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# Analytical study on the impact of legal and legislative reforms in Saudi Arabia laws on women's empowerment and economic growth

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**Abstract:** Women play a pivotal role in national development, and it is essential for every country to harness their skills to promote economic growth and comprehensive development. The purpose of the current study is to analyze and evaluation the impact of the most recent legislatives and legal reforms in the Saudi Arabia laws in the women's empowering and economic growth. In addition, the research method is used is analyzing laws, regulations, and reports documents related to women rights in Saudi Arabia to clarify its impact on the women's empowerments and economic developments. The study's results indicate a significant and positive impact of recent legal and legislative reforms in Saudi Arabia on women's empowerment and economic growth. Legal reforms have expanded employment opportunities and fostered entrepreneurship among women, resulting in increased workforce participation and a rise in women-owned businesses. Social empowerment has been enhanced through greater autonomy and improved access to education and vocational training, equipping women with competitive skills. Additionally, reforms have facilitated women's participation in governance that creating a safer and more equitable environment. These changes have contributed positively to the economic incomes and diversification that reflecting the efforts undertaken by the Kingdom to enhance women's empowerment and ensure the sustainability of reforms to achieve the ambitious goals of the Kingdome Vision 2030.

**Keywords:** economic growth; sustainability; women's empowerment; women rights; women-owned businesses

## 1. Introduction

Empowerment is a societal mechanism that fosters and encourages individuals to attain the capability and freedom to make decisions, especially in the context of enhancing women's empowerment (Sullaida and Ahyar, 2018). It addresses the issue of granting women, who have historically lacked the ability to make important choices, the necessary tools to do so. These choices are pivotal for individuals to effectively manage their lives (Addai, 2017). An essential strategy in empowering women involves ensuring they have equitable access to and control over critical resources such as finance, land, technology, education, marketing, communication, and opportunities for development, free from discrimination (Balasundaram et al., 2010).

The global discourse on women's empowerment has gained significant traction, highlighting the need to provide women with equal opportunities to men. "Promoting gender equality and empowering women" ranks third among the United Nations' Millennium Development Goals (Singh et al., 2014). This entails enabling women to independently navigate life decisions amid diverse societal challenges (Suman et al., 2014). Moreover, many nations and administrations are actively promoting women's engagement in the economic sphere, alongside their traditional roles of nurturing future generations and managing household duties (Hamdan et al., 2022). This

increasing governmental support has notably bolstered women's empowerment, fostering their active participation in both societies and economies (Alsaad et al., 2023).

Huis et al. (2020) reported that, the importance of women's empowerment as a key target of United Nations initiatives and as a critical outcome in various programs. Empowerment can be divided into economic and non-economic dimensions. The economic dimension involves increasing women's income and developing their involvement for decision-making in economic processes within their families and communities. The non-economic dimension includes women recognizing their own capabilities and skills, leading to increased self-esteem and confidence, and influencing societal perceptions of women. However, factors such as education, religion, age, and social status significantly shape women's roles in society (Singh et al., 2014). Moreover, the women's empowerment not only benefits women themselves but also contributes to the sustainable development of communities is crucial (Vithanagama, 2016).

Nevertheless, according to UNIDO (2014), the impact of female economic empowerment goes well beyond its immediate benefits. Studies indicate that women often prioritize spending a significant part of their income on their children's education and well-being more than men. When women have opportunities to earn income, accumulate wealth, and improve their economic well-being, they not only enhance manufacturing capabilities but also stimulate economic improvement by creating new opportunities with expanding the pool of human capital and talent in their countries. Moreover, women generally have a lower environmental footprint compared to men. They tend to adopt more resource-efficient manufacturing and consumption practices, engage more in recycling, and make environmentally conscious decisions for their households and businesses. In addition, increasing their participation in economic decision-making processes will have a positive impact on long-term economic growth.

However, regulations and policies are among the most significant obstacles to women's empowerment (Saluja et al., 2023). Various challenges hinder women's economic empowerment and, consequently, economic development in many countries. These challenges include limited access to education and training, insufficient financial resources, discrimination and bias, restricted access to markets, and lack of government support. Additionally, government policies can play a crucial role in promoting economic empowerment by addressing and resolving these issues (Sudha and Reshi, 2023).

In the past, there were many regulations that hindered the empowerment of women to participate in Saudi Arabia society. For example, societal norms confined girls to home education, focusing primarily on religious teachings (Ahmed, 2020). However, reforms in education, legislation, and governance have emerged as key priorities and challenges for the Saudi government (Ahmed, 2020). Moreover, Articles 149 and 150 of the old Labor Law, issued in 2005, prohibited women from working in certain jobs that were considered dangerous or unsuitable for their nature. Additionally, regulations that restricted women's work at night limited their ability to work in jobs that required night shifts. Recently, this article was deleted pursuant to Royal Decree No. (M/5) dated 26 August 2020 (Saudi Labor Law, 2020). In addition, Women required permission from their male guardians to travel abroad, whether for

tourism, study, or work. Moreover, Royal Decree No. M/134 issued on 30 July 2019 initially introduced reforms allowing women to obtain passports and travel independently, without the need for guardian consent (Saudi Travel Document Law, 2019).

Therefore, the existence of regulations or laws that restricting women's participation in the workforce will have detrimental effects on the national economy in several ways. First, these constraints limit investment in female human capital, reducing workforce productivity and stifling innovation and diversity in businesses. Second, these measures increase government spending on social support for unemployed or low-paid female workers, draining government resources and reducing fiscal sustainability. Third, it can reduce a country's income, as full participation of women in the workforce is crucial for economic growth and sustainable development. Therefore, countries should eliminate legal and social barriers that hinder women's employment, and promote equal opportunities in the labor market to enhance national economic growth and achieve comprehensive prosperity.

On the other hand, the Saudi Vision 2030', introduced in 2016, states that, our economy will provide opportunities for everyone—men and women, young and old—so they may contribute to the best of their abilities... One of our most significant assets is our lively and vibrant youth. We will guarantee their skills are developed and properly deployed...Saudi women are yet another great asset. With over 50% of our university graduates being female, we will continue to develop their talents, invest in their productive capabilities, and enable them to strengthen their future and contribute to the development of our society and economy (Saudi Vision 2030, 2016). Moreover, the Kingdom of Saudi Arabia is implementing various strategies to empower women in various sectors, such as the field of health and education, or even in the field of women's rights, given the Kingdom's belief that women are an active element not only in social development and building promising generations, but also for their vital role in achieving a sustainable economy.

This research focuses on analyzing the current status of women's empowerment in the context of the most recent amendments in Saudi Arabian legislation and legal. The study aims to address three major questions:

- What are the legislative amendments issued by Saudi Arabia that contributed to the empowerment of women?
- What are the action plans and initiatives taken by Saudi Arabia to empower women in light of the legislative amendments issued by the Kingdom?
- What are the indicators showing how legislative amendments promoting women's empowerment impact their participation in the labor market and the national economy in the Kingdom?

In light of the recent legislative reforms in Saudi Arabia, including significant amendments to major laws, there is a critical need to evaluate the current status of women's empowerment in Saudi society. While some argue that there has been notable tangible progress in the legal of women empowerment, this research seeks to provide an in-depth analysis of the most recent amendments. It aims to enrich the literature with an up-to-date reference point on this crucial issue that remains under international scrutiny. Furthermore, women's rights, including women's empowerment, are integral to Saudi Arabia's development, especially in terms of

economic growth, political stability, and global reputation. This study will also examine how the empowerment of women in Saudi Arabia impacts the economy, contributing to a more comprehensive understanding of the societal and economic benefits of legal reforms.

## **2. Materials and methods**

The research methodology employed in this study is the analytical research method, focusing on analyzing and evaluating the impact of recent legislative and legal reforms in Saudi Arabian laws on women's empowerment. It involves examining legal documents and established standards. For this research, the latest amendments to significant regulations and laws in Saudi Arabia over recent years aimed at enhancing women's empowerment were reviewed, such as the Saudi labor law and Saudi travel document law. Additionally, reports from various Saudi ministries and national platforms were utilized. The researcher analyzed specific provisions in detail and provided historical background information on their formulation. The study aims to provide a comprehensive understanding of how legal and legislative reforms in Saudi Arabia have influenced women's empowerment and economic development, utilizing government reports and documents.

## **3. Results and discussion**

### **3.1. Enhancing women's empowerment through legal and legislative reforms in Saudi Arabia**

Seguino (2010) emphasizes the impact of various dimensions of gender inequality on economic growth. Women are consistently found to have lower levels of education, earnings, ownership, and economic decision-making power compared to men. This disparity, particularly in access to education, impedes their economic advancement and contributes to income inequality (Gonzales et al., 2015). Consequently, women face challenges in accessing healthcare, education, employment opportunities, and autonomy in their lives and choices (Kabeer, 1999).

Nevertheless, there is a significant global effort towards achieving gender equality, exemplified by 193 United Nations member countries committing to Sustainable Development Goal 5, which aims to end gender inequality by 2030. Recognizing that women's empowerment not only benefits women themselves but also contributes to sustainable community development (Vithanagama, 2016). Consequently, the Kingdom of Saudi Arabia has prioritized enhancing the status of women across all sectors and has taken measures to protect their rights and ensure their full and effective participation in economic and social development at all levels. This includes reforms and amendments to legislation and regulations governing women's rights in the Kingdom. The Saudi government views women as essential contributors to societal strength, thus ensuring their rights are firmly protected by law.

The Kingdom has implemented extensive legal and legislative reforms aimed at enhancing women's empowerment and achieving well-being in accordance with international standards. Moreover, increasing women's participation in business and education is a pivotal aspect of the Saudi Arabia Vision 2030 plan and accordingly

numerous women have been appointed to prominent business and academic roles within the kingdom. Royal decrees have been issued to support women’s rights to employment and education, as depicted in **Table 1**. Educated and articulate women are increasingly being selected for international diplomatic and UN positions, serving as prominent representatives of the country. Saudi females are also being prepared for critical roles such as ambassadors and cultural attachés. Ministries have similarly appointed female vice ministers, further underscoring the Kingdom’s commitment to gender equality and women’s advancement (Alselaimi and Allui, 2018).

**Table 1.** Royal decrees supporting women’s rights in employment and education.

<b>Decree Number</b>	<b>Gives Authority</b>
The Council of Ministers No (120) on 1425\4\12	To Increase female participation in all industries
Ministerial Decree No. (01.01.2473/p) on (8.10.1432 e	To regulate women’s work in shops selling women’s necessities.
Ministerial Decree No. (01.01.2475/p) on (10/08/1432 H)	To set requirements and policies of the female employment in factories.
Ministerial Decree No. (1/1/3732/p) on 28/8/1433	To Regulate women’s work in retail women’s necessities (evening dresses, bridal gowns and women’s accessories.
Ministerial Decree No. (1/1/3729/p) on 28/8/1433	To regulate female work as cashiers retail stores.
Ministerial Decree No. (1/1/3730/p) on 28.8.1433	To regulate female participation and work in events, parks and family entertainment.
Ministerial Decree No. (1/1/3731/p) on 28.8.1433	To regulate female employment in Kitchens as chiefs
Royal Decree M/61 of 2014	To regulate female candidates and voters to participate in the municipal elections
Royal Decree M/85 approved on 27/9/2017	To regulate and to grant women the right to drive.

Source: Alselaimi and Allui (2018).

### **3.2. The action plans and initiatives to empower women in light of the legislative amendments issued by the Kingdom**

#### **3.2.1. Empower Saudi women’s and education**

According to Bushra and Wajih (2015), education plays a crucial role in developing the human mind, securing equal employment opportunities, and accessing leadership positions to fulfill personal aspirations. Similarly, Shunmuga and Subburaj (2014) argue that education is fundamental to women’s empowerment, prosperity, well-being, and advancement. Bushra and Wajih (2015) highlight that through education, women gain the skills needed to acquire knowledge, access equal employment opportunities, assume roles of responsibility and influence, make decisions, and recognize their value as contributors to their children’s development, among other benefits. Women’s empowerment has increasingly become a cornerstone of development policies. In 2006, the World Bank underscored the economic growth benefits associated with women’s empowerment (Doepke and Tertilt, 2019).

The Kingdom of Saudi Arabia has witnessed significant advancements across various sectors including health, education, infrastructure, and business. Notably, women’s education has seen substantial progress, with the Saudi government making concerted efforts to enhance access and reduce gender disparities at all educational levels. Historically, societal norms confined girls to home education, focusing primarily on religious teachings. However, reforms in education, legislation, and governance have emerged as key priorities and challenges for the Saudi government

(Ahmed, 2020). A pivotal moment in girls' education came in 1959 with the establishment of the General Presidency for Girls' Education by royal decree, marking a significant step towards broader access. By the mid-1970s, approximately half of Saudi girls were enrolled in school, and by the early 1980s, education became universally available to all Saudi girls, including enrollment in universities. The Saudi public education system remains segregated and is actively supported by government initiatives (Ahmed, 2020).

Currently, the Ministry of Education in Saudi Arabia has launched several educational and development programs aimed at enhancing the quality of education for women and improving the working environment for female educators. As part of the National Program for the Development of Education, initiatives have been introduced to enhance the professional skills and educational practices of female teachers and students. In public education, there has been a notable increase in net enrollment rates for females between 2008 and 2014, surpassing the rates for males during the same period. In higher education, the number of female students enrolled in 2015 was 749,375, slightly less than their male counterparts at 778,394. Educational institutions have continued to implement national plans to prepare women for roles as university faculty members through academic programs both domestically and internationally, addressing the shortage of female academic staff and support personnel (Saudi National Unified Portal, 2024).

Furthermore, the number of technical colleges for women has doubled across various regions of Saudi Arabia in the past decade. Starting with the establishment of the first college in 2007, the count grew to 18 colleges by 2015, specializing in providing tailored training to enhance women's skills and prepare them for employment. In addition, Saudi Arabia has prioritized continuing education programs, aligning with its developmental goals to reduce female illiteracy rates through legislative and non-legislative measures. Moreover, key efforts include the enforcement of compulsory education and the establishment of a government department for adult education, tasked with designing plans and programs tailored to adult learners. The expansion of general education schools in rural areas and the establishment of literacy centers in correctional facilities, shelters for girls, elderly care homes, charities, and Quranic education societies reflect Saudi Arabia's commitment to enhancing educational opportunities for women (Saudi National Unified Portal, 2024).

Recently, there has been a major development in empowering women through education through the Saudi Vision 2030', introduced in 2016, states that: Our economy will provide opportunities for everyone—men and women, young and old – so they may contribute to the best of their abilities... One of our most significant assets is our lively and vibrant youth. We will guarantee their skills are developed and properly deployed ... Saudi women are yet another great asset. With over 50% of our university graduates being female, we will continue to develop their talents, invest in their productive capabilities, and enable them to strengthen their future and contribute to the development of our society and economy (Saudi Vision 2030, 2016).

On the other hand, Women's education in Saudi Arabia has made significant strides in the past five years. The Saudi government has made extensive efforts to enhance girls' access to education and narrow the gender gap across various

educational levels. Furthermore, Saudi Arabia has implemented diverse strategies and modern techniques, including leveraging E-learning capabilities, to provide women with comprehensive educational opportunities. In particular, Al Alhareth (2013) conducted a pilot study emphasizing the role of E-learning in advancing women's education, particularly in a conservative societal context. Similarly, Yamin and Aljehani (2016) conducted an empirical study focusing on the impact of E-learning on Saudi women, highlighting its effectiveness in expanding educational access and enabling women to manage academic pursuits alongside familial responsibilities.

On the other hand, Saudi Arabia has supported the creation of a secure educational environment for girls and women by enacting the Anti-Harassment Law through Royal Decree No. M/96 on 31 May 2018. Article 6 of this law criminalizes harassment in educational institutions and other settings, imposing strict penalties on offenders. Furthermore, Paragraph (3) was added to Article 6 of the Anti-Harassment Law by Royal Decree No. M/48 issued on 1 January 2021, introducing additional penalties for perpetrators of harassment. Moreover, as part of Saudi Arabia's Vision 2030, comprehensive reforms and regulations have been implemented to enhance the quality of life and education in the country. The Kingdom has undertaken numerous initiatives to provide women with the necessary education to develop their capabilities and skills, enabling them to effectively manage businesses and assume leadership roles. This reflects Saudi Arabia's recognition of the vital role women play in society and the economy.

### **3.2.2. Empower Saudi women's for leadership and labor market**

Historically, disparities in workforce participation in Saudi Arabia have been influenced by gender differences in investments in human capital, including educational attainment, skills development, and competencies. This phenomenon is elucidated by human capital theory, which posits that investment in education lead to economic advantages (Langelett, 2002). According to this theory, continual investment in human capital enhances job opportunities and offers positive rewards to individuals (Becker, 2002). It views human capital investment as a rational decision-making process where individuals weigh the costs associated with acquiring education, skills, and experience against the benefits of securing better jobs and career advancements (Alselaimi and Allui, 2018). However, research indicates that Islam does not prohibit women from pursuing education or careers (Alselaimi, 2014). In fact, some argue that Islam grants both men and women equality in their religious, ethical, and civil rights and responsibilities. Islam emphasizes the importance of knowledge acquisition for all Muslims to understand the essence of Islam and does not differentiate between men and women in terms of their right to education and participation in economic activities (Al-Lamki, 1999; Kausar, 1995).

New initiatives like 'Saudi Vision 2030' and 'Saudi Female Leaders', introduced in April 2016 by the Chairman of the Council of Economic and Development Affairs, encompass 'The National Transformation Plan 2020' that aims to increase the representation of women in leadership roles by 2020. It includes a variety of initiatives, such as leadership training programs for women and reforms in legislation, aimed at enhancing the quality of life for women (Ahmed, 2020). For instance, the Saudi Ministry of Human Resources and Social Development (2021) has implemented

several initiatives to support women's empowerment, including:

- Empowering Women in Civil Service Leadership; aims to enhance women's involvement in government sectors by leveraging their skills, expanding job opportunities, ensuring gender equality, and promoting them to leadership roles. Over 7,000 experienced women are registered on the national leadership platform. The Civil Service Gender Balance Project addresses regulatory gaps, training needs, and equal opportunity practices. The remote work strategy under the National Transformation Plan 2020 aims to organize and expand remote work options. Activating childcare centers in workplaces is crucial to create an attractive work environment for women and generate job opportunities in this field.
- Leadership Training and Guidance Initiative; seeks to increase the percentage of women in middle and senior leadership positions, enhancing their participation in the labor market. It involves training women leaders in various sectors, public and private, fostering an environment conducive to leadership development. Employers nominate women with leadership potential, with up to two trainees per entity, targeting 1700 leaders for training. Moreover, the program aims to provide women with the necessary knowledge with required skills to serve as exemplary role models for the nation.
- Telework Promotion Initiative; aims to unlock the potential of male and female job seekers, freelancers, and business owners across the Kingdom. Aligned with labor market development policies, it creates stable and productive job opportunities. The initiative implements an innovative operational model to enhance human resource development, productivity, knowledge acquisition, skills enhancement, and reduce unemployment rates. It focuses on increasing employment rates, particularly among women and individuals with disabilities, aligning with strategic goals of the Ministry.
- Flexible Work Initiative; aims to expand job opportunities for Saudi men and women, especially in less developed regions with limited educational attainment. It promotes economic growth and job diversity through flexible work (hourly) laws and encourages employers to offer flexible work contracts, thereby benefiting various segments of society.

On the other hand, Saudi Arabia has developed an interactive platform called the "Qiyadyat" Platform, which serves as a database of national women leaders. This platform facilitates quick access to leaders in the civil society organizations, public sector, and private sector institutions. However, the main objectives of the platform include enhancing access to Saudi women leaders, improving the quality of selection for women representing the Kingdom in local and international delegations and official forums, and documenting the achievements of female leaders under the Saudi Vision 2030 (Saudi Ministry of Human Resources and Social Development, 2021). As of the third quarter of 2021, the platform has registered 9077 women beneficiaries since its launch in March 2020 (Saudi Ministry of Finance, 2023). Furthermore, Saudi Arabia has initiated leadership training programs for women aimed at enhancing their skills and increasing their representation in leadership roles. This initiative successfully trained 506 women across the kingdom, with 260 in leadership roles and 246 in managerial positions (Saudi National Unified Portal, 2023).



Another governmental initiative aimed at supporting female participation in the workforce is the Human Resource Development Fund (HADAF). This initiative focuses on creating opportunities for women by promoting telecommuting arrangements with the private sector. It establishes a home-based work environment, allowing women who face mobility challenges to work effectively from their homes. Additionally, to support working mothers, the government has encouraged the private sector to expand childcare services and facilities. A significant milestone in enhancing female employment opportunities was achieved with a recent Royal Decree granting women the right to drive, thereby removing one of the major barriers to female employment (Alselaimi and Allui, 2018).

Based on Saudi Arabia's Vision 2030 and its associated programs, the government has prioritized the advancement of women's empowerment within the Kingdom. The Ministry of Human Resources and Social Development, among other relevant authorities, has specifically focused on increasing women's participation in the labor market as a key goal of the vision. This focus has accelerated the progress of Saudi women towards empowerment through the implementation of various decisions, legislations, and regulations aimed at enhancing their societal standing. As a result, Saudi women have emerged as integral partners in the nation's development across economic, social, scientific, cultural, and other domains at all levels (Saudi Ministry of Human Resources and Social Development, 2021).

### **3.2.3. Empowering women and entrepreneurs**

Arab women have played a pivotal role in shaping societal norms and advocating for women's rights (Bargain et al., 2019). An entrepreneur, by definition, is someone who establishes a new business, assumes the associated risks, and reaps the rewards. Entrepreneurs are known for their innovation, introducing new ideas, products, services, and business methods. In Saudi Arabia, significant strides are being made towards social progress, reflecting a steadfast commitment to a prosperous future where all individuals can contribute to national development to their fullest potential. Saudi women, comprising over 50 percent of university graduates, are recognized as crucial assets to the nation. Their talents are actively nurtured and their productive capacities invested in, enabling them to contribute significantly to both societal and economic advancement. Moreover, Saudi Arabia is actively promoting and supporting female entrepreneurship through workshops, training programs, and financial assistance to facilitate the establishment of their own ventures. Additionally, in collaboration with Sweden, the Saudi government has launched a substantial initiative aimed at training and empowering female entrepreneurs and innovators. This program fosters networking opportunities, mutual learning through meetings and study tours, and interactions with influential leaders and decision-makers. Women's empowerment stands as a cornerstone of Saudi Arabia's 2030 Vision and the national transformation agenda, driving towards modernization and inclusive growth (Khan, 2020).

Focusing on women's economic potential is key to achieving equitable and sustainable industrial growth (Samantroy and Tomar, 2018). Women entrepreneurs are increasingly acknowledged as crucial drivers of inclusive and sustainable industrial development and were highlighted as pivotal by the World Economic Forum

in 2012 (Thaddeus et al., 2022). Their role in economic growth is undeniable, contributing significantly to job creation, poverty reduction, and overall economic sustainability. Therefore, empowering women and facilitating their entrepreneurial endeavors are essential steps towards fostering economic development and societal progress (Zeidan and Bahrami, 2020).

Legal and legislative frameworks significantly impact empowered women entrepreneurs, influencing their business development and growth trajectories. Empowering women in entrepreneurial activities not only fosters their personal development but also contributes to the overall economic growth of the country. Additionally, the quality of education and social and cultural policies play crucial roles in providing essential support for empowering women to establish their own businesses. Reforming or reinforcing policies that empower entrepreneurs is essential to further improve the women empowerment in entrepreneurship (Alsaad et al., 2023).

In 2016, Saudi Arabia established the Small and Medium Enterprises General Authority (Monsha'at) to regulate, support, and develop the SME sector in the Kingdom. Monsha'at further implemented the "Empowering Female Entrepreneurs Program" initiative aimed at raising awareness among women and encouraging their participation in entrepreneurship. This program facilitates increased engagement in available services and programs, identifies development opportunities, addresses challenges, and promotes economic participation among women. Since its inception, Monsha'at's initiatives have significantly bolstered the economic empowerment of women, with the proportion of female-owned businesses growing substantially from 21% in 2016 to 40% by 2023. These achievements underscore the government's commitment through the National Transformation Program to enhance women's labor market participation, highlighting the effective support and facilitation provided to female entrepreneurs (Monsha'at, 2023).

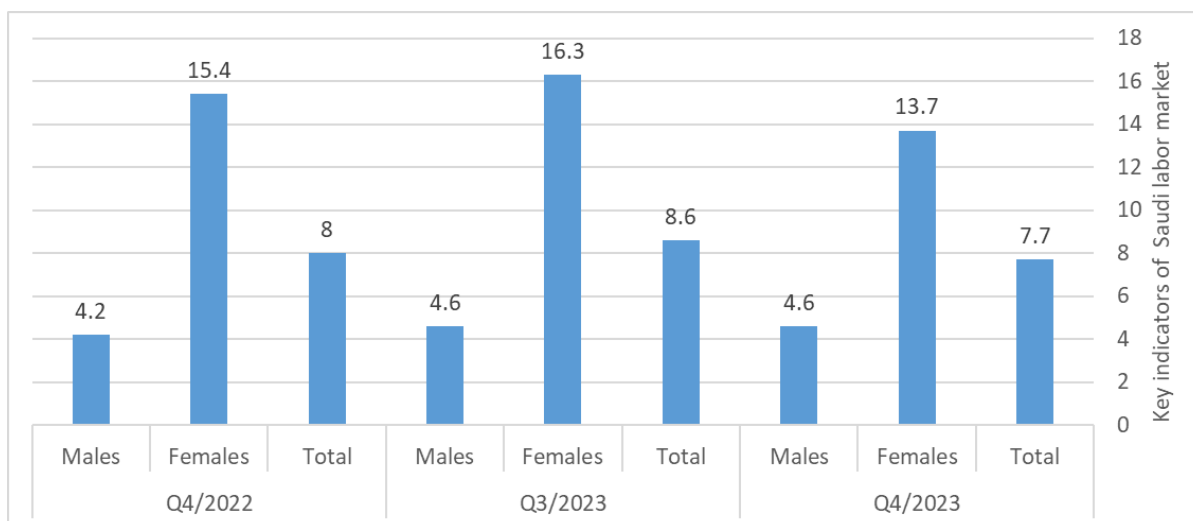
According to the Global Entrepreneurship Monitor research, conducted across 46 countries and territories worldwide, Saudi Arabia stands out with the highest percentage of adults who personally know an entrepreneur, perceive starting a business as feasible, identify good entrepreneurial opportunities, and believe they possess the necessary experience, skills, and knowledge to initiate a business venture. Moreover, Saudi Arabia ranks second in terms of adults investing in someone else's startup and holds the tenth position in the percentage of adults intending to start a business within the next three years (Global Entrepreneurship Monitor, 2024).

Moreover, Global Entrepreneurship Monitor (2024) reported that national experts in Saudi Arabia evaluated the social support available to women entrepreneurs and their access to resources compared to their male counterparts. The results were remarkably positive: Saudi Arabia received an impressive score of 6.4 for social support, ranking third out of 49 economies in 2023. However, the score for women entrepreneurs' access to resources was lower at 4.4, placing the Kingdom 40th among the 49 economies assessed. This indicates a need for strategic action to improve women entrepreneurs' access to resources and sustain Saudi Arabia's reputation as an excellent environment for starting businesses (Global Entrepreneurship Monitor, 2024).

### **3.3. The indicators showing how legislative amendments promoting women's empowerment impact their participation in the labor market and the national economy in the Kingdom**

The Kingdom of Saudi Arabia has made significant strides in empowering women and enhancing their economic participation in the workforce. Recent reforms and legislative measures aligned with Saudi Vision 2030 have underscored the commitment to women's empowerment. By the end of 2020, the economic participation rate among Saudi females aged 15 and above reached 33.5%. Moreover, the percentage of women in the labor market doubled from 17% to 31.8%, surpassing the Vision 2030 target of 30%. In addition, the proportion of women in middle and senior management roles in both public and private sectors reached 30% in 2020. Furthermore, indicators revealed an increase in the representation of Saudi women in the civil service to 41.02% by the end of the same year (Saudi Ministry of Human Resources and Social Development, 2021). In addition, Saudi Arabia has made significant strides in several key performance indicators related to women, including surpassing the 2020 targets. Women's share in the labor market increased to 31.8%, exceeding the target of 27.6%. The economic participation rate of Saudi females reached 33.5%, surpassing the target of 26.15%. Additionally, Saudi Arabia received a score of 80/100 in the Women, Business, and the Law (WBL) assessment by the World Bank Group in 2021 (Saudi Unified National Platform, 2022).

Moreover, according to the Saudi General Authority for Statistics (2024), in the fourth quarter of 2023 (Q4/2023), several key labor market indicators for Saudi females and males exhibited notable changes compared to the third quarter of 2023 (Q3/2023). Among Saudi females, the employment-to-population ratio increased by 0.6 percentage points (pp) to 30.7%, while the participation rate decreased slightly by 0.4 pp to 35.5%. The unemployment rate among Saudi females decreased significantly by 2.6 pp to 13.7%. In contrast, among Saudi males, the employment-to-population ratio decreased by 0.2 pp to 63.5%, and the labor force participation rate also decreased slightly to 66.6%. The unemployment rate for Saudi males remained unchanged at 4.6% compared to Q3/2023. Looking at youth demographics (15–24 years), Saudi female youth saw an increase in the employment-to-population ratio by 0.2 pp to 14.0%, while the participation rate decreased by 0.3 pp to 18.2%. The unemployment rate among Saudi female youth decreased significantly by 2.6 pp to 22.7% compared to Q3/2023. For Saudi male youth in the same age group, the employment-to-population ratio decreased to 30.6%, the participation rate fell by 1.0 pp to 35.5%, and the unemployment rate increased slightly by 0.2 pp to 13.8%. Moreover, among the core working age population (25–54 years), Saudi Arabia observed an increase in the employment-to-population ratio by 0.4 pp, reaching 63.2%. The labor force participation rate for this group decreased by 0.4 pp to 67.8%, and the unemployment rate decreased by 1.1 pp to 6.8% compared to Q3/2023. For Saudis aged 55 years and over, the labor market indicators showed an increase in the employment-to-population ratio and labor force participation rate, while the unemployment rate remained stable in Q4/2023 compared to Q3/2023. These indicators highlight the dynamic changes in Saudi Arabia's labor market, reflecting efforts to enhance employment opportunities and participation rates across different demographic groups, as shows in **Figure 1**.



**Figure 1.** Key indicators of Saudi labor market for males and females “Saudi citizen”.

Source: Saudi General Authority for Statistics, 2024.

Moreover, there is a significant improvement in labor market indicators for both women and men in Saudi Arabia during the fourth quarter of 2023. This improvement includes an increase in the employment-to-population ratio for women, a decrease in unemployment rates, and a slight increase in employment rates across different age groups. These changes reflect the effective efforts made by the Kingdom to enhance job opportunities and increase population participation in the labor market, which contributes to enhancing economic growth in the Kingdom of Saudi Arabia. For Saudi women specifically, all of the indicators indicate a noticeable improvement and increase in the employment rate, along with a high employment rate and low unemployment rates, which means increased exploitation of women’s economic potential to increase productivity and overall economic output at the Kingdom level.

#### 4. Conclusion

Women play a pivotal role in national development, and it is essential for every country to harness their skills to promote economic growth and comprehensive development. In recent years, the Kingdom of Saudi Arabia has undertaken legislative and legal reforms aimed at enhancing women’s capabilities, promoting their effective participation, and removing obstacles that hinder their involvement in national development initiatives. The Kingdom is also working on developing initiatives that encourage investment in Saudi women and their qualifications, in line with the goals of Saudi Arabia’s Vision 2030. The Kingdom has prioritized achieving gender equality in education by providing the necessary educational and training programs. Additionally, efforts have been directed towards ensuring equality between men and women in rights, duties, and opportunities in the workplace, including promotions, retirement benefits, leadership roles, and entrepreneurship. Moreover, the Kingdom has provided comprehensive support to inspire and empower women entrepreneurs through wide-ranging awareness programs across various business sectors. Recent commitments include enacting legislation to protect women from all forms of abuse and violence in the workplace. All these reforms have led to increased employment rates of women in the labor market, their assumption of leadership positions, and the

growth of women entrepreneurs in Saudi society. This has positively impacted the economic participation rate among Saudi females aged 15 and above, which has reached 33.5%. Finally, continuing to amend legislation related to empowering women and increasing their representation on boards of directors in companies and institutions, along with taking the necessary measures to improve women entrepreneurs' access to resources, will have a positive impact on the labor market and the national economy of the Kingdom.

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