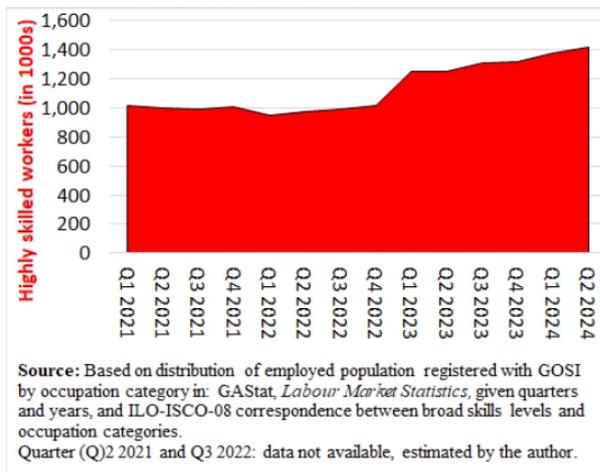# [Towards a Knowledge-based Labour Market in Saudi Arabia?](#)

Towards a Knowledge-based Labour Market in Saudi Arabia?

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Saudi Arabia's Vision 2030, launched in 2016, laid the plans for the country's transition towards a diversified, knowledge-based, high-value-added economy. During the last five years, measures were implemented to attract and retain foreign talents, such as opening avenues for sponsorship-free long-term stays, investment opportunities, better mobility in the labour market, and world-class education and entertainment. In view of the available data, to what extent were these policies successful?

Figure 1. Number of highly skilled workers registered with GOSI (Q1 2021 – Q2 2024)

Source: Based on distribution of employed population registered with GOSI by occupation category in: GAStat, *Labour Market Statistics*, given quarters and years, and ILO-ISCO-08 correspondence between broad skills levels and occupation categories.
Quarter (Q)2 2021 and Q3 2022: data not available, estimated by the author.

GAStat's Labour Market Statistics shown in Fig. 1, confirm a marked increase in the number of highly skilled workers in the country, especially since 2023.

Highly skilled workers indeed gained prominence within new enrolments at all skill levels, from 6 percent in Quarter (Q)4 2021 to a high of 20 percent of all foreign worker inflows in Q4 2023 (Fig. 2, dotted red line).

However, Fig. 2 also indicates a relative stagnation of the percentage of highly skilled among current workers at 13 to 16 percent (plain red line). This is due to the upsurge in foreign workers following the COVID-19 crisis (in blue). Statistics indicate that the medium-skilled category of workers increased by 64 percent since Q1 2022, while numbers of highly skilled workers increased by 48 percent. Low-skilled workers only increased by 25 percent during the same period. GOSI registration figures thus confirm a progressive upskilling of the foreign workforce in the country.

The International Labour Organisation (ILO) classifies highly skilled workers (skill levels 3 and 4) as technicians, professionals, and managers - the three upper categories of occupation of the International Standard Classification of Occupations of 2008 (ISCO-08). The Saudi General Authority for Statistics (GAStat) processes administrative data pertaining to workers' registration with the General Organisation for Social Insurance (GOSI). Registration with GOSI is compulsory for workers in the private sector and non-civil servants in the government sector, who make up about 70 percent of foreign workers.

Figure 2. Total number of workers registered with GOSI and share of highly skilled among them (Q1 2021 – Q2 2024)

Source: See Fig. 1