Q2 2016

Bahrain Labour Market Indicators



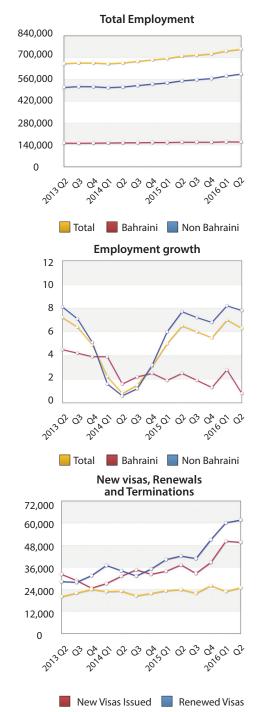
Issue 34/ Second Quarter 2016

Foreign employment reaches 595,151 workers by second quarter of 2016

- The total number of employed foreign workers increased by the end of the second quarter of 2016 to reach 595,151 workers. The number increased at an annual rate of 7.8% compared to 551,859 workers in the same quarter a year before.
- The number of employed Bahrainis this quarter reached 159,711 workers representing an annual growth rate of 0.8% compared to 158,437 workers in the same quarter in 2015.
- LMRA issued 49,538 new regular work permits during the second quarter of 2016 at an annual growth rate of 32.8%.
- The share of small organizations employing less than 10 workers of regular work permits was 53.3% of total work permits issued during the second quarter.
- The Median monthly wages for Bahrainis remained at BD 517 compared to BD 514 in the same quarter a year before increasing slightly at an annual rate of 0.6%.

| Employment | Value | Change |
|---|---------|----------|
| Total employment ¹ | 754,863 | 6.3% |
| - Bahrainis | 159,711 | 0.8% |
| - Non-Bahrainis | 595,151 | 7.8% |
| Work Visas ² | Value | Change |
| New work visas | 49,538 | 32.8% |
| Renewals | 61,643 | 46.3% |
| Terminations | 24,944 | 4.3% |
| Transfer | 5,896 | -49.2% |
| New Entrance to Labour Market (Private Sector) | Value | Change * |
| New Bahraini Entrance ³ | 1,255 | -34.8% |
| - With ≤ BD 250 monthly ³ | 67 | -44.6% |
| Enterprise Development ⁴ (4Q moving average) | Value | Change * |
| New enterprises (CR branch) | 4,368 | 47.0% |
| Wages | Value | Change |
| Labour cost gap ⁵ (in target sectors) | 308 BD | 11 BD |
| Median monthly wages (Bahrainis) | 517 BD | 0.6% |
| - Public Sector | 686 BD | 2.1% |
| - Private Sector | 393 BD | 2.1% |
| Consumer Price Index (CPI) 2006=100 | 126.9 | 2.8% |
| Productivity | Value | Change |
| Total Productivity (2008-09) | - | -0.3% |
| Labour Productivity (2008-09) | - | -11.9% |

All percentage growth rates or differences of levels shown in the dashboard represent the change from the same quarter a year before except for the indicators marked with (*) as it represents percentage growth rates comapred to pervious quarter.



Terminated Visas

Work permits

- The total number of permits issued by LMRA during the second quarter of 2016 was 58,505 permits; of which 49,538 were regular work permits, 444 for investors, 246 for temporary workers, and 8,277 for dependents. The number of permits issued increased in comparison to 47,475 permits in the same quarter a year before.
- The number of visa renewals issued by LMRA during the second quarter was 76,297 of which 61,643 were for regular workers, 554 for investors, 129 for temporary workers and 13,971 for dependents. Similar to new permits, the total number of renewals increased from 56,440 in the second quarter of 2015 to 76,297 this quarter.
- The total number of termination transactions processed by LMRA based on employer request during this quarter was 30,316, of which 24,944 were for regular workers, 82 for investors, 536 for temporary workers and 4,754 for dependents.
- The economic sector with the highest number of new work permits for regular workers remains to be Construction sector with a share of 35.3% of total regular work permits issued, followed by Wholesale and retail trade sector with a share of 17.4%, then Administrative and support service activities sector at 13.4%.

Transfer

- The number of transfer transactions to a new employer that have been processed during
 this quarter was 5,896 workers. The share of transfer transactions after termination or
 expiry of work permit was 7.7%. Transfer with consent of previous employer was 91.8% of
 total transfer transactions, and transfer without consent of previous employer was 0.4%
 only.
- The highest number of transfer transactions Accommodation and food service activities sector followed by Transportation and storage sector, then Financial and insurance activities. Nearly 53% of transfer transactions in this quarter were made by small economic units (employing less than 10 workers).

Wages and labour cost gap

- The median wage of Bahraini employees this quarter reached BD 517 compared to BD 514 in the second quarter of 2015 representing a 0.6% annual growth rate. The median wage of Bahraini workers in the private sector was BD 393 representing an annual growth of 2.1%, while the median wage of Bahraini workers in the public sector was BD 686 representing an annual growth rate of 2.1%.
- The labour cost gap between Bahraini and non-Bahraini workers in the target sectors (Construction, Trade, Hotels and Restaurants and small-scale Manufacturing) reached BD 308 this quarter representing an increase of by BD 11 compared to Q2 of 2015.

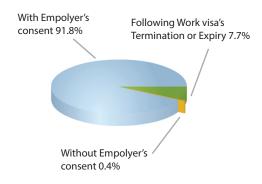
Notes:

- 1 Includes all civilian employed persons in the private and public sectors (insured, uninsured and self-employed) and domestic workers.
- 2 Excluding visas for domestic workers, investors and temporary workers.
- 3 Newly registered workers at GOSI.
- 4 Four quarters moving average.
- 5 Target sectors are limited to four branches of economic activity: Construction; Wholesale, retail trade and repairs; Hotels and restaurants; and Manufacturing (small scale).

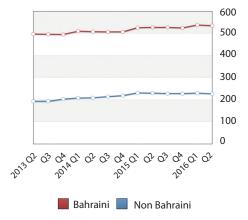
New visas by sector



Foreign Worker Transfer by Type



Labour cost gap (target sectors)



Work Visas Issued by Quarter

(includes Employment, Investor, and Temporary work permits)

