

## **Effect of SMEs (Cotton Ginnery Industry) on Social Living in Zamfara State, Nigeria**

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### **Abstract**

*This study examined the effect of one of the SMEs; cotton ginnery industry on social living in Zamfara State. The study used primary data, obtained from 272 respondents, who were randomly selected. Consequently, descriptive statistics and multiple regressions were employed. The results revealed that, cotton ginnery industry has positive effect on social living. Finally, the study recommended among others that, government should improve its financial and policy support to ginnery industry, so that they could create more income and employment opportunities both directly and indirectly to the citizenry in the state, hence enhance social living of millions of people in Zamfara State in particular, and Nigeria in general.*

**Keywords:** Small and Medium Enterprises, Cotton, Ginnery, Employment, Enterprises, Potentials.

**JEL Classification:** M21, Z13

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### **1. Introduction**

Small and Medium Scale Enterprises (SMEs) remain one of the fundamental sources of income, savings and employment generation hence contributes to improvement in social living of many people in the World. They are seen as an engine for the development of entrepreneurial experiences and homegrown technology which will stimulate employment in the country. Small and Medium Scale Enterprises create the basis for industrial stimulation and development of national economy in many countries of the world. According to Daniel (1994) and Fisseha (1996) small and medium enterprises are estimated to employ 22% of the adult population in many developing countries of the World. (Emerole & Edeoga, 2015). Small and Medium Enterprises (SMEs) as a strategy for sustainable employment, income generation and improvement in social living among people, thus, issues involving the development of Small and Medium Scale Enterprises (SMEs) have become very critical in the development of the most third world nations. No country ever develops without appreciable inputs in terms of employment, income and eventually improvement in social living from the SMEs segment of her economy, the performance and effectiveness of SMEs as

mechanisms for economic growth and development thereby reducing unemployment and income inequality and enhancing social living among the populace is one of the topics under study (Ihua, 2009). According to the report of the new MSMEs policy and 2013 National MSMEs survey conducted by the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) in partnership with National Bureau of Statistics (NBs) it was shown that, Micro Small and Medium Enterprises (MSMEs) in 2013 employed 60 million Nigerians from a total number of 37 million MSMEs and equally contributed about 48% of Nigeria's Gross Domestic Product (GDP). Similarly, MSMEs are considered worldwide as the mainstay of any economy, which ultimately enhanced social living, high productivity, and equally serves as tool for employment generation and provide opportunities for entrepreneurial sourcing, training, development and empowerment, (Aganga, 2015).

It is universally acknowledged that, SMEs serve as a link between simple industries to complex industries and highly developed large industries. Cotton ginnery industry is one of the SMEs that provide input for industries and equally serves as a link between cotton producers and cotton users, so also as source of income and employment and improvement in social living to a large number of populations. Similarly, ginnery serve as a necessary apparatus that provide links between farmers who are the producers of cotton and textile industries that are processing cotton for end users. According to Nigerian cotton value chain (2015) there were about 51 ginneries in Nigeria. However, due to reduction in production of cotton and equally use obsolete equipment, the number of active ginneries has reduced to 26 only. The national average output is maintained 150,000 MT to 300,000 MT. But the cotton ginning capacity of Nigeria was 650,000 MT. The ginning outturn percentage increased from 36% to 43% in 2003-2008 and this increase was mainly due to the introduction of new variety cotton. Cotton and Agricultural Processors Limited is leading ginner in Nigeria who are ginning about 50% of the seed cotton produced in the country and owns ginneries throughout the cotton production areas. (Mansur, 2023). Additionally, Small and Medium Scale Enterprises (SMEs) normally emphasis on economically steady developed and developing nations even in Nigeria, Earlier studies emphasize on states that are developed in the country with less emphasis on ginnery industry. On similar vein, there are three main reasons which justified the study of effect of cotton ginnery industry on social living in Zamfara state. Unemployment is one of the major problems that is inhibiting against the individual, society or country's economic development. SMEs have been widely accepted to be a vital tool of providing employment and income in a state like Zamfara state. Thus, this study is very important as it will assess the impact of SMEs (cotton ginnery industry) on social living in Zamfara state. This is because; tackling the problem of employment will certainly enhance income generation and eventually improve the social living of the people in Zamfara State. The habit of over reliance on white collar office jobs by some Nigerian graduates has resulted to a situation whereby the rate of unemployment is increasing day by day in Nigeria. Therefore, study of this kind will assist greatly in addressing this problem by providing avenue establishing the impact of ginnery on employment, by which the ginnery jobs will serve as alternative to government jobs

that is difficult to get. As such, based on the above arguments, this study investigates and analyses the impact of cotton ginnery industry on social living in Zamfara State of Nigeria. The remaining portion of the study is structured as follows; Section two provides a brief literature review. Section three highlights the methodology. The result of the study is presented in section four and section five provides conclusion and policy recommendations.

## **2. Literature Review**

There is no universally accepted definition of Small and Medium Scale Enterprises. The scope of the definition depends normally on the context of the usage and it differs from, nation to nation. However, there are three key parameters usually considered in part or whole by most countries and institutions, they are: capital investment, number of employees and turnover (Aremu and Adeyemi, 2011). For example, World Bank, (2009), defined SMEs as those enterprises with less than one hundred employees. In addition they further define small enterprise as those with one (1) to ninety nine (99) employees. SMEs had been defined differently by scholars, institutions and nations of the world. Thus there has been no clear cut and globally accepted definition of SMEs. The technical definitions vary from country to country, from region to region in the world, but are usually based on employment, assets or a combination of the two. Thus, some countries have different definitions for SMEs in manufacturing and services sector (Kotlnikov, 2007, Anwar et al, 2012 in Mansur, 2023). According to International Finance Corporation (IFC. 2011) SMEs are defined as registered businesses with less than 250 employees, contributes heavily to employment and GDP Growth in ways linked to the formalization of an economy, often have great difficulty accessing financial services in many emerging markets. In Nigeria for example, the National Council of Industry (NCL, 2001) defined MSMEs as those enterprises for micro-cottage with capital based of not more than ₦1.5 million and number of employees not more 10, for small enterprises with capital based of ₦1.5 million to ₦15 million and number of employees from 11 to 100 employees, for medium enterprises with capital based from ₦15 million to ₦200 million and number of employees from 101 to 300 and for large enterprises with capital based above ₦200 million and number of employees above 300. The Nigeria's apex bank: The Central Bank of Nigeria (CBN) defines Small and Medium Enterprises in Nigeria according to assets base and number of staff employed. The criteria are: an asset base between ₦5 million and ₦500 million and staff strength between 11 and 300. Furthermore, the small and medium industries equity investment scheme (SMIEIS) in Nigeria, defines SMEs as enterprise with a total capital employed not less than ₦ 1.5 million but not exceeding ₦200 million, including working capital but excluding cost of land and or staff strength of not less than 300, (Business info 2012 Cited in Abubakar and Yahya 2013).

There are many factors that determine the ability SMEs to employs more labour hence contribute to improvement in social living according to Islam, et al (2011), Chittitheworn, et al (2011) and Muázu et al (2015), these factors could be in to three groups: the characteristics of the individual entrepreneurs, the characteristics of enterprise, and the contextual elements which relate to the business environment.

Size of the firm is one of the necessary aspect that, determine enterprise income and employment generation and hence improvement in social living. Some studies show that, SMEs are not likely to employ more workers than the large firms. Size of the SMEs is one of the major factors that differentiate enterprises efficiency. According to Wijewardena and Cooray (1995), in Muázu et al (2015), larger firms in small and medium scale business grow faster than smaller ones due to their ability to employ skilled managers and workers and acquire more efficient technology and facilities and get credit desirable for expansion. Furthermore, Lun and Quaddus (2011) and Tibbits (1999), indicate that, larger firms perform better than small one, this is because, the larger firms can easily embrace new technology such as electronic commerce and so on, larger firms equally have resources at their disposal that could be used to carry out market research, acquire information and new knowledge and marketing strategy very effectively. Additionally, they argue that, large firms face far higher labor costs compared to small firms, which suggests that, small firms should potentially hire more than what larger firms can hire. According to Julizaerma and Sori (2012) in Malaysian companies gender diversity in the board is positively and significantly related to firm performance and overall output, equally Liu, et al (2013) find out that, there is positive and significant relationship between board gender diversity and firms' performance on China's listed firms. Similarly, Copper (1998) cited in Bello et al, (2015), related education, sex and race of the entrepreneurs to new business performance in a three year longitudinal study in the United State, in other words, education, gender and race of an entrepreneur has significance impacts to business performance. Rose, et al (2006), find out that, education, skills, experiences and also financial support are some of the most important factors that affects the success of businesses. However, experience of the entrepreneur could have either negative or positive impact on business performance. According to Levy and Sharma (1994) higher level of education do not only help sales people to become more proficient in the sales process, but as well leads to successful performance outcomes of the business.

### **3. Methodology**

Zamfara state economy is largely characterized by informal sector activities with agriculture as the main economic activity. About 90% of the Zamfara state population is engaged in subsistence farming and animal agriculture. Zamfara state was one of the States created on the 1<sup>st</sup> October, 1996 , during the administration of the then Head of State, Late General Sani Abacha GCON, it was created from former Sokoto State, The State has the population of 3,259,846 people, according to 2006 census. It covers an area of 32, 247 square kilometers. It is situated in the North Western flank of Nigeria, it shares borders with Sokoto State and Niger Republic to the North, Katsina State to the east and Kaduna, Niger and Kebbi States to the south. (Zamfara investment Guide, 2001.4 Cited in Mansur, 2012). Other Economic activities in Zamfara State are usually undertaken on Small and Medium Scale Enterprises, especially in agricultural goods, livestock, ginnery, textile and other consumer goods. With its agricultural based economy, it has a high potential as market both in terms of population and consumption. SMEs contribute largely to the economic development of Zamfara state in particular and Nigeria in general. One of the noticeable SMEs in the state is Ginnery industry,

which if working at full capacity can employ up to 200 workers per shift, who will work in different stages of ginning (Hassan, 2016). Therefore, this study investigates the effect of ginnery industry in terms of improvement in social living in Zamfara State.

The population of the study comprised of peoples who are directly involved in the ginnery industry activities. These peoples were identified from two groups (i) the ginnery entrepreneurs and (ii) the employees of ginnery industry. The owners of five ginneries that are currently operational and 850 Workers of the ginneries in the study area, these workers comprised unskilled, semi-skilled, and skilled workers of the ginnery in the study area (NACOTAN, 2018). Cluster random sampling method was used in selecting workers of the ginnery, the technique was considered appropriate because, the respondents were classified into unskilled, semi-skilled, and skilled labour. The total number of ginnery workers under study as given by NACOTAN (2018) were 850, and the sample size of the study was arrived at using Yamane (1967). Hence 272 workers of ginneries in Zamfara State were sampled using proportional allocation formula and cluster random sampling technique. Questionnaire was administered to selected respondents of the selected ginneries (unskilled, semi-skilled, and skilled labourers) nominated for this research in each category.

This study employed the use of structured questionnaire which was developed for data collection, the questionnaire was administered to selected respondents in ginnery industry, which comprised of ginnery entrepreneurs and employees of ginnery in the study area. The information was sought with a view to investigate the impact of cotton ginnery industry on social living in the study area. The study employs descriptive statistics and multiple regression analyses using OLS model.

To test the potential of cotton ginnery industry in terms of employment and income generation hence, its effect on social living, the two empirical models were estimated as follows:

$$EMP = \alpha_0 + \beta_1 GSP + \beta_2 EXP + \beta_3 TGD + \beta_4 EDU + \beta_5 HPD + e_0 \dots\dots\dots 1$$

Where: EMP = Employment generation of the ginnery,  $\alpha_0$  = Constant,  $\beta_1 - \beta_5$  = are estimate of the parameters, GSP = Government support, EXP = Years of Experience of the entrepreneur, TGD = Number of tons gin per day, EDU = Educational level of the entrepreneur, HPD = Number of hours per day,  $e_0$  = Error term

$$INC = \alpha_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e_0 \dots\dots\dots 2$$

Where: ICN = Income generating capacity of the ginnery,  $\alpha_0$  = Constant,  $\beta_1 - \beta_5$  = are estimate of the parameters,  $X_1$  = Educational Qualifications,  $X_2$  = Family Size,  $X_3$  = Years of experience of the employee,  $X_4$  = Age of the employee,  $X_5$  = Working before joining ginnery work,  $e_0$  = Error term

**4. Results**

The result is divided into two the descriptive statistics results which gives an overview of the respondents; as well as the multiple regression result. Descriptive statistics results present the characteristics of the respondents such as sex, age, marital status, number of dependents, educational qualifications, etc.

Table 1: Characteristics of the Respondents

Response	Frequency	Percent (%)
<i>Gender</i>		
Male	256	100.0
<i>Age</i>		
18-30	76	29.7
31-45	125	48.8
46-55	43	16.8
56-65	12	4.7
<i>Marital Status</i>		
Single	63	24.6
Married	179	69.9
Separated	14	5.5
Widowed	0	0
<i>Educational Level</i>		
Primary	41	16
Secondary	135	52.7
Tertiary	58	22.7
Others	22	8.6
<i>Number of Dependents</i>		
1-5	98	38.3
6-10	122	47.7
11-20	27	10.5
Above 20	9	3.5
Total	256	100

Sources: Author's Computation

Table.1 shows the sex distribution of the respondents: the data elicited shows that, all of the respondents were male. This may not be unconnected with the fact that, women in the study area were not found in the ginnery work, as they are normally engaged more in traditional ginning system which is becoming obsolete due to the emergence of machines. This equally indicates that, ginnery industry work in Zamfara state is male dominated. The age distribution of the respondents, it was discovered from the data that, majority of the respondents were between 31-45 age brackets which represent about 49% of the total distribution, and has 125 respondents out of 256. This was followed by the category of respondents that were between 18-30 with 75 frequencies which represent about 30% of the total distribution, This implied that, these two categories are those who are within the productive age, and are the age groups within which they have tendency of high labour productivity, as these categories of age are considered more energetic and productive despite the fact that 18-60 years are the official working age in the country. Furthermore, ginnery work is a kind of work which is energy demanding, thus most employers have preference on those within these age bracket. However, 56-65 age brackets have the least number of respondents which was 12 out of 256 people, which represent about 5% of the total distribution. This is because there is possibility of diminishing marginal productivity of labour within this age bracket, and most of the respondents within this age bracket are in top management,

although above sixty years were observed handling some manual labour activities and operating machines during the course of administering the questionnaire. The highest percentage of respondents whose age is between 18-45 years is an indication that, there is positive relationship between age and productivity and eventually income, because peoples in this age group as mentioned earlier are more active and productive, hence they may likely have more income.

The Marital Status of the respondents considered in this study, from the results, it was discovered that majority of them were married with children this represent 179 respondents which was about 70% of the total distribution, while single are about 25%. And separated spouses represent 5.5%. The results shows that, the high percentage of the respondents are married with family, this is a natural situation because a house hold with dependents are more likely to search for job, that will enable him to earn income to cater for the family needs, this equally shows how the ginnery industry have impact on the social living in the study area. It equally shows that, the respondents have number of dependents which include aged-parents, children and relatives who are under their care. It appears that, majority of the respondents have between 6-10 dependent, with frequency of 122 which is 48%, followed by 1-5 numbers of dependent, which has 98 frequencies and represent over 38% of the respondents. The least is those respondents that have above 20 dependents which are about 4%. The highest percentage of respondents with large number of dependent is an indication that, the ginnery industries in Zamfara state, apart from providing employment and income to the people, equally have impact on social living, because most of the workers have some numbers of dependents, whose livelihood depends on the income of that ginnery worker.

For educational qualificatio, majority of the respondents have secondary school certificate as highest educational qualification, which represent about 53% of the total distribution, with 135. Followed by 22.7% of the respondents with 58 who possess NCE, ND, HND and Degree, furthermore, 41 respondents representing 16% poses primary leaving certificate as their highest qualifications, and other qualifications are 9% of the total distribution, implying that they had either informal education or trade certificates. This shows that, most of the ginnery owners and workers have low level of educational qualification, this corroborate the study conducted by, Akeem (2015) and also, Olusola (2014) who found that, SMEs owners and workers do possess educational qualification.

Table 2 indicates that majority of the respondents have 6-10 years' experience with ginnery, with 108 employees representing 42.2%, followed by those with experience of 1-5 years' with 81 respondents, representing about 32% , followed by workers with 11-15 years' experience, which have 36 respondents representing 14.1%, while 25 respondents have 16-20 years working experience with ginnery, and six (6) respondents have over twenty years' experience in the ginnery work which is 2% of the total distribution, it's indicated that, respondents that, have 6-15 years experience are the majority this indicate that, there is positive relationship between the years of experience and the skills, those workers with many years of experience tend to have more skills than those that do not have, and the

expectations is that, the higher the level of experience the higher the level of income.

Table 2: Experince and Income of the Respondents

Response	Frequency	Percent (%)
<i>Duration</i>		
1-5 years	81	31.6
6-10 years	108	42.2
11-15 years	36	14.1
16-20 years	25	9.8
Above 20 years	6	2.3
<i>Income</i>		
₦18,000-₦30,000	97	44.1
₦31,000-₦50,000	79	35.9
₦51,000-₦100,000	4	1.8
₦101,000-₦150,000	1	0.5
Above ₦150,000	4	1.8
Don't Know		
Total	256	100

*Sources: Author's Computation*

The category of income shows that, 35 respondents which represent 15.9% of the total distribution earned between eighteen thousand naira to thirty thousand naira (₦18,000-₦30,000) as monthly income, while 97 respondents representing 44.1% earned between thirty one thousand naira to fifty thousand naira (₦31,000-₦50,000) as their monthly income from the ginnery work, this may not be unconnected with the fact that, majority of the employees in the ginnery possess lower qualifications (secondary school), furthermore, 79 respondents which represent 35.9% and 4 respondents representing 1.8% of the total respondents are earning between fifty one thousand naira to one hundred thousand naira (₦51,000-₦100,000) and one hundred and one thousand naira to one hundred and fifty thousand naira only (₦101,000-₦150,000) respectively as their monthly income, only an individual among the respondents receives above one hundred and fifty thousand naira only (₦150,000) as a monthly income, while four (4) respondents (representing about 2% of the distribution) decided not to disclose their monthly income.

Regression results of the determinants of employment and income of ginnery industry. This study employs the use of Linear Regression in form of multiple regressions to examine the impact of cotton ginnery industry on employment and income generation in the study area. In the Table 3 the Government supports coefficient of (-0.761) has a statistically significant negative relationship with employment generation at 10 percent level of significance. It shows that, ginnery that receives government support has their employment generating capacity reduced by 0.761 percent compared to those that do not received government supports. This does not conform to the a prior expectation that, government support has a positive relationship with employment generation of ginnery, in other words ginnery that have received government support are likely to generate more



employment than those that did not received any supports, though it is consistent with Oba, U.O. and Onuoha, B.C. (2013), which found that, government support is not significant to the growth of SMEs measured by their employment generation and income.

Table 3: Regression Result of the Determinants of Employment Generation of the Ginnery

Variables	Coefficient	Std. Error	Significance
(Constant)	6.662	0.969	0.002*
Government support	-761	0.308	0.069***
Years of experience of the Entrepreneur	0.078	0.132	0.282
Number of tons gin per day	-1.215	0.282	0.012**
Educational level of the Entrepreneur	-637	0.118	0.006*
Number of hours per day	1.204	0.203	0.004*
R <sup>2</sup> = 0.947			
F=14,434			
DW=2.51			

*Note: Dependent variable: Employment generation of the ginnery, Significant level at 1% (\*), 5 %(\*\*), 10 % (\*\*\*)*

*Source: Authors computations*

Furthermore, the coefficient of government support which indicated negative relationship with employment, it is clear indication that, the government support both financial and policy support was seriously low and inadequate to support the activities of ginnery industry in the study area, hence low output, and eventually low employment. Also, the variable years of experience of the entrepreneur has positive statistically positive relationship with employment generation, it implies that a unit increase in the cotton ginnery entrepreneurs' experience, on average lead to an increase in the level of employment generation of the ginneries by 0.78 percent. This result is in line with Yusuf, at el (2015), who found that, an enterprises managed by experienced entrepreneur are likely to generate higher employments than those managed by inexperience entrepreneurs. On similar vein, the coefficient number of tones produced per day has a negative relationship with employment generation of the cotton ginnery and is statistically significant at 5 percent. It shows that an increase in the number of tones produced per day leads to decline on employment by 1.215, this may be due use of machines in increased productions. This has emanated from the fact that, government support which is key and very fundamental to survival and development of SMEs was too low in the study area.

The coefficient of the education level of the ginnery owners / entrepreneurs is negative at (0.637) but statistically significant at 1% level of significance. It shows that, increase in the unit of education of the ginnery entrepreneur leads to reduction in the level of employment of the ginnery. This is not consistent with a prior expectation, since a unit increase in the level of education of the ginnery entrepreneur will leads to an increase in the level of ginnery employment. Number of hours worked per day has positive relationship with employment generation and is equally statistically significant at 1% level of significance. Which is in line with

a priori expectation that, the higher the number of hours which the ginnery operate per day, the higher the number of employees it will employ, the results implies that, an increase in the units of hours which the ginnery operate per day, this leads to an increase in the employment generation capacity of the ginnery in the study area by about 1.204 percent. This has corroborate Bowale et al (2012) that found that, business size with other variables are amongst major factors determining employment generating potentials of SMEs.

Table 4: Regression Result Determinant of Ginnery Income Generation

Variable	Coefficient	Std. Error	Significance
(Constant)	1.689	0.169	0.000*
Age	-0.038	0.05	0.453
Family Size	0.028	0.063	0.655
Qualification	0.416	0.039	0.000*
Experience	0.146	0.045	0.001*
Working	-1.512	0.082	0.000*
R <sup>2</sup> =0.661			
F=97.298			
DW=1.9			

*Note: Dependent Variable: Income, Significant level at 1% (\*), 5 %(\*\*), 10 %(\*\*\*)*  
*Sources: Author's computation*

The coefficient of age of the respondent appears to have a negative impact on the income of the respondents in the study area, the coefficient is -0.038 which implies that an increase in the age of the respondents will lead to 3.8% decrease in his/her income, although this impact is statistically insignificant as the p-value which is 0.453 is greater than 5% and 10% level of significance. Similarly the coefficient of family size of the respondents is also not statistically significant. Although the coefficient is positive meaning that a change in family size will lead to about 2.8% increase in income. This is in contrast to the a priori expectation.

The coefficient of educational qualifications and the Experience of the respondents were found to be positive and statistically significant. This implies that the higher the qualifications of a respondent, the more likely for the respondent to earn higher income. The coefficient of educational qualification is 0.416 which means that a percentage increase in educational qualification will lead to about 42% increase in an income of the respondents. The coefficient is statistically significant, because the p-value is 0.00 which is less than 5%. This has corroborates the evidence in Bello, (2015) which found that, there is strong positive relationship between educational qualification and employees/entrepreneurs income. Also the coefficient of working experience exerts positive relationship with income of employee that is experience enhanced level of income of the respondents. The coefficient of income has 0.146 which implies that a percentage increase in working experience will lead to about 15% increase in the level of income. The coefficient is statistically significant as the significance value is 0.001 which is less than 5%. Finally, the coefficient working before joining ginnery work, the result shows whether previous work of the respondents has influence on their income. It was found that there is negative relationship between income and previous work of the respondents. As

stated earlier, very few of them has worked before joining the ginnery, and their previous work have negative impact on their income.

In analyzing the ginnery industry and social living, the main objective of this study was set to investigate the effect of ginnery industry on the social living in the study area. Ginnery industry being one of the SMEs in Zamfara state has contributed to socio-economic development of the state. It was found that, cotton ginnery industry provides sources of livelihood to many people; this is by providing employment opportunities both directly and indirectly to the people in the study area. According to NCAN, (2017), ginnery industries in the state, in the year 2000, provides employment to more than 5,000 (five thousand) people, though due to some number of problems, most of the ginneries were out of operations as at te tie of this study. From the data collected the five ginneries that are currently operational have about 850 (eight hundred and fifty) workers of dependents which means they rely on the job and income of these workers for their basic needs. Also cotton ginnery industry provides indirect jobs to thousands of peoples in the study area. This is due to the fact that, there are number of peoples who are indirect workers of ginnery industry, they are earning their cotton income from ginnery industry such as: cotton farmer, they produce cotton which serves as raw material to ginnery industry their production depends largely on operations of ginnery industry, if ginnerys are not working most of the cotton farmers will lose their job. Furthermore, cotton ginnery provides indirect employment to cotton merchants and cotton agents, their employment depend on the survival and operations of ginnery industries, if ginneries are not functioning most of them will become jobless. Additionally, there are number of people whose job depend indirectly on the ginnery industry such as; food sellers within and outside the vicinity of the ginnery, shopkeepers that are operating when the ginnery are operational and so on.

### **5 Conclusion and Recommendations**

In conclusion, cotton ginnery industry has a positive impact on the social living in Zamfara state, especially through provision of employment opportunities either directly or indirectly which results in income generation to those employed. As uch, cotton ginnery industry improve the living standard of many people in the study area. Therefore, the following policies are recommended: It is recommended that, policy of government should address issue of adequate financial support to SMEs in general and ginnery industry in particular, this will bring more output and hence more employment and income generation in the study area. It should equally provide policy support which will ensure protection to infant ginnery industry in particular and SMEs in general. It is believed that, this strategy will gradually promote the ginneries to provide more employment and income in Zamfara state in particular and Nigeria as a whole.

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