

"Previous Government Remedies for Saudization in the Kingdom of Saudi Arabia, and the extent of success of the Nitaqat program in Saudization of jobs at present"

Research Abstract:

The Kingdom of Saudi Arabia faced great challenges in saudization jobs and replacing Saudi workers. Since the first five-year development plan in 1390 AH - 1970 AD until today. The problem continued to exacerbate, until it was necessary for the state to intervene by taking initiatives and programs that depend on incentives and penalties to push the private sector to increase the volume of employment of Saudis. The study focuses as an introduction on previous treatments of the issue of settlement in development plans, and knowledge of the challenges and obstacles it faced, and limited its success in finding solutions to the problem. The study also focuses on the success of the Nitaqat program and the new initiatives in obliging the private sector to find opportunities for Saudi job seekers. For this purpose, the hypothetical (intentional) sample was used, and a specific sample of (200) academics who were familiar with the scientific and applied aspects were selected. The research results of the first question indicated that the classifications that led to the stumbling of the previous government treatments are due to the Kingdom's modernity in the workforce planning process, the lack of economic and statistical measures, the weakness of statistical centers, the unexpected population growth, and social customs and traditions. The research results related to the Nitaqat program also indicated. The package of incentives and penalties has achieved positive results in the field of employment of Saudi youth, and a relative decrease in the unemployment rate, which is what the strategic plan for employment seeks in the short term, which is to maintain the unemployment rate at its level. The study also showed that the establishments had an improvement in benefiting from the incentives, as the establishments located in the platinum and green range reached (87%), in the yellow range (7%) and in the red range (6%), but the challenges still remain, and the researcher believes The number of graduates and job seekers is constantly increasing due to the large number of graduates, which requires continued motivation and not dwelling on current successes. It also believes that it is necessary to prepare a new strategic plan to activate long-term employment and to confront the problem of fictitious employment.

key words:

Strategy, recruitment strategy, job localization, Nitaqat program, unemployment, labor force.

First: the general framework of the research:

Introduction:

The Kingdom of Saudi Arabia has faced great challenges in the saudization of jobs and the replacement of national labor since its establishment, and the country has witnessed a steady and rapid economic and population growth that exceeded its expectations and all its plans. Starting with the first five-year plan in 1390 AH - 1970 AD until the ninth five-year plan in 1430 AH - 2010 AD, it is noted that the foundations and principles of these plans focus on religious conservatism, customs and norms, building the Saudi human being, and the welfare and building of society. Education and vocational training constitute a focal point in The development of Saudi manpower in all of these five-year plans, and yet the problem of Saudization remains a major concern and problem until today?

The Saudi Employment Strategy (1410 AH) (Ministry of Labor, 1410 AH, p. 10) indicates that previous treatments for employment problems faced a number of variables that contributed to the increase in the unemployment problem. The most important of these variables was: population growth, high growth of the labor force, and low growth of the number of Saudi workers. High growth of expatriate labor, structural change in the Saudi national economy, structural change in the Saudi national economy, most of those who wish to work are under 30 years of age, and half of the unemployed are Saudi women, university graduates.

Therefore, this research begins in general to identify the previous solutions to the problem of unemployment in the previous development plans, and the reasons for their shortcomings, and focus on the success of the new directions and strategies of the state to provide job opportunities for citizens through the initiatives of the Ministry of Labor represented by the Nitaqat programs and the commitment of the private sector to them.

Research problem:

The Kingdom of Saudi Arabia, when it was unified by the late King Abdul Aziz, in 1351 AH - 1932 AD, was steeped in ignorance, primitiveness and backwardness, and great strategic challenges awaited it towards change, construction, education, health and services, and it was God's destiny for this country that oil was discovered in it in 1925 AD.

The Kingdom of Saudi Arabia began its five-year development plans in 1390 AH - 1970 AD, then began to appear with each new development plan, features of rapid development and growth that necessitated the influx of expatriate labor to cover most of the activities of life in the Kingdom, and expatriate labor remained an inevitable and necessary matter for the great economic growth that the Kingdom is witnessing. The need for foreign labor increased at high rates, as the annual growth rate reached 16.5% during the period of the Second Development Plan (Ministry of Planning, 1395 AH-1400 AH) and this demand continued to increase until it reached 30% during the period of the Eighth Development Plan (Ministry of Planning, 1425 AH-1430 AH), 1425 AH-1430 AH, despite the expansion of public and university education.

The Kingdom of Saudi Arabia is characterized by high population growth by international standards. The Saudi population increased from (7.009,466) million people in 1394 AH - 1974 AD, to (16,948,388) million in 1412 AH - 1992 AD, then jumped to (27 .136977) million (Ministry of Planning 1431 AH) in 1431 AH - 2010 AD. As a result of this steady increase in the population since the establishment of the Kingdom, the burden of the state increased in planning to provide customer opportunities for citizens, but the planning for the replacement (Saudization) operations remained deficient and did not achieve the required rates, and it was unable (i.e. planning) to compel the private sector to fully interact with the desire in alleviating the scale of rising unemployment, the issue of settlement remained a haunting obsession that needed resolution.

Now, if we follow the treatments of the steady development plans, starting with the first five-year plan in 139 AH - 1970 CE, until now, we find that these treatments did not contribute to solving the Saudization problem the problem continued to escalate annually until it formed from the year 1420 AH to the year 1433 AH a great national challenge and raised a clear concern, which calls for looking at the problem and addressing it on scientific bases based on rational planning for the development and progress of human resources, and the number of residents in the Kingdom of Saudi Arabia, according to the census The population for the year 1430 AH refers to (8,229,401) million, an increase of (2,369,908) million over the previous population census, according to the new statistics of the population census for the year 1430 AH (the Department of Statistics and Information, 1431 AH).

The researcher left that the state has made and is making great efforts to localize jobs and create job opportunities for Saudi youth, and that all the frequent five-year development plans have drawn great hopes and ambitions in expanding education and training, but despite these efforts, the problem of unemployment still represents a clear response.

So why could successive development plans not resolve the Saudization problem? What are the obstacles that limited the success of these plans, and what are the planning gaps in these treatments?

And are the current ambitious plans pursued by the state through the Saudi employment strategy, and a group of employment initiatives represented by the Nitaqat program that go beyond encouragement for employment to commitment, motivation, and reliance on digital plans based on equations from the reality of action and follow-up. Punishment procedures in the event of non-advancement in employment rates contribute to raising the employment rate?

Will the Nitaqat program achieve success in the planned replacement of expatriate workers by national workers? Will he succeed in obligating the employers to replace them annually?

research importance:

The importance of this study is highlighted by the following points:

1. Identifying planning problems related to finding job opportunities in development plans.
2. Identifying the obstacles that have emerged to prevent the success of Saudization plans in the five-year development plans.
3. Review the current recruitment strategy, and the variety of methods of implementation thereof.
4. Identifying the impact of the set of incentives and services applied by the Nitaqat program and its contribution to raising employment opportunities.
5. Identify the successes and failures of the Nitaqat program.

Research objectives:

The study seeks to achieve the following objectives:

- Identifying the most prominent challenges that faced government solutions to nationalize jobs in development plans.
- Identifying the contents, concepts and mechanisms of applying the Nitaqat program as one of the modern solutions to confront unemployment among those looking for job opportunities.
- Learn about the success of the Nitaqat program in contributing to the replacement of expatriate workers by national workers.
- Contribute to providing practical recommendations for the implementation of the Nitaqat program in order to achieve the lofty objective of Saudization of jobs and reduce the negative effects that harm the activities of the Saudi private sector establishments.

Research questions:

The research questions focus on two aspects, one of which is an introduction, which is related to the previous treatments of job Saudization in development plans, and the other main one, which focuses on the current treatments of the Saudization program, based on the focus of the study on the success of the Nitaqat program in finding job opportunities for Saudis, increasing the rate of Saudization, and reducing the size of the expatriate workforce.

1. What are the challenges that hindered previous government solutions to nationalize jobs?
2. Do the mechanisms of the Nitaqat program proposed by the Ministry of Labor lead to Saudization of jobs in private sector establishments and institutions?
3. How successful is the Nitaqat program in finding job opportunities for Saudi youth, based on official digital data and indications?
4. Do the incentives and services provided by the Nitaqat program contribute to the success of the Saudization plan?
5. Does the sanctions package used by the Nitaqat program contribute to increasing the Saudization rate?

Research limits:**Thematic limits**

The study focuses on the outputs, and the extent of success or failure in the process of finding job opportunities. It focuses on the treatments for job Saudization during previous development plans. It is limited to the Nitaqat program and its effectiveness in the Saudization process. It is not the responsibility of the study to discuss education issues and its outputs. It is not the responsibility of the study. The study deals with aspects of training and its institutions. The study focuses on the role of policies and programs in providing job opportunities for Saudi youth. It also focuses on the degree of success of the procedures to accelerate the replacement of expatriate workers by national workers.

Time limits:

The study focuses on a recent period of time since the Nitaqat program began to be implemented in practice, 5/8/1432 until 8/1/1435 AH, which is the expected date for submitting the thesis for discussion. 5/ to 1/8/1435 AH, which is the expected date for submitting the thesis for discussion.

special limits**spatial boundaries:**

The study relies mainly on the outputs and data of the Ministry of Labor, the Human Resources Development Fund, labor offices, and the Ministry of Economy and Planning. The study relies on documents of previous development plans issued by the Ministry of Planning and Economy, and aspects of studies related to Saudization.

search terms:**strategy:**

The Ministry of Labor and the Ministry of Economy and Planning presented in its literature a number of strategies for employment and Saudization, and the researcher considers in her thesis that the strategy is as seen by Al-Husseini (an action plan to design and build a reality that allows achieving future goals.) (Al-Husseini, 2000, p. 12). It also takes into account the definition of the Ministry of Economy and Planning (Ministry of Economy and Planning, 1425 AH), in its view of the strategy, as a set of interrelated and coherent general objectives that are intended to be applied to achieve economic and social development, which together constitute development goals.

Recruitment strategy:

According to the employment strategy of the Ministry of Labor, the strategy indicates that it is a general strategic plan to bring the labor market to a state of full employment of Saudi human resources within a quarter of a century (Ministry of Labor, 1430 AH, p. 39).

Localization of jobs:

The researcher uses the most common concept, in order to simplify, coexist, and use the same meanings (Saudization) and localization, which is the replacement of national labor with foreign labor, and this is the concept used in state agencies and when makers of planning and economic policies, without giving consideration to the different methods and policies proposed to implement this concept.

The concept of job localization, with a comprehensive view, is the gradual replacement of expatriate workers by national workers within short, medium and long-term plans, provided that these plans include adequate preparation of national workers.

Nitaqat Program:

The Nitaqat program is an incentive program for job localization in the Kingdom of Saudi Arabia launched by the Saudi Ministry of Labor to achieve many results, including: Encouraging private sector facilities to employ Saudis. The higher the employment rate, the greater the incentive benefits. Where it evaluates the performance of the facilities and classifies them into platinum, green, yellow and red bands, so that it rewards the platinum and green bands for the highest localization, and deals firmly with the red with the least localization, and gives a longer grace period to the facilities in the yellow bands.

The unemployment:

The lack of regular, legitimate job opportunities) for those who have the ability and desire to do so.

Work's strength:

The total number of people who work or look for paid work from early youth to retirement age.

Second: Theoretical framework and previous studies:

Theoretical framework:

The first topic: Governmental solutions to settlement issues in development plans:

The following are the most important policies included in the five-year development plans related to human resources:

1- The first five-year development plan (1390 AH - 1395 AH):

It was issued forty years ago, and it stipulated only three objectives, and they were purely economic objectives (Ministry of Planning, 1390 AH, p. 2), which are:

1. Increasing the rate of gross domestic product.
2. Developing human resources so that the various elements of society can increase their productive contribution and participation in the development process, diversify national income sources, and reduce dependence on oil.

The first development plan focused on localization the largest possible number of nomadic and semi-nomadic Bedouins, and transforming primitive activities into modern fields of production (Ministry of Planning, 1390 AH, p. 75). There were no clear concepts in the plan for the development of human resources and expatriate workers, as society is at the beginning of its development and growth, and education is in its early stages.

The accumulation of surpluses from oil sales income, which began to increase at steady rates starting from the beginning of 1390 AH (1970 AD), as a result of the rise in oil prices and the increase in production at the same time, and this continued for a period of time, led the government of the Kingdom of Saudi Arabia to take the wise decision to use those surpluses for the development of economic and natural resources and humanity within the framework of five-year plans for economic and social development.

2- The Second Development Plan (1395-1400 AH):

Among the matters that have received attention during the period of the second development plan is working to develop and diversify the Saudi skill capabilities, and raise the cultural and intellectual level of the people so that they can contribute to and benefit from development efforts. The plans aimed at achieving this type of development have been described under six main topics: human resources, training, labor affairs and education, cultural affairs and media services (Ministry of Planning, 1395 AH, p. 327).

Three main objectives of the Human Resources Development Program have been set, as follows:

- 1- Raising the level of productivity of workers who have recently joined the labor force, while giving priority to qualifying Saudis for administrative and technical positions.
- 2- Increasing the

rates of participation of Saudis in the total labor force in order to increase the number of Saudis of all ages who participate effectively in the huge development efforts, 3- Employing foreign labor to the extent that complements the shortage in the Saudi labor force.

The human resources development policies in the second development plan provided for preparing citizens who have recently joined the labor market for jobs and professions that require higher productivity through educational and training programs. And focused training programs during service in the public and private sectors, and stipulated the application of all necessary and appropriate measures to ensure the recruitment of foreign workers and their retention in sufficient numbers to meet the needs of development.

3- The Third Development Plan (1400-1405 AH):

The Third Development Plan identified four goals for the development of manpower, namely: increasing the size of available manpower, increasing productivity, optimal distribution of manpower to sectors with greater potential for growth, and reducing dependence.

on foreign manpower (Ministry of Planning, 1400 AH, 24), and the third development plan gave great attention to education and training as a general tributary for the development of national manpower, and focused on improving the quality of education and linking it to human needs, and the third development plan also included a reference to doubling the size of manpower operating during the past ten years since the beginning of the first development plan, which necessitates the expansion of the establishment of qualified administrative bodies capable of planning and developing human forces.

The researcher believes that although the third development plan clearly indicated in the previous objectives the importance of reducing dependence on foreign manpower in the private sector, the rate of increase in the percentage of foreign workers in the institutions and companies of the sector has been constantly increasing, and this may be due to the lack of the presence of capable national labor to carry out work in private and public sector institutions, and therefore the goal of achieving a reduction in the volume of foreign labor in the private sector has not been achieved.

4- The Fourth Development Plan (1405-1410 AH):

The third general objective of the fourth development plan focused on forming a productive working citizen and providing the tributaries that lead him to that stage, finding a source of livelihood for him, and determining his rewards according to his work. Professional and technical, within the framework of policies set by the Manpower Council (Fourth Development Plan, 1405 AH, pg. 15). The fourth plan also focused on the need to adapt to the changing conditions in the labor oil market and its negative consequences for the Kingdom's economy by adopting firm macroeconomic management policies. The Fourth Development Plan called for changing the perception and behavior of the Saudi workforce towards vocational crafts and manual work and encouraging them to do so. Therefore, the plan supported vocational and technical training and training of state employees through the Institute of Public Administration and scholarships for training.

The researcher believes that one of the obstacles to the localization of jobs, which faced the goals and policies mentioned in the development plan, regarding increasing the participation of citizens in economic development programs, is the distancing of young people, especially those whose level of education is below university, from professional trades, which are carried out by small and medium enterprises, which represent what Approximately 80% of the size of the establishments is in the private sector, and from here it is difficult to carry out replacement operations in professional and craft works such as carpentry, blacksmithing, plumbing and mechanics, in addition to other

works related to the service sector such as service work in restaurants and hospitality in hotels and others.

5- The Fifth Development Plan (1410-1415 AH):

The Fifth Development Plan paid more attention and insistence on developing the Saudi workforce and offering them attractive opportunities in all sectors of the national economy (Ministry of Planning, 1410 AH). It also recommended providing financial incentives to businessmen to encourage the employment of Saudi workers.

Perhaps the Fifth Development Plan made one of its important objectives is to increase the contribution of Saudi labor in the private sector on the basis that the government sector in previous development plans was a source of attracting Saudi labor, and the Fifth Plan identified a package of appropriate procedures and policies to address the main issues surrounding the labor market, including : Improving Saudi employment opportunities in the private sector, reducing the wage gap between Saudis and non-Saudis, improving the skills of Saudi workers, and improving information systems for employment but the Fifth Development Plan was adversely affected, given the conditions of the Gulf War of 1411H (1991), resulting in adjustments in government spending priorities.

6- The Sixth Development Plan (1415-1420 AH):

The Sixth Development Plan appeared in difficult financial conditions, as a result of the drop in oil prices and the effects of the Gulf War, but this did not prevent the success of implementing many of the state's programs (Sixth Development Plan, 1415-14200 AH, p. 18). The most important priority of the plan was the rationalization of government spending, Increasing the role of the private sector, diversifying the economic base, reducing dependence on oil revenues, and the emergence of the idea of (privatization) for the first time in development plans.

The Sixth Development Plan is considered the beginning of the emergence of the concepts of replacement and localization of jobs in its terminology used today, as the plan indicated that replacement opportunities are on the table for Saudis, as there are about (261) thousand job opportunities in the government sector of various types of jobs occupied for non-Saudis. Most of them can be replaced if there is a citizen who is qualified for them and wants them (Sixth Development Plan, 1415-14200 AH, p. 18).

It also called for setting up a detailed annual plan for the Saudization of jobs in each of the government agencies, addressing employment problems in the government sector outside the main cities, and linking the facilities and loans provided by the government to companies with the obligations it implements towards Saudization, and the Sixth Development Plan called for limiting recruitment to skilled workers. And semi-skilled and reduce the demand for unskilled labor, and the Sixth Development Plan, with its abundance of new ideas and opinions towards the development of human resources, remains ambitious, not obligatory for companies, as it encourages, hopes, and does not oblige the private sector.

7- The Eighth Development Plan (1425-1430 AH):

The Eighth Development Plan came to confirm its objectives (the fourth goal) and its strategies (the fifth strategy) to raise the proportion of national employment, upgrade skills, and quantitative and qualitative expansion in education, training and vocational rehabilitation (Ministry of Planning, 1425-1430 AH, p. 39), and the issue of employing the national workforce received special attention For the authorities responsible for economic and social development, it has become necessary to deal with this issue with high efficiency and flexibility by finding appropriate solutions to the obstacles to applying Saudization in the private sector in the short, medium and

long terms, within the framework of an integrated and effective replacement strategy. Although the private sector provided about (693) thousand jobs for citizens during the Seventh Development Plan compared to about (291) thousand jobs during the Sixth Development Plan, the percentage of citizens out of the total employment in the private sector is still below the desired level, as it reached (35). 5) Only in the year 1425/1424 AH, and the Eighth Development Plan highlighted the great challenges that the settlement and replacement process suffers from, such as the continued recruitment of expatriate workers, especially unskilled workers with low wages in large numbers that exceed the need for them, and the failure to activate the decisions and circulars issued regarding the localization of jobs. And substitution, weak implementation and follow-up of decisions, and the Eighth Development Plan demanded the need to activate the role of the Human Resources Development Fund in supporting job localization programs, through direct employment and training ending in employment and providing an appropriate regulatory and administrative environment that contributes to enrollment in private sector institutions.

The Eighth Development Plan identified implementation mechanisms that include the following:

- Continuing to activate the role of the bodies concerned with qualifying the national workforce, such as the General Organization for Technical Education and Vocational Training, labor offices in the Ministry of Labor, the Human Resources Development Fund and the National Program for Joint Cooperative Training, linking recruitment and Saudization policies.
- Continuing to conduct field studies of the phenomenon of unemployment in society in accordance with international standards to identify its causes, types and effects, and to address the conditions of small and medium individual enterprises that include most of the expatriate workers in order to become more suitable for employing the national workforce.
- Studying wage levels and identifying some of the main promising sectors in employing the national workforce and increasing its absorptive capacity, such as the sectors of construction, services and tourism.
- Accelerating procedures for settling labor dispute cases, enhancing coordination and integration between the Ministry of Labor and the private sector regarding regulatory procedures related to the labor market, and developing an effective labor market information system.

In the end, it was pointed out that what was allocated in terms of spending in the Eighth Development Plan, the largest share of it was allocated to the human resources development sector, which includes the sectors of education, training, social and health development (Cabinet session, 1431 AH).

9- The Ninth Development Plan (1430-1435 AH):

The Ninth Development Plan continues to give priority to adopting effective policies and programs that hone the skills of the national workforce in various aspects, in addition to developing the labor market and raising the level of its services and efficiency.

The future strategy for the development of the national workforce, in the Ninth Development Plan, identified the following objectives:

- Raise the level of qualification of the national labor force scientifically and practically to meet the requirements of the transition to the knowledge society and improve the productivity of the national labor force to increase its ability to equal competition in the labor market.
- Achieving a relative balance between the wage structure and employment in the labor market, and supporting opportunities for economic empowerment of Saudi women.
- Controlling and rationalizing recruitment in order to reduce unemployment rates, improve labor market services, and expand them to meet the requirements of globalization and to enhance opportunities for Gulf integration.

The second topic: the modern strategy for employment and the Nitaqat program for Saudization:

The first requirement: the features of the recruitment strategy:

In this topic, the employment strategy is dealt with in terms of its components and objectives, its analytical methodology, and its applied aspects to address the problem of unemployment. The researcher, while studying and looking at the employment strategy, did not find a clear difference between that strategy that was prepared at the end of the period of the former Minister of Labor, Dr. Ghazi Al-Qusaibi, and between that The current period of the current Minister of Labor, Eng. Adel Fakhri, but the difference came in the current implementation mechanisms and initiatives that carried those hopes and aspirations to a practical and implementable program.

The strategy aims to achieve a set of general and interim goals, through a set of policies, goals and implementation mechanisms. The strategy establishes a time dimension of 25 years, divided into a short-term goal of two years that focuses on controlling unemployment, a medium-term goal of three years that focuses on reducing the unemployment rate, and a long-term goal of twenty years that focuses on achieving a competitive advantage depending on resources. human citizenship. (See Figure No. (1)).

The strategic plan aspires to achieve its short, medium, and long-term goals through specific policies, goals, and mechanisms. For example, the strategic plan sets 10 short-term policies, 10 medium-term policies, and long-term policies (see Figure 2, 3, and 4). In the short term, which lasts for two years, the goal is to control unemployment, that is, to meet it at its current rate, in a way that prevents an increase in the number of the unemployed, through 10 policies. The same applies to the medium-term goal, which lasts for two years, and focuses on reducing unemployment rates through the ten policies referred to. As for the long term, the ambition jumps to full employment by developing and organizing the structure of employment, encouraging and diversifying education and permanent qualification, through six policies.

Figure No. (1)

The structure of the Saudi employment strategy

The general objectives of the Saudi employment strategy

Full employment of the labor force	A permanent increase in the contribution of saudized human resources	A permanent increase in the contribution of national human resources
short term goal Unemployment Control (2 years)	medium term goal Reducing the unemployment rate (three years)	Long-term goal: achieving a competitive advantage based on national human resources (twenty years)
<ul style="list-style-type: none"> ❖ 10 policies ❖ Aims ❖ Implementation mechanism 	<ul style="list-style-type: none"> ❖ 10 policies ❖ Aims ❖ Implementation mechanism 	<ul style="list-style-type: none"> ❖ 6 policies ❖ Aims ❖ Implementation mechanism

Source: Ministry of Labor: Saudi Employment Strategy (Fourth Report) 1430 AH

Therefore, as the strategy indicates, the interim goal in the short term, that is, the two years of the strategy, is to maintain the unemployment rate at its current level, and not allow it to rise, as long as the policies through which the rate can be reduced or brought to the level of full employment are not possible to apply in the long term. short), and therefore the focus in the short term (Ministry of Labor, 1435 AH, p. 40), will be on controlling the prevailing unemployment rate and preparing the appropriate ground for the work of medium and long term policies, and then building a package of policies that focus on two main axes:

- Employing a number at least equal to the number of new entrants to the labor market among citizens.
- Selectively reducing the number of expatriate workers.

To increase the effectiveness of these policies for implementation in the short term, the strategy emphasized other contents included the policies, which are based on the development of labour information systems, professional coordination between educational institutions and the labour market, Establishing programmes for productive families, expanding the establishment of employment offices at universities and the activities of the Human Resources Development Fund (Ministry of Labour, 1435 AH, p. 40).

Figure No. (2)
Policies for short-term goals in staffing strategy

Short-term policies
1- Employing a number of citizens willing to work equal to the number of new entrants to the labor market.
2- Expanding the employment of female citizens who wish to work.
3- Accommodating job-seeker young people under 32 years.
4- Term and selective reduction of expatriate workers.
5- Raiding and activating programs for productive families.
6- Encouraging the expansion of the establishment of guidance and counseling offices in universities and schools.
7- Encouraging entities to establish guidance and counseling offices in universities and schools.
8- Professional coordination between educational institutions and the labor market.
9- Developing labor information systems.
10- Improving the services of tuberculosis offices.

Source: Ministry of Labor: Saudi Employment Strategy (Fourth Report) - 143 AH

Figure No. (3)**Medium term goals policies in employment strategy**

Medium-term policies
1- Raising the percentage of national labor participation in the labor force.
2- Reliance on employing qualified nationals to achieve economic diversification.
3- Raising and financing small enterprises.
4- continuous improvements of labor force productivity.
5- Raising the efficiency of organizing the labor market.
6- Employing all fees imposed on labor for the development of human resources.
7- Raising the performance of human resources development institutions.
8- enhancing economic activity outside the major cities.
9- Increasing offers of highly skilled and qualified human resources.
10 - Encouraging cooperative impregnation and on-the-job training programs.

Source: Ministry of Labor: Saudi Employment Strategy (Fourth Report). 143 AH

Figure No. (4)**Long term goals policies in employment strategy**

Long-term policies
1- Achieving the level of full employment through using national resources.
2- Developing and organizing labor relations.
3- Raising labor productivity to levels of productivity in the Organization for Economic Cooperation and Development.
4- Achieving a balance between urban centers in developing human resources and providing job opportunities.
5 - Encouraging permanent education and rehabilitation of the labor force.
6- Requiring the Saudi worker to obtain a license to practice the profession.

Source: Ministry of Labor: Saudi Employment Strategy (Fourth Report) - 143 AH

Evaluation and follow-up mechanism:

The follow-up and evaluation activity aims to monitor the performance of employment strategy policies and evaluate performance in order to achieve the specific goals and objectives, but rather to intervene to reform and amend policies in the event that they are proven to be ineffective, or structural changes occur in the labor market (Ministry of Labor, 1430 AH, p. 186).

The follow-up plan for the strategy's achievement focuses on monitoring the extent to which the three interim goals are achieved, where a periodic follow-up report is issued to ensure the extent of achieving the interim goal, and an annual report is issued to ascertain whether the progress goal has been achieved, and the issuance of an annual report measuring the implications of the implementation of the Strategy's policies and the Strategy calls for a follow-up and evaluation entity to conduct measures of progress or failure, To be a full-time body for this purpose, the Ministry of Labour has made considerable efforts in reviewing and discussing the employment

strategy and the Ministry's initiatives. Its new implementation systems for the Strategy have held forums and conferences (Jeddah Chamber of Commerce, 2011, 2013).

Figure No. (5)

The mechanism and follow-up of the Saudi employment strategy

The mechanism and follow-up of the Saudi employment strategy

Full employment of the labor force	A permanent increase in the contribution of saudized human resources	Improving worker productivity to match the standards of advanced economies
short term goal Unemployment Control	medium term goal Reducing the unemployment rate	Long-term goal: achieving a competitive advantage based on national human resources

The second Subject: the mechanism of work of the Nitaqat program to saudize jobs:

Nitaqat program idea:

The Nitaqat program is one of the modern incentive programs for job Saudization in the Kingdom of Saudi Arabia. It was launched by the Saudi Ministry of Labor to achieve many results, including: Encouraging private sector establishments to employ Saudis. The higher the employment rate, the greater the incentive benefits. It also aims to encourage establishments to invest in the element human training, qualification and employment).

The program draws the performance of the establishments into platinum (excellent), green, yellow and red ranges, so that the green and platinum range means the highest Saudization and deals firmly with the red, the least Saudization, and gives a longer period of time to the establishments in the yellow range, so the Saudization of jobs becomes a new feature that the establishments seek to distinguish and compete. The establishment is considered in the excellent (platinum) range, having achieved a Saudization rate of 27%, while the establishment is located in the green range if it achieves a Saudization rate of 10% or more, while the establishment whose saudization rate is 4% or less is in the red range.

Dealing with The Nitaqat program aims primarily to motivate establishments to saudize jobs through the setting of new binding standards, so that establishments with high Saudization rates are distinguished, and those that do not wish to localize, as the Nitaqat program classifies establishments into three colored ranges - green – yellow- and red, according to the saudization rates achieved in these establishments, so that the establishments that achieve high Saudization rates are located in the green range, while the establishments that are less saudized are located in the yellow and then the red ranges, respectively, according to their percentages. Thus, the program deprives establishments located in the red range from renewing work permits for expatriate workers, and granting recruitment visas and allowing their workers to move to other facilities. The program also gives facilities located in the green range the freedom to select, employ and transfer the sponsorship of expatriate workers from the facilities located in the red and yellow ranges without the approval of the employer.

Incentives and penalties in the Nitaqat program:

The Ministry of Labor has taken a package of incentives and penalties, mainly aimed at encouraging private companies and institutions to achieve the Saudization rates established in the program, as the incentives granted are the right of entities located in the premium ranges (platinum and green), while the penalties are mechanisms that deprive companies and institutions located in the yellow and red ranges, and they are many of the services provided by the Ministry of Labor. Figures (1) to (4) show the incentives and penalties in the four specified ranges.

First: The Premium (Platinum) Band:

Figure No. (6)

Incentives and penalties in the excellent range

Incentives in the excellent range
<p>1- Receiving visa applications in accordance with the rules of the New Labor Recruitment Standards Guide, provided that the entity does not be below the green range after granting, and does not apply for visas more than once every two months.</p> <p>2- Granting new open profession visas through the electronic service, provided that the entity maintains its level in the same range after the grant.</p> <p>3- The ability to change the professions of expatriate workers to other professions, including jobs restricted to Saudis only (except for jobs excluded by the decision of the Council of Ministers).</p> <p>4- The ability to transfer the expatriate labor service to it while changing the worker's profession at the same time, provided that it does not fall below the established range.</p> <p>5- The ability to transfer the expatriate workers' service to it without the condition that the worker has completed two years with the current employer, provided that the establishment remains in the excellent range after the expatriate labor service is transferred to it and Not submitting a request for labor service transfer more than once every two months.</p> <p>6- Giving a period of one year during which the Ministry of Labor continues to provide services to the excellent entity in the event that the licenses or certificates of other government agencies, such as the zakat certificate, professional licenses, the commercial register or the municipality license, expire.</p> <p>7- The ability to renew work permits for expatriate workers, regardless of the duration of their residence, provided that the remaining time in the worker's residence does not exceed three months on the day of renewal of work permits.</p> <p>8- The ability to contract with expatriate workers from entities located in the red range and transfer their services without the consent of the employer (provided that the entity does not fall below the green level).</p> <p>9- The ability to contract with expatriate workers from entities located in the yellow range and transfer their services without the approval of the employer.</p>
<p>Penalties: There are no penalties</p>

Source: Ministry of Labor: Nitaqat Program

Second: Green range:**Figure No. (7)****Incentives and penalties in the green range**

Incentives in the green range
<p>1- Receiving visa applications in accordance with the rules of the New Labor Recruitment Standards Guide, provided that the entity does not be below the green range after granting, and does not apply for visas more than once every two months.</p> <p>2- The right to obtain one alternative visa for each of the two final exit procedures.</p> <p>3- The right to change the professions of expatriate workers with the exception of changing professions that are restricted to Saudis.</p> <p>4- Give a period of six months, during which the ministry will continue to provide services in the event that the zakat and income certificate expires.</p> <p>5- The ability to renew work permits for expatriate workers, regardless of the duration of their residence, provided that the remaining time in the worker's residence does not exceed three the month.</p> <p>6- The ability to contract with expatriate workers from entities located in the red range and transfer their services without the approval of the employer.</p> <p>7- The ability to contract with expatriate workers from the entities located in the Yellow range and the transfer of its services without the approval of the employer.</p>
<p>Penalties: There are no penalties</p>

Source: Ministry of Labor: Nitaqat Program

Second: Yellow range:**Figure No. (8)****Incentives and penalties in the yellow range**

Incentives	penalties
<p>1- The ability to renew work permits for expatriate workers, regardless of the duration of their residence, provided that the remaining time of the worker's residence is more than three months on the day of renewal of the work permit.</p> <p>2- Granting one visa out of every two final exit transactions, provided that the workers leave and the replacement visa is requested within one year of the first worker leaving.</p> <p>3- The ability to renew work permits for expatriate workers, provided that the workers do not spend more than a total of 6 years inside Saudi Arabia, regardless of the period they spent with the employer.</p>	<p>1- Stop receiving applications for new or seasonal visas.</p> <p>2- Deprivation of the transfer of expatriate labor service to it.</p> <p>3- Deprivation of changing professions.</p> <p>4- Loss of authority over its expatriate workers, which gives them the freedom to contract with a new employer and transfer their services to facilities in the green or excellent range without the approval of the employer.</p>

Source: Ministry of Labor: Nitaqat Program

Fourth: the red range

Figure No. (9)
Incentives and penalties in the red range

Penalties:
1- Deprivation of changing professions. 2- Deprivation of transferring expatriate labor services to it. 3- Deprivation of any new, replacement or named visas. 4- Establishments, if they own an entity in the red range, are not allowed to open new establishment files (branch or entity) from labor offices. 5- Deprivation of renewal of work permits. 6 - Loss of authority over the expatriate workers working for them, which gives them the freedom to contract with a new employer and transfer their services to facilities in the green or excellent range without the approval of the employer.
Incentives:
The ability to renew work permits for expatriate workers, regardless of the period of their residence - provided that the remaining time of the worker's residence is more than three months on the day of renewing the work permit.

The upgraded version of the Nitaqat program:

The Nitaqat program in its first version, first applied in 2011, focused on encouraging quantitative Saudization, where the interest of the Ministry of Labor was reducing the size of the unemployment problem and accelerating the employment of Saudis. Positive outcomes have been achieved, as will be stated in the analysis of the hypotheses (questions) of the study, and the application of the Nitaqat program in its updated form is directed towards qualitative saudization.

The Ministry of Labor launched its "Mohadith Nitaqat/updated Nitaqat" program in 1435 AH, and its actual implementation began on the twelfth of Shawwal 1435 AH, corresponding to August 2014 AD.

The new program classified companies located in the green range to include low green, expanded and high green, in order to expand the polarization circle. The amended version of the employment program also includes another package of incentives and penalties, based on pressure and besieging the owners of establishments located in the yellow and red spots.

Previous studies:

Al-Harbi's study (1432 AH) sought to reveal the social and economic effects of the Saudization of jobs in the private sector and its effects on members of society, and to reveal the reasons that led to the reluctance of the private sector to localize jobs in it, in addition to the reasons that led to the reluctance of Saudi youth to jobs in the private sector. The study followed the descriptive approach, and chose a sample of Saudi males working in the private sector (employees and managers), and conducted a number of interviews with the sample of managers.

The results of the study indicated:

1. There is a conviction among the respondents that the government's decisions to Saudize private sector jobs had a major role in their obtaining work in private sector institutions.
2. Saudi labor in the private sector is constantly looking for other job opportunities, as a result of its acceptance of low-level jobs, due to lack of previous experience, training and qualification, as that the more an individual obtains the necessary experience, the more he becomes convinced of obtaining another job or other advantages in another place.
3. The wages and salaries are still low in the private sector establishments, which leads to low morale among workers in the private sector, and their attempt to search for another job, as the factors that contribute to making Saudi youth refrain from working in private sector institutions are: low wages, a sense of job insecurity, arbitrary dismissal and the difference in work between the public and private sectors.

Al Saud (1428 AH) aimed at analyzing the efforts of the public sector in achieving Saudization and replacing national workers in public jobs, and proposing a practical framework to increase the effectiveness of Saudization efforts, so the study focuses on the public sector only, as it used the descriptive approach to describe and analyze the study phenomenon, by collecting information from Through distributing the questionnaires to a sample of (400) individuals working in ministries and government institutions, in addition to personal interviews with a number of officials in the selected ministries.

The study concluded some results, we refer to some of them:

1. Administrative, financial, cultural, social and educational jobs. The same success has not been achieved in the fields of medical jobs and services, as there is clear progress in replacing Saudi labor in the fields of medical, technical, allied health and craftsmanship.
2. The reluctance of graduates to accept work in cities and other regional regions, despite the availability of suitable job opportunities.
3. The closer the location or headquarters of public sector units is to the capital or other major cities, the greater the degree of progress in Saudization, and vice versa.

The study of Al-Otaibi (1427 AH) aimed to identify the most prominent challenges facing the management of job Saudization in the Kingdom of Saudi Arabia, as the study used the analytical approach to diagnose the challenges of job Saudization, based on the facts from previous experiences of job Saudization.

The study concluded important results, most notably the following:

1. The current model of Saudization does not comply with the developments that the Saudi private sector is going through, as this has affected the efficiency of human resource development.
2. The importance of adopting a modern framework for the Saudization of jobs other than the traditional framework and bringing about a paradigm shift in the philosophy and vision of the establishments.
3. The reality shows that the administrative challenges facing Saudization have not received appropriate attention from researchers and practitioners, the private sector for national manpower.
4. The need to adopt policies and practices for human resources, such as the flexible work system, part-time work, the appropriate wage system, training and development, and the system of expansion between family life and work.

The Sultan's study (1419 AH) focused on the Kingdom's efforts in the Saudization of the private sector, as one of the most prominent results and recommendations of the study was to reduce dependence on foreign workers and gradually dispense with them, and to rely heavily on national employment, especially as the Kingdom of Saudi Arabia has made great strides in educating and qualifying the citizen. The study recommended developing civil service and social insurance systems and establishing a national network for labor market information.

The study of Ghaith & Mansour (1996) aimed at diagnosing the objective and non-objective causes leading to the problem of employing national workers in the private sector; The two researchers used the questionnaire and chose a random sample of expatriate workers and national workers looking for work, as the study concluded that expatriate workers still outnumber national workers in the private sector, and that one of the obstacles to employing Saudis in the private sector is due to the fact that 50% of job seekers who have no previous work experience.

The study of Al-Dakhil (1416 AH) aimed at understanding the issue of stagnation in the employment of national labor in the private sector, which is due to knowing the reasons; The researcher believes that the most important reasons are related to the strategy of the first, second, third and fourth development plans from 1390 AH to (1410 AD), as he believes that these plans were material at the expense of human development, so the aspects of material development jumped forward with great acceleration, with the growth of an army of non-Saudi workers. The researcher also points out that one of the reasons for the increase in the problem of national employment is population growth and educational curricula, and believes that limiting the matter to finding a job for the Saudi is a narrow concept that does not fit with the proper treatment of the problem.

The results of the study indicated:

1. Balancing between the labor needs of the national economy and education and training institutions within a well-studied plan.
2. Establishing a joint fund with the state contributing 50% of its capital.
3. Providing assistance and incentives to Saudi private companies and urging them to increase the percentage of employment for Saudi workers.

Al-Ajaji's study (1415) aimed to identify the difficulties and obstacles facing the employment of graduates of Saudi universities in the private sector, as the study revealed the divergent viewpoints between university graduates and employers; The private sector views university graduates as demanding higher salaries, expecting greater job privileges, and demanding leadership titles and higher jobs, in addition to their dissatisfaction with long working hours.

The results of the study focused on job specifications in the private sector that require greater seriousness and commitment to work ethics, sincerity and loyalty to the employer and maintaining the required level of production.

The Third Section: Field Study:

First: Methodological Procedures:

The research is linked to multiple temporal and spatial dimensions, seeking to achieve different goals; The research focuses on measuring the success of the (current) job Saudization experience through the new strategic vision and its application tools, through scopes that focus on the present, as the secondary second part of the study focuses on finding out the reasons for the failure of previous treatments for job Saudization plans, as it focuses on the past.

Accordingly, the study relies on the analytical descriptive approach with its various tools, as it is most suitable for studying and diagnosing the phenomenon on the ground, collecting information about it, interpreting it and extracting its most prominent results. The researcher uses different methods to collect information commensurate with each period.

Study Population and Sample:

To answer the first question (the first hypothesis), the study community focuses on academics, specialists in human resources and economists, due to their knowledge and practical follow-up of the challenges that faced the Saudization of jobs, during the era that accompanied the first development plan until the last, and the obstacles it faced that prevented the success of the Saudization of jobs, as the purposive sample was used to choose a limited representative sample, among whom there is homogeneity in terms of being academics who represent objectivity and accuracy: they are characterized by knowledge and critical sense of the situation, and a sample of (200) faculty members in Saudi universities was chosen.

After completing the preparation of the initial image of the questionnaire, the researcher experimented with a limited sample of the original community of the research, in order to ensure the clarity of the questions and their distance from ambiguity: then she made adjustments in the light of the observations, as this will be explained later in the fourth chapter.

In order to answer the hypotheses of the main part of the research, which focus on the Nitaqat program for the Saudization of jobs, Al Batinah focuses on the reality of official digital and statistical records and data issued by the Ministry of Labor, based on its monitoring of companies' progress in employment, study and analysis, knowledge of progress rates in the recruitment process and problems facing the process.

The researcher did not want to focus on the opinion of businessmen, companies, and job seekers, and to find out their impressions about the application of the Nitaqat program, as she knew in advance that the business sector denied the

Saudization process for previous years. Then, the research does not focus on seeking opinions, but rather knowing the extent of success in implementing and increasing the Saudization rate.

Second: Presentation and Analysis of Data:

Personal Data:

1. Age:

Table No. (10)

Distribution of sample members according to age

Age	No.	Percentage
From 30 years old to less than 40 years old	25	12,5%
From 40 years old to less than 50 years old	75	37,5%
From 50 years old to less than 60 years old	67	33,5%
From 60 years and over	33	16%
Total	200	100%

Table No. (10) indicates the distribution of the respondents according to age, as it is clear that the percentage of 37.5% of the respondents ranged from 40 years to less than 50 years, followed by a close percentage of 33.5% of the respondents between the ages of 50 years to less than 60 years old. The respondents, whose ages range from 60 years to over, are 33 individuals, with a rate of 16%. There are 25 individuals from the sample (200), whose ages range from 30 years to less than 40, with a rate of 12.5%. It is clear that more than 75% of the respondents are between the ages of 40 to 60.

2. Educational Qualification:

Table No. (11)

Distribution of sample members according to educational qualification

Educational Qualification	No.	Percentage
BA	2	1%
Master's	25	12,5%
PhD	173	86,5%
Total	200	100%

Table No. (11) indicates the distribution of the respondents according to the educational qualification, as it is clear that 86.5% of the sample are holders of PhD, with a total of 173 individuals, which gives a high eligibility to the participants in evaluating development plans in the fields of Saudization and manpower development. The table also indicates the participation of two bachelor's holders, as their data indicated that they have high experience in practicing planning work.

Questionnaire Design:

A questionnaire was designed consisting of (13) statements; Three statements were excluded when subjected to correlation coefficient measures due to their inadequacy and accuracy, as the researcher calculated the validity and reliability coefficient (9) for the scale as follows:

(a) Honesty of the Arbitrators:

The questionnaire was presented to a number of (3) specialists to study the phrases and their dimensions. It showed an agreement percentage of 85 or more was shown between the arbitrators.

(b) Validity of Internal Consistency:

The correlation coefficient was found between each statement and the total sum of the dimension, where the correlation coefficients ranged from 0.45 to 0.85, all of which are statistically significant correlations at the level of 0.01, as table (12) shows the values of the correlation coefficient.

(c) Stability Coefficient

The stability coefficient was calculated using Cronbach's alpha coefficient (Cronbach Alpha). It was found to be equal to 0.827, which indicates that the scale has high stability and can be trusted.

Table No. (12)

Phrase	Correlation Coefficient	Phrase	Correlation Coefficient
1	0,781	6	0,592
2	0,790	7	0,658
3	0,613	8	0,769
4	0,702	9	0,766
5	0,613	10	0,780

The correlation coefficient is statistically significant at the significance level (0,01).

Research results for the first question:

It is the first hypothesis of the study indicating that the successive development plans since 1390 AH (1970 AD), despite their interest in the development of human resources. However, unemployment rates remained on the rise, as this assumption is supported by the evidence of studies and statistics, and the problem continues to expand. What are the challenges and obstacles faced by the five-year plans in the field of job localization? In addition to what was mentioned in the study and analysis in the second chapter on the government's treatment of settlement issues in development plans, the research results of the sample (experts) that were investigated, through the questionnaire included in the study, and through open questions, the results of the field data were as follows: -

Table No. (13)

Frequencies, percentages, and arithmetic means for the sample answer

Phrases		I totally agree	I agree	I somewhat agree	I do not agree	Arithmetic Mean	Standard Deviation
1- Unemployment continues to rise through successive development plans.	F	72	86	32	10	1,90	0,845
	P %	36	43	16	5		
2- The five-year development plans faced great challenges that did not enable to achieve the specified Saudization rates.	F	50	74	58	18	2,22	0,925
	P %	25	37	29	9		
3- The five-year development plans are ambitious plans without effective tools for implementation, follow-up and measurement.	F	102	34	42	24	1,92	1,077
	P %	51	17	21	12		
4- The economic and statistical measures used to prepare the Saudization programs in the development plans were not available, and if they were available, they were not accurate.	F	106	70	24	0	1,59	0,696
	P %	53	35	12	0		
5- Modernity of planning, weakness of statistical centers and preparation of basic data.	F	70	82	48	0	1,89	0,762
	P %	42	41	24	0		
	F	84	58	58	0	1,87	0,835

6- Large population growth, customs and traditions contributed to the problem of unemployment.	P %	42	29	29	0		
7- Planning for education and then its outputs had a major role in slowing down the replacement process.	F	126	24	30	20	1,72	1,052
	P %						
8- The treatments for development plans in the field of human resources development carry dreams, hopes and aspirations without control over the variables.	F	74	52	30	44	2,22	1,166
	P %	37	26	14	22		
9- Predominance of personal interests in the private sector over national interests.	F	32	70	60	38	2,52	0,977
	P %	16	35	30	19		
10- The inferior view of some professions and businesses.	F	56	84	54	6	2,05	0,819
	P %	28	42	27	3		

Table No. (14)

Order of importance, and the highest endorsement statements from the study sample (from highest to lowest)

88%	1- The economic and statistical measures used to prepare the Saudization programs in the development plans were not available, and if they were available, they were not accurate.
79%	2- The five-year development plans encountered great challenges that did not enable to achieve the specified Saudization rates.
76%	3- Modernity of planning, weakness of statistical centers and preparation of basic
74%	4- Planning for education and then its outputs had a major role in slowing down the replacement process.
71%	5- Large population growth, customs and traditions contributed to the problem of unemployment.
70%	6- The inferior view of some professions and businesses.
68%	7- The five-year development plans are ambitious plans without effective tools for implementation, follow-up and measurement.
63%	8- The treatments for development plans in the field of human resources development carry dreams, hopes and aspirations without control over the variables.
62%	9- The five-year development plans faced great challenges that did not enable to achieve the specified Saudization rates.
51%	10- Predominance of personal interests in the private sector over national interests.

Research and Analytical Results:

The second question: Do the mechanisms of the Nitaqat program proposed by the Ministry of Labor lead to the Saudization of jobs in private sector establishments and institutions?

The mechanisms of the Nitaqat program are part of the Ministry of Labor's initiatives to implement the Ministry of Labor's strategy for employment in its short-term plan (two years), which focuses on controlling unemployment, i.e. maintaining the unemployment rate at its current level at the start of implementation and not allowing it to rise, because reducing the rate or reaching a full employment level is not feasible in the short term.

If we look at the interim goal for the short-term strategy of the Ministry of Labor, which was approved by the Council of Ministers on 5/8/1430 AH, that is, during the period of the previous Minister of Labor, it was not practically implemented until Shawwal of the year 1432 AH, that is, when the employment Nitaqat program was launched. Therefore, we must study the transformations that occurred in the Saudi labor force and the unemployment rate before and after implementation.

In line with the scientific method of the study, it aimed to obtain data on the labor force, the unemployment rate, and the number of workers for years starting from 1999 AD to 2012 AD to reveal the number of workers and the unemployment rate before applying the Nitaqat program, as indicated in Table No. (14) and Figure No. (1), to find out the unemployment rate after applying the Nitaqat program from 2012 to 2014.

The analysis of official data shows that the number of employed workers, as highlighted in Table No. (14), continued to increase from 1420 AH (1999 AD) until 1433 AH (2012 AD), which requires urgent solutions for employment, because the years from 1431 AH (2010 AD) to 1433 AH (2012) witnessed a doubling of large numbers of university graduates, and witnessed overcrowding and waiting for employment, in light of the inability of the private sector to absorb these increasing numbers.

The analysis by comparison between Table No. (15) and Figure No. (1) shows that the unemployment rate among Saudis, starting from 1420 AH (1999 AD) until 1433 AH (2012 AD), recorded a gradual increase until it reached 12.2%. After that, it recorded a gradual decrease until it declined for Saudis from the high measurement level of 12.2 in 2012 AD to 11.8% in the first half of 2014 AD, as it remained in a state of relative stability during the following years, which indicates the success of the employment plan, and the removal of great tension among job seekers during the implementation of the Saudization program (Nitaqat).

Table No. (15)

The labor force and the unemployment rate in the Kingdom from the years (1420-1433 AH) (1999-2012 AD)

Year	Total Employment (Employed)	Unemployment Rate (Saudis) %	Unemployment Rate (Non-Saudis) %	Unemployment Rate (Total) %
1420 AH (1999 AD)	5,592854	8,10	0,84	4,35
1421 AH (2000 AD)	5,713345	8,15	1,11	4,57
1422 AH (2001 AD)	5,5808615	8,34	0,93	4,62
1423 AH (2002 AD)	5,913009	9,66	0,79	5,27
1424 AH (2003 AD)	5,875041	10,35	0,79	5,56
1425 AH (2004AD)	5,411795	11,00	0,80	5,83
1426 AH (2005AD)	6,145564	11,52	0,80	6,10
1427 AH (2006AD)	6,384403	12,00	0,80	6,30
1428 AH (2007AD)	6,656841	11,00	0,40	5,60
1429 AH (2008AD)	7,121658	9,80	0,40	5,00
1430 AH (2009AD)	7,837448	10,50	0,30	5,40
1431 AH (2010AD)	7,951033	11,21	0,34	5,52
1432 AH (2011AD)	8,779634	12,35	0,39	5,80
1433 (2012AD)	9,353808	12,20	0,08	5,50

Source: Department of Statistics and Information 2012

Studying and analyzing the detailed data of the annual reports and quarterly reports issued by the Ministry of Labor on the results of implementing the Nitaqat program, the program succeeded in employing more than 247,121 thousand citizens, male and female, within (10) months of the start of the application of the Nitaqat program, exceeding the number of those who were employed during 5 years prior to applying the program. This is likely to be due to the shift from the policy of hope, encouragement and urge to employ Saudi youth previously applied before (Nitaqat) to the policy of incentives and penalties applied by the program through its platinum - green - yellow - red ranges).

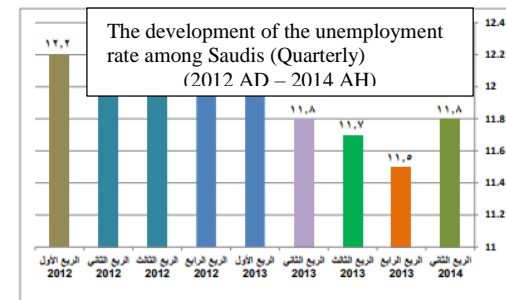
Third question:

How successful is the Nitaqat program in finding job opportunities for Saudi youth?

The increase in the volume of employment for Saudis: What will be presented here is an analysis and comparison of the statistics of various agencies, such as the Department of Statistics (Manpower Survey), the statistics of the annual

Form (1)

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(٢٠١٢ - ٢٠١٤هـ)



statistical book 1433/1434 AH (2012) of the Ministry of Labor, and the statistics of the annual statistical book 1435/1435 AH (2013 AD) of the Ministry of Labor

It was clear from the data of workers that the number of Saudi workers increased to (1,143,633) workers in the year 1433/1434 AH (2012 AD), an increase from the previous year by (290,157) workers, or 34.36%. The increase in the number of Saudi male workers was by (173,803) thousand workers, at a rate of 23.33%, and the increase in the number of Saudi female workers was by (116,354) thousand workers, at a rate of 116.95 (Table No. 16).

Official data also indicates a decrease in the male unemployment rate from 7.4 to 6.1 in 2012 AD (compared to 7.4 in 2011 AD), and an increase in the Saudi female unemployment rate by 2.3% to reach 35.7 compared to 33.4% in year (2011 AD). and the decline in the total unemployment rate from 12.4% in 2012 to 11.7 (third quarter) (The Department of Statistics and Information, 2012, p. 22).

Table No. (16)

Workers registered in private sector establishments for the years (1432-1433 AH) and (2011-2012 AD)										
year	Saudi			Non-Saudi			Total			percentage of Saudis%
	Male	Female	Total	Male	Female	Total	Male	Female	Total	
1432-1433 AH 2011 AD	744.990	99486	844476	6.823.554	113.466	6.937.020	7.568.544	212.952	7.781.496	10.85
1432-1433 AH 2012 AD	918.793	158.400	1.134.633	7.244.206	108694	7.352.900	1.862.999	324.534	8.487.533	13.37
Change	173.803	116.354	290.157	420.652	4772-	475.880	594.455	111.582	706.037	2.52
percentage of Change	23.33	116.96	34.36	6.16	4.21	6.00	7.85	52.40	9.07	

Source. The annual statistical book of the Ministry of Labor 1433-1434 AH (2012 AD)

Table No. (17)

The relative distribution of the Saudi population inside and outside the Manpower			
	Male	Female	Total
Inside	3.701.818	938.336	4.840.154
outside	2.439.096	5.428.542	7.867.638
Total			12.707.792

Source. Department of Statistics, Information, Manpower Survey 1433 AH - p. 29

Statistics indicate the continued growth of incomers forces at the end of 2014, reaching 32%, which is a continuation of the growth for the previous years 2011-2012-2013. Which makes us point out that the incomers public forces occupy more than half of the workforce in the Kingdom.

The results of the manpower survey during the month of Rabi` al-Awwal for the year 1433 AH have shown, as Table No. (16) indicates that the manpower in the Kingdom is (10751,641) individuals, of whom (9.109068) are males, while Table No. (17) indicates that the Saudi manpower has reached (4,840,154) individuals, including (30,901,818) males and (938,336) females, which indicates that the number of incomers workers is (5,911,488), i.e. an increase over the number of Saudi workers by (1071,334) individuals. By approximately 53%, the number of unemployed Saudis is (588,431). (269,675) of them are males.

Localization rates:

Despite the occurrence of reassuring indicators regarding the stability of the relative Localization rates and their non-escalation, which is what the short-term policies seek in the state's Localization strategy, which aims, as we indicated previously, to control the unemployment rate, and not, in principle, to reduce unemployment, and the Ministry has succeeded at least in not exacerbating the rate of The unemployment. Whereas, the unemployment rate began to decline relatively from 2011, when it was (12.4), then in 2012 it became (12.1), until the unemployment rate in 2013 reached (11.7).

From here it is clear that the initiatives of the Ministry of Labor through the Nitaqat program have limited the aggravation of the unemployment problem, and made clear progress in providing job opportunities for job seekers in that period, as it succeeded in opening bottlenecks, removing the accumulations of the past, and the private sector's hesitation in accommodating the increasing numbers of job seekers. Therefore, the national manpower has grown from the beginning of the short term until the end of 1433/1434 AH by 115%, from (681,481) workers only to (1,466,853) one and a half million Saudi workers.

Fourth question:

Do the incentives and services provided by the Nitaqat program contribute to increasing the Saudization rate?

- 1- The labor market, for decades of attempts to localize jobs adopted by the development plans, starting from the first five-year plan to the ninth five-year plan, did not show satisfactory results in reducing the increasing unemployment rates, and the labor market continued to suffer from violating laws, the accumulation of incomers workers, and the weakness of in Localization programs, and the emergence of the visa market.
- 2- The Nitaqat program, upon its application, adopted a package of incentives and penalties, and it was more stringent on companies that do not adhere to the employment quotas for Saudis. It was an ambitious program that sought to motivate establishments to employ Saudi youth, and it did not call for dispensing with incomers workers, in the short term. The Kingdom is aware that there are ongoing development projects that require the availability of qualified, trained manpower.
- 3- The imposition of fees on companies at the rate of (2400) riyals per year for each foreign worker, more than the number of Saudi nationals working, also contributed effectively to increasing the employment rate of male and female Saudis, and the financial stimulus represented in raising the minimum salaries of private sector employees from 3,000 riyals and higher also contributed to changing the attitudes of Saudi youth who were previously reluctant to work in the private sector.
- 4- Thanks to the package of incentives provided for by the Nitaqat program, private sector establishments have gradually responded, after reluctance and criticism of the program, and then a serious trend in employing Saudi youth.
- 5- (86) of the establishments have achieved the minimum percentages required of them to stay in the safe ranges (low green - medium green - high green - platinum), while only (14) establishments have fallen behind and remained in the unsafe ranges (green and red), which deprives them of specific incentives in ranges.
- 6- There has been a great movement and activity in the private sector, which has contributed to highlighting many opinions and ideas useful for development, and (Ma'an Program), on the Ministry of Labor's website, contributes to the participation of the private sector in their opinions about the proposed initiatives and improvements, and well, the Ministry is doing well, after (3) years of implementation, in remedying the decrease in Localization in some activities.
- 7- The importance of these incentives and services provided by the Ministry of Labor lies in prompting establishments to respond in the context of employing Saudi youth, but the private sector looks at the economic importance and the extent to which it benefits from the Saudi employee in terms of his productivity, and his knowledge of the work, and his professional and skillful behavior. These aspects need more work with the education and training sectors, and what the fund provides for developing the skills of job applicants.
- 8- The Ministry of Labor identified a package of incentives, and another package of penalties, the four specified ranges, as the incentive package belongs to the benefit of private companies and institutions that fall in the platinum and green ranges, and they are the entities that have achieved the required Saudization rates. While the penalties package, the share of institutions located in the yellow and red ranges.
- 9- According to the data of the Nitaqat program, the results of the percentages of private sector establishments in the middle of the year 1437 AH until Muharram of the year 1435 AH indicate that there is a significant decrease in the number of yellow and red companies, as the percentages of the establishments of the yellow range decreased from 30% to 7%. And the establishments of the red color range from 20% to 6%.

Table No. (18)

Distribution of establishments by range in the Kingdom	
The range	The number
Platinum	15.420
Green	
• High	23.467
• Middle	61.806
• Low	118.148
Total	203.421
Yellow	19.637
Red	17.314
Total	1.778.985

- 10- The statistics of the Ministry of Labor indicate that the number of establishments in the platinum range is (15,420) establishments, of which (273) are giant establishments, which employ (3,000) or more employees. The number of establishments in the red sector is (17,314), including one

giant company that did not achieve the required Saudization rate. Table No. (18) shows the distribution of establishments by range in the Kingdom. Table No. (19) shows a comparison between establishments in the platinum and red sectors.

Table No. (19)

a comparison between establishments in the platinum and red sectors.						
	Too small	Small	Medium	Big	Giant	Total
Platinum	-	12204	2482	462	273	15420
Red	-	16498	786	29	1	17314

Fifth question:

Does the penalties package used by the Nitaqat program contribute to increasing the Saudization rate?

Although the package of penalties applied by the Ministry of Labor pertains to companies located in the yellow and red ranges in order to correct the situation of incomers workers in them, and push them to meet the rates of Localization of jobs determined, there are some establishments that resorted to fraud in employing a number of citizens in a fictitious manner, as they were registered In the social insurance system as private sector employees, even though they are state employees, and cases that were discovered in 2012 AD through coordination between the Ministry of Labor, the General Organization for Social Insurance and the National Information Center, led to the discovery of about 47 thousand Saudi men and women, registered in the social insurance system as employees in the sector private, although they are government employees and include an unknown percentage of the military.

The following table, Table No. (20), shows some information related to the efforts of the Saudization Committee and its multiple visits to private sector establishments, in order to find out the extent to which the penalties that have been taken have been applied to increase the employment rate of Saudis.

Table No. (20)

Efforts of the Saudization Committee to control daily violations at the level of the Kingdom	
The Statement	The Number
Establishments visited	39553
Violations caught by the Saudization Committee	12989
Incomers workers who were deported for violating labor regulations	4229
Incomers workers on which pledges have been taken	12294
Jobs that are occupied by Incomers and that can be occupied by Saudis	9211
The establishments that are not cooperating with the office in hiring Saudis have had their computers turned off	182
Establishments for which computers have been turned off by inspectors and committees	2388
Establishments that have imaginary Saudization, and the computer has been turned off	404
Establishments that have been fined for violations	1045
Source. Statistical book of the Ministry of Labor 2012 AD	

The researcher deduces from the indicators in the table that among the establishments that were visited during the year (2012), which amounted to (39,553) establishments, the percentage of violations that were caught was (354), which is a large percentage, As this indicates that there are some establishments that have been practicing some types of escape and circumvention of the work system, and the results indicate that the number of establishments that have been seized, practicing imaginary Saudization, reached (404) establishments, and this is considered a large number. Thus, we conclude from the foregoing that there are many establishments that still practice forms of deception and imaginary Saudization, whether by hiring Saudi women while they are at the head of their homes, and not at the head

of work, by allocating a salary to them without working. There are also other types of fraud, such as hiring relatives, parents and children despite the fact that they are in school or working as employees in the public sector.

Results:

- 1- The research results of the first question indicated that the classifications that led to the stumbling of previous government treatments are due to the Kingdom's modernity in the workforce planning process, the lack of economic and statistical measures, the weakness of statistical centers, unexpected population growth, and social customs and traditions.
- 2- As indicated by the research results related to Nitaqat program. The package of incentives and penalties has achieved positive results in the field of employment of Saudi youth, and a relative decrease in the unemployment rate, which is what the strategic plan for employment seeks in the short term, which is to maintain the unemployment rate at its level. The study also showed that establishments improved in benefiting from incentives, as establishments located in the platinum and green range reached (87), in the yellow range (7%), and in the red range (6%). But challenges remain.

Recommendations:

- 1- Continuing to work with the Nitaqat program, while correcting the observations made by the application regarding commercial activities, and the differences between them, especially in technical activities, such as construction and construction, plumbing, carpentry, cleaning and similar activities, with a focus on achieving justice based on accurate information and statistics about companies' performance.
- 2- Work on preparing a new strategy for job localization, to be a comprehensive plan of action, with a more realistic long-term path based on the language of measurement and mathematics, and to unify the sources of those digital mechanisms.
- 3- Reconsidering the Manpower Council (it hardly has a role at present) and reviving its role, so that it becomes a legislative, monitoring, and supervisory body over labor market imbalances. I support the calls calling for its transfer to a higher body of manpower, although I see as a specialist in "public administration" that the problem is not always in the structures, procedures and titles, but rather in the work plan, achievement and management. The council or the environment is an active sector that includes in its membership the various sectors concerned with the workforce, such as the Ministry of Civil Service, the Ministry of Labor, the Ministry of Economy and Planning, and the Ministry of Commerce and Industry.
- 4- The need to activate evaluation mechanisms and periodic follow-up to implement the National Employment Strategy, as the implementation of the strategy does not in any way mean its automatic success. Rather, the success of the strategy is measured by subjecting it to evaluation and periodic follow-up, to ensure that implementation is vigilant as planned, and to alert accordingly to the existence of a defect and to identify its source either during the implementation phase or as a result of the inappropriate design of the applied policy system.
- 5- Establishing an updated national information base through the National Information Center and developing an accurate system of indicators such as unemployment rate, employment rate, growth rate in employment, growth rate in business establishments, and investment in human capital, for the sake of accuracy in statistical indicators as it is the only way To take constructive strategic decisions for the development of national forces and to build an information base that contributes to sound planning for the future.

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