

## LABOR RESOURCES OF THE ENTREPRENEURIAL SECTOR IN THE REPUBLIC OF BELARUS

Small and medium-sized enterprises (SMEs) play a significant role in global economic development. Medium, small, and micro-organizations create jobs and contribute to socio-economic development. It is important to note that they often employ representatives of such population groups as youth, older people, and low-skilled workers. For the Republic of Belarus, the problem of forming an effective activity of SMEs is especially relevant, since despite the conditions created by the state, the contribution of SMEs to the country's economy is at a low level [2]. Let's analyze the main indicators of the activities of SME organizations in the Republic of Belarus for 2020–2022 (Table 1).

Table 1 – **Main indicators of the activities of small and medium-sized entrepreneurship entities of the Republic of Belarus for 2020–2022**

Year	2020	2021	2022	Growth rate, %
Number of legal entities, units	111 405	111 908	113 355	101,75
Number of individual entrepreneurs, people	269 501	273 120	262 798	97,51
Average number of employees of organizations, thousand people	1 146,2	1 121,8	1 092,6	95,32
Nominal accrued average monthly salary of employees of organizations, rubles	1 268,9	1 479,4	1 673,5	131,88
Revenue from the sale of products, goods, works, services, million rubles	158 101,7	189 881	204 679,5	129,46
Note – Own development based on source [1].				

As can be seen from Table 1, in the Republic of Belarus in 2022, 113.4 SME organizations were operating. The analysis shows that over the past 3 years their number has slightly increased. In 2022, compared to 2020, their number increased by 1.8%.

The established trend indicates the influence of restraining factors on the development and growth of the number of SME organizations.

The indicators for the Gomel region can be examined in more detail (Table 2).

Table 2 – **Main indicators of the activities of small and medium-sized entrepreneurship entities in the Gomel region for 2020–2022**

Year	2020	2021	2022	Growth rate, %
Number of legal entities, units	9 895	9 833	9 814	99,18
Number of individual entrepreneurs, people	30 123	30 793	29 756	98,78
Average number of employees of organizations, thousand people	158 667	156 256	152 047	95,82
Revenue from the sale of products, goods, works, services, million rubles	9 161,0	10 400,0	11 332,9	123,70
Note – Own development based on source [1].				

Despite the reduction in the number of legal entities, individual entrepreneurs, and the average number of SME employees in the Gomel region, the revenue from the sale of products increased. In this regard, it can be concluded that by 2022 there is a tendency to reduce excess labor force due to a decrease in the average number of employees of organizations. It can also be noted that the Gomel region occupies a small share of the total indicators for the country.

In all economically developed countries, SMEs are provided with various organizational and financial state support, the result of which is the dynamic development of this segment of the economy and, as a consequence, significant contributions to the budget, which in total leads to the effective functioning of the economic system and a high standard of living of the population. That is, SMEs are one of the sources of economic growth in developed countries. In turn, despite the reforms being car-

ried out in the entrepreneurship system, the contribution of SMEs to the economy of the Republic of Belarus remains unchanged and unjustifiably relatively low over the past few years [2].

As of today, we can see that there are various points of view on the causes of the current situation with SMEs. It should be noted that the analysis of the state of entrepreneurship is given attention in the “Strategy for the Development of Small and Medium Business for the period up to 2030” approved by the Council of Ministers of the Republic of Belarus. Thus, the following main reasons for the current situation in SMEs are highlighted in the mentioned document:

- instability of legislation regulating entrepreneurial activity, lack of proper assessment of the regulatory impact of draft regulatory legal acts on the conditions of entrepreneurial activity, which does not allow SMEs to carry out prospective planning of their activities;
- lack of proper conditions for competition, monopolism, especially on the part of large state organizations;
- underdevelopment of institutional conditions for doing business, insufficiently developed infrastructure for its support;
- insufficient access to financing, including the underdevelopment of microfinance organizations;
- insufficiently clear definition of the concept of SME entities in legislation, which often leads to distortion of data and the impossibility of determining the real state and trends of development, as well as adequate support measures [3].

In the World Bank’s “Doing Business 2020” report, the Republic of Belarus ranked 49th among 190 world economies. As can be seen in Figure, our country received 74.3 points out of 100 possible for the indicator of the favorability of business conditions [4]. According to the new methodology of the World Bank, it is the indicator of the favorability of business conditions that is absolute and reflects the country’s proximity to the best advanced practices.

**Favorability of business conditions in Belarus according to the World Bank’s assessment for 2020**



Note – Source [4].

In conclusion, it can be said that in the Republic of Belarus, an institutional environment has been formed that today provides conditions for carrying out entrepreneurial activities in various forms, volumes, and industries. A legislative base has been formed that provides for the rights to freely create

new enterprises, conditions for state support of SMEs using various financial and non-financial instruments, ensures the protection of the rights and legitimate interests of business. However, there is a need for further analysis and development of strategies to improve the situation with SMEs in the country.

### References

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3. **National** Legal Internet Portal of the Republic of Belarus [Electronic resource]. – Mode of access : <https://pravo.by/document/?guid=12551&p0=C21800743>. – Date of access : 11.11.2023.
4. **World** Bank Report “Doing Business 2023” [Electronic resource]. – Mode of access : [https://economy.gov.by/ru/doing\\_business-ru/](https://economy.gov.by/ru/doing_business-ru/). – Date of access : 11.11.2023.