

BUSINESS SECTOR RECOVERY IN 2021

The results of structural business statistics of the year 2021 indicated the recovery of the business sector from the effects of the coronavirus pandemic (COVID-19) that the world witnessed during the last period, which left effects of varying dimensions on various economic activities. The performance of economic activities has improved at a varying rate of recovery between various economic activities, from a complete and remarkable recovery in some activities to a partial recovery in others, which contributed to the advancement of the business sector again, to advance its performance levels during the year 2019, by passing the challenges of the year 2020.

Main Results of Business Sector in 2021

Operating revenue during the year 2021 amounted to SAR 4,081 billion, and according to the results of the statistics, the most revenue-generating activities are the activities of the manufacturing, mining and quarrying, and wholesale and retail trade activities, while the operating expenditure of the business sector amounted to SAR 1,744 billion, led by expenditure of manufacturing activity, followed by wholesale and retail trade activity, and construction activity. As for employees' compensations, the total compensation during the year 2021 amounted to SAR 388.4 billion. Manufacturing activities, wholesale and retail trade activities, and construction activities were ahead of other economic activities in the amount of employees' compensation due to the magnitude of these activities and the large number of employees they contain, compared to other economic activities.

Business Sector Operating Revenue Soars in 2021

Compared to the year 2020, the operating revenue of business sector increased significantly, supported by the increase in operating revenue in many economic activities, as the increase rate reached 26%. The results of the statistics showed an increase in operating revenue of sports activities and amusement and recreation activities by 36.6%, and revenue also increased in the activities of manufacture of coke and refined petroleum products, and the retail trade, except of motor vehicles and motorcycles, by 36.2% and 17.2%, respectively.

Business Sector Operating Expenditure Increases in 2021

Operating expenditure in the business sector increased by 20.9% compared to the previous year, as a result of the increase in operating expenditure in various economic activities. The results of the statistics showed that operating expenditure increased in the construction of buildings activity by 27.7%, manufacture of food products by 11.8%, and the activity of manufacture of chemicals and chemical products 49.8%.

On the other hand, the operating expenditure decreased in warehousing and support activities for transportation, computer programming, consultancy, and related activities, by 6.4% and 7.1%, respectively.

Business Sector Compensation of Employees Increases in 2021

Employees' compensation increased during the year 2021 by 12% compared to 2020, affected by the increase in compensation in various economic activities, as it is shown in the results of the statistics that compensation of employees in each of the following activities increased: wholesale trade, except of motor vehicles and motorcycles, by 18.9%, air transport activity by 15.9%, Other mining and quarrying by 13.9%.

On the other hand, the compensation of employees of manufacture of basic metals decreased by 3.2%.

Recovery of Economic Activities from Effects of Coronavirus Pandemic

Compared to the year 2020, the performance of many economic activities that were directly affected by the coronavirus pandemic (COVID-19) improved, and returned during the year 2021 to their normal levels of performance that they were in before the start of the pandemic, as the results of the statistics indicated an increase in the operating revenue of travel agency, tour operator, reservation service & related activities by 185.5%, and accommodation by 102.8%, and other mining and quarrying by 4.6%.

On the other hand, the results of the statistics showed the stability of many economic activities that were not affected by the pandemic, continuing to achieve normal growth rates during the past three years, such as telecommunications, computer programming, consultancy and related activities, and financial services activity.

Figure 1 : Operating Revenue by economic activity in 2021

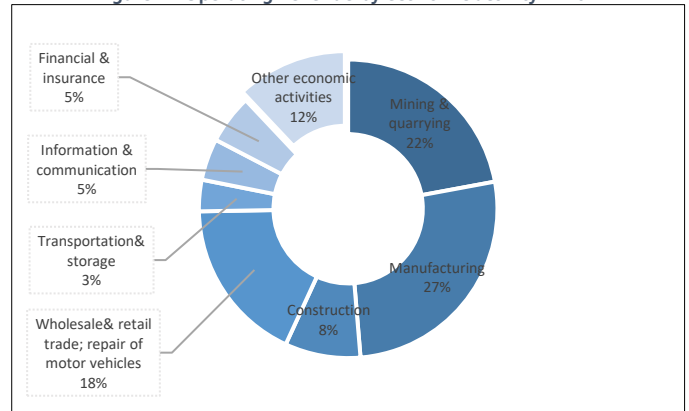


Figure 2 : Operating Expenditure by economic activity in 2021

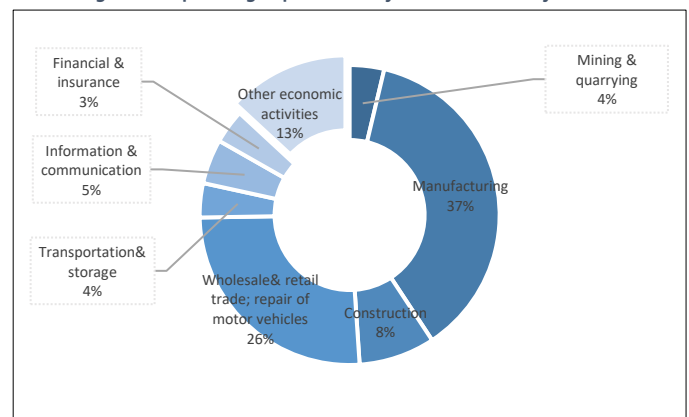
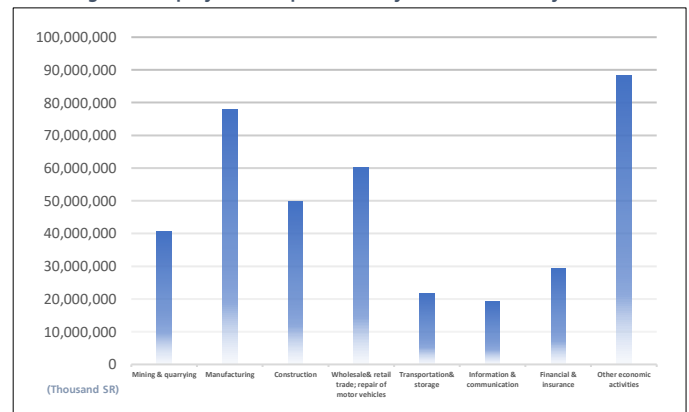


Figure3: Employees' compensation by economic activity in 2021



Methodology of Structural Business Statistics

The General Authority for Statistics conducts and publishes a number of economic, social and population statistics about the Kingdom on a regular basis. Based on this authority, the General Authority for Statistics has established programs for statistical research aimed at strengthening the economic database. Among these programs are the economic statistics programs. The Structural Business Statistics is considered one of the most important economic statistics carried out by the authority, as its objectives are to provide statistical data on establishments that practice various economic activities. These data are represented in employees' compensation, operating expenditure and operating revenue. The implementation of the Structural Business Statistics in 2021 is an extension of the implementation of the statistics since 2006 and to complete a series of annual releases of the statistics that were interrupted by the coronavirus (COVID-19).