

Unemployment rate for KSA total population is 5.1% in Q3 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 5.1% in Q3/2023, increased from last quarter by 0.2 percentage points (pp) and decreased from a year ago by 0.7 pp. The unemployment rate of Saudis reached 8.6% in Q3/2023, increased by 0.3 pp compared to Q2/2023 and decreased by 1.3 pp compared to Q3/2022. The labor force participation rate of Saudis slightly decreased by 0.1 pp reaching 51.6% compared to the previous quarter and decreased by 0.9 pp compared to a year ago. The employment-to-population ratio of Saudis decreased from last quarter by 0.2 pp to 47.2 and decreasing by 0.1 pp compared to Q3/2022.

Participation rate increases for Saudi females

Among Saudi females, the labor force participation rate and the employment-to-population ratio both increased by 0.6 pp to 35.9% and by 0.3 pp to 30.1%, respectively. The unemployment rate increased by 0.6 pp to 16.3% compared to last quarter.

Among Saudi males, the labor force participation rate decreased by 0.7 pp reaching 66.8%. The employment-to-population ratio also decreased by 0.7 pp reaching 63.7%. The unemployment rate remains unchanged at 4.6%, compared to last quarter.

Labor force participation rate increases for Saudis core working age population

In Q3/2023, among Saudi female youth (15-24 years), both the labor force participation rate and employment-to-population ratio remain unchanged at the level of 18.5% and 13.8%, respectively. The unemployment rate decreased by 0.2 pp to 25.3% compared to the previous quarter of the last quarter.

Among Saudi male youth (15-24 years), the participation rate fell by 1.1 pp to 36.5% and the employment-to-population ratio fell by 1.2 pp to 31.5%. However, the unemployment rate rose by 0.4 pp to 13.6% compared to the previous quarter of the same year.

Among Saudi (males and females) core working age population (25-54 years), Q3/2023 indicates an increase in the labor force participation rate by 0.3 pp, reaching 68.2%, the employment-to-population ratio remains unchanged at 62.8% and the unemployment rate increased by 0.4 pp to 7.9%.

For Saudis aged 55 years and over, labor market indicators show a decrease in the labor force participation rate and the employment-to-population ratio and a slight increase of the unemployment rate in Q3/2023, compared to the previous quarter.

Active job search methods used by unemployed Saudis

Unemployed Saudis used a variety of active job search methods, with an average of 4.8 active methods per job seeker. In Q3/2023, the most frequently used active job search methods were asking friends or relatives, used by 84.8% of unemployed, applying directly to employers used by 73.4%, and using the National Employment Platform (Jadarat) used by 61.5%.

Additional indicators about unemployed Saudis

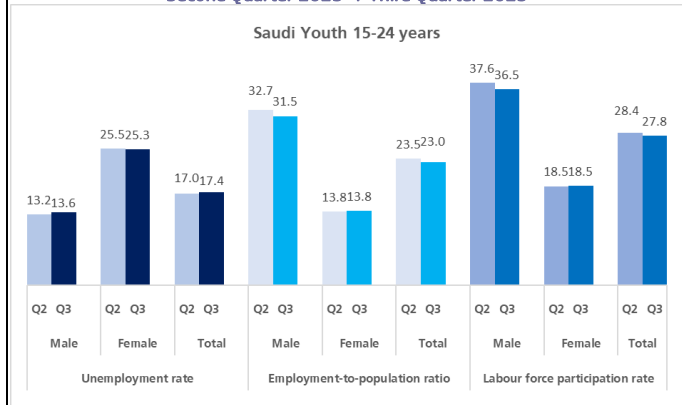
Results of the survey showed that 94.7% of unemployed Saudis would accept employment in the private sector. 61.7% of unemployed Saudi females and 47.8% of unemployed Saudi males would accept a maximum commuting time to work of one hour. Similarly, 75.8% of unemployed Saudi females and 89.5% of unemployed 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

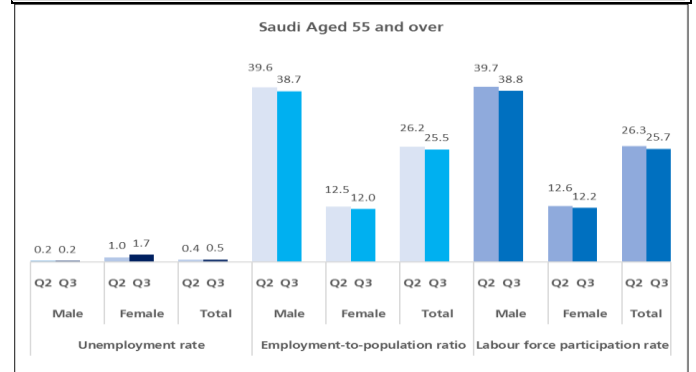
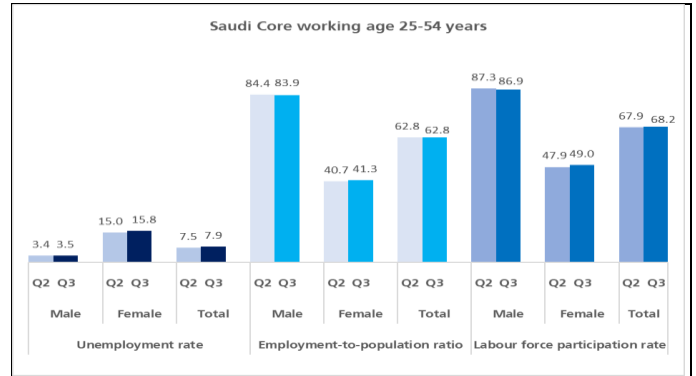
Indicators	Third Quarter 2022			Second Quarter 2023			Third Quarter 2023		
	Males	Females	Total	Males	Females	Total	Males	Females	Total
Unemployment rate	2.4	16.6	5.8	2.5	12.9	4.9	2.5	13.7	5.1
Saudi	4.3	20.5	9.9	4.6	15.7	8.3	4.6	16.3	8.6
Non-Saudi	1.0	5.7	1.6	0.9	5.5	1.5	0.8	6.4	1.5
Employment-to-population ratio	78.0	29.6	58.0	77.8	29.7	57.8	77.5	29.8	57.8
Saudi	64.5	29.4	47.3	64.4	29.8	47.4	63.7	30.1	47.2
Non-Saudi	92.1	30.1	73.4	91.9	29.4	73.1	92.2	29.3	73.3
Participation rate	79.9	35.5	61.5	79.7	34.1	60.8	79.5	34.6	60.9
Saudi	67.4	37.0	52.5	67.5	35.3	51.7	66.8	35.9	51.6
Non-Saudi	93.0	31.9	74.6	92.8	31.1	74.2	93.0	31.3	74.4

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

Figure 1.: Main Labor Market Indicators for Saudis by Age Group
Second Quarter 2023 / Third Quarter 2023



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



Notes

Methodology for population estimates

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

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>

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

The 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 for institutions, whereas administrative records only cover registered employed 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 CAP 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 the 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](#)