

Saudi salaries to increase by 6% in 2019 on economic growth: Cooper Fitch

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Salaries will increase by 5 to 6 percent in Saudi Arabia on average next year depending on the current prevailing economic conditions, according to the recent 2019 KSA Salary Guide by Cooper Fitch.

“Certain sectors and individuals will have a significantly higher increase in their salaries. However, overall, the key objective for Saudi in 2019 is to improve the employment levels for both nationals and expatriates as there continues to be a significant demand for both,” the report said.

The International Monetary Fund (IMF) predicted a lower gross domestic product (GDP) growth of circa 3 percent, predominately based in a projected increase in crude oil production. However, Cooper Fitch believes the actual growth will be ahead of the IMF predictions, partly driven by non-oil activities.

“The non-oil growth will be directly in line with Vision 2030 where we see the continued drive of this visionary strategy into projects such as Red Sea, NEOM, Riyadh Gate and many other projects. We believe that Saudi Arabia represents the most exciting economic market globally with all the best consultants and advisors being attracted to the country to help support this very exciting initiative,” the report stated.

The report further highlighted that the driver for growth in these mega projects rests within privatization and public-private partnerships (PPP), which kicked-off at the end of 2017.

“The implementation of Value Added Tax (VAT) in Saudi Arabia helped stabilize the economy and generated non-oil-based revenue for the government. They have not only supported Vision 2030 but have also created significant new employment opportunities in the tax advisory and tax consulting space,” the report further added.

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