Saudi unemployment rate decreases to 12.6% in Q4/2020

According to estimates by the General Authority for Statistics (GASTAT) based on the Labor Force Survey the unemployment rate of total population, (Saudis and non-Saudis 15 years and above) decreased to 7.4% in the fourth quarter of 2020, compared to 8.5% during the third quarter of the same year. Moreover, the unemployment rate of total Saudis (males and females 15 years and above), decreased to 12.6% in the fourth quarter of 2020, compared to 14.9% during the third quarter of the same year.

Saudi Labor Force Participation rate increases to 51.2%

The unemployment rate of total male population in Saudi Arabia decreased in the fourth quarter of 2020 to 4.0% compared to 4.4% in the third quarter of the same year. The unemployment rate of total female population also decreased from 24.6% in the third quarter of 2020 to 20.2% in the fourth quarter. The unemployment rate of Saudi males reached 7.1% in the fourth quarter of 2020 compared to 7.9% in the third quarter of the same year, while the unemployment rate of Saudi females stood at 24.4% during the fourth quarter of 2020, compared to 30.2% in the previous quarter, based on the estimates of the Labor Force Survey. In Q4/2020 the overall Saudi unemployment rate of 12.6% almost reached the same level as in Q4/2019 (12.0%) before the Covid pandemic started.
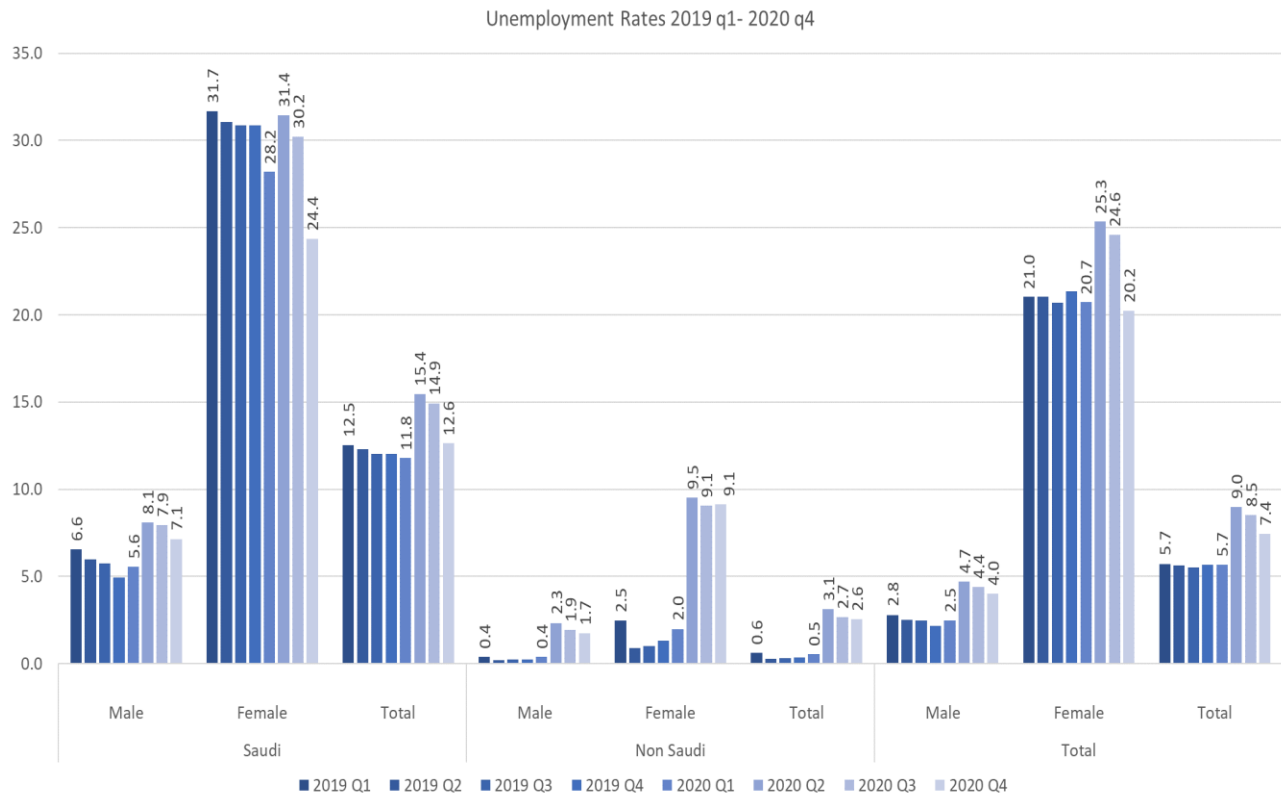
The results of the survey also revealed that the labor force participation rate of the total population (Saudis and non-Saudis 15 years and above) increased to 61.0% during the fourth quarter of 2020 compared to 59.5% in the third quarter of the same year. Furthermore, the results indicated an increase in the labor force participation rate of the total male population (15 years and above) in the fourth quarter of 2020, to reach 80.6%, up from 79.4% during the previous quarter. The labor force participation rate of the total female population (15 years and above) increased during the fourth quarter of 2020, to reach 32.1%, compared to 30.0% in the third quarter of the same year.

The results also showed an increase in the labor force participation rate of all Saudis (males and females 15 years and above), to reach 51.2% in the fourth quarter of 2020, compared to 49.0% in the previous quarter, as the labor force participation rate among Saudi males increased to 68.5% compared to 66.0% in the third quarter of the same year, and the labor force participation rate among Saudi females increased to 33.2% compared to 31.3% in the previous quarter.
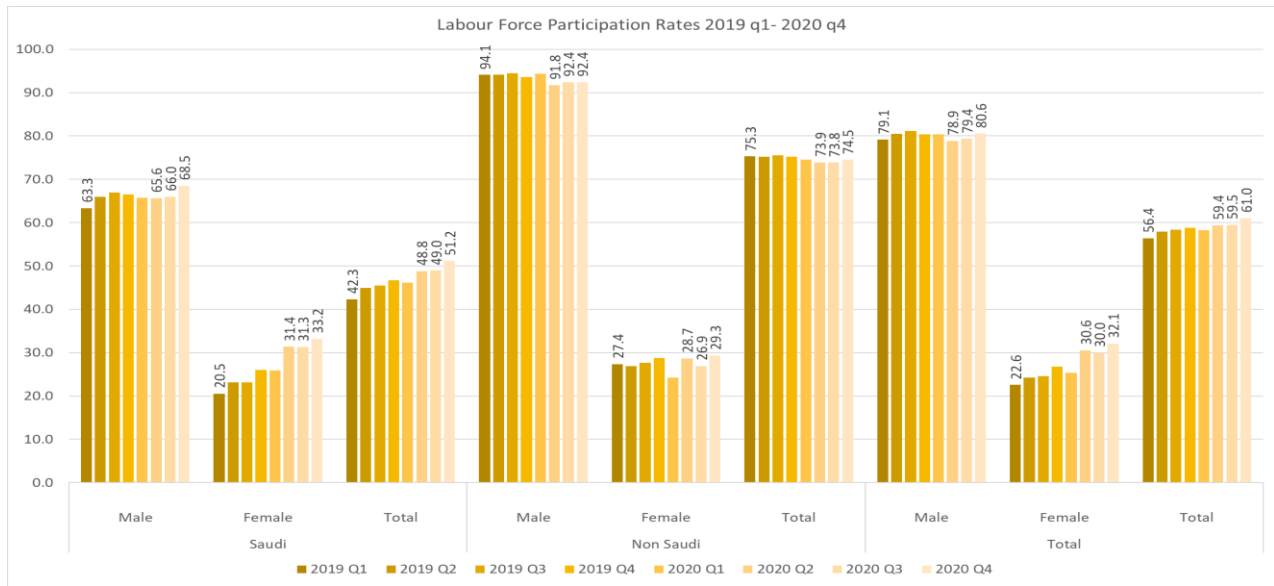
limited mobility of Saudi unemployed

In the fourth quarter of 2020 the General Authority for Statistics took a closer look at the group of Saudi unemployed in order to inform policy makers and the general public and to produce additional labor market indicators for Saudi Arabia. Asked, whether Saudi unemployed would also accept a job in the private sector, more than 93% answered "yes". However, many Saudi unemployed would not consider a job offer, which comes with long commuting times. 76.6% of Saudi unemployed women and 51.6% of Saudi unemployed men would only accept a commuting time of one hour or less if they were offered a job in the private sector. Also, 21.6% of Saudi unemployed women and 8.3% of Saudi unemployed men indicated that they would only accept working hours of six hours or less per day.

Unemployment Rates 2019 q1- 2020 q4

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

Labour Force Participation Rates 2019 q1- 2020 q4

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

Unemployment Rates

	Saudi			Non Saudi			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2016 Q2	5.4	33.7	11.6	0.4	2.3	0.6	2.5	21.1	5.6
2016 Q3	5.7	34.5	12.1	0.6	2.9	0.8	2.6	23.6	5.7
2016 Q4	5.9	34.5	12.3	0.4	1.6	0.5	2.6	21.3	5.6
2017 Q1	7.2	33.0	12.7	0.5	2.1	0.7	3.2	20.3	5.8
2017 Q2	7.4	33.1	12.8	0.7	3.3	0.9	3.3	22.9	6.0
2017 Q3	7.4	32.7	12.8	0.4	1.6	0.5	3.2	21.1	5.8
2017 Q4	7.5	31.0	12.8	0.5	2.5	0.7	3.2	21.1	6.0
2018 Q1	7.6	30.9	12.9	0.7	2.6	0.9	3.4	21.0	6.1
2018 Q2	7.6	31.1	12.9	0.5	2.5	0.7	3.3	20.0	6.0
2018 Q3	7.5	30.9	12.8	0.6	3.1	0.9	3.3	19.9	6.0
2018 Q4	6.6	32.5	12.7	0.6	4.4	1.0	2.9	22.6	6.0
2019 Q1	6.6	31.7	12.5	0.4	2.5	0.6	2.8	21.0	5.7
2019 Q2	6.0	31.1	12.3	0.2	0.9	0.3	2.5	21.0	5.6
2019 Q3	5.8	30.8	12.0	0.2	1.0	0.3	2.5	20.7	5.5
2019 Q4	4.9	30.8	12.0	0.3	1.3	0.4	2.2	21.3	5.7
2020 Q1	5.6	28.2	11.8	0.4	2.0	0.5	2.5	20.7	5.7
2020 Q2	8.1	31.4	15.4	2.3	9.5	3.1	4.7	25.3	9.0
2020 Q3	7.9	30.2	14.9	1.9	9.1	2.7	4.4	24.6	8.5
2020 Q4	7.1	24.4	12.6	1.7	9.1	2.6	4.0	20.2	7.4

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

	Saudi			Non Saudi			Total		
Labor Force Participation Rates									
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2016 Q2	63.2	17.7	40.2	95.5	36.2	79.4	78.3	22.2	54.9
2016 Q3	64.6	19.0	42.0	93.3	22.8	73.1	79.3	20.1	55.3
2016 Q4	64.6	19.3	42.2	94.0	31.2	76.2	79.5	22.8	56.5
2017 Q1	61.9	17.4	40.3	94.1	29.2	75.6	78.0	20.9	55.1
2017 Q2	62.1	17.4	40.3	94.0	21.6	73.4	78.2	18.7	54.2
2017 Q3	62.6	17.8	40.7	93.8	24.9	74.2	78.4	19.9	54.8
2017 Q4	63.4	19.4	41.9	94.2	24.2	74.2	79.0	20.9	55.6
2018 Q1	63.5	19.5	41.9	93.6	24.5	73.9	78.8	21.0	55.5
2018 Q2	63.5	19.6	42.0	93.9	29.0	75.5	79.0	22.4	56.2
2018 Q3	63.5	19.7	42.0	93.9	29.7	75.7	79.0	22.7	56.4
2018 Q4	63.0	20.2	42.0	93.8	25.9	74.5	78.7	21.9	55.9
2019 Q1	63.3	20.5	42.3	94.1	27.4	75.3	79.1	22.6	56.4
2019 Q2	66.0	23.2	45.0	94.1	26.9	75.2	80.4	24.3	57.9
2019 Q3	67.0	23.2	45.5	94.5	27.6	75.6	81.1	24.5	58.4
2019 Q4	66.6	26.0	46.7	93.6	28.8	75.2	80.4	26.8	58.8
2020 Q1	65.8	25.9	46.2	94.4	24.2	74.5	80.4	25.4	58.2
2020 Q2	65.6	31.4	48.8	91.8	28.7	73.9	78.9	30.6	59.4
2020 Q3	66.0	31.3	49.0	92.4	26.9	73.8	79.4	30.0	59.5
2020 Q4	68.5	33.2	51.2	92.4	29.3	74.5	80.6	32.1	61.0

General Authority for Statistics
Kingdom of Saudi Arabia

Additional Labor Market Indicators Q4/2020

Saudi Unemployed

Would accept a job in the private sector

	Male	Female	Total
yes	96.0	91.5	93.2
no	4.0	8.5	6.8

Max. accepted commuting time

	Male	Female	Total
not outside neighborhood	5.0	12.5	9.6
max. 1h	46.6	64.1	57.3
max. 2h	18.1	10.9	13.2
more than 2h	30.3	12.5	19.4

Max. accepted working hours

	Male	Female	Total
less than 6h	2.6	4.5	3.8
6h	5.7	17.1	12.7
8h	63.5	67.0	65.6
occasionally more than 8h	28.2	11.4	17.9

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 sample household survey that is carried out by GASTAT, where information is collected by calling an updated sample of persons living in private households over phone. The survey provides estimates of the population inside and outside the labor force. It also serves the most important indicators of labor market, such as the unemployment rate and the labor force participation rate.

- Unemployment rate: ratio of unemployed people to the labor force at working-age population (15+ years)

- Labor Force Participation rate: ratio of the labor force (employed and unemployed) to the working-age population (15 + years).

- Unemployed: Individuals (+15 years) who were:

  1. without a job in the week preceding the interview (phone call).

  2. Seriously looking for work during the four weeks preceding the interview (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.

  3. People who are available to work and start a job in the week preceding the interview or the next two weeks.

During 2020, GASTAT conducted a comprehensive review of the Labor Force Survey to improve the quality of this important source of data for labor market statistics

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.

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

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