### **SAUDI ARABIA**

Middle East and North Africa

♣ High-income country

**Overall** 

Limited Access to Decent Work





0 - 50	50.5 - 60	60.5 - 70		80.5 - 90	90.5 - 100
TOTAL LACK OF ACCESS TO DECENT WORK	BASIC ACCESS TO DECENT WORK	LIMITED ACCESS TO DECENT WORK	REASONABLE ACCESS TO DECENT WORK	APPROACHING ACCESS TO DECENT WORK	ACCESS TO DECENT WORK

The country rating is based on the overall score of 0-100, with the following coding: The overall score ranges from 0 to 100, where 100 signifies the highest possible score and 0 signifies the lowest possible score. The score indicates "access to decent work" by law.

#### Contextual Indicators

Population (2022)	36.41 M	Total Fertility (rate) (2022)	2.39	Female Labour Force <sup>4</sup>	A:3.89 M	B:34% (participation rate)
Labour Force (2024)	17.16 M	Trade Union (density)	No Data	Non-Standard Employment	A: No Data	B:No Data
GDP per Capita	\$30,448	Collective Bargaining (coverage)	No Data	Work Injuries (per 100,000 workers)	A: No Data	B:No Data
Poverty Headcount	No Data	Social Protection <sup>3</sup> (coverage)	64%	Minimum Wage <sup>7</sup> (April 2024)	SAR 4,000	
Informal Employment <sup>2</sup>	No Data	Workers per Labour Inspector <sup>8</sup>	19,007	Living Wage 9 (April 2024)	SAR 2,655	

Sources: World Bank | International Labour Organization | WageIndicator Minimum Wages and Living Wages Database | M = Million GDP per Capita in USD (\$) | wages shown in local currency and per month

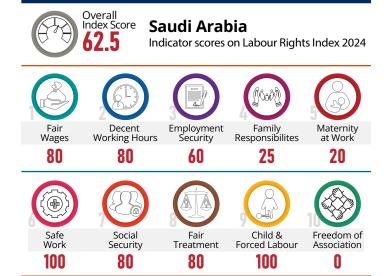
#### At a glance

For Saudi Arabia, the labour legislation applicable at the national level is analysed and scored. Different rules may apply in other jurisdictions, necessitating review of other sources.

Following this approach, Saudi Arabia's overall score is 62.5 out of 100. The overall score for Saudi Arabia is lower than the regional average observed across Middle East and North Africa (64). Within the Middle East and North Africa region, the highest score is observed for Morocco

Saudi Arabia's overall score has remained unchanged, indicating no score changing reforms were introduced between January 2022 and January 2024.

The country scores on the Labour Rights Index must be interpreted with caution, considering also the contextual indicators like the size of the population and labour force, informal employment in the country, social protection coverage, level of economic development (as measured by GDP per capita), female labour force participation rate, incidence of non-standard employment in the form of part-time employment and temporary employment as well as work injuries, both fatal and non-fatal. Trade union density and collective bargaining coverage rates are also relevant contextual indicators to assess the state of freedom of association and collective bargaining in the country.



For each indicator, the score ranges from 0 to 100, where 100 signifies the highest possible score and 0 signifies the lowest score. The overall score is the average of 10 indicators.

#### About Labour Rights Index

The Labour Rights Index 2024 (LRI 2024) is a de-jure index covering 145 economies and structured around the working lifespan of a worker. In total, 46 questions or evaluation criteria are scored across 10 indicators. The overall score is calculated by taking the average of each indicator, with 100 being the highest possible score. The Index uses a rating system, ranging from "Total Lack of Access to Decent Work" to "Access to Decent Work". The Labour Rights Index aims at an active contribution to the Sustainable Development Goals, by providing necessary (complementary) insights into de jure provisions on issues covered in particular by SDG 5 (Gender Equality), SDG 8 (Decent Jobs), SDG 10 (Reduced Inequalities) and SDG 16 (Strong Institutions). The Labour Rights Index scores countries based on applicable labour laws only. It does not comment on actual working conditions or labour law compliance in workplaces. The legislation that is used to score the country under the Labour Rights Index is generally national or federal level legislation. In cases where the legislation is enacted at the provincial/regional or state level, the Index analyses the labour legislation applicable to the most populous province/region or state (in federal, confederal or other complex structure states). Scoring for each country is based on labour legislation, as applicable on 1 January 2024.



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In order to measure the trend in country's legislative performance over the last edition of 🌑 Score increase 🌘 Score decrease 🕒 Score adjustment 🥚 Methodological change 🔘 No change the Labour Rights Index (2022), the opposite legend is used. 1. FAIR WAGES 80 **QUESTION TREND** ANSWER LEGAL BASIS Does the legislation or collective negotiation set and No §2, 89 & 95 of the Labour Law, 2005 determine the minimum wages in the country? Yes Does the law require regular and timely payment of wages? §2, 90-94 & 96-97 of the Labour Law, 2005 Does the law require overtime compensation to be at least Yes §107 of the Labour Law 2005 125% of the regular hourly rate? Does the law require any additional compensation for Yes §104 & 107 of the Labour Law, 2005 working on a weekly rest day? Does the law require additional compensation for night Yes Resolution No. 18632 of 2019 regarding Night Work work? 2. DECENT WORKING HOURS Does the law stipulate general weekly working hours as 48 Yes §98-101 & 107 of the Labour Law, 2005 hours or lower? Does the law restrict maximum working hours, including No §106 of the Labour Law 2005 overtime, to 56 hours per week? Does the law require a paid weekly rest of at least 24 Yes §104 of the Labour Law, 2005 consecutive hours? Yes Does the law require paid public holidays? §104 of the Labour Law, 2005 Does the law require at least three working weeks of paid Yes §109-111 of the Labour Law, 2005 annual leave? 3. EMPLOYMENT SECURITY Does the law require a written employment contract or Yes employment particulars to be given to a worker on §109-111 of the Labour Law, 2005 commencement of employment? Does the law restrict the hiring of fixed-term contract Yes §55-57 of the Labour Law, 2005 workers? Does the law limit the length of the probation period, No §53-54 of the Labour Law, 2005 including renewals, to three months? Does the law require a 30-day notice period before Nο §74-83 of the Labour Law, 2005 employment contract termination? Does the law require severance pay at the rate of at least §84-88 of the Labour Law, 2005 two weeks of wages for every year of service? 4. FAMILY RESPONSIBILITIES Does the law require a four-month parental leave for No No applicable legal provisions could be located parents? Does the law require at least one week of paid paternity No §113 of the Labour Law, 2005 leave for fathers? Does the law require flexible working arrangements for No No applicable legal provisions could be located workers with family responsibilities?

Yes

§154 & 158 of the Labour Law, 2005

Does the law require paid nursing breaks?

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the Labour Rights Index (2022), the opposite legend is used.		Score increase Score decrease Score adjustment Methodological change N	o criarige
5. MATERNITY AT WORK			20
QUESTION	NSWER	LEGAL BASIS	TREND
Does the law prohibit inquiring about pregnancy during recruitment?	No	No applicable legal prohibitions could be located	0
Does the law require maternity leave of at least 14 weeks?	No	§151 of the Labour Law, 2005	$\bigcirc$
Does the law require cash maternity benefits to be at least two-thirds (66.67%) of a worker's former wage?	No	§152-157 of the Labour Law, 2005	$\bigcirc$
Does the law require cash maternity benefits to be paid through a contributory social insurance or a universal benefits system or such benefits are an employer's liability?	. No	§152-157 of the Labour Law, 2005	$\bigcirc$
Does the law protect workers from dismissals during or on account of pregnancy?	Yes	§155 & 156 of the Labour Law, 2005	0
6. SAFE WORK			100
Does the law require employers to provide free personal protective equipment to workers?	Yes	§123-124 of the Labour Law, 2005	0
Does the law require employers to train workers on health and safety Issues?	Yes	§123-124 of the Labour Law, 2005	$\bigcirc$
Does the law restrict work that is prejudicial to the health of the mother or the child?	Yes	Resolution No. 18632 of 2019 regarding Night Work	0
Does the law provide for employment injury benefits in the event of an occupational accident or disease?	Yes	Social Insurance System Royal Decree No. M/33, 2000; ISSA Country Profile for Saudi Arabia	$\bigcirc$
7. SOCIAL SECURITY			80
Does the law provide for an old age benefit?	Yes	Social Insurance System Royal Decree No. M/33, 2000; ISSA Country Profile for Saudi Arabia	0
Does the law provide for survivors' benefits?	Yes	Social Insurance System Royal Decree No. M/33, 2000;ISSA Country Profile	
		for Saudi Arabia	
Does the law provide for unemployment benefits?	Yes	for Saudi Arabia  Order No. 81 of 2014 on Unemployment Insurance; ISSA Country Profile for Saudi Arabia	0
Does the law provide for unemployment benefits?  Does the law require paid sick leave (and sickness benefits) for the first six months of sickness?	Yes	Order No. 81 of 2014 on Unemployment Insurance; ISSA Country Profile for	0
Does the law require paid sick leave (and sickness benefits)		Order No. 81 of 2014 on Unemployment Insurance; ISSA Country Profile for Saudi Arabia	0 0
Does the law require paid sick leave (and sickness benefits) for the first six months of sickness?	No	Order No. 81 of 2014 on Unemployment Insurance; ISSA Country Profile for Saudi Arabia  §117 of the Labour Law, 2005; ISSA Country Profile for Saudi Arabia  Social Insurance System Royal Decree No. M/33, 2000;ISSA Country Profile	<ul><li>0</li><li>0</li><li>0</li><li>80</li></ul>
Does the law require paid sick leave (and sickness benefits) for the first six months of sickness?  Does the law provide for invalidity benefits?	No	Order No. 81 of 2014 on Unemployment Insurance; ISSA Country Profile for Saudi Arabia  §117 of the Labour Law, 2005; ISSA Country Profile for Saudi Arabia  Social Insurance System Royal Decree No. M/33, 2000;ISSA Country Profile	<ul><li>0</li><li>0</li><li>0</li><li>80</li><li>0</li></ul>
Does the law require paid sick leave (and sickness benefits) for the first six months of sickness?  Does the law provide for invalidity benefits?  8. FAIR TREATMENT  Does the law require equal remuneration for men and	No Yes	Order No. 81 of 2014 on Unemployment Insurance; ISSA Country Profile for Saudi Arabia  §117 of the Labour Law, 2005; ISSA Country Profile for Saudi Arabia  Social Insurance System Royal Decree No. M/33, 2000;ISSA Country Profile for Saudi Arabia	<ul><li>0</li><li>0</li><li>0</li><li>80</li><li>0</li><li>0</li></ul>
Does the law require paid sick leave (and sickness benefits) for the first six months of sickness?  Does the law provide for invalidity benefits?  8. FAIR TREATMENT  Does the law require equal remuneration for men and women workers for work of equal value?	No Yes Yes	Order No. 81 of 2014 on Unemployment Insurance; ISSA Country Profile for Saudi Arabia  §117 of the Labour Law, 2005; ISSA Country Profile for Saudi Arabia  Social Insurance System Royal Decree No. M/33, 2000;ISSA Country Profile for Saudi Arabia  Ministerial Resolution No. 215739/1440 H  §80(3) of the Labour Law, 2005; Royal Decree No. M/96; Anti-Harassment	0 0 0 80 0
Does the law require paid sick leave (and sickness benefits) for the first six months of sickness?  Does the law provide for invalidity benefits?  8. FAIR TREATMENT  Does the law require equal remuneration for men and women workers for work of equal value?  Does the law prohibit sexual harassment in employment?  Does the law prohibit discrimination in employment	No Yes Yes	Order No. 81 of 2014 on Unemployment Insurance; ISSA Country Profile for Saudi Arabia  §117 of the Labour Law, 2005; ISSA Country Profile for Saudi Arabia  Social Insurance System Royal Decree No. M/33, 2000;ISSA Country Profile for Saudi Arabia  Ministerial Resolution No. 215739/1440 H  §80(3) of the Labour Law, 2005; Royal Decree No. M/96; Anti-Harassment Law 2018	0 0 0 80 0 0

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9. CHILD AND FORCED LABOUR			100
QUESTION	ANSWER	LEGAL BASIS	TREND <sup>12</sup>
Does the law prohibit the employment of children?	Yes	§162 & 165-166 of the Labour Law 2005	$\bigcirc$
Does the law set employment entry age equal to or higher than the compulsory schooling age?	Yes	Council of Ministers Decision No 139 of 26/4/1425 A.H. (14 June 2004)	$\bigcirc$
Does the law prohibit the employment of young persons in hazardous work under the age of 18 years?	Yes	§161 & 163-164 of the Labour Law 2005	0
Does the law prohibit forced labour?	Yes	§2 & 6 of the Anti-Trafficking in Persons Law, 2009	$\bigcirc$
10. FREEDOM OF ASSOCIATION <sup>1</sup>	1		0
Does the law allow workers to form and join unions of their own choice?	No	ITUC Global Rights Index 2024 (Saudi Arabia profile); USDOS CRHRP 2023 (Saudi Arabia)	0
Does the law allow workers to bargain collectively with employers through their representative unions?	No	USDOS CRHRP 2023 (Saudi Arabia)	$\bigcirc$
Does the law provide the right to strike?	No	USDOS CRHRP 2023 (Saudi Arabia)	0
Does the law prohibit imposing excessive sanctions against striking workers, including replacement of such workers?	No	USDOS CRHRP 2023 (Saudi Arabia)	$\bigcirc$

<sup>&</sup>lt;sup>1.</sup> Proportion of population living below the national poverty line (%), as measured under the SDG 1.2.1

- <sup>8</sup> Robust legislation, backed by effective enforcement, forms the foundation for achieving decent work in practice. In this regard, it is relevant to see if the country has an adequate number of labour inspectors. While the Labour Inspection Convention, 1947 (No. 81) calls for a "sufficient number" of inspectors to do the work required, there is currently no official definition for a sufficient number of inspectors. In its 2006 General Survey on Labour Inspection, the ILO referred to the following benchmarks on the number of labour inspectors in the country in relation to the labour force: 1:10,000 in industrial market economies, 1:15,000 in rapidly industrializing economies, 1:20,000 in transition economies, and 1:40,000 in less developed countries. The latest guidance from the ILO (2022) however emphasizes a more holistic evaluation of national context rather than solely a ratio of labour inspectors to the size of labour force.
- <sup>9</sup>. The Living Wage estimates shown in this country profile are for a typical family (lower bound) that comprises two adults. The number of children is determined by the country-specific fertility rate, representing the average number of children in a family. One adult is engaged for 100% of normal working hours, while the working hours of the second adult are approximated based on the national labour force participation rate. The combined wage earned by two adults, each receiving a living wage, is designed to meet the requirements for achieving a decent standard of living for the family. For further details on this, please check here: https://wageindicator.org/salary/living-wage
- <sup>10</sup> The prohibited grounds for discrimination are "race, colour, sex, religion, political opinion, national extraction or social origin, age, disability and trade union membership". A score of 1 is assigned only if a country has prohibited discrimination on at least 7 of the above 10 grounds.
- 11. The Freedom of Association indicator of the Labour Rights Index uses Observations/Direct Requests from the ILO Committee of Experts on Application of Conventions and Recommendations (CEACR), the US Department of State's Country Reports on Human Rights Practices (USDOS CRHRP) and the country's legal profiles under the ITUC Global Rights Index 2024 to measure a country's compliance with the right to freedom of association and collective bargaining. A country's score on the LRI's Freedom of Association indicator must also be read together with the SDG indicator 8.8.2, which measures the level of national compliance with labour rights (freedom of association and collective bargaining) based on ILO textual sources and national legislation. It has a range from 0 to 10, with 0 being the best possible score (indicating higher levels of compliance with FACB rights) and 10 the worst (indicating lower levels of compliance with FACB rights). The score for Saudi Arabia on the latest available data of the SDG 8.8.2 is "6.64" (2022). Other than SDG 8.8.2, we suggest considering the country's score on ITUC's latest Global Rights Index. The score for Saudi Arabia in 2024 is "5". As explained by the ITUC, "Countries are rated in clusters from 1-5+ depending on their compliance with collective labour rights, with 1 being the best rating and 5+ the worst rating a country could get. A high-rated cluster means that workers in the country have no right to their collective voice due to government failure to guarantee rights".
- <sup>12</sup> In order to measure the trend in country's legislative performance over the last edition of the Labour Rights Index (2022), the legislative table indicates improvement or worsening of de-jure labour rights in country through the following colours.
  - Score improved due to a positive legislative reform
  - Score worsened due to a negative legislative reform
  - Score is adjusted for the country due to a minor revision in the methodology for the Social Security indicator
  - Score is adjusted for the country due to better access to the country's legal sources, or where the score for the Freedom of Association indicator is adjusted
    based on the latest reports from ILO, USDOS & ITUC Global Rights Index 2024
  - No change

<sup>&</sup>lt;sup>2.</sup> Share of informal employment in total employment (%), as measured under the SDG 8.3.1

<sup>3.</sup> Proportion of the country population covered by social protection floors, as measured under the SDG 1.3.1

<sup>4.</sup> The female labour force is shown in absolute number (A) along with the female labour force participation rate (B)

<sup>5.</sup> Non-Standard Employment has been defined as part-time employment (A) and temporary employment (B)

 $<sup>^{\</sup>rm 6.}$  Rate of fatal (A) and non-fatal work injuries (B) per 100,000 workers, as measured under the SDG 8.8.1

<sup>7.</sup> Minimum Wage and Living Wage amounts are shown in local currency. The amounts are retrieved from the WageIndicator Minimum Wage Database and the WageIndicator Living Wage Database. The minimum wage amounts are those as were applicable on 1 April 2024. The Living Wage amounts are from the April 2024 data release by the WageIndicator. Given the declining share of labour income (a widely used measure of inequality, measuring the proportion of total income in a country that employed people earn by working), the contextual indicators on minimum wage and living wage are relevant