

*The Algerian Experience in the professional integration
of University Graduates*

التجربة الجزائرية في الإدماج المهني لخريجي الجامعات

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Abstract:

This study aims to shed light on the Algerian experience in professionally integrating university graduates, and the most important policies adopted and devices developed to reduce the unemployment rate, in light of the current economic, social and political challenges. This is done by focusing on the national employment strategy and policy adopted since 2008, with the aim of evaluating the efforts made by the state in reducing unemployment for this group with university degrees and integrating them into the labor market.

Keywords: *Aid Device; Employment Program; Professional Insertion; Unemployment; University Graduates.*

ملخص:

تهدف هذه الدراسة إلى إلقاء الضوء على التجربة الجزائرية في الإدماج المهني لخريجي الجامعات ، وأهم السياسات والأجهزة المطورة للحد من معدل البطالة، في ظل التحديات الاقتصادية والاجتماعية والسياسية الحالية. ويتم ذلك من خلال التركيز على إستراتيجية وسياسة التشغيل الوطنية المعتمدة منذ عام 2008، بهدف تقييم الجهود التي تبذلها الدولة في الحد من البطالة لهذه الفئة الحاصلين على شهادات جامعية ودمجهم في سوق العمل.

الكلمات المفتاحية: جهاز المساعدة؛ برنامج التوظيف؛ الإدماج المهني؛ البطالة؛ خريجي الجامعات.

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Introduction:

Unemployment is a global phenomenon that affects developing and developed countries alike, and what is striking is its high levels among university graduates, as a result of the inability of the labor market to absorb them, which means that there is a defect in the relationship of the educational system and the labor market, which raises the question about The extent to which there is a mismatch between the skilled workforce and the competencies required in the labor market.

In the case of Algeria, the phenomenon of unemployment among university graduates is a recent phenomenon compared with the unemployment of other groups, as the employment index of university degree holders has declined in light of the increasing economic, social and political challenges that Algeria faced.

In addition, the open door policy in accepting students contributed to raising the number of students in various university majors, and the quality and nature of training, and its suitability to the needs of the labor market, contributed to the increase in the unemployment problem.

It is worth noting that Algeria has taken many measures and put in place various formulas that ranged from encouraging entrepreneurial initiatives and self-enterprise, and wage employment for young people, as a serious attempt to solve the unemployment crisis in Algeria, especially for those with university degrees. It has become necessary to confront them and make them among the priorities of the economic recovery plans that were launched since the year 2000, by adopting urgent policies to alleviate their severity, and to exploit the recovery of the national economy, by launching a series of measures, which will be highlighted through these studying.

Accordingly, the importance of the study lies in shedding light on the Algerian strategy in the field of professional integration of university graduates, in light of the current difficulties and challenges facing its implementation.

The study aims to describe and analyze the employment strategy in Algeria and the policies followed to reduce the unemployment problem among graduates of Algerian universities established since 2008, as well as to identify the difficulties that prevent higher education graduates from being able to enter professionally in the labor market. The study also tries to answer the following problem: **To what extent did the national strategy for professional integration help in absorbing the large number of university graduates into the labor market in light of the current challenges?**

1. Algerian strategy for operational policy:

The right to work is a basic requirement for everyone, as it is stipulated in most international and national laws and regulations, and in view of the challenges posed by the problem of professional integration of degree holders, Algeria has developed and implemented employment policies that take into account this category of society.

1.1. The operational policy in Algeria and the outline of the professional integration strategy:

Employment is of great importance in advancing economic and social development, and for this reason the employment policy in most countries is given priority, where strategic plans are developed in order to achieve the goals of the operational policy adopted, which is generally represented in providing job opportunities and achieving stability at work.

Training and preparing the workforce by developing their skills and capabilities; Creating more productive jobs, which increases the incomes of disadvantaged groups and makes more efficient use of the capabilities of workers (Zaidi, 2018-2019, p. 68).

This requires setting up a legal framework that defines labor laws and legislations. Two main objectives have been identified in order to achieve the employment scheme, represented in achieving better regulation of the labor market in order to raise the level of job offers and improving professional qualifications in order to find a balance between the market work and demand (Musett, 2014). And the Organization for Economic Cooperation and Development defined the employment policy as (the methods adopted for giving every human being the right to work, and adapting the labor force to production needs). The employment policy is (a set of measures and measures implemented by the government in cooperation with the private sector, in order to increase the employment rate of the working-age population and to reduce unemployment) (Boudiaf, 2008).

The employment policy in Algeria is based on a national action plan to promote employment and fight unemployment, which was approved by the government in 2008 (ONS, 2013), and this plan is based on the economic and social reality of the country, and the various factors affecting employment, especially investments and growth outside Hydrocarbons (Sawyer, 2015-2016).

This policy also seeks the need to strengthen the public employment facility in order to run the labor market efficiently, which aims mainly to combat unemployment through an economic approach that favors support for productive and up-to-date investment in job opportunities, by supporting investment in the economic sector that generates work positions and implementing tax measures. And quasi-tax and real estate, facilitating access to bank loans and industrial real estate, and encouraging an incentive policy toward enterprises in order to enhance the employment of job seekers, especially through significant reductions in employer contributions in the field of social security, extending tax exemption periods (Ministry of Labor).

As for the legal framework, it is difficult to enumerate the total number of legal and regulatory texts that have been developed with the aim of setting operational policies and combating unemployment. We mention the following:

- The law relating to the installation of workers and employment control: as it was stated in the text of Article Three of it that “the state guarantees the powers of regulation

in the field of employment, especially in the field of preservation and promotion of employment, prospective studies related to employment, legal and technical standards for framing and controlling employment, Tools for analyzing and evaluating employment policy, media systems that allow knowledge of the labor market and its development (Law04-19, 2004).

- The law relating to the installation of workers and employment control: in the text of Article 3 thereof it was stated that “the state guarantees the powers to regulate the field of employment and its promotion, and to carry out forward-looking studies related to employment, legal and technical standards for framing and monitoring employment, tools for the analysis and evaluation of employment policy (Law06-21, 2006).

- The executive decree specifying the tasks of the National Employment Agency, its organization and functioning: To regulate the national market for employment and the workforce and its development and to develop tools and mechanisms that allow the development and division of the labor market monitoring function (Execu.Decree06-77, 2006).

- The executive decree on assistance in professional integration: Which aims to encourage the professional integration of young people seeking entry into employment, in addition to encouraging all forms of activity and measures aimed at promoting youth employment through youth training, employment and employment programs (Executive.Decree08-126, 2008).

- In addition to many other legal texts related to encouraging businesses, small and medium enterprises, and some other bodies and agencies active in the field of employment (Abdessamed samira, 2020), either directly or indirectly, such as the National Unemployment Insurance Fund, and the private installation bodies (Execu.Decree07-123, 2007).

As for the legal conditions of work, they differ from one sector to another, and this is related to the nature of the prevailing professional system and the economic, social and political conditions. This is what was dealt with by Law 90-11 related to public relations. These conditions include those related to citizenship requirement, national service, age,... etc (Zaidi, 2018-2019, p. 66).

1.2. A new Approach to promoting employment in Algeria:

The new approach to the promotion of employment in Algeria revolves around two main axes:

a. support and promotion of wage work: This is through the establishment of the DIAP as a mechanism to support the employment of young people, especially those with diplomas, dictated by urgent economic and social necessities, the most important of which are:

- The number of university graduates has increased, as the labor market receives 120,000 university degree holders annually.

- Supervising degree holders and protecting them from social distractions.
- Linking the issue of managing degree-holders unemployment as more sensitive to more intensive and experienced devices that take into account the psychological, cognitive and scientific aspects of this category.
- Preserving the knowledge capabilities and academic qualifications of certificate holders by finding the optimal device and guarantor to support and qualify them (Smiley, 2016, pp. 223-224).

b. Support and promotion of entrepreneurship initiatives (Kara Ibtissem, 2020): Entrepreneurial initiatives programs have known some modifications within the framework of reforms related to micro-activities, in order to meet the aspirations of those wishing to obtain projects financed by banks, and in this regard measures have been taken, the most important of which are:

- Maintaining the activities of the National Unemployment Insurance Fund (CNAC), the National Agency for Support and Employment of Youth (ANSEJ), and the micro-loan agency dedicated to stimulating self-employment and the development of small professions and supporting them through ANGEM through:
- Training programs for young entrepreneurs in the various stages of project establishment.
- Improving the activities of accompaniment, follow-up and guidance for young contractors by employees and qualified specialists. Reorganizing the agencies specialized in micro-activities towards decentralizing state aid and entrepreneurs.

Embody the largest possible number of configurable projects, the participation of financial institutions in supporting these reforms through flexibility, and facilitating procedures for granting loans and financing projects (Kara Ibtissem, 2020).

Statistics indicate that 96,472 mini-establishments were established within the framework of the National Agency for Support and Employment of Youth, that is, the achievement of 122% of the set goals, and 154% of projects completed within the framework of the National Unemployment Insurance Fund were established, and 550 thousand jobs were created annually during the ten Recent years. 78% of these planned goals have been achieved within the five-year program 2010/2014.

However, because the number of university degree holders in Algeria continues to rise from year to year, at a time when new job opportunities are shrinking to absorb these energies, which has led to an increase in the unemployment rate to 10% of the total workforce in the country.

According to the latest figures disclosed by the Algerian Bureau of Statistics, about 358 thousand unemployed persons were holders of higher degrees, until the end of September 2016, these figures make Algeria at the forefront of North African countries in terms of the unemployment rate among young people with university degrees. The reasons that led to the exacerbation of unemployment among university graduates are divided into two types:

-The first reason: related to the nature of university education, which is characterized by rapid and unplanned expansion with a low degree of compatibility between university education outcomes and the needs of the labor market. The Algerian University annually produces 120 thousand university students, most of them in the humanities.

- **As for the second reason:** the skills available to graduates do not match the nature of jobs provided by employers in the public and private sectors, in addition to all this, the state's policy of employing degree holders coinciding with the recent economic crisis that the country is going through (Kara Ibtissem, 2020).

For this reason, the Algerian government has set an employment policy and several mechanisms to absorb unemployment among university students (Belaassal, 2010), and it is also considered an integral part of the economic and social development policies in Algeria, so it has adopted a strategy that aims to reduce the unemployment rate to 9% by creating approximately 450 thousand jobs every year (Dalal Bouatrous, 2015, p. 102).

2. National programs for the integration of university graduates

The national programs created to implement the Algerian policy of integrating university degree holders are varied, summarized as follows:

2.1. Pre-Employment Contracts Program (CPE)

This program was put into effect according to Decree No. 98-402 of 12/02/1998 on the professional integration of young people with higher education degrees and senior technician's graduates of national institutes. It is directed primarily at university degree holders, aiming to facilitate their integration into the labor market of public and private bodies and institutions, in order to enable them to gain professional experience that may facilitate their final integration. In 2008, the Ministry of National Solidarity reviewed the Pre-Employment Contracts Program (CPE), and it was replaced by the Social Integration Program for those with University Degrees (PID). The two programs have the same goals. The difference lies in the fact that benefiting from the social integration program for young people with degrees requires Registration with the interests of the Directorate of Social Activity, and the beneficiary receives a grant of 10,000 dinars per month. As for pre-employment contracts, they are taken advantage of after registration with the National Employment Agency, and the beneficiary receives a grant of 15,000 dinars per month (Dalal Bouatrous, 2015, p. 103).

2.2. The youth professional integration aid device (DAIP):

This institution was established by Executive Decree No. 08-126 of 04/19/2008, which aims to encourage the professional integration of young people who seek work for the first time and who are registered with the National Agency for Employment (ANEM). Certificate holders benefit from a follow-up aimed at encouraging their permanent integration within the institutions Economic, public and private, on the basis of an integration contract. This agency also includes a subsidized employment contract (CTA) related to the economic sector for a period of one year, according to which the employer undertakes to employ the beneficiary after the expiration of the contract year.

This program was launched on June 1, 2008, it contributed to the employment of 715,055 in 2010, of whom 236,794 holders of degrees, equivalent to 33%, and to the operation of 660,810 in 2011, of which 269,746 for certificate holders, equivalent to 83%. This reflects an important percentage of university youth benefiting from jobs. This body, created by Executive Decree No. 08-126 of April 19, 2008, amended, supplemented and administered by the National Employment Agency in coordination with the state directorates of employment, related to the professional integration assistance system, aims to: - Encouraging the professional inclusion of junior job seekers, Encouraging all forms of activities and measures aimed at promoting youth, especially through training-employment and employment programs. The device is directed to three (3) categories of entry-level job seekers: The first category: Young people with higher education diplomas and high technology graduates of national institutions for vocational training. The second category: Young people who have graduated from secondary education in civic education and vocational training centers, or who have pursued a vocational training. The third category: youth without training or training. To raise the annual employment rate from 12% to 33% (The Second Interim Report on the Implementation of the National Action Program in the Field of Governance, 2012).

2.3. The Social Occupational Integration Agency for Youth with Certificate (DISD):

It was established by Executive Decree No. 08-127 issued on 30/4/2008 regarding the Social Integration Agency for young people with diplomas. It targets young people who have graduated from universities and who have obtained a high technical degree in accredited public and private training institutions and centers, and those between the ages of 19 and 35 who do not benefit from any other device. Beneficiaries are directed within the framework of this agency to work in areas of public benefit, which correspond to their certificates and qualifications with public or private institutions and departments, such as environmental protection, agriculture, traditional industries, tourism and services, and this agency aims to (National StatisticsOffice, 2015):

- The social inclusion of young people with diplomas.
- Promote local development activities in deprived areas.
- Combating poverty, exclusion and marginalization.

The beneficiaries of this program receive a grant according to the type of certificate obtained (university degrees 10,000 dinars, while high-tech technicians 8,000 dinars). In this context and according to Ordinance No. 06-03 of July 15, 2006, which includes the Basic Law of Public Service, it provides that priority in employment shall be given to university graduates who are in the status of an integration contract, and these programs have yielded distinguished results in the field of providing decent job opportunities for holders. University degrees, so the number of jobs increased in 2014 to 10,239,000 jobs in the public and private sectors.

The problem of unemployment among university graduates requires additional efforts and measures that are consistent with market and economic data. The Algerian government has put in place several plans, one of which is to reduce the unemployment rate by creating 450,000 jobs, and granting tax breaks to companies that contribute to creating jobs (Boualem Ghamrasa, 2011).

In addition to diversifying project financing methods for the benefit of youth, and the National Agency for Supporting Youth Employment has approved its contribution to reducing the unemployment rate to 10%, which is equivalent to 1.7 million unemployed people, after they numbered 5 million unemployed in 2001, and that 22 thousand projects were created in 2008 and 20 thousand in 2009, 20% of these projects still suffer from problems related mainly to management and the data of the economic environment and the industrial fabric. The interests of the Prime Minister announced, in the outcome of the economic and social achievements, that 5556 jobs were created every day in the period from January 01 2011 to June 30, 2011 in the services sector, forestry and petrochemical industries (Samira Al-Abed, 2012).

2.4. National Agency for Youth Support and Employment (ANSEJ):

It was established in the year 1996 by virtue of Executive Decree No. 96-296. It is a public institution with a moral personality and financial independence, charged with encouraging, supporting and accompanying the unemployed youth to establish a mini-enterprise with a cost of less than 10 million dinars, and the mini-enterprises constitute one of the important mechanisms to promote self-employment, especially after the decline in the state's role in promoting positions Work, and within the framework of this program in 2004.

This device covers two types of activity:

- Assistance in creating micro-enterprises (Mekhoukh, 2020);
- Training to support the establishment of activities.

The tasks of the National Agency for Youth Support are as follows (Halima, 2014-2015):

- Support and accompany the new contractors throughout the implementation period of their projects; assisting the new contractor in his steps towards the institutions concerned with the realization of investments;
- Follow-up insurance for investments. The Agency provides the young owner of the project during the stages of establishing and expanding his institution the following: Free benefits (reception, information, and training); Tax concessions (exemption from fees on value added, reduction of customs rights during the completion stage, and exemption from taxes during the exploitation stage);
- Financial aid (interest-free loan - reducing bank interest rates).

Conclusion:

The employment strategy adopted by the successive governments places in its priority the holders of university degrees as qualified human resources from which the national economy must benefit, and the state has taken upon itself to support the employees by contributing to the payment of the university's youth wages and involving the National Employment Agency in the affairs of university students, Employing them and negotiating with the user about subsidized work contracts, which enable the transfer of the job position from a work contract at the expense of the state to a subsidized work contract at the expense of the user with the contribution of the state.

- ✓ Despite the various employment policies and the various agencies established by Algeria, which contributed to alleviating the unemployment of university graduates and contributed greatly to alleviating unemployment, these efforts remain modest and offer temporary solutions because work contracts are contractual and not permanent.
- ✓ One of the factors that negatively affected the creation of jobs in Algeria is the poor performance of the Algerian economy, due to its correlation with fuel revenues and its lack of diversification.
- ✓ Coordination between the Ministry of Higher Education and Scientific Research and the Ministry of Labor, Employment and Social Solidarity is an urgent necessity, in order to coordinate and reconcile its outputs with the requirements of the labor market.
- ✓ In spite of the abilities, efforts and measures devoted by the state to reduce the phenomenon of unemployment, the approved mechanisms remain insufficient, characterized by legal and administrative complications, and slow and complex procedures taken to benefit from loans, which is what the Algerian government must take into consideration. In order to coordinate efforts within the framework of the search for a more effective practical strategy to reduce the phenomenon of unemployment and integrate university graduates in Algeria.

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