



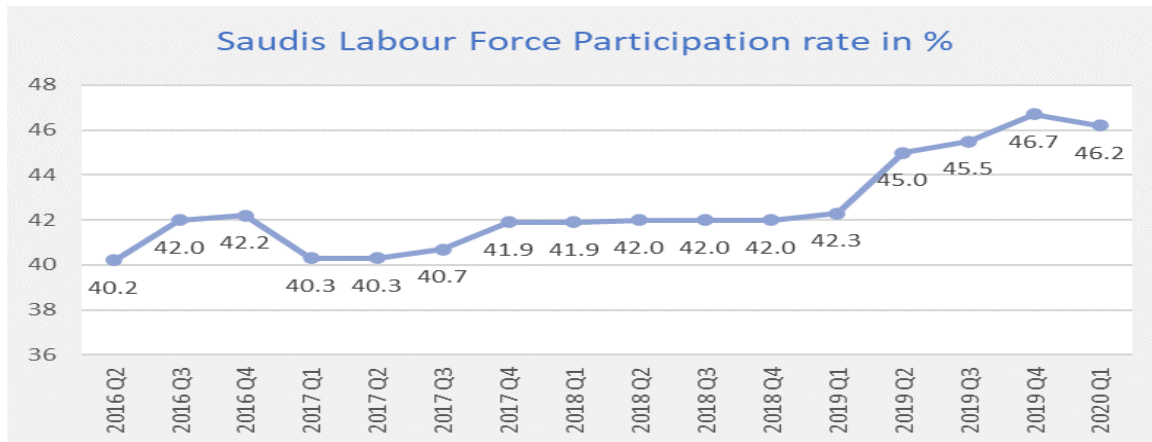
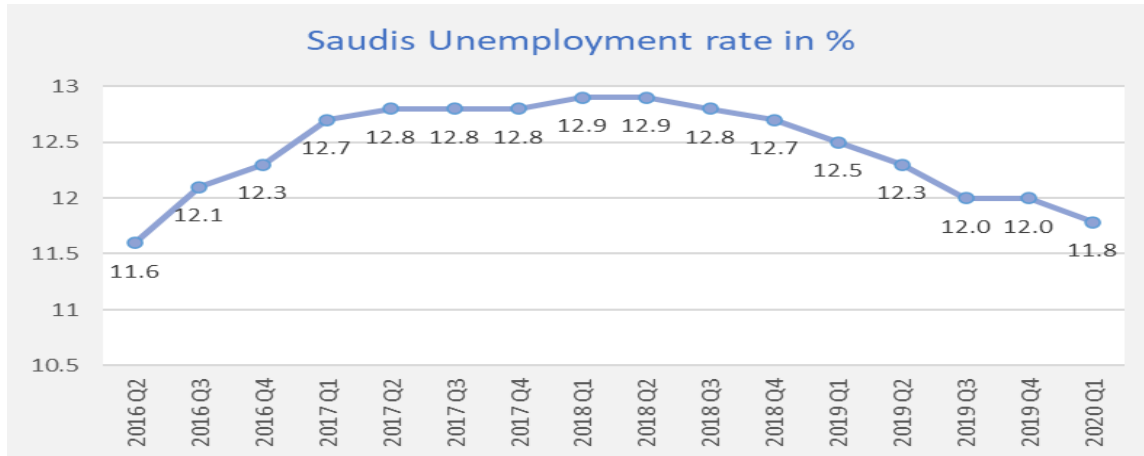
Labor market Q1 2020: Unemployment at 5.7 %, Labor Force Participation increases to 58.2%

According to estimates based on the Labor Force Survey, which was carried out in January 2020, before the COVID-19 pandemic, the total unemployment rate amounted to 5.7% in Q1 2020, unchanged compared to the first quarter of the previous year. Saudi unemployment rate decreased to 11.8% in Q1 2020, from 12.5% in Q1 2019. The total Labor Force Participation rate rose to 58.2%, increasing by 1.8 pp compared to Q1 2019. The stability in the unemployment rate and the increase of Labor Force Participation rate are due to the increase in the number of employees in the survey..

Saudi unemployment rate at 11.8%, Saudi Labor Force Participation rate at 46.2%

Compared to the Q4 2019 for the Saudi labor force in Q1 2020 showed the following development:

- The Saudis unemployment rate decreased from 12.0% in Q4 2019 to 11.8% in Q1 2020
- Saudi males unemployment rate amounted to 5.6%, increasing by 0.6 pp compared to Q4 2019. The Saudi female unemployment rate amounted to 28.2% ,decreasing by -2.7 pp compared to Q4 2019. The reason for the decrease in the unemployment rate for all Saudis is the decrease in the number of Saudi unemployed women in the survey compared to the Q4 2019.
- Among Saudis unemployed 62.9% belonged to the age group of 20-29 years.
- More half of the Saudis unemployed (58.1%) had a bachelor's degree, and 25.4% out of Saudis unemployed holding a degree, had majors in humanities.
- 86.6% of Saudi males unemployed and 98.1% of Saudi females unemployed have never worked before.
- The labor force participation rate for Saudis reached a level of 46.2% in Q1 2020 decreasing by - 0.5 pp compared to the previous quarter.
- The Saudi males labor force participation rate amounted to 65.8% in Q1 2020, a decrease by -0.8 pp compared to the last quarter, The Saudi females labor force participation rate amounted to 25.9% in Q1 2020 a decrease by -0.1 pp compared to the last quarter.



Source: estimated data from LFS - General Authority for Statistics (GASTAT)



Methodology

Labor market statistics are based on two main sources:

First Source: Labor Force Survey, (General Authority for Statistics)

The Labor Force Survey is a household survey that is carried out by GASTAT and provides estimates of population in the labor force, population outside the labor force, as well as calculating the most important indicators of the labor market, such as unemployment rates and Labor Force Participation rate.

- Unemployment rate: an indicator that measures people who are unemployed at the working-age population (15 +) and who are part of the labor force it is calculated as a ratio of the unemployed to the labor force..
- Labor Force Participation rate: an indicator that measures the participation of the working-age population (15 +) in the labor force (as either employed or unemployed individuals). as a ratio of the labor force to the working-age population (15 +).
- Unemployed individuals: Individuals (15 years and above) who were:
 - 1 without a job in the week preceding the household visit.
 - 2 Seriously looking for work during the four weeks preceding the household visit (and have followed at least one method to look for a job). This category also includes those who did not search for work because they were waiting to start an already agreed job or because they want to set up their own business since.
 - 3 People who were able to work and ready to join whenever necessary during the week preceding the household visit or the next two weeks.

In 2020, a review of the Labor Force Survey is planned to further improve quality of this important source of data for the labor market

Second Source: Administrative data, (GOSI, MHRSD, NIC)

Administrative data recorded and updated by government agencies related to the labor market, as these agencies are major sources of data of employees and job seekers



Unemployment rate %					
Quarters	Total	Saudi			Non Saudi
		All	Male	Female	
2016 Q2	5.6	11.6	5.4	33.7	0.6
2016 Q3	5.7	12.1	5.7	34.5	0.8
2016 Q4	5.6	12.3	5.9	34.5	0.5
2017 Q1	5.8	12.7	7.2	33.0	0.7
2017 Q2	6.0	12.8	7.4	33.1	0.9
2017 Q3	5.8	12.8	7.4	32.7	0.5
2017 Q4	6.0	12.8	7.5	31.0	0.7
2018 Q1	6.1	12.9	7.6	30.9	0.9
2018 Q2	6.0	12.9	7.6	31.1	0.7
2018 Q3	6.0	12.8	7.5	30.9	0.9
2018 Q4	6.0	12.7	6.6	32.5	1.0
2019 Q1	5.7	12.5	6.6	31.7	0.6
2019 Q2	5.6	12.3	6.0	31.1	0.3
2019 Q3	5.5	12.0	5.8	30.8	0.3
2019 Q4	5.7	12.0	4.9	30.8	0.4
2020 Q1	5.7	11.8	5.6	28.2	0.5

Source: estimated data from LFS - General Authority for Statistics (GASTAT)

Labour Force Participation rate %					
Quarters	Total	Saudi			Non Saudi
		All	Male	Female	
2016 Q2	54.9	40.2	63.2	17.7	79.4
2016 Q3	55.3	42.0	64.6	19.0	73.1
2016 Q4	56.5	42.2	64.6	19.3	76.2
2017 Q1	55.1	40.3	61.9	17.4	75.6
2017 Q2	54.2	40.3	62.1	17.4	73.4
2017 Q3	54.8	40.7	62.6	17.8	74.2
2017 Q4	55.6	41.9	63.4	19.4	74.2
2018 Q1	55.5	41.9	63.5	19.5	73.9
2018 Q2	56.2	42.0	63.5	19.6	75.5
2018 Q3	56.4	42.0	63.5	19.7	75.7
2018 Q4	55.9	42.0	63.0	20.2	74.5
2019 Q1	56.4	42.3	63.3	20.5	75.3
2019 Q2	57.9	45.0	66.0	23.2	75.2
2019 Q3	58.4	45.5	67.0	23.2	75.6
2019 Q4	58.8	46.7	66.6	26.0	75.2
2020 Q1	58.2	46.2	65.8	25.9	74.5

Source: estimated data from LFS - General Authority for Statistics (GASTAT)

Links: [All Tables](#) [Methodology](#)