

mselect.

**IRAQ
EMPLOYMENT
OUTLOOK
SURVEY 2022**



EXECUTIVE SUMMARY

Now in our 10th year, and since the shift in employment due to the Covid pandemic, we are pleased to present the Mselect Iraq Employment Outlook Survey of more than 500 employers across Iraq in different sectors.

The Outlook Survey shows employers across Iraq are planning to increase their workforce with 78% expecting to hire, 41% of which from the larger size organisations. The Telecom industry is expecting the strongest Outlook (85%), Oil and Gas (83%), followed by, Retail, NGO, Industrial, Hospitality (75%), Technology, Professional Services, FMCG, Energy and Manufacturing (60-70%).

Low hiring expectation comes from Multi Sector Group, Construction, IT and Power (30-50%)

The weakest outlook are from the Banking, Healthcare, Education, Financial Service and Automotive (15-20%).

The survey also indicates the skills most in demand are Accounting (39.39%), Engineering (36.36%) across all industries. The least shortage is coming from Health Carers (3.03%).

Hybrid Working has been highly adopted, some employers expect 65% of Administrative, Office Support and 63% of Human Resources personnel to work a hybrid mix of workplace and remote. However, employers are not offering this for all roles - Finance & Accounting, Production and Manufacturing personnel are expected to work fully in the workplace.

50% of employers are expecting to mandate double vaccination and the booster shot alongside asking for proof of vaccination specially in the Oil & Gas Sector.

Last but not least; more than 60% of employers in Iraq don't expect any changes from their salaries and wage systems at least for the first half of 2022.

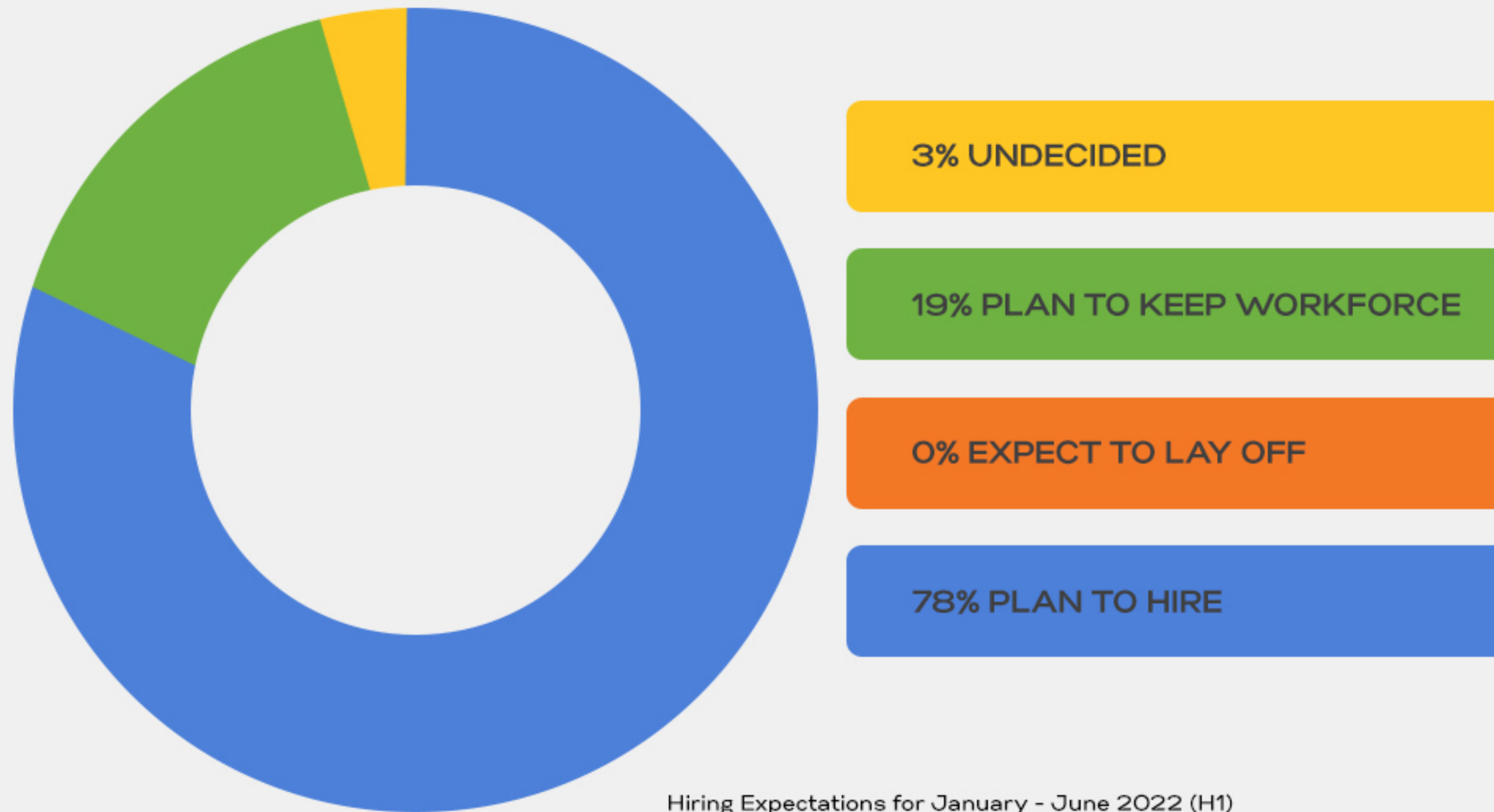
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EMPLOYMENT OUTLOOK (H1)

Employer Hiring Expectations for January – June

Iraqi employers expect a robust labour market in the first half of 2022, reporting a seasonally adjusted, Net Employment Outlook of +78%.

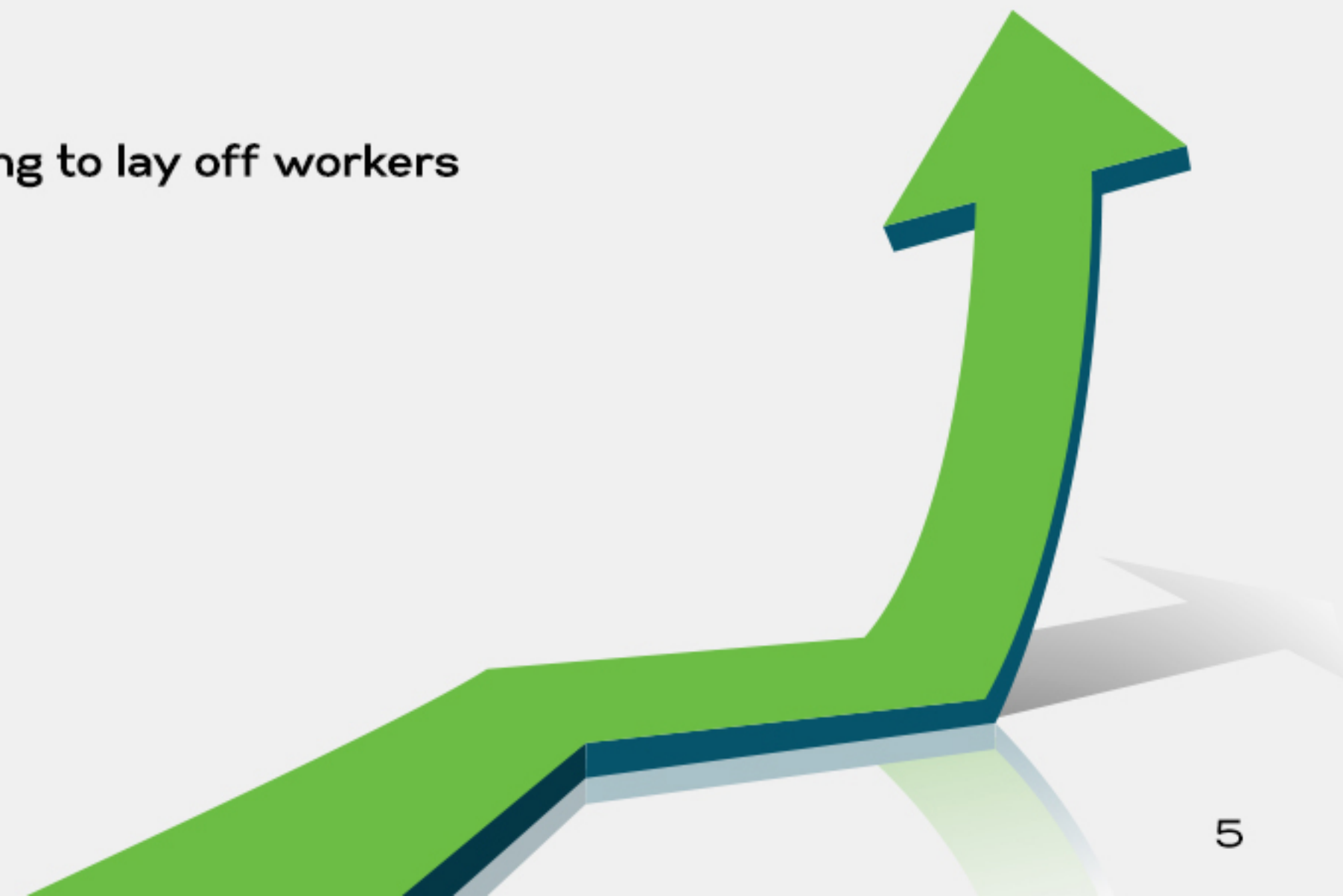


Hiring Expectations for January - June 2022 (H1)

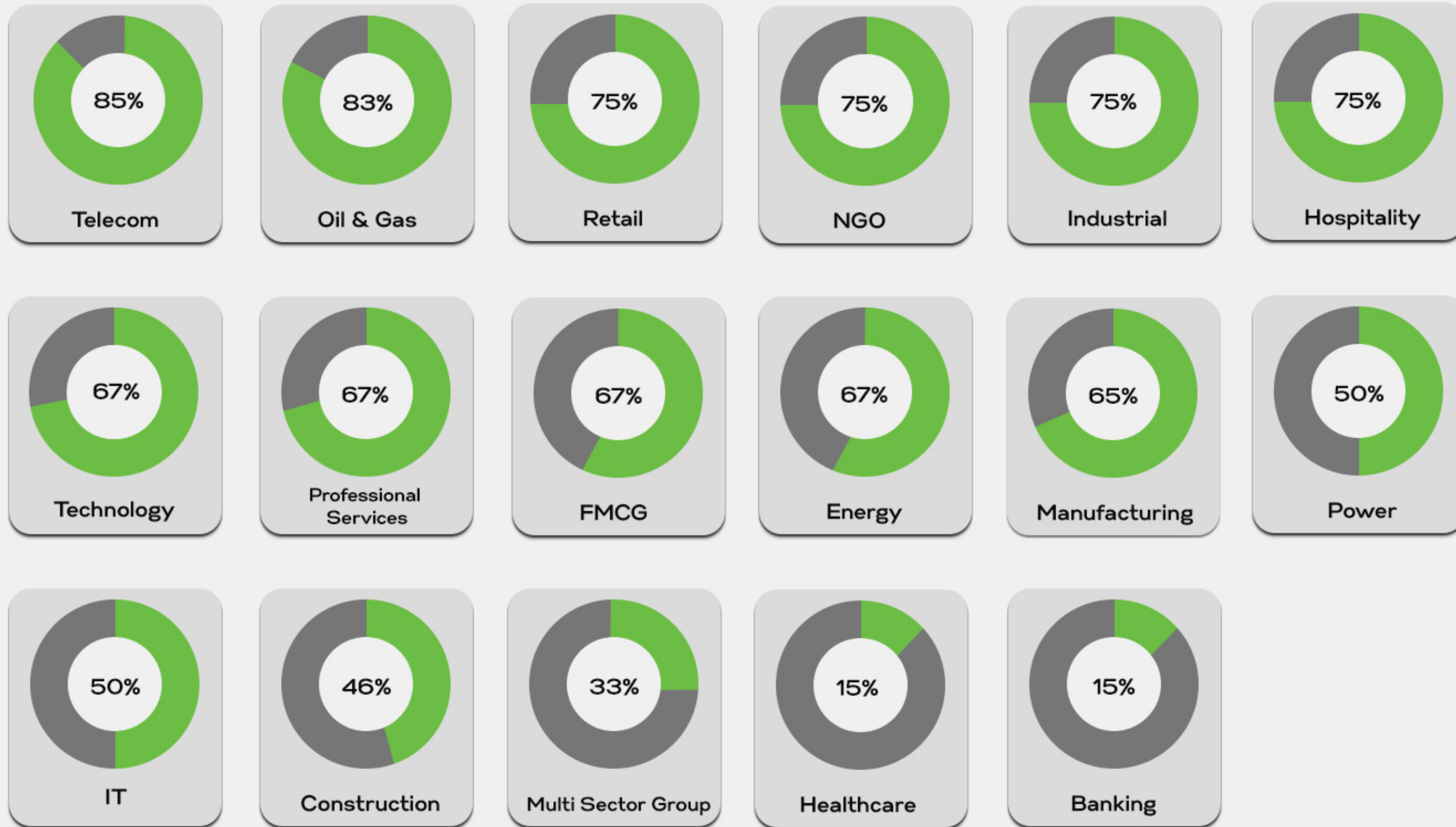
	PLAN TO HIRE	PLAN TO KEEP WORKFORCE LEVELS STEADY
Telecom	85%	15%
Oil and Gas	83%	17%
Retail	75%	25%
NGO	75%	25%
Industrial	75%	25%
Hospitality	75%	25%
Technology	67%	33%
Professional Services	67%	33%
FMCG	67%	33%
Energy	67%	33%
Manufacturing	65%	35%
Power	50%	50%
Information Technology	50%	50%
Construction	46%	14%
Multi Sector Group	33%	67%
Automotive	20%	80%
Education	20%	80%
Healthcare	20%	80%
Banking	15%	50%
Financial Services	15%	85%

GROWTH EXPECTED ACROSS INDUSTRIES

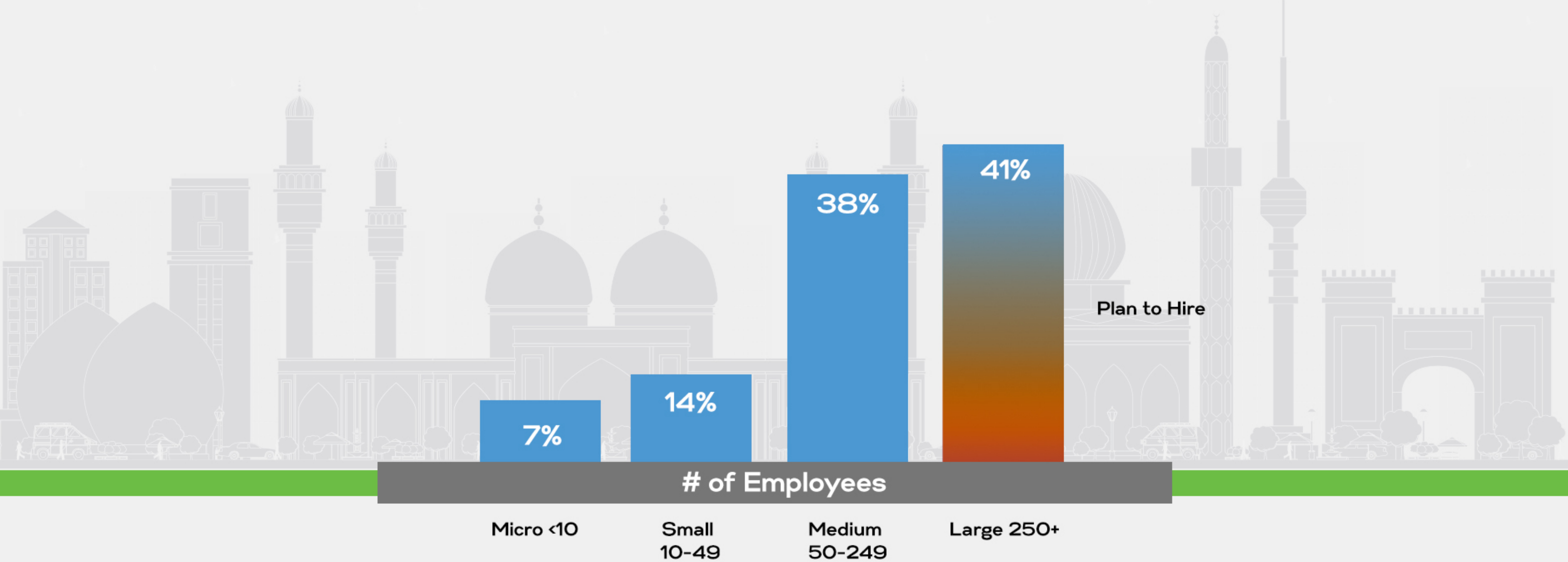
No sectors are expecting to lay off workers



GROWTH EXPECTED ACROSS INDUSTRIES



THE LARGER ORGANISATIONS REPORT STRONGEST HIRING INTENTIONS



STRONGEST HIRING OUTLOOKS ACROSS BOTH REGIONS SINCE THE SURVEY BEGAN

Employers from different geographical locations with different industries have participated in the Employment survey with equal participation rate of 33.39% from Employers who solely operate in Kurdistan Region and Employers who operate in both regions, while the rest 21.21% coming from Employers in Federal Iraq

Net Employment Outlook of 79.0%. Which 24.0% of it comes from Federal Iraq, 44.0% from Kurdistan Region, and 32.0% from employers operating in both regions.

Meanwhile 18.0% plan to keep their work forces steady without a change, from that percentage 17.0% of it comes from employers only operate in Federal Iraq, and likewise, 17.0% from Kurdistan Region only employers, and the rest 66.0% comes from employers with programmes in both places.

Employers don't expect to lay-off any of their employees for the first half of the year, with the exception of few employers which only make 3% of total participants who haven't decided yet.

PLAN TO HIRE

92.31% KRI

85.71% Federal Iraq

61.54% Both

EXPECT TO LAY OFF WORKERS

0% KRI

0% Federal Iraq

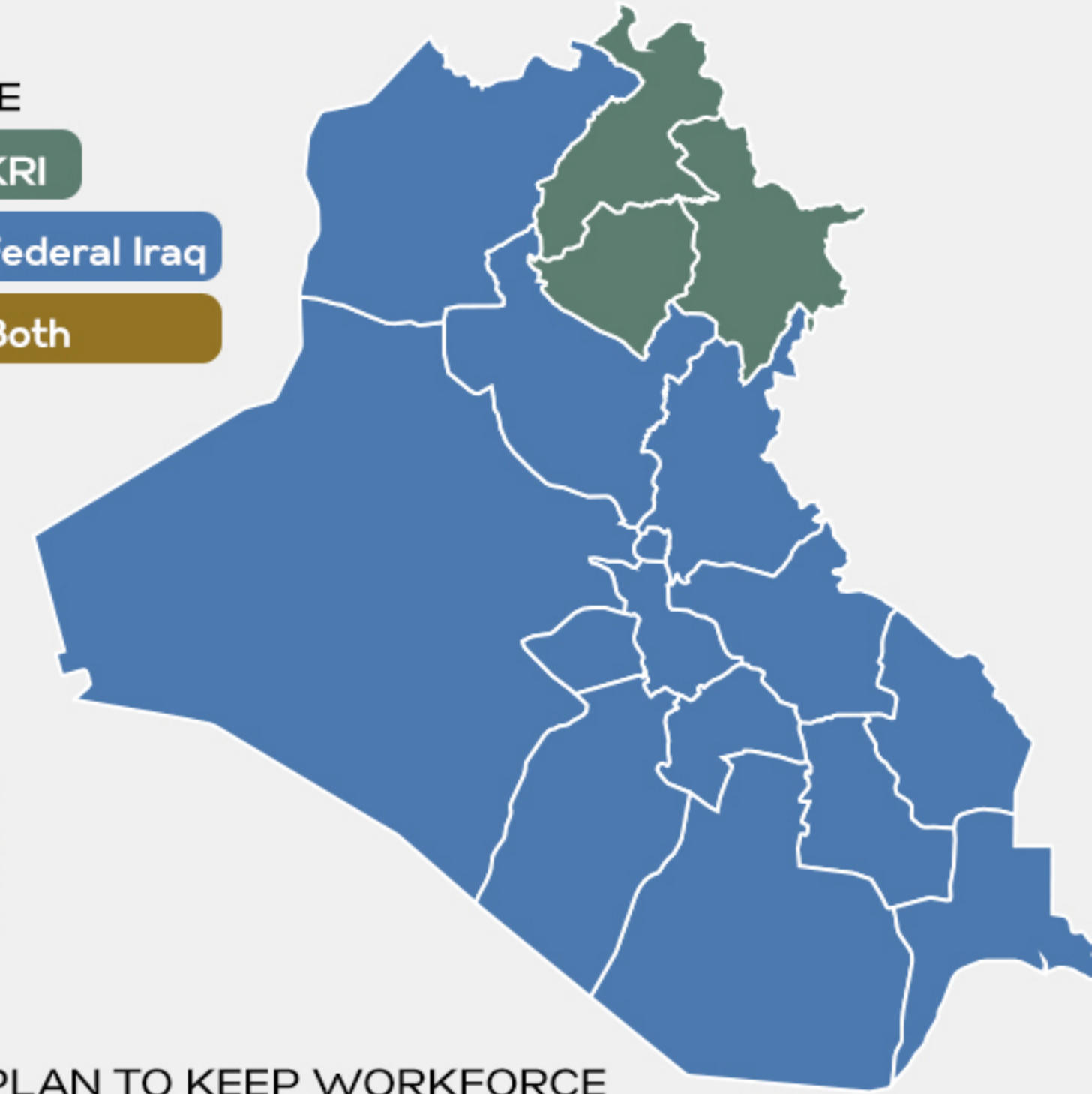
0% Both

PLAN TO KEEP WORKFORCE LEVELS STEADY

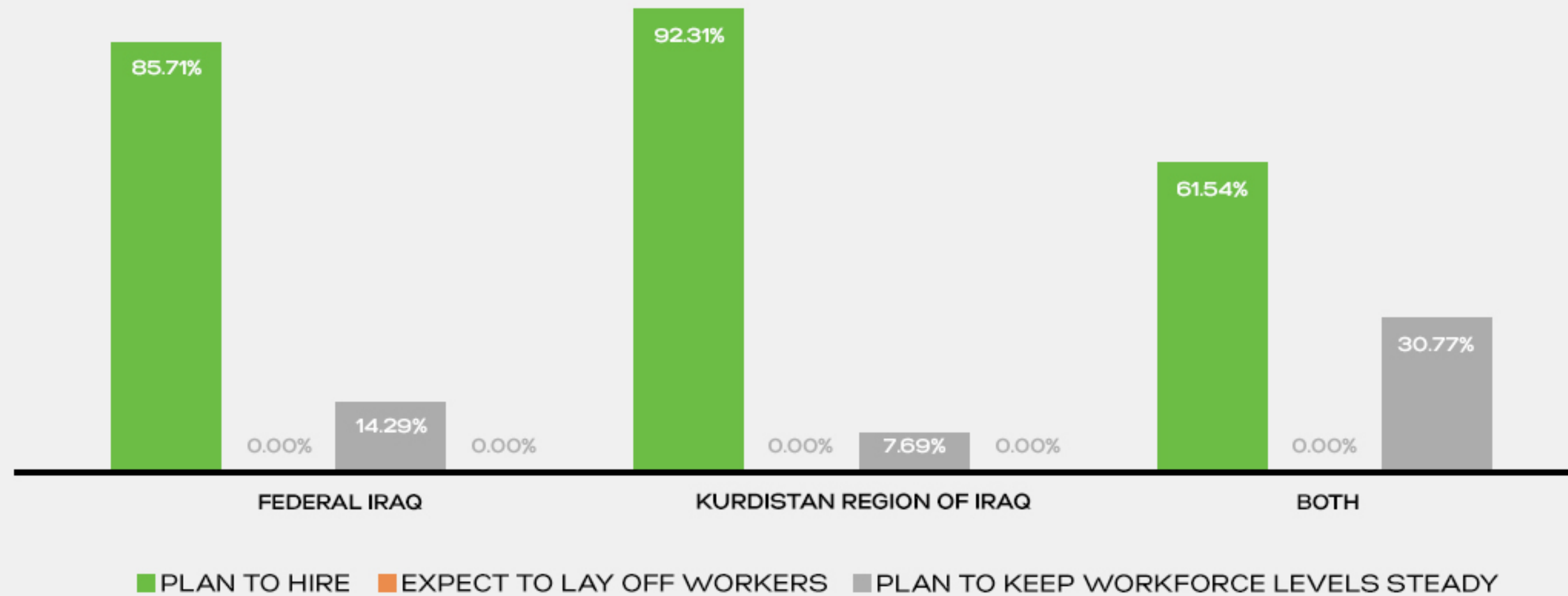
7.69% KRI

14.29% Federal Iraq

30.77% Both



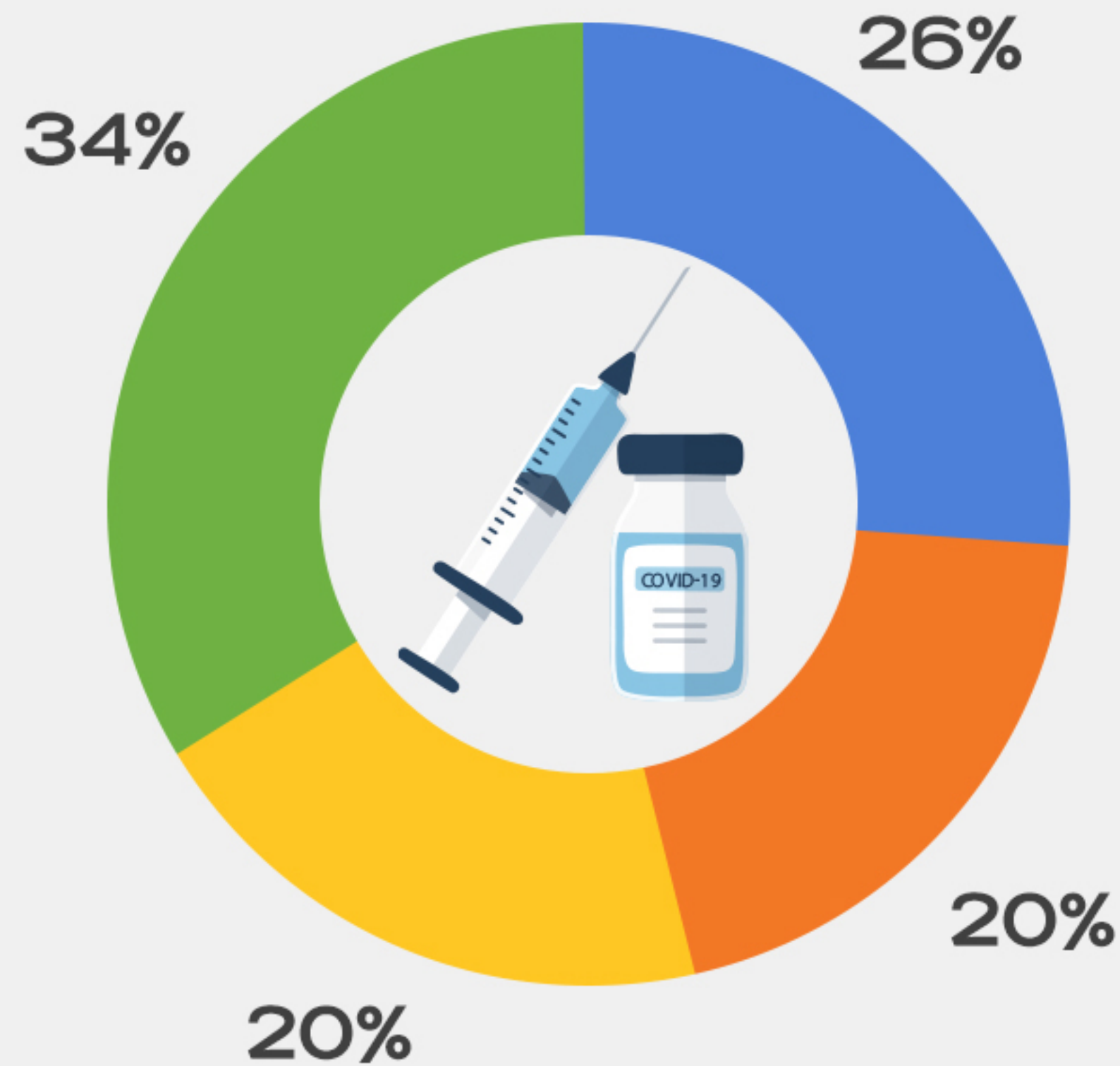
Hiring Expectations for January - June 2022 (H1) by Region



However, employers which solely operate in Kurdistan Region are expecting to have the highest hiring for the first half of 2022.

VACCINE EXPECTATIONS FOR ONSITE RETURN

Over one-half of employers are mandating vaccines in some way for their employees to return to the workplace.



Plan to require proof of double vaccination and booster shot.

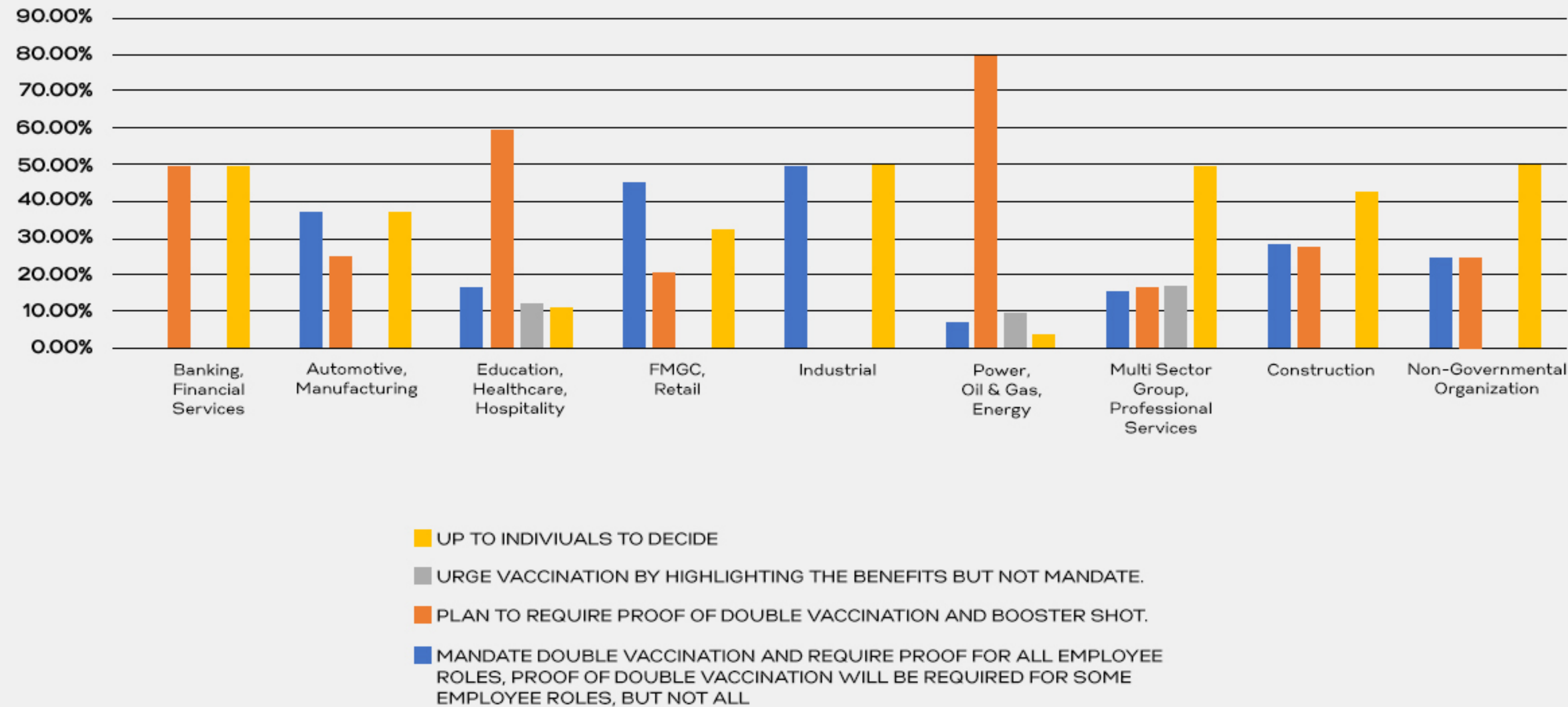
Mandate double vaccination and require proof for all employee roles, Proof of double vaccination will be required for some employee roles, but not all.

Urge vaccination by highlighting the benefits but not mandate.

Up to individuals to decide

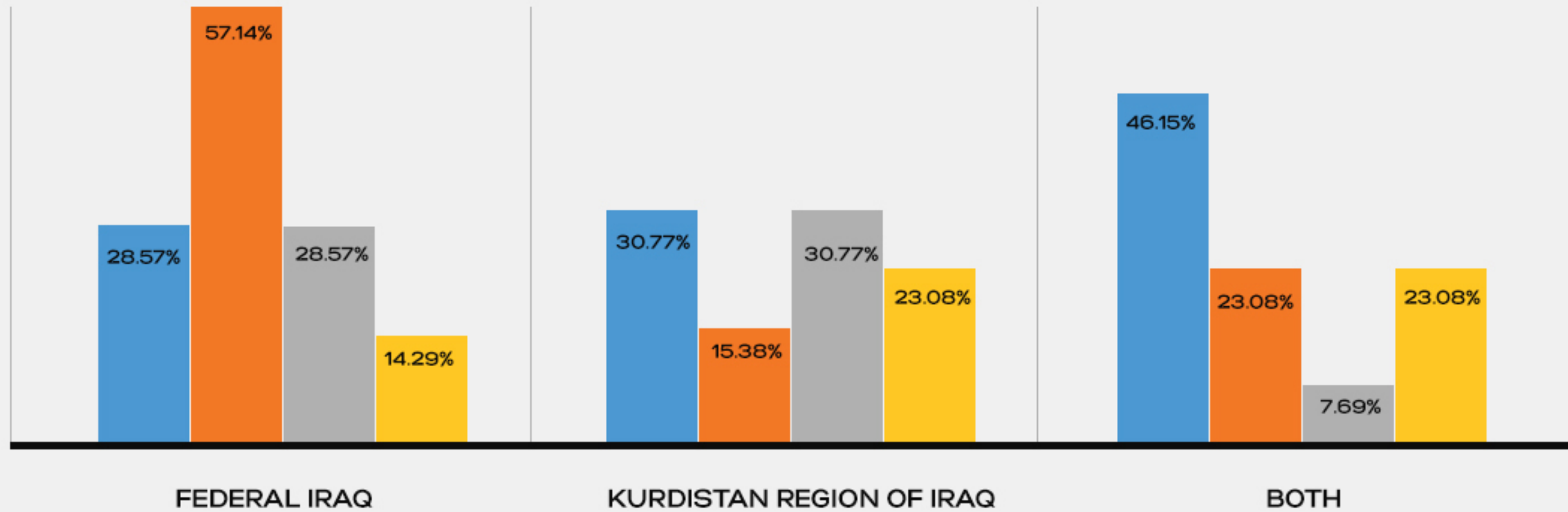
VACCINE EXPECTATION BY INDUSTRY:

Power, Oil & Gas, Energy, Education, Healthcare, and Hospitality are requiring proof of double vaccination and booster shot. FMGC And Retail Companies Most Likely To Mandate Vaccines for All, While Multi Sector Groups And Professional Service companies are leaving it for employees to decide.



VACCINE EXPECTATION BY REGIONS:

Employers Who Only Operate in Kurdistan Region Are Less Likely To Mandate Vaccinations And they Only Suggest Vaccination For Their Staff.



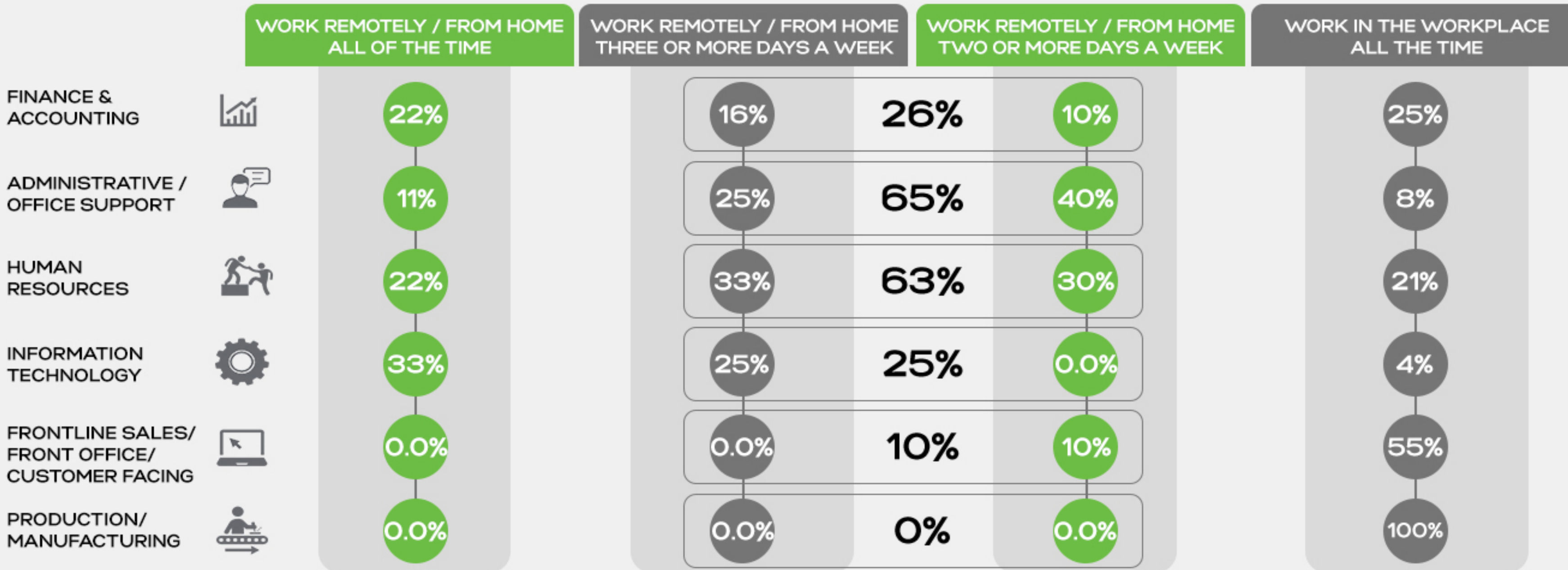
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- Plan to require proof of double vaccination and booster shot.
- Urge vaccination by highlighting the benefits but not mandate.
- Up to individuals to decide

- ▶ Mandate Vaccination
61% of Employers in Federal Iraq
55% of Employers in KRG
88% of Employers in Both Regions
- ▶ Incentivizing Vaccination
29% of Employers in Federal Iraq
57% of Employers in KRG
14% of Employers in Both Regions
- ▶ No plans
14% of Employers in Federal Iraq
43% of Employers in KRG
43% of Employers in Both Regions



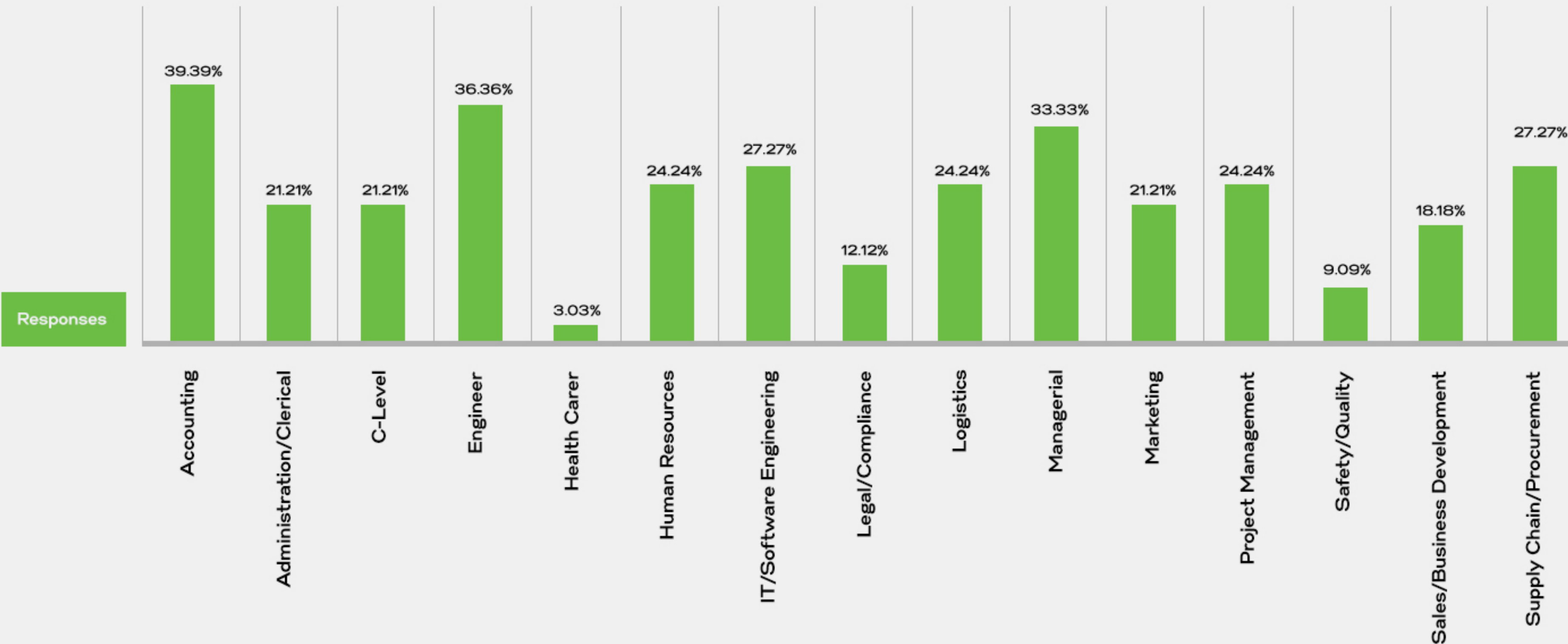
THE GREAT SHIFT TO HYBRID WORKING

Administrative, Office Support, And Human Resources Employers Comes In First In Recognizing The Need For Hybrid Work. Finance, Accounting, And IT Comes In Second.



SKILL SHORTAGE

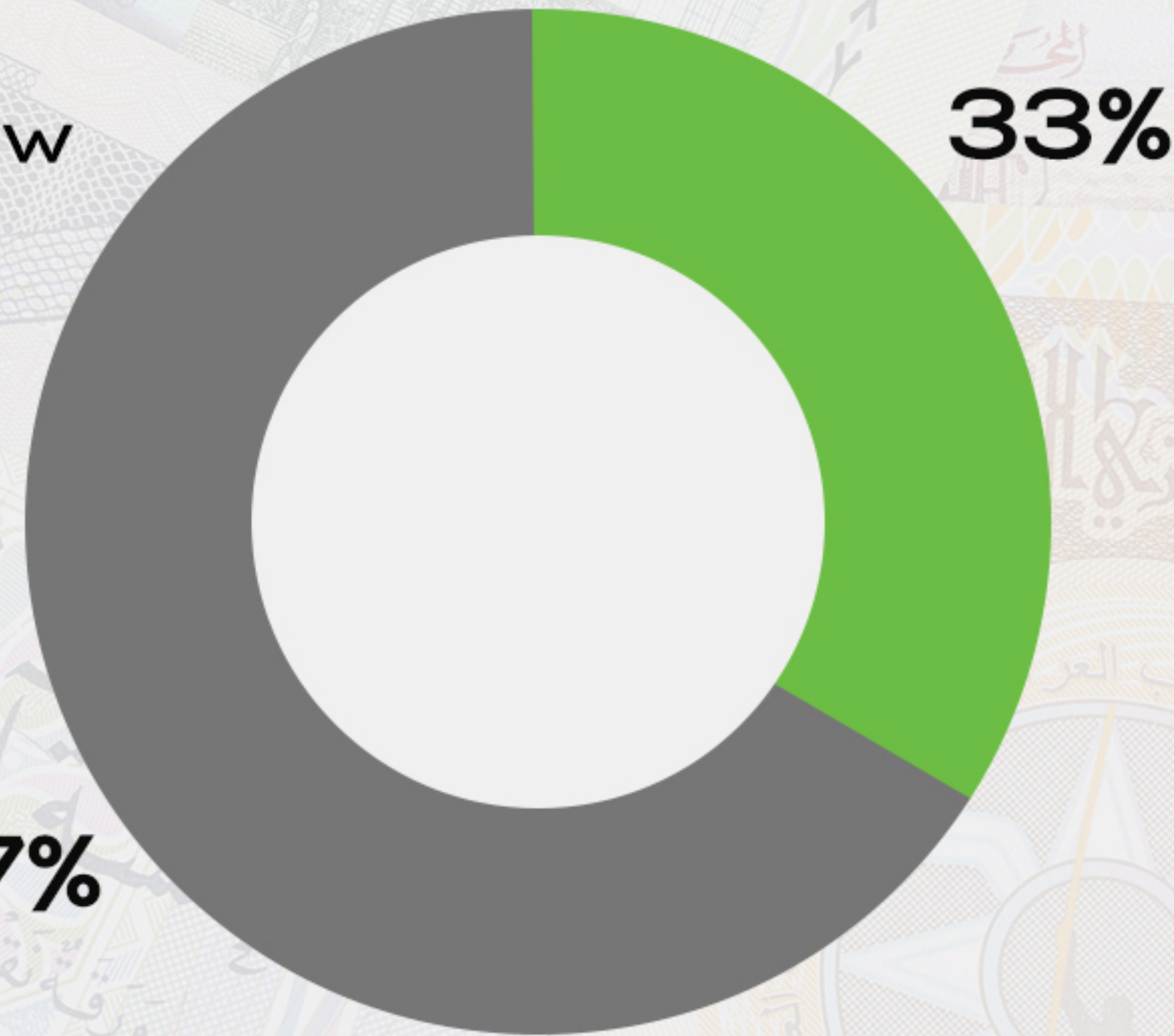
Companies Across Iraq Are Facing Major Skills Shortage in Accounting, Engineering, Managerial, Supply Chain & Procurement, and IT. And Face Least Shortage in Health Carers, Safety/Quality, and Legal.



CURRENCY IMPACT

67% Of The Employers In Iraq Are Not Expecting Any Salary Changes Due To IQD Currency Devaluation, At Least For The First Half 2022. And 33% Are Revising Salaries.

Overview



Revising Salaries

Keeping the same

ABOUT THE MSELECT EMPLOYMENT OUTLOOK SURVEY

The MSELECT Employment Outlook Survey – conducted in January 2022 – is the most comprehensive, forward looking employment survey, used nationwide as a key economic indicator. The Net Employment Outlook is derived by taking the percentage of employers anticipating an increase in hiring activity and subtracting from this the percentage of employers expecting a decrease in hiring activity.

Independent

The survey is conducted with a representative sample of employers from throughout Iraq. The survey participants are not derived from Mselect's client base.

Robust

This sample allows for analysis to be performed across specific sectors and regions to provide more detailed information.

Focused

The survey has derived information from one main question: "How do you anticipate total employment at your location to change in the six months to the end of June 2022 as compared to the last half?"