

Unemployment rate of total population decreases to 4.4% in Q4/2023

Based on the estimates of the General Authority for Statistics' Labor Force Survey, the overall unemployment rate in Saudi Arabia (for Saudis and non-Saudis) reached 4.4% in Q4/2023, decreasing from last quarter by 0.7 percentage points (pp) and from a year ago by 0.4 pp. The unemployment rate of Saudis reached 7.7% in Q4/2023, decreasing by 0.9 pp compared to Q3/2023 and by 0.3 pp compared to Q4/2022. The Labor force participation rate of Saudis decreased by 0.3 pp to reach 51.3% compared to Q3/2023 and by 1.2 pp compared to a year ago. The employment-to-population ratio of Saudis increased by 0.2 pp to 47.4% compared to Q3/2023, whereas it decreased by 0.9 pp compared to Q4/2022.

Decrease of Saudi females unemployment rate

Among Saudi females, the employment-to-population ratio increased by 0.6 pp to 30.7%. However, the participation rate decreased by 0.4 pp to 35.5%, and the unemployment rate decreased by 2.6 pp to 13.7% compared to the previous quarter of 2023.

As for Saudi males, employment-to-population ratio and labor force participation rate decreased by 0.2 pp and reached 63.5% and 66.6% respectively. The unemployment rate remained unchanged at 4.6%, compared to the previous quarter of 2023.

Decrease of unemployment rate and increase of employment to population ratio for Saudis core working age

In Q4/2023, among Saudi female youth (15-24 years), employment to population ratio increased by 0.2 pp to 14.0%, whereas the participation rate decreased by 0.3 pp to 18.2% and the unemployment rate decreased by 2.6 pp to 22.7% compared to the previous quarter 2023.

Regarding Saudi male youth (15-24 years), the employment-to-population ratio decreased to 30.6%. Participation rate fell by 1.0 pp to 35.5% and the unemployment rate rose by 0.2 pp to 13.8% compared to Q3 2023.

Among Saudi core working age population (25-54 years), Q4/2023 saw an increase in the employment-to-population ratio by 0.4 pp reaching 63.2%. Labor force participation rate decreased by 0.4 pp, reaching 67.8% and the unemployment rate decreased by 1.1 pp to 6.8% compared to the previous quarter of 2023.

For Saudis aged 55 years and over, Labor market indicators showed an increase in employment-to-population ratio and labor force participation rate, while the unemployment rate remained stable in Q4/2023, compared to the previous quarter of 2023.

Active job search methods used by unemployed Saudis

Unemployed Saudis used a variety of active job search methods, with an average of 5.0 active methods per job seeker. In Q4/2023, the most frequently used active job search methods were: asking friends or relatives, used by 85.6% of unemployed, applying directly to employers used by 73.0%, and using the National employment platform (Jadarat) used by 59.4%.

Additional indicators about unemployed Saudis

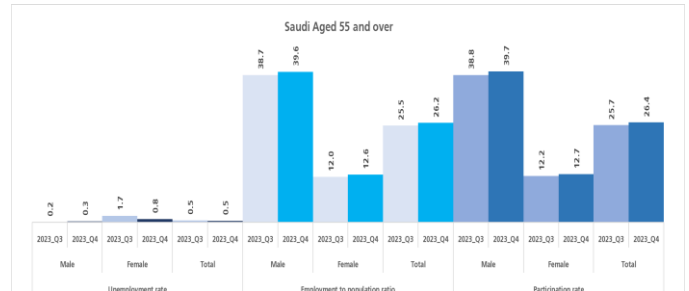
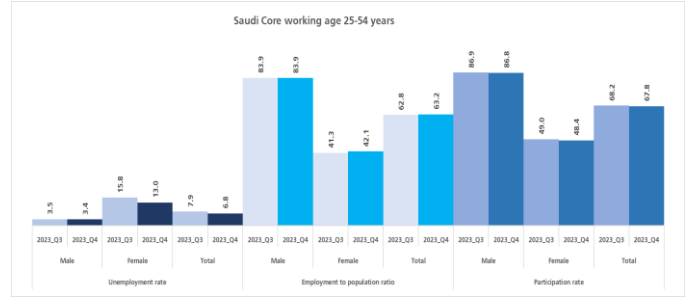
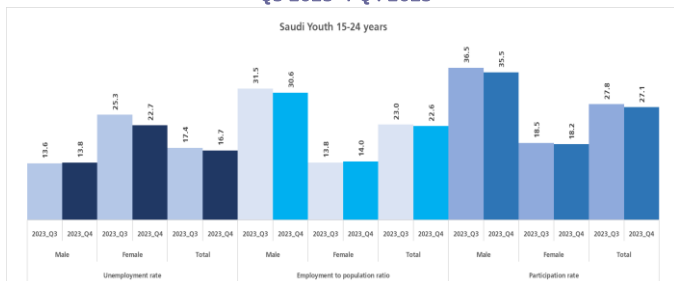
Results of the survey showed that 94.9% of unemployed Saudis would accept work in the private sector. 62.1% of unemployed Saudi females and 43.8% of unemployed Saudi males would accept a maximum commuting time to work of one hour. Similarly, 80.1% of unemployed Saudi females and 91.0% of unemployed Saudi males indicated that they would accept work for eight hours or more per day.

Table 1: Key Indicators of Saudi Labor Market by Quarter

Indicators	Q4 2022			Q3 2023			Q4 2023		
	Males	Females	Total	Males	Females	Total	Males	Females	Total
Unemployment rate	2.3	12.9	4.8	2.5	13.7	5.1	2.3	11.4	4.4
Saudi	4.2	15.4	8.0	4.6	16.3	8.6	4.6	13.7	7.7
Non-Saudi	0.9	5.9	1.5	0.8	6.4	1.5	0.6	5.1	1.1
Employment-to-population ratio	78.6	30.1	58.5	77.5	29.8	57.8	77.3	30.1	57.8
Saudi	65.7	30.4	48.3	63.7	30.1	47.2	63.5	30.7	47.4
Non-Saudi	92.4	29.2	73.3	92.2	29.3	73.3	92.0	28.7	72.9
Participation rate	80.5	34.5	61.5	79.5	34.6	60.9	79.2	34.0	60.4
Saudi	68.5	36.0	52.5	66.8	35.9	51.6	66.6	35.5	51.3
Non-Saudi	93.2	31.1	74.5	93.0	31.3	74.4	92.5	30.2	73.8

Source: Estimated data from the Labor Force Survey - General Authority for Statistics

Figure1. : Main Labor Market indicators for Saudis by age group Q3 2023 / Q4 2023



Source: Estimated data from the Labor Force Survey - General Authority for Statistics

Notes

A. Methodology for population estimates

In Q2/2022, a new methodology was introduced for population estimates used in calibration of LFS estimates. The new methodology was based on GASTAT 2021 mid-year estimates as a base, projected forward to the current period. Their adoption has had negligible impact on the comparability of key LFS indicators for Saudis and non-Saudis. Later, a new population projection will be prepared based on census 2022 results. (See LFS Methodology Report for further details).

B. Dissemination of Labor Force Survey Statistics Data through the Statistical Database Platform

The Statistical Database is a unified electronic portal for the dissemination of all statistical data produced by the General Authority for Statistics. It provides access to a wide range of time series for Labor Force Survey statistics, from the second quarter of 2016 to the present. Use link: <https://database.stats.gov.sa/beta/dashboard/landing>

C. Comparison between the estimates of the Labor Force Survey and the statistics of workers based on administrative data.

General Authority for Statistics (GASTAT) publishes the main indicators of Labor market statistics based on the Labor Force Survey (LFS). In addition, GASTAT also publishes the number of workers based on administrative data, originating from the Ministry of Human Resources and Social Development, the General Organization for Social Insurance, and the National Information Center.

There are differences in concepts, methodology of calculation and coverage between administrative records and statistics based on the Labor Force Survey, estimated upon a representative sample of the whole population. Regarding coverage: Labor Force Survey estimates cover the entire population except institutions, whereas administrative records only cover registered participant people. There are also differences in reference periods concerning the work status between LFS data and administrative records.

Since the scope of the Labor Force Survey is wider than that covered by administrative records, the absolute numbers of the two diverse sources are not identical and there is a discrepancy between them.

Labor market information based on administrative records can be accessed at the following link: <https://www.stats.gov.sa/en/814>

Methodology

LFS sample was designed based on the 2022 Census of Population frame. Details of the sample redesign are provided in the Methodology report. [add Methodology link here]

The Labor Force Survey is a household survey with a sample size of about 96,000 dwellings per quarter. Data collection is continuous among all the quarters weeks using CAPI and CATI.

Among the main labor market indicators provided by the survey are the following:

- Unemployment rate:** Unemployed as a percentage of the Labor force.
 - Employment-to-population ratio:** employed as a percentage of the population of working age (15 years and older).
 - Labor force participation rate:** labor force as a percentage of the population of working age (15 years and older).
- Key concepts defined according to ILO standards used in production of these indicators are:

Employed: Persons (15 years and over) who during a specified reference week:

- Worked for at least one hour in return for pay or profit as an employee, as an employer, or working for themselves.
- Or who assisted a family member for at least an hour, with or without pay, in any type of business or on a farm belonging to a family member.
- Or who were temporarily absent from a job for the whole week due to leave, sickness, or any other reason, and who will return to it again.
- Or who have a seasonal job, during the period that is considered off-season if they continue to perform some of the tasks and duties of the job.

Unemployed: Persons (15 years and older) who were:

- Without work during a specified reference week
- Actively looked for work during a four-week period ending with the reference week.
- Available to join work or to start work during the reference week or the next two weeks.

Labor force: the sum of employed and unemployed persons

In addition to applying ILO standards, the General Authority for Statistics uses the standards of the Labor Market Policy Committee by validating the data of the Labor Force Survey against systematic administrative records. [Link](#)