



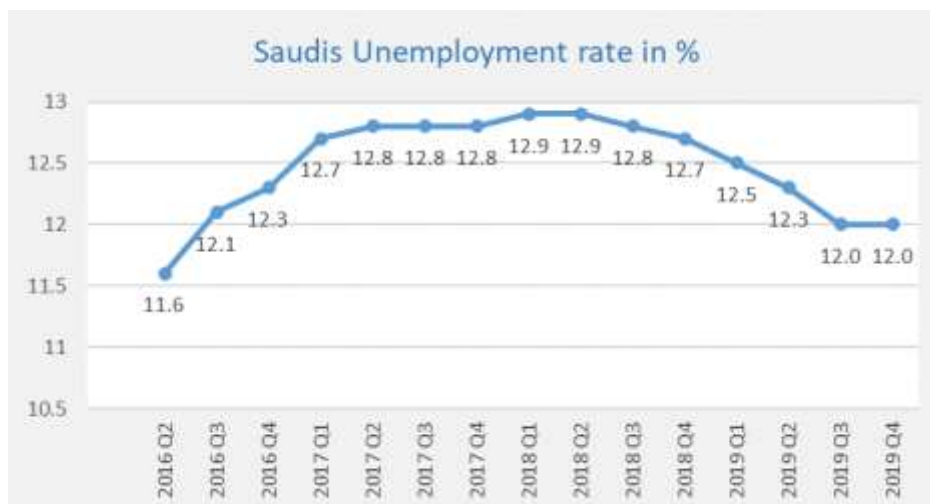
Labor market Q4 2019: Unemployment decreased to 5.7 %, Labor Force Participation at 58.8%

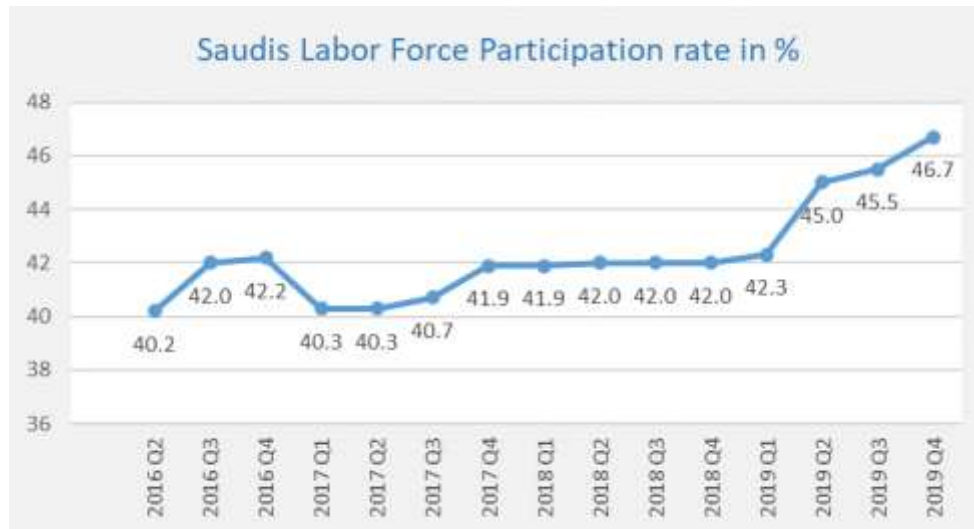
According to estimates based on the Labor Force Survey the total unemployment rate amounted to 5.7% in Q4 2019. Compared to the fourth quarter of the previous year, this represents a decrease of -0.4 percentage points (pp). The total Labor Force Participation rate rose to 58.8%, increasing by 2.9 (pp) compared to Q4 2018. The decreases 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 12.0%, Saudi Labor Force Participation rate at 46.7%

Compared to the previous quarters, indicators for the Saudi labor force in Q4 2019 showed the following development:

- The unemployment rate decreased from 12.9 in Q2 2018 to 12.0% in Q3 2019 and remained at this level in Q4 2019.
- Saudi males unemployment rate amounted to 4.9%, decreasing by -0.8 pp compared to Q3, 2019. The Saudi female unemployment rate remained unchanged at 30.8%.
- Among unemployed Saudis 64.1% belonged to the age group of 20-29 years.
- Around half of the unemployed Saudis (56.4%) had a bachelor's degree. 27.7% out of unemployed Saudis holding a degree, had majors in humanities.
- 84.5% of male and 97.9% of female Saudis unemployed have never worked before.
- The labor force participation rate for Saudis reached a level of 46.7% in Q4 2019 increasing by 1.1 pp compared to the previous quarter..
- The Saudi males labor force participation rate amounted to 66.6% in Q4 2019, a decrease by -0.4 pp compared to the last quarter. The increase in the total Saudi labor force participation rate is due to the increase in the female labor force participation rate by 2.8pp, reaching 26.0% in Q4 2019.





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 labor force, Population outside the labor force, the relative distribution of the labor force and the unemployed as well as calculating the most important indicators of the labor market, such as unemployment rates and Labour Force Participation rate.

- **Unemployment rate:** It is an indicator that measures people who are unemployed at the working-age population (15 +) and who are part of in the labor force it is calculated as a ratio of the unemployed to the labor force..
- **Labour Force Participation rate:** It is an indicator that measures the participation of the working-age population (15 +) in the labor force as either employed or unemployed individuals. it is a ratio of the labor force to the working-age population (15 +)
- **Unemployed individuals:** Individuals (15 years and above) who were during the reference period:
 - 1 without a job in the week preceding the household visit.
 - 2 Seriously looked 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 for a job or because they want to set up their own business since they already have searched for work before the reference period.
 - 3 People who were able to work and ready to join whenever it is available 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 records data, (GOSI, MHRSD, NIC)

Registered 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

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

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

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