All regions of the country should take advantage of the available capabilities and the special features that are distinguished by them all through the assistive devices to invest in the mini-enterprise to put it in the service of local development and encourage investment.
- ★ _ The permanent guarantee of the authorities in appropriate forms for young investors to take advantage of real estate and shops that are in line with the proposed projects, that is, with technology specificity as the first concerned at the local level.

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