

The Labor Market in Qatar: Qataris, Non-Qataris, and Youth in the Workforce

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Abstract

The current study aimed to analyze the labor market developments in Qatar that the population of the State of Qatar at the end of 2020 was 2.684 million, according to the Planning and Statistics Authority, distributed to 1.936 million males and 748.115 thousand females. According to the results of the official population census. The rate of participation in the labor force, males (% of the male population over the age of 15 years) is 96%, while the rate of participation in the labor force, females (% of the female population aged 15 years and over) is 58% for the year 2019. In contrast, it is recorded. The ratio of females to males in participation in the labor force (%) is 60% in 2019. The unemployment rate increased from 0.3% in 2008 to 3.5% in 2020. The Qatari labor market suffers from two main factors, namely the issue of migrant workers and the issue of productive or decent work. The first is foreigners who make up the majority of the workforce in Qatar, an issue that constantly worries Qatari officials. And the second and its challenges are summarized in rebalancing the structure of the labor market and increasing the efficiency of work in different sectors, developing the capabilities of Qataris, especially Qataris with high educational levels, attracting and maintaining highly skilled workers, developing labor legislation, improving the labor market information system.

Key words: labor market, unemployment, youth, decent work, Qatar

Introduction

The Arab States region is one of the world's most popular migrant worker destinations, and the number of migrants has risen considerably in recent years. The proportion of immigrants to native workers in the United States is among the highest in the world. Many of these migrant labourers are low-skilled or domestic employees in industries such as construction and hospitality.

Migrant workers contribute significantly to the development of destination countries and send crucial remittances to their families and communities, but many of them suffer a variety of problems in finding adequate work. Qatar is home to numerous individuals from all over the world, who make up the large majority of its population, and Qataris have been a minority in the country for decades. Using publicly available data, this study examines the economic and demographic context that underpins the labour market's current issues. So, here's how it goes.

1- Labor market policies in Qatar

Hundreds of thousands of expatriates have moved to Qatar to improve their living conditions and the lives of their families due to the rapid development of infrastructure and economic growth. Nearly two million individuals are actively employed in Qatar. One of Qatar's top concerns is to ensure that expatriate workers have a good living, and the government is also dedicated to improving labour laws and practises to create a system that meets the interests of both workers and employers.

Labor market policy is a complicated subject that will take time to settle.

Qatar, on the other hand, has enacted major labour reforms in recent years to enhance labour laws and improve migrant worker protections.

Among the notable reforms are:

- **The cancellation of exit visas for citizens of the country.**
 - Allow employees to freely change jobs without obtaining a no-objection certificate from their boss.
 - deciding on a minimum pay
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- Qatar has announced the opening of 20 visa facilities in India, Sri Lanka, Indonesia, Nepal, Bangladesh, Pakistan, the Philippines, and Tunisia, which will speed up the recruitment process and ensure that workers are not abused in their home countries.
- . Creating a fund to support and protect workers, ensuring that they are cared for and have **access to their rights, as well as a healthy and safe working environment.**

2- The labor market in Qatar: recent legislation:

The Qatari economy has experienced sustained economic growth since the discovery of substantial quantities of natural gas. The effect of this economic development, similar to what has happened in other Gulf countries, is that demand for skilled and unskilled labour far exceeds what Qatari nationals can give. As a result, Qatar has flooded the job market with foreign workers, outnumbering Qataris seven to one. Furthermore, the labour market structure, particularly the lucrative and semi-guaranteed public sector employment system, diminishes incentives for Qataris to acquire useful skills and work in the private sector.

Qatari leaders see the country's economic independence and long-term economic capacity as jeopardised by its broad reliance on foreign labour and a scarcity of skilled Qatari workers. As a result, policymakers' primary issue is to implement policies and reforms that will assist in the development of a local workforce with the skills and incentives to work in the economy's most vital and competitive roles (Berrebi, Martorell and Tanner, 2009).

Qatar implemented important labour market adjustments in a historic move, abolishing the requirement that migrant employees gain permission from their employer to change jobs and becoming the first government in the region to adopt a non-discriminatory minimum wage. Migrant employees can now change occupations before the end of their contract without first obtaining a No Objection Certificate (NOC) from their employer, thanks to the passage of Law No. 19 of 2020 on August 30, 2020. This new rule, together with the removal of exit permit restrictions earlier this year, effectively deconstructs the kafala system and ushers in a new era for Qatar's labour market.

Law No. 17 of 2020, which was just passed, also establishes a minimum salary of 1,000 Qatari riyals, which will take effect six months after it is published in the Official Gazette. The new minimum wage will be applied to all workers, regardless of nationality or industry, and will include domestic workers. Employers must ensure that workers have appropriate accommodation and food in addition to a bare minimum salary.

Employers must provide incentives of at least QR300 and QR500 to cover food and housing expenditures, respectively, if they do not directly provide them to workers, according to the law, ensuring that workers have an acceptable quality of living. In addition to eliminating the necessity for a NOC, the enactment of Law No. 18 of 2020 clarifies the process of terminating employment. Workers must give at least one month's written notice to terminate an employment contract and change jobs if they have worked for the employer for less than two years, or two months' notice if they have worked for the business for more than two years (ILO,2020).

Indeed, the implementation of a nondiscriminatory minimum wage will directly touch around 400,000 private-sector workers and, through increased remittances, will enhance the lives of millions of family members in the workers' home countries. To ensure that minimum wage laws are followed, the government is tightening whistleblowing, enacting harsher punishments, and increasing inspector capacity.

Qatar is projected to profit greatly from increased worker mobility as it moves to a knowledge-based economy. Employers will be able to hire experienced staff locally rather than from abroad, lowering recruitment expenses dramatically. More job opportunities will be created as a result of more mobility, as will worker happiness.

3- Qatari labour market indicators

Due to a number of overlapping causes, Qatar's economic, political, social, and urban situations have changed dramatically during the last four decades. Perhaps the most important of them is Qatar's oil and gas wealth, which has played a significant role in fundamentally changing the characteristics of the national economy, moving it from a traditional economy that was scarce with natural, material, and human resources and revenues to a modern single economy, and to an economy of prosperity and prosperity, with surplus returns that allowed Qatar - a rentier state - to invest in several projects later.

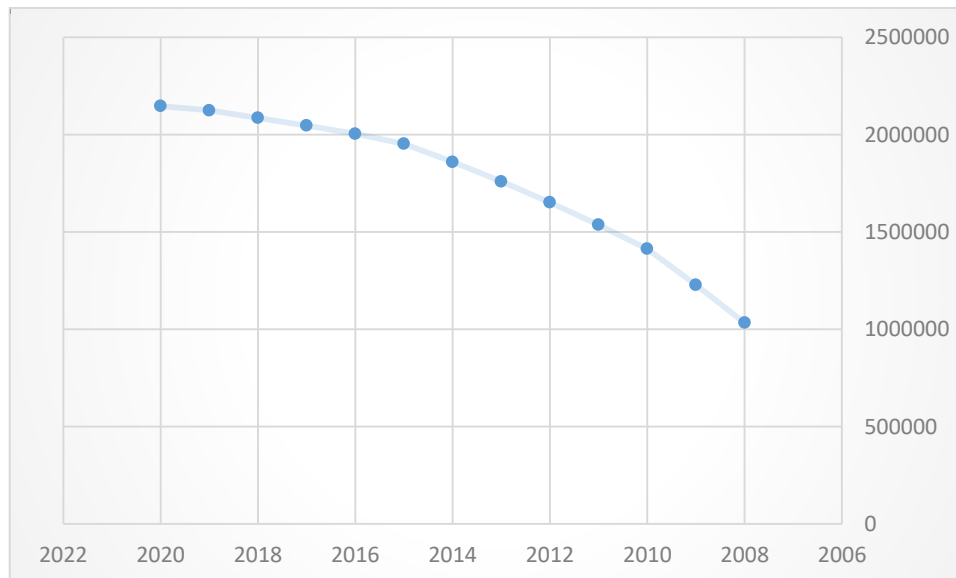
When we look at the majority of these investments, we can see that they are consumer-oriented, with the goal of producing optimal productive employment based on the wealth's many sources of income. The demographic balance, and its imbalance, is an unavoidable effect of this oil wealth, and how to invest it, given the problem of the limited number of the citizen population.

The low level of education among people, which resulted in a low level of vocational and technical qualification, remained a growing difficulty in the 1970s and 1980s, which was negatively reflected in labour capacities and national productive competencies (ILO,2020b).

Since the expansion of national labour cannot in any way match the open and essential recruitment door for hundreds of thousands of foreign workers of all skill levels, the national workforce's share of the total workforce in Qatar has declined from 14% in 2001 to 6% in 2013.

As a result, it's only logical that the Qatari workforce is a minority of various sizes in every economic area, economic activity, and profession. Since 2008, the Qatari labour market has grown by a million people, reaching 1,332,000 workers in 2008, 82 thousand in 2010, and 2 million 146,646 workers in 2020. This means it has doubled in a decade and increased by a third. . In 2019, foreigners formed 91.5 percent of the labour force, compared to 52.4 percent of Qataris. According to World Bank data, Qatar's overall workforce participation rate for this year was 88.2 percent.

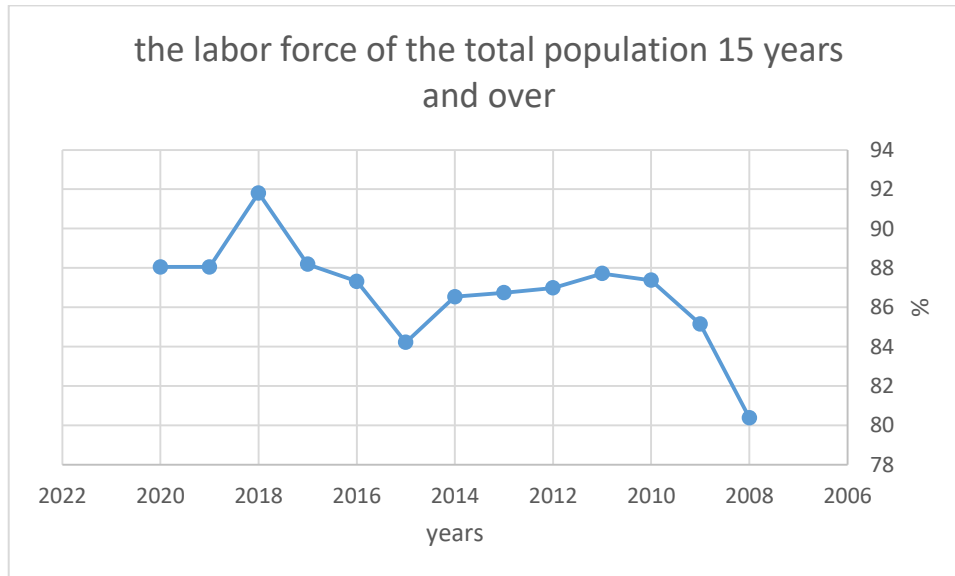
Figure No. (1) The total workforce in Qatar during the period (2008-2020)



Source: Prepared by the researcher based on the World Bank database.

The overall labor force participation rate (% of the total population over 15 years old) (national estimate) increased from 80.4% to 88% in 2020, see figure (2).

figure (2) labor force participation rate (% of the total population over 15 years old)

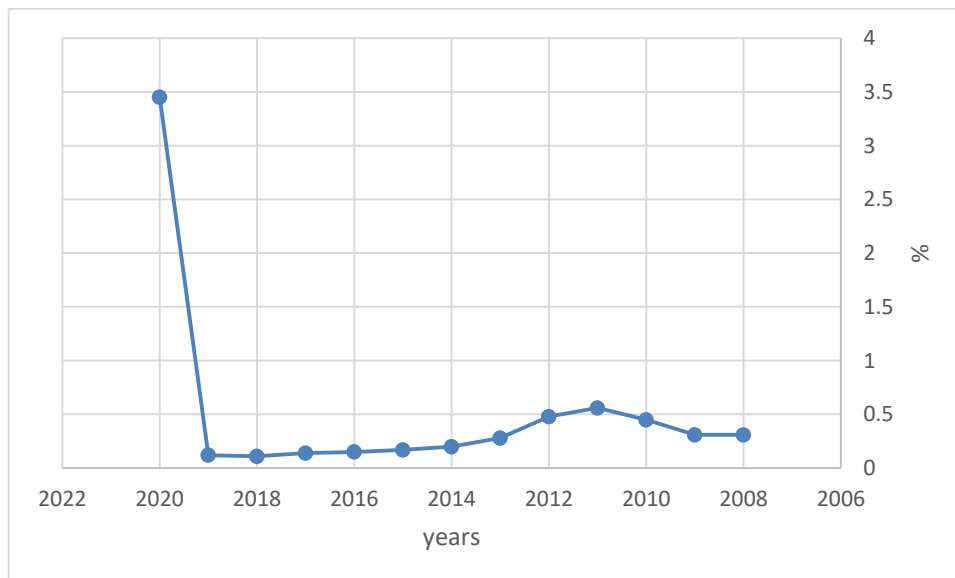


Source: Prepared by the researcher based on the World Bank database.

According to the Planning and Statistics Authority, the population of Qatar reached 2.684 million people by the end of 2020, with 1,936 million men and 748.115 thousand women. According to the results of the official population census. According to the Planning and Statistics Authority, the Qatari population accounts for just roughly 11 percent of the entire population of the country in 2018, as the state has two demographic compositions, one for Qataris and the other for non-Qataris.

While Qatar has a population of 94 different nationalities, the overall pattern of labour distribution in Qatar has resulted in an increase in the expatriate workforce's share of total employment. From 2010 to 2020, the graph depicts the distribution of employment in Qatar by economic sector. In 2020, 1.17 percent of Qatari employees worked in agriculture, 54.38 percent in industry, and 44.45 percent in the service sector (O'Neill, 2021).

Figuer (3) Unemployment of the total workforce % in Qatar during the period (2008-2020)



Source: Prepared by the researcher based on the World Bank database.

As of 2017, the highest-paying positions in Qatar are for expats working as CEOs or CEOs of global corporations. The nationality of expatriates, on the other hand, was the deciding factor in which salary group they fell into. Western expats (European, North American, or Australian) earned around \$40.7k per month, compared to \$43,000 for Arab expats, or approximately \$10,000 more than their Asian counterparts working in identical international employment. In 2020, the unemployment rate will have risen from 0.3 percent in 2008 to 3.5 percent.

According to the 2019 labour force survey, the number of economically active persons in Qatar increased by 2.7 percent quarterly to 2.15 million, with 1.83 million men and 316,76 thousand women. The number of people who are economically inactive has risen by 0.6 percent to 287.08 thousand.

4- The economic impact of eligible workers in Qatar

The fact that the majority of Qatar's workforce is made up of foreigners is a source of ongoing anxiety for Qatari leaders. The government actively promoted measures to promote Qatari nationals' employment and advancement in the workforce. The five-year plan launched in 2000 to considerably increase the number of Qataris in the workforce, however, failed to meet its objectives. However, trade unions and associations are still illegal. As is the case in the majority of Gulf countries.

For the year 2019, the number of expatriate workers in Qatar surpassed 2 million. International migrants account for more than 85% of Qatar's population, while some estimates put the figure as high as 90%. Qatar has made a series of key choices and reforms in recent years, including revising labour laws and allowing workers to move freely between professions, while also promising to boost salaries and give them access to the legal system to deal with bullying and abuse. However, many migrant workers have not profited from this, and they will continue to be bullied and abused until these reforms are fully implemented."

According to the International Labor Organization, this demonstrates that the country's planned reforms are being impeded and implemented slowly. She faced a lot of backlash after announcing her decision to organise the tournament a decade ago, but she responded by making major decisions, the most recent of which was her announcement two months ago to abolish the sponsorship system that is in place in other Gulf countries and is considered a form of modern slavery.

Despite the fact that totally abolishing the sponsorship system is impossible in Qatar or anyplace else in the GCC, Qatar continues to adopt legislation aimed at improving the working conditions of low-wage migrant workers. For example, the state recently modified the sponsorship system by enacting Law No. 21 of 2015, which allows workers to quickly leave the country and so rely less on the sponsor. However, predicting how such measures and other changes will effect workers' life on the ground is difficult¹.

The state may take major steps to improve working and living conditions for migrant workers, and initiatives may fail to achieve desired goals instead, but without consistent scientific measurement, it is impossible to quantify, or correlate, the substantial changes in workers' well-being over time. with specific policies. Several officials from the Ministry of Labor and the Ministry of the Interior have stated their commitment to preserving the rights of migrant workers to Amnesty International researchers. However, officials from all levels of government tend to underestimate the magnitude of the abuses that migrant workers face. They claim that while there may be isolated examples of exploitation, there are no major issues that need to be addressed on a bigger scale. Amnesty International has no intention of saying that all migrant workers in Qatar are abused. Its researchers interacted with men and women who exhibited an interest in discussing their working situations. Some firms have made it clear that they are devoted to upholding labour rules. However, Amnesty International's research - as well as an assessment of available independent quantitative data - led the group to believe that migrant worker exploitation in Qatar is prevalent and systematic².

¹ Michael Ewers, Why Qatar Needs a Welfare Index for Expatriate Workers? Towards Data-Driven Policies, Policy Brief, No. 2, April, 2016.

² Amnesty International, The Dark Side of Migration Spotlights on Qatar's construction sector ahead of the FIFA World Cup, first edition, 2013.

4- Challenges facing the labor market in Qatar:

The State of Qatar has achieved good rates of participation in the labour market, among both males and females, in order to realise the objective of full and productive employment and providing adequate jobs for all. Qataris participated in the labour force at a rate of 69 percent for men and 37 percent for women in 2016. It was lower than the Middle East and North Africa average of 75 percent, but it was still greater in Ghantha, where the ratio reached 22 percent.

Despite the measures completed as part of the national development strategy from 2011 to 2016, the labour market strategy from 2017 to 2022 has highlighted some issues in the sector and intends to address them by implementing the required policies and initiatives. Rebalancing the demographic balance between Qataris and non-Qataris has remained a challenge that cannot be overcome without concerted efforts to ensure the employment of the highest quality and most productive workers, particularly those required by Qatar to implement projects related to hosting the 2022 World Cup.

Unskilled occupations accounted for 19.6% of expatriate employees in 2015. Semi-skilled occupations accounted for 51.4 percent of the total. Only approximately 29% of those polled worked in jobs that required a high or very high level of competence. The flood of expatriate labour is projected to continue until the infrastructure projects associated with hosting the FIFA World Cup in 2022 are completed. Despite the positive outcomes gained in the development strategy (2011-2016), there is still much work to be done in order to build knowledge, which is critical. The country still faces problems in reaching the goals of human development, which are one of the pillars of Qatar National Vision 2030.

The most significant of them are³:

- 1- Low student enthusiasm to learn and continue their studies, resulting in a decline in workforce productivity.
- 2- The incapacity of human capital development to keep up with labour market demands and national development aspirations, since technical and vocational training alternatives have yet to demonstrate their ability to attract and retain Qatari residents.
- 3- A lack of preparation and qualification among many graduates of higher education to fulfil the needs of the private sector, which must absorb more Qataris to help the country move to a knowledge-based economy.
- 4- The critical need to increase the number of students enrolling in science, mathematics, engineering, and technology degrees.
The challenges of providing full employment are summarized in the following points:
 - A - Rebalancing the structure of the labor market
 - B - Increasing the efficiency of work in different sectors
 - C - Developing the capabilities of Qataris, especially Qataris with high levels of education
 - D- Attracting and maintaining highly qualified skilled labor and developing labor legislation
 - E - Improving the labor market information system.

Conclusion

The current study aimed at analyzing the developments of the labor market in Qatar that the population of the State of Qatar at the end of 2020, 2.684 million people, according to the Planning and Statistics Authority, distributed to 1.936 million males and 748.115 thousand females. According to the results of the official census of the population.

³ The Ministry of Development Planning and Statistics, the voluntary national review of the State of Qatar submitted to the High Political Forum on the Sustainable Development Goals. Newark, July, 2017, p. 45.

The participation rate in the labor force, males (% of the male population over the age of 15 years) is 96%, while the participation rate in the labor force, females (% of the female population aged 15 years and over) is 58% for 2019. In contrast, recorded The ratio of females to males in labor force participation (%) is 60% in 2019. The unemployment rate increased from 0.3% in 2008 to 3.5% in 2020.

The issue of immigrant workers, as well as the question of productive or acceptable work, plague the Qatari labour market. The first is that foreigners make up the majority of Qatar's workforce, which is a source of ongoing concern for Qatari leaders. The second, whose challenges include rebalancing the labour market structure and increasing work efficiency in various sectors, developing the capabilities of Qataris, particularly Qataris with advanced degrees, attracting and retaining skilled workers with advanced degrees, developing labour legislation, and improving the labour market information system.

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Table (2) Some labor market indicators in Qatar during the period (2008-2020)

years	workforce, total	the labor force of the total population 15 years and over	Unemployment, total (% of total labor force(
2008	1033282	80.39	0.31
2009	1227582	85.15	0.31
2010	1413345	87.38	0.45

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201 1	1536263	87.72	0.56
201 2	1651717	86.99	0.48
201 3	1758736	86.74	0.28
201 4	1859063	86.54	0.2
201 5	1952291	84.22	0.17
201 6	2004463	87.32	0.15
201 7	2046231	88.19	0.14
201 8	2085150	91.81	0.11
201 9	2124260	88.05	0.12
202 0	2146646	88.05	3.45

Source: Prepared by the researcher based on the open database of the World Bank.