International Labour Organization

Assessing Informality and Vulnerability among Disadvantaged Groups in Lebanon: A Survey of Lebanese, and Syrian and Palestinian Refugees

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▶ Acknowledgments

This report is part of the ILO project "Towards improved knowledge on labour market and employment conditions of Syrian Refugees and host communities in Jordan and Lebanon", funded by the Ford Foundation. The ILO's Regional Office for Arab States commissioned Statistics Lebanon to conduct the household survey, targeting disadvantaged Lebanese, as well as Syrian and Palestinian refugees residing in the most vulnerable areas of the country, as well as a number of focus group discussions and interviews.

The ILO team was led by Tariq Haq, Senior Employment Policy Specialist, who steered both the data collection efforts and the preparation of this report. The team included: Nader Keyrouz, Regional Labour Statistician; Aya Jaafar, National Project Coordinator; Jad Yassin, National Project Officer; and Grace Eid, National Project Officer.

▶ Executive summary

This study assesses the extent of informal employment and vulnerability among the most deprived Lebanese citizens, and the Syrian and Palestinian refugees living in Lebanon, through the analysis of representative survey data on employment and labour market conditions of these three population sub-groups.[1] A sample of vulnerable households of Lebanese, Syrians and Palestinians was selected from the 251 most vulnerable cadastres[2] in Lebanon – home to 87 percent of displaced Syrians and Palestinian refugees, and 67 percent of deprived Lebanese, as identified by the 2015 United Nations inter-agency assessment, and reported in the Lebanon Crisis Response Plan 2017–2020.[3]

Findings show that the compound effects of economic and labour market shocks brought on by currency depreciation, concomitant high levels of inflation, the COVID-19 pandemic and the Port of Beirut explosion, have deepened levels of vulnerability and informal employment among these already distressed communities.

Summary of findings

Demography

Men represented 52.1 per cent of the total surveyed individuals in the sample. The age dependency ratio for the total sample population stands at 58.5 per cent, though it was much higher for Syrians (82.6 per cent) than Lebanese (41 per cent) and Palestinians (38.5 per cent). Only 13 per cent of households were headed by a woman. On average, vulnerable households were comprised of 3.8 individuals (3.5 for Lebanese, 3.8 for Palestinians and 4.2 for the Syrians).

Education

Among those aged 5–24, only 40.4 per cent attended school during the current school cycle. Palestinian refugees recorded the highest enrolment rate at 53.8 per cent, followed by Lebanese (47 per cent) and Syrians (33 per cent). Generally low educational attainment levels are recorded among the working age population,[4] with 87.9 per cent of Syrian refugees having lower than secondary education, compared with Palestinians (79.3 per cent) and Lebanese (56.1 per cent).

Labour force and labour underutilization

The labour force participation rate in the sample stood at 39.7 per cent, with men (62.1 per cent) significantly more likely to participate in the labour force than women (15.5 per cent). The employment-to-population ratio was a very low 26.6 per cent – significantly lower for women (9.7 per cent) than men (42.2 per cent). Concurrently, the total unemployment rate was high, reaching 33 per cent overall, with a slightly higher rate among women (37.2 per cent) than men (32 per cent).

Overall, Palestinians exhibited the lowest labour force participation rate, the lowest employment-to-population ratio and the highest unemployment rates. In this regard, Syrian refugees are more comparable to vulnerable Lebanese.

1 Informal employment and other key statistical terms and concepts are defined in Appendix I of this report.
2 Areas relating to an administrative system of land and governance boundaries.
3 Government of Lebanon and the United Nations (2020).
4 Working age in this report refers to all persons aged 15 years and over (15+).

Youth and the labour market

Youth registered a low labour force participation rate of 32.7 per cent compared with 42.5 per cent among adults aged 25 years and above. This was coupled with an extremely low employment-to-population ratio (16.6 per cent) and a high unemployment rate (49.1 per cent).

The share of youth not in employment, education or training (NEET) stood at 62.3 per cent, with a higher NEET rate among young women (72.1 per cent) than men (53 per cent). Syrian girls aged 15-24 registered a particularly high NEET rate of 86 per cent.

Regardless of nationality, young NEETs were more likely to be inactive (78.8 per cent) than unemployed (21.3 per cent), with young men more likely than young women to be unemployed and not in education or training.

Overall, young people (aged 15–24) experienced high rates of long-term unemployment, with 14.6 per cent of the youth labour force having experienced periods of unemployment of 12 months or longer, which was highest among all age groups.

Employment

Employed individuals were mostly concentrated in four sectors, namely "wholesale retail trade and motor vehicle repair" (29.6 per cent), "construction" (12.4 per cent), "manufacturing" (10.9 per cent), and "agriculture, forestry, and fishing" (8.8 per cent).

While agricultural employment was equally common among men and women, representing 8.8 per cent and 9.1 per cent of male and female employment, respectively, women were less likely than men to work in the industrial sector, and more likely to be employed in the services sector.

In terms of occupation, "services and sales workers" constituted the largest category of both men and women, representing 30.1 per cent and 35.6 per cent of male and female employment respectively. This was followed by "craft and related trades" (25.3 per cent) and "elementary occupations" (10.3 per cent). Among managers, women represented just 12.5 per cent of total employment in this occupation category.

The employment structure of individuals from vulnerable households is dominated by employees (57.2 per cent), followed by 22.3 per cent working as independent workers without employees and 11.1 per cent as employers. Women (64.2 per cent) were more likely to work in paid employment compared with men (55.7 per cent), whereas men were more likely than women to be employers or independent workers without employees.

The share of those employed with no formal education stood at 17.9 per cent of total employment and 16.4 per cent had a university degree or higher. Different educational attainment levels translate into different employment outcomes. The majority of workers with secondary education or lower worked in crafts and related trades, services and sales, or – to a lesser extent – elementary occupations. University graduates, on the other hand, were mainly employed as professionals (38.8 per cent), service and sales workers (26.4 per cent), or as technicians and associated professionals (10.4 per cent).

Prevalence of informality

Just 22.2 per cent of total employment (in the sample) could be described as formal, and 67.4 per cent of all employed individuals were working in the informal sector. Syrians and Palestinians recorded extremely high rates of informality – 95 per cent and 93.9 per cent, respectively. In comparison, 64.3 per cent of Lebanese workers from vulnerable households were in informal employment. Informal employment was slightly higher among men (78.5 per cent) than women (74.2 per cent).

Informal employment was highest among young workers (15–24 years of age), registering 91.9 per cent of total youth employment, decreasing with age to 65.3 per cent among those aged 65 and above. Informal employment also decreased with level of education, from 93.3 per cent among those with no education to 52.2 per cent among those with university degree level and above.

Informality represented more than half of total employment in almost all occupations, with the exception of those working in the armed forces, where all employment is formal. Informality was still relatively prevalent in high-skill occupations, such as managers and other professionals, registering 46.9 per cent and 42.7 per cent respectively, and was highest among those employed in low-skill occupations, registering 92 per cent in elementary occupations. Even excluding agriculture, the share of informal employment still remains high, decreasing only slightly from 77.8 per cent to 76.1 per cent (77 per cent for men and 71.7 per cent for women).

Working conditions

Monthly incomes and hourly wages

Some 54.7 per cent of all employed individuals in the sample were paid less than 750,000 Lebanese pounds (LBP) per month.[5] Lebanese workers earned more than their Syrian and Palestinian counterparts – 39.6 per cent of Lebanese workers earned less than LBP750,000, compared with Syrians (74.9 per cent) and Palestinians (65.6 per cent). The average hourly wage across all groups stood at LBP6,373, and was 34 per cent lower for women (LBP4,505) than for men (LBP6,823). Hourly pay was lowest among those aged 15–24 and highest among those aged over 55 years.

Working hours and multiple jobholding

The average weekly hours usually worked was 48.7 hours, but decreased slightly to 47.5 actual weekly hours worked. Men worked longer hours than women, both in terms of actual and usual hours of work, and Lebanese worked slightly longer usual and actual hours of work compared with Palestinians and Syrians. Some 15.5 per cent of the total workforce were working two jobs or more. Some 18.4 per cent of Palestinians held multiple jobs compared with 17.3 per cent of Lebanese and 12.7 per cent of Syrians.

Contractual status

In this sample, 46.5 per cent of eligible employed individuals did not have a work contract.[6] Some 27.5 per cent reported having a written contract and 20.9 per cent were contracted by an oral agreement.

Among those whose contracts were due to end on a specific date, or following completion of a specific task, the majority (56 per cent) were short-term workers, including around 25 per cent classified as “daily workers”. Only 15.5 per cent had a contract or work agreement for a period of 12 months or longer.

Social security

In comparison with 50 per cent of Lebanese workers, over 90 per cent of the Palestinians and Syrians employed in the sample were not contributing to social security funds. The majority of eligible Palestinian and Syrian refugee workers (81 per cent and 91.2 per cent respectively) did not have access to paid annual leave, in comparison with 51per cent of Lebanese.

Access to paid sick leave was also limited: 86.9 per cent of Syrians were not entitled to paid sick leave, compared with 76 per cent of Palestinians and 47.6 per cent of Lebanese. Lebanese women were more likely to benefit from paid maternity leave (41.1 per cent), than Syrian (8.1 per cent) or Palestinian women (8 per cent). Of the sample, 28.1 per cent of all women aged 15–54 had either been dismissed or not had their contract renewed during pregnancy.

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5 The minimum wage in Lebanon is currently LBP675,000 per month (US$448 based on the official exchange rate).

6 “Eligible” employed individuals were those who were either: (a) employed by someone else; (b) working for a family or on a family project with no pay; (c) in training; or (d) helping a relative who was, in turn, employed by someone else.

Affiliation to trade unions

Just 2.7 per cent of all employed individuals were affiliated to a union, with particularly low affiliation rates among Palestinians (1.2 per cent) and Syrians (0.2 per cent), compared with 4.5 per cent among the Lebanese.

Disability, labour force and working conditions

Some 2.4 per cent of the working-age population were living with at least one disability, with around one third of them being 65 years or older, followed by almost a quarter in the age group 35–54.

Only 11.1 per cent of those with a disability were employed, whereas 82.6 per cent remain outside the labour force. Unemployment rates among those with a disability were high at 35.8 per cent, slightly higher than the 32.9 per cent unemployment rate among those without a disability.

Labour market repercussions of the COVID-19 pandemic and the economic crisis

Among those employed by others, the majority (71.4 per cent) reported a decline in the number of hours worked; 63 per cent of them cited both the economic situation and the COVID-19 pandemic as reasons for this decline. Similarly, 89.1 per cent of those declared as self-employed reported lower levels of income, with 69.8 per cent of them attributing this decline to the compound effects of both the economic situation and the COVID-19 crisis.

Some 14.4 per cent of the employed population were actively seeking additional or replacement employment during the past month with only a slight difference between men (14.9 per cent) and women (12.1 per cent). Some 34.1 per cent of those employed (aged 15+ years), however, expressed a desire to change current employment, 73.2 per cent of whom reported higher wages as the primary motivator. Some 8.3 per cent were in a temporary job, and 9 per cent desired better working conditions. The desire to change current employment was more pronounced among individuals with informal main jobs (40.9 per cent) than among those with a formal main job (10.7 per cent).

The labour market in Lebanon: A demand-side perspective

Drastic changes in the marketplace have forced companies to adapt under duress, as the private sector faces an unprecedented liquidity crunch and local consumption dries up. The re-orientation towards a more productive and export-oriented economy may prove especially challenging, given the import-dependent nature of the Lebanese economy and low levels of demand.

Large established businesses are better able to turn crises into opportunities than micro, small and medium-sized enterprises (MSMEs). Heightened tensions resulting from imbalances between supply and demand should be addressed from both supply-side and demand-side perspectives. To bolster growth, education in Lebanon needs to orient away from classical options to in-demand specializations, with a focus not only on professional, but also technical qualifications.

In conjunction, improved career paths for disadvantaged and public-school graduates, vocational school graduates, and even those graduating from professional eduction, should be strengthened to reduce the current levels of youth unemployment. The National Employment Office (NEO) could play a pivotal role in matching supply and demand. However, it first needs to enhance capacity and raise awareness of its role. Projected gaps in the Lebanese labour market require a greater orientation towards:

- the information technology (IT) and knowledge industry, digital and social media, and online platforms;
- technical and vocational qualifications and ongoing training to update skills;
- local and rural tourism to meet local and national demand;

‣ crafts that rely on Lebanon's heritage, design and other creative arts, as well as food production;

‣ training for farmers on modern techniques, with particular reference to the environment and cost-saving measures.

Summary of recommendations

Lebanon is in a critical state, facing a number of serious challenges that are presently affecting the employment and livelihoods of many people. For the most vulnerable members of society, policy actions and recommendations need to be divided into short-term/emergency actions and medium- to long-term policy recommendations. The following summarize the recommendations that emerged from the study.

Recommendations for the short term:

(1) Scale up and expand cash transfers for vulnerable and affected groups.

(2) Invest in cash-for-work and public works programmes.

(3) Establish an unemployment insurance scheme/fund.

(4) Provide emergency support to small and medium sized enterprises.

Recommendations for the medium to long term:

(1) Promote sustainable growth strategies, decent job creation and enterprise formalization through:

– encouraging and easing the formalization of businesses;

– improving labour law compliance through a public "Golden List";

– increasing access to financing through a National Financial Inclusion Strategy;

– promoting rural economic development, including rural cooperatives;

– reviewing the overall macroeconomic policy framework and implementing effective sectoral policies.

(2) Strengthen legal frameworks and workers' protections through:

– reviewing and updating the minimum wage;

– reforming the labour law;

– developing a national social assistance system;

– extending access to contributory social insurance, including health insurance, to vulnerable workers;

– establishing the foundations for a rights-based social protection floor;

– increasing workers' and employer's representation and promoting social dialogue;

– enforcing labour inspections.

(3) Increase women's participation in the labour force, including through:

– providing entrepreneurship training and support for women;

– conducting sensitization and awareness-raising activities;

– ensuring women's access to maternity protection, in line with the ILO Maternity Protection Convention, 2000 (No. 183).

(4) Reduce the share of youth not in employment, education or training, through:

– providing support to increase youth enrolment in educational institutions;

– easing school-to-work transition of youth through designing effective and well-targeted active labour market policies (ALMPs).

(5) Promote inclusion of people with disabilities in the labour market through:

– enforcing non-discrimination and quota legislation;

– sensitizing the public about disability issues and the right of people with disabilities to access decent and productive employment.

(6) Address the issue of skills mismatches through:

– revamping the role of the NEO and developing a modern job-matching platform;

– updating TVET and formal education curricula;

– developing a strong career guidance system and promoting lifelong learning.

(7) Build a strong and comprehensive labour market information system.

▶ List of abbreviations

ALMP	active labour market policy
AUB	American University of Beirut
BP	Brevet Professionnel
BT	Baccalauréat Technique
CAS	Central Admission of Statistics
CCIB	Chamber of Commerce Industry and Agriculture
FENASOL	The National Federation of Employees' and Workers' Unions in Lebanon
FGD	focus group discussion
FLFP	female labour force participation
ILO	International Labour Organization
LFP	labour force participation
LFPR	labour force participation rate
LT	Licence technique
MoL	Ministry of Labour
MSMEs	Micro, small and medium-sized enterprises
NEO	National Employment Office
NSSF	National Social Security Fund
SDG	Sustainable Development Goals
SL	Statistics Lebanon
SMEs	small and medium-sized enterprises
TS	Technique Superieur
UNHCR	United Nations High Commissioner for Refugees
UNRWA	United Nations Relief and Works Agency for Palestine Refugees

▶ Part A: Background and methodology

Background

Current socio-economic situation in Lebanon

In 2011, Syrian refugees entered Lebanon in large numbers, placing incredible pressure on the host country. Since then increasingly challenging employment and socio-economic conditions have exacerbated the burden on the national economy, infrastructure and public services. In October 2019, macroeconomic stability deteriorated rapidly leading to a huge depreciation in the unofficial value of the Lebanese pound and a financial crisis. Subsequently, high levels of inflation followed, and banks imposed unofficial capital controls and fully suspended, in February 2020, the withdrawal of US dollars from deposit accounts.

Lebanon is currently functioning with multiple exchange rates. These include the central bank's official fixed exchange rate of 1,507.5 Lebanese pounds to the US dollar (LBP/US$), the commercial bank rate of 3,900LBP/US$, and the black market rate of approximately 12,000 LBP/US$,[7] which is prone to large fluctuations depending on supply and demand, as well as socio-political instability.

Despite the huge unofficial devaluation in dollar terms, the minimum wage continues to be set at 675,000 LBP per month, which amounts to US$448 at the official exchange rate, but just US$56 at street value, representing a decline of over 85 per cent of its prior value.

Neither the official exchange rate nor the minimum wage have been amended to reflect the real market value, resulting in a major loss of purchasing power and increased numbers of vulnerable people unable to afford basic necessities. Meanwhile, price rises have reflected a quarterly inflation rate as high as 47.49 per cent in the second quarter of 2020 alone.[8]

Since March 2020 the global COVID-19 pandemic led to public safety measures, including lockdowns, curfews and quarantines, which further fractured the already vulnerable economy, with micro and small enterprises sent to the brink of bankruptcy. Labour demand in this sector dropped by almost half among microenterprises, and by one fifth among small firms.[9] More generally, the ILO identified six economic sectors as being hit hard by the crisis. These were accommodation and food services, manufacturing, construction, wholesale and retail trade, real estate and business activities, and arts and entertainment.[10]

The collective impact of these crises translated into rising unemployment, falling wages and hours of work, and increased poverty rates. Consumption patterns changed such that overall demand for goods and services dropped, resulting in a vicious cycle of job losses, reduced income and lower levels of economic activity. Consequently, the World Bank projects that 1.7 million people in Lebanon will fall beneath the poverty line, and 147,000 Lebanese households comprising an estimated 786,000 individuals, will live in extreme poverty.[11]

7 Black market value as of 25 April 2021.
8 ESCWA (2021a).
9 ESCWA (2021b).
10 ILO (2020a).
11 World Bank (2021).

Purpose and structure of the report

The context for this study was initially the ongoing Syrian crisis, and the need to monitor levels of vulnerability and distress among refugees (both Syrian and Palestinian) and their host communities in Lebanon. With its focus on employment and livelihoods, the ILO wanted to examine a number of factors, such as informality, that impact on vulnerable people's ability to work and support themselves. However, since the launch of the study, the country has undergone several crises, namely the COVID-19 pandemic, the financial crisis associated with the currency depreciation, and the ensuing economic and political instability that developed in its wake. Then, the explosion of 4 August 2020 at the Port of Beirut devastated the city, leaving hundreds dead and thousands injured. Thus, the study was broadened to capture present socio-economic realities and the challenges facing Lebanon. The intention of the study is to support the development and provision of effective policies that take into account demand- and supply-side challenges.

The report first analyses a survey of 5,009 households (totalling 19,091 individuals), which targeted the most vulnerable population groups among Lebanese citizens, as well as Syrian and Palestinian refugees residing across eight governorates. The survey was then complemented with data from focus group discussions (FGDs) and key informant interviews (KIIs) to better understand the context and assess the demand side of the Lebanese labour market.

This report is organized in three parts. Part A provides the background and describes the methodology of both the field survey and the FGDs. Part B presents the survey findings according to key topics related to demographics, education, labour force and working conditions, and so on. The third part offers conclusions and policy recommendations, based on the findings of the survey and FGDs.

An overview of the pre-crises labour market and employment situation in the country is presented in Appendix II of this report, based on the results of the 2018–2019 Labour Force and Household Living Conditions Survey conducted by the Central Administration for Statistics (CAS) and the ILO.

Demographic distribution of the vulnerable population in Lebanon

According to the Lebanon Crisis Response Plan 2017–2020, a total of 3.2 million people in need reside in Lebanon, including the majority who reside in the most vulnerable 251 cadastres. Some 67.4 per cent of the most deprived Lebanese citizens, 84.8 per cent of Syrian refugees and 93.3 per cent of Palestinian refugees reside in these cadastres.

▶Table 1. Vulnerable population in Lebanon by governorate and nationality

Governorate	Cadastres	Lebanese	Syrian	Palestinian
Beirut	6	31 655	29 992	1 855
Baalbek-Hermel	26	88 235	126 975	5 117
Bekaa	39	43 246	254 977	29 268
El Nabatieh	30	70 467	34 976	1 095
Mount Lebanon	46	230 582	229 633	43 792
Akkar	32	90 887	90 232	25 515
North	33	136 475	141 993	50 414
South	39	130 205	68 535	142 464
Total	**251**	**821 752**	**977 313**	**299 520**
Cadastres' share of total sub-population	**n.a.**	**67.4%**	**84.8%**	**93.3%**

Methodology

Sample design and sample weights

Scope

Residential households were surveyed between 23 July 2020 and 29 September 2020 in the 251 most vulnerable cadastres of Lebanon, as identified by a 2015 United Nations inter-agency assessment and reported in the Lebanon Crisis Response Plan 2017–2020. Identification of the most vulnerable localities was based on the Multi-Deprivation Index (MDI), which scores deprivation levels of households on five critical dimensions, namely: (1) access to health services; (2) income levels; (3) access to education services; (4) access to water and sanitation services; and (5) housing conditions. Like other household surveys, it excluded people living in non-residential units, such as construction and agriculture sites, shops, stores, factories, unfinished buildings, army barracks, etc.

Identifying the most vulnerable localities was derived by matching poverty data with UNHCR registration data. Datasets used for the calculation included:

- the Multi-Deprivation Index (MDI);
- the Lebanese population dataset;
- refugee population figures.

Sampling was based on a stratified sample design, with a total sample size of n = 5,009 households (2,259 Lebanese, 2,258 Syrian and 492 Palestinian) in 251 geographical areas called clusters (see Appendix III). A cluster is a geographical area with clearly defined boundaries used as a primary sampling unit.

The total number of people surveyed was 19,091, comprised of 9,429 Syrian refugees (49.4 per cent), 7,805 Lebanese citizens (40.9 per cent), and 1,857 Palestinian refugees (9.7 per cent).

Sample allocation

The total number of vulnerable clusters were allocated to the main administrative governorates of the country (mouhafaza). The governorates formed the strata and domains of the survey, each with separate estimates.

First-stage sampling

The first selection involved a distribution by governorate and community (Lebanese, Syrian, or Palestinian).

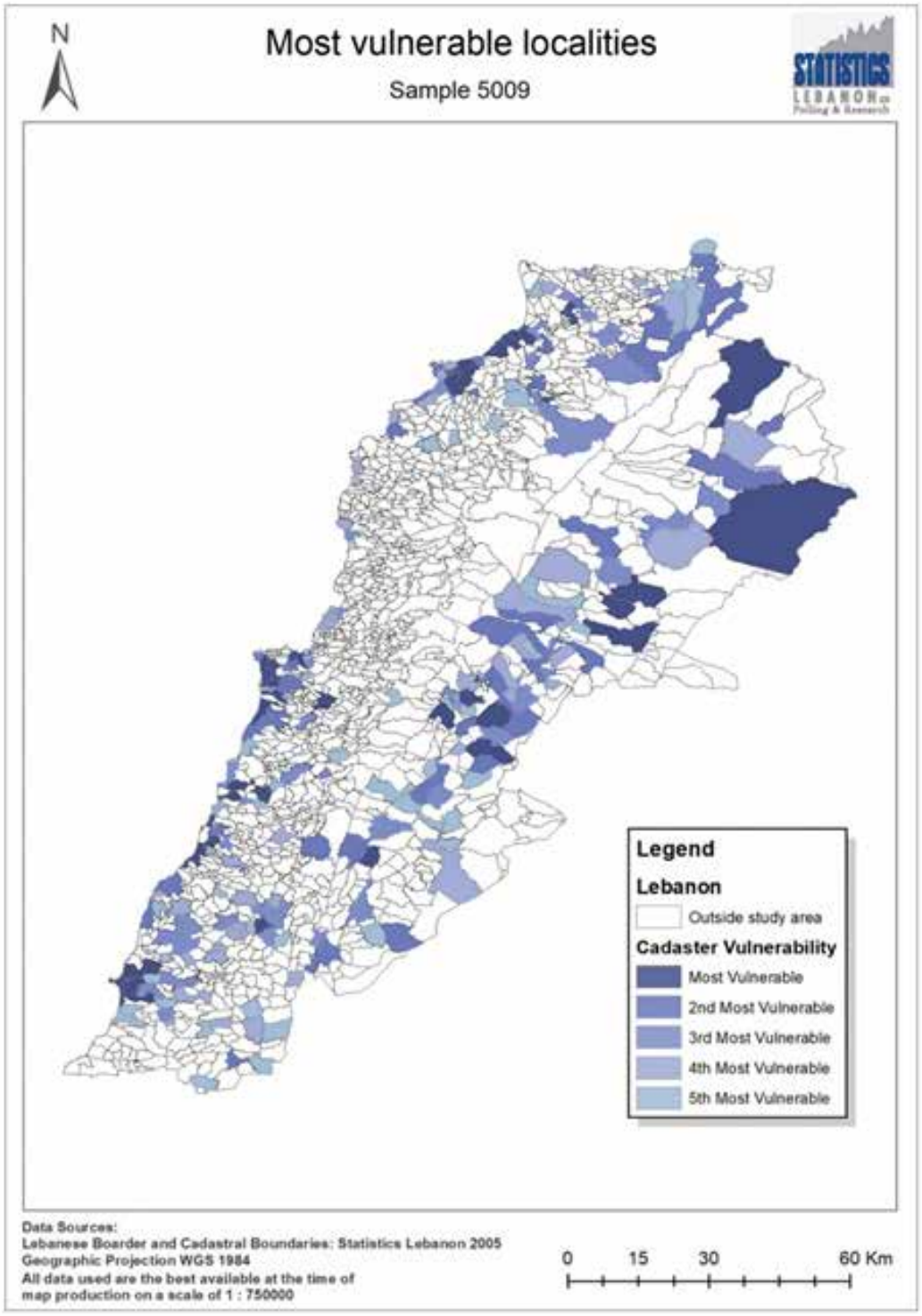
Second-stage sampling of households

The second selection was performed by applying a random sampling technique, whereby a skip pattern was initiated to randomly choose households in the designated vulnerable areas. This was made possible by using a unique identifier for each household in Lebanon using a Statistics Lebanon (SL) database.

Substitutions were determined according to the following procedure: Whenever an empty household (HH) was encountered (e.g. if the intended respondent was not at home), it was noted on the form and another interview visit was scheduled. In the case of an empty or demolished home or business location, this was noted and the interviewer skipped to the HH subsequent to the allocated HH. If at the next HH, for any of the above reasons, the questionnaire was not filled, the third HH was targeted, until a HH was reached where an interview was successfully conducted. If a HH did not have an adult present at the time of the interview, another time and date was scheduled. Three attempts

were made for each HH. If they all failed, the HH after the allocated HH was targeted. This second HH in the sample followed the same sampling pattern if the previous HH was successfully interviewed.

▶Figure 1. Map of Lebanon, most vulnerable cadastres



Questionnaire design, field operations and data processing

This section describes the questionnaire design and its structure, and the main steps involved in field operations and data processing.

Questionnaire design

The questionnaire incorporated a number of socio-economic dimensions. It was prepared by the ILO in collaboration with SL's research experts in designing household survey questionnaires, particularly the modules on demographic characteristics and education, and considered both international definitions and guidelines and national needs. The labour force module was based on the experience of the ILO in developing survey questionnaires, particularly the methodological work carried out following the adoption of the 19th ICLS Resolution concerning statistics of work, employment and labour underutilization (ILO, 2013).

Questionnaire contents

The questionnaire contained 190 questions organized into 12 modules, in addition to the basic household information captured on the cover page. The overall structure of the questionnaire is provided in Table 2.

▶Table 2. Structure of the questionnaire

	Questionnaire module	Question sequence	Number of questions
0	**Household information**		**10**
	Address- GPS	HH1-HH4	4
	Household identification	HH5-HH8	4
	Respondent information	HH9	1
	Contact information	HH10	1
1	**Characteristics of HH – Household membership listing**		**10**
	Demographic characteristics	1.1–1.8	7
2	**Education**		**7**
	School attendance	DEM_EDC – DEN_EDT	2
	Educational attainment	DEM_EDL – DEM_EDF	3
	Training attendance	DEM_APP – DEM_TRN	2
3	**Immigration**		**8**
	Residency and citizenship	MIG_BTH - MIG_PRV_CNTY	8
4	**Main functioning of the body – disabilities**		**25**
	Disabilities	DIF_SIGHT - DIF_COMM_REASON	18
	Social protection	DIF_REG – DIF_INKIND_REM	3
	Challenges to joining the labour market	DIF_STEPS_JOB – DIF_FAM_SUP	2
	Positions	DIF_EMP_SUP – DIF_PPL_SUP	2
5	**Workers**		**11**
	Employment	ATW_PAY - ATW_AGRI_PDCT	6

	Women and girls perception of contract status in case of pregnancy	PREG_DIS – PREG_CHILD_CARE	5
6	**Temporary absence/leave**	**ABS_JOB – ABS_PAY**	**5**
7	**Characteristics of the main occupation**		**60**
	Multiple jobholding	MJJ_MULT – MJJ_MULT	2
	Characteristics of main job	MJJ_OCC_TLE – MJJ_HIRES	5
	Income	MJJ_REM_TYP - MJJ_REM_DOC	6
	Employee–employer relations	MJD_WHO_PAYS – MJD_BOSS_TAX	3
	Characteristics of the workplace	MJU_INS – MJU_PLC_TYP	10
	Employment duration	MJT_SYR – MJT_SMO	3
	Legal status of economic unit	MJL_CORP – MIS_REGI	2
	Informal economy	MIS_REGI – MIS_BOOK	4
	Independent workers	MJI_PRICE_SELF – MJI_PRICE_OTH	4
	Contract characteristics	MJC_CONTRA – MJC_TEMPDUR	3
	Contract details	MCD_TEMPRES – MCD_NOTICE	4
	Informal work	MIE_SOCPRO – MIE_PROB	9
	Career development	MCR_SKILLS – MCR_TRG_SKL	3
	Adaptation in case the individual has special needs/disability	MDIF_CHLG – MDIF_SOL	2
8	**Characteristics of the second occupation**	**SJJ_OCC_TLE – SDJ_PRICE_OTH**	**9**
9	**Working hours and availability**		**29**
	Working Hours	WKT_MJ_CONTHRS – WKT_ACHRSTOT1	23
	Search and availability for additional employment	WKT_SRH_OJB – WKT_NUM_MRH	4
	Changes in Employment	WKI_INAD – WKI_INAD_RES	2
10	**Search and availability for employment**	**SRH_JOB – SRH_MAC**	**16**
11	**Time management**	**OPF_HFOOD – OPF_HRS_CARE_DIFF**	**9**
12	**Influence of current economic situation and COVID-19**	**RED_HRS – RCV_CAUSE**	**4**
	Total		**200**

Not all questions were addressed to every household member: demographic questions were addressed to all household members; education and disability data was collected on household members aged 5 years and above, but restricted to ages 5–24 on educational attainment. The labour force module was addressed to household members aged 15 years and older.

Field operations, data processing and resources management

Survey organization

In addition to SL staff (a senior statistician, a social scientist, a political scientist, a software developer, a GIS expert, and three statisticians) being directly involved in the survey, four survey assistants, four editing and coding assistants, 15 supervisors, and approximately 50 interviewers were also hired. Four human resources officers managed the team and payments, and monitored progress in the field and in the office.

Updating sample clusters

The clusters were updated by the SL team in October 2019 and the list of sampled clusters was finalized before the start of data collection. Maps were produced by SL's GIS team. These were used to lead field operations teams into the designated areas and identify the perimeters of the clusters under study. The map production process for each cluster was used to remove housing units not eligible for interview, such as those that had existed at the time of the census, but which were now demolished or destroyed, and buildings in the process of being demolished. Middle- and upper-class areas were also excluded. Specific forms were designed for the purpose of the listing and appropriate training was given to staff.

Training

Field and relevant office staff were trained before commencing work on the survey. The teams continued training and recruiting fieldworkers during the implementation phase. Six rounds of training were held following the initial training until data collection was accomplished. This strategy helped to overcome certain regional shortages and replace drop-outs, and helped to maintain the number of interviewers at between 50 and 60.

A training manual for fieldworkers and supervisors was prepared. It covered all aspects related to updating the clusters and the interviewing process, including concepts and definitions, questionnaire skip patterns, eligibility criteria, practical examples, pictures and other material to help staff understand their role. In addition, each interviewer played the roles of both the interviewer and the interviewee to build awareness of potential pitfalls and better understand the point of view of the interviewee.

Survey interviewing

Interviewers used tablets to record answers electronically using a method known as computer-assisted personal interviewing (CAPI). The survey allowed for proxy responses, so that any adult member of the household could provide responses on behalf of others living in the same household.

Coding

Responses were coded for nationality, occupation and branch of economic activity at current job, and jobs held in the year prior to interview. Occupation was coded using the ISCO-08, and branch of economic activity was coded using the ISIC Rev 4. The coding process was undertaken by four persons inside SL's office.

Editing and cleaning

Staff were trained on editing and cleaning rules. A manual on editing and cleaning was prepared for this purpose. The questionnaires were first verified with respect to completeness and coherence within and between modules. Consistency checks were applied manually at the first stage, and then controls and cleaning techniques were applied to questionnaires in the dataset. The third round of cleaning was done by a senior statistician after completion of the SPSS[12] data sheet, looking for missing values and data entry mistakes for which the SL protocols were adopted.

Editing specifications and rules applied to all survey questionnaire content and modules; they were generally based on the editing rules developed by SL in past surveys. Corrections were mostly made after consultation with interviewers and, in some cases, households were directly contacted by the team to clarify or correct any errors. Statistics Lebanon back-checked 85 per cent of the interviews in order to verify the fieldwork and data collection activity, and complete any missing values.

Response rates

Response rates varied by nationality, reaching 91.6 per cent for Syrian, 89.8 per cent for Palestinian, and 75 per cent for Lebanese households.

12 Statistical Package for the Social Sciences.

Sampling plan

Table 3 details the sampling plan, showing the distribution of the sample across governorates, in addition to individual sampling points, number of interviews conducted at each zone, total attempts made to complete the sample in each governorate, as well as unsuccessful interview attempts by sampling point for reasons of non-response.

▶Table 3: Sampling outcome by governorate and nationality

Governorates	Lebanese						Syrian						Palestinian					
	Sample	Attempts	Rejection	Refused to take the survey	No one at home	Do not fit the respondent profile	Sample	Attempts	Rejection	Refused to take the survey	No one at home	Do not fit the respondent profile	Sample	Attempts	Rejection	Refused to take the survey	No one at home	Do not fit the respondent profile
Akkar & North	585	620	35	27	4	4	585	602	17	12	2	3	82	91	9	6	1	2
Baalbek-Hermel	234	452	218	204	8	6	234	244	10	6	2	2	41	45	4	3	1	
Beirut	54	71	17	11	4	2	54	61	7	3	3	1	41	49	8	6		2
Bekaa	351	468	117	104	10	3	351	372	21	17	3	1	0	0	0			
El Nabatieh	270	362	92	81	8	3	270	303	33	29	2	2	0	0	0			
Mount Lebanon	414	622	208	194	8	6	413	504	90	82	4	4	123	139	16	9	3	4
South	351	417	66	59	5	2	351	378	27	19	4	4	205	224	19	16	2	1
Total	**2 259**	**3 012**	**753**	**680**	**47**	**26**	**2 258**	**2 464**	**205**	**168**	**20**	**17**	**492**	**548**	**59**	**40**	**7**	**9**

Focus group discussions

Objectives

The second phase of the data and information collection process used focus groups of informants to identify the kinds of sectors and occupations that hold reasonable potential for decent job creation for vulnerable host communities and refugees.

Objectives related to the demand side of the analysis focused on:

- identifying current and projected levels of demand for labour;
- identifying promising sectors with the potential for decent employment;
- exploring working conditions for the formal and informal workforce;
- assessing the skill levels of vulnerable workers in host and refugee communities;
- investigating occupations in demand and the availability of supply;
- identifying routes to employment and the role of the NEO.

The original focus (the impact of the Syrian refugee crisis on the labour market) was adapted to take into account the additional crises that have emerged since the launch of the project. Understandably, participants were unable to focus on any single crisis, but rather were concerned about the cumulative effect on demand for products and services, the implications for labour and the probable future directions in light of the drastic re-orientation required of the economy.

Methodology

Prior to the October 2019 popular protests, a discussion guide had been prepared by the ILO and SL. However, in light of the fast-moving circumstances, this was subsequently revised to consider the business and employment impacts of the COVID-19 pandemic, as well as the worsening economic situation. The guide was also revised to take into account the obligatory switch to interviewing remotely, instead of the previously planned face-to-face sessions that would have permitted discussions of a longer duration.

Gathering participants for scheduled in-person sessions was not possible because of: first, street protests in October to December 2019 and February 2020; second, the COVID-19 restrictions and lockdown (March to June 2020); and then the devastation wrought by the port explosion (August 2020). In response to the need for physical distancing measures, some sessions were conducted remotely using internet-based conferencing technology. Other sessions, however, were conducted face-to-face, depending on key participant preferences.

In total, two remote group discussions (via Zoom) and four face-to-face sessions were conducted following the port explosion, and then again following the most recent lockdown (January to March 2021). In total, 23 participants included representatives from:

- leading private sector companies;
- small and medium-sized enterprises (SMEs);
- the National Employment Office (NEO);
- NGOs and rights organizations;
- training, education and research organizations;
- microfinancing enterprises;
- chambers of commerce and industry;

- the National Federation of Employees' and Workers' Unions in Lebanon (FENASOL);
- academia.

Participants were selected on the basis of representing a diversity of demand-side perspectives, including:

- a range of economic sectors (industry, food and beverage, agriculture, hospitality, construction, supermarket and retail);
- large enterprises, SMEs and microfinancing companies;
- a range of NGOs (representing Palestinian refugees, women's empowerment, women's rights and labour, training, education and research, development and human rights);
- geographic diversity (rural and urban, Beirut, Mount Lebanon, the North and the Bekaa).

Regrettably, a number of confirmed experts were unable to attend sessions because of COVID-19 concerns. In addition, it was noted that the severity of the challenges for the hardest hit sectors (e.g. hospitality) led to a certain reluctance among participants to assess demand-side impacts at this point in time. Table 4 describes the individuals and organizations that participated.

▶Table 4. Focus group and interview participants

Session	Participant/Organization	Profile
KII 1: **21 Oct 2020**	National Employment Office	Public Institution under the Ministry of Labour that conducts studies on employment policies, improving employability and skills of the labour force, and finds job opportunities for jobseekers through their database.
FGD 1: **28 Oct 2020**	Chateau Ksara	Wine company in Beqaa Valley that exports to over 40 countries. Chateau Ksara cultivates its own vines and employs daily workers to handle the agricultural side of business.
	INDEVCO	Manufacturing and industrial business. Produces consumer disposables, energy, flexible packaging, paper containers and paper.
	Daher Foods	Food company producing for the popular Master brand, as well as fruits and vegetables. Daher Foods also operates the largest distribution network in the Middle East.
	Hawa Chicken	Poultry company offering poultry and eggs from their own farms.
	Furnished Apartments	Hospitality sector
	Working Women's League (WWL)	WWL partners with the National Commission for Lebanese Women and works towards encouraging women to participate in the labour force, and amending legislation that discriminates economically against women.
	Association Najdeh	Secular feminist NGO working with Palestinian refugee women and other poor communities in camps and gatherings.
	National Employment Office	See session 1
	FENASOL	One of the first and historic trade union federations in Lebanon with the ambition to represent all workers regardless of nationality, race, occupation, or ethnicity, including informal and migrant workers.

	Lebanese Association for Education and Training (ALEF)	NGO that works on promoting human rights and documenting violations.
FGD 2: **30 Oct 2020**	Byblos Wine	Winery in Byblos with its own vines and agricultural workers.
	Chamber of Commerce Industry and Agriculture (CCIB)	Non-profit private organization that advocates for the interests of the private sector, proposes economic policies and encourages dialogue between business and government.
	Alfata Group	Architecture and construction group.
	Centre for Research and Training Development Action (CRTDA)	NGO that monitors and analyses the development scene in Lebanon. Partners with other NGOs to support and train women, groups and communities, and build capacity.
	Justicia	NGO that organizes and raises awareness on legal matters and citizenship, and assists other organizations to implement projects that address gender issues and legal reforms.
	Lebanese University	Higher education sector.
FGD 3: **3 Nov 2020**	Owner of a sewing factory that produces and retails uniforms for schools, scouts, and sporting clubs.	Retail and workshop
	Civil engineer	Engineering and construction.
	Owner of a supermarket	Retail.
	Owner of a small fast-food snack	Food service.
KII 2 **11 Mar 2021**	Al Majmoua	NGO created as a microcredit programme to finance low-income entrepreneurs, particularly women. Also provides non-financial services, such as consultancy and training.
KII 3 **12 Mar 2021**	**Large scale farmer from Akkar**	Owns three separate farms employing 40–50 workers per farm and an agricultural supply business.

▶ Part B: Survey findings

Chapter I. Demography

1.1 Population profile by nationality

Of the total number of individuals in the sample, 49.4 per cent were Syrian refugees, 40.9 per cent were Lebanese citizens and 9.7 per cent were Palestinian refugees.

The governorates of Akkar and the North combined hosted 28.5 per cent of survey respondents, including the largest shares of Lebanese and Syrian respondents. Most Palestinian respondents (42.3 per cent) resided in the South governorate, which hosted 16.7 per cent of all surveyed individuals. The governorate hosting the third largest share of respondents was Mount Lebanon (15.8 per cent).

Beirut, the capital, hosted the smallest share of respondents at 2.7 per cent. Bekaa and El Nabatieh hosted 14.3 per cent and 10.6 per cent, respectively, both consisting entirely of Syrian refugees and Lebanese citizens, whereas the remaining governorate of Baalbek-Hermel hosted a total of 11.3 per cent of persons surveyed.

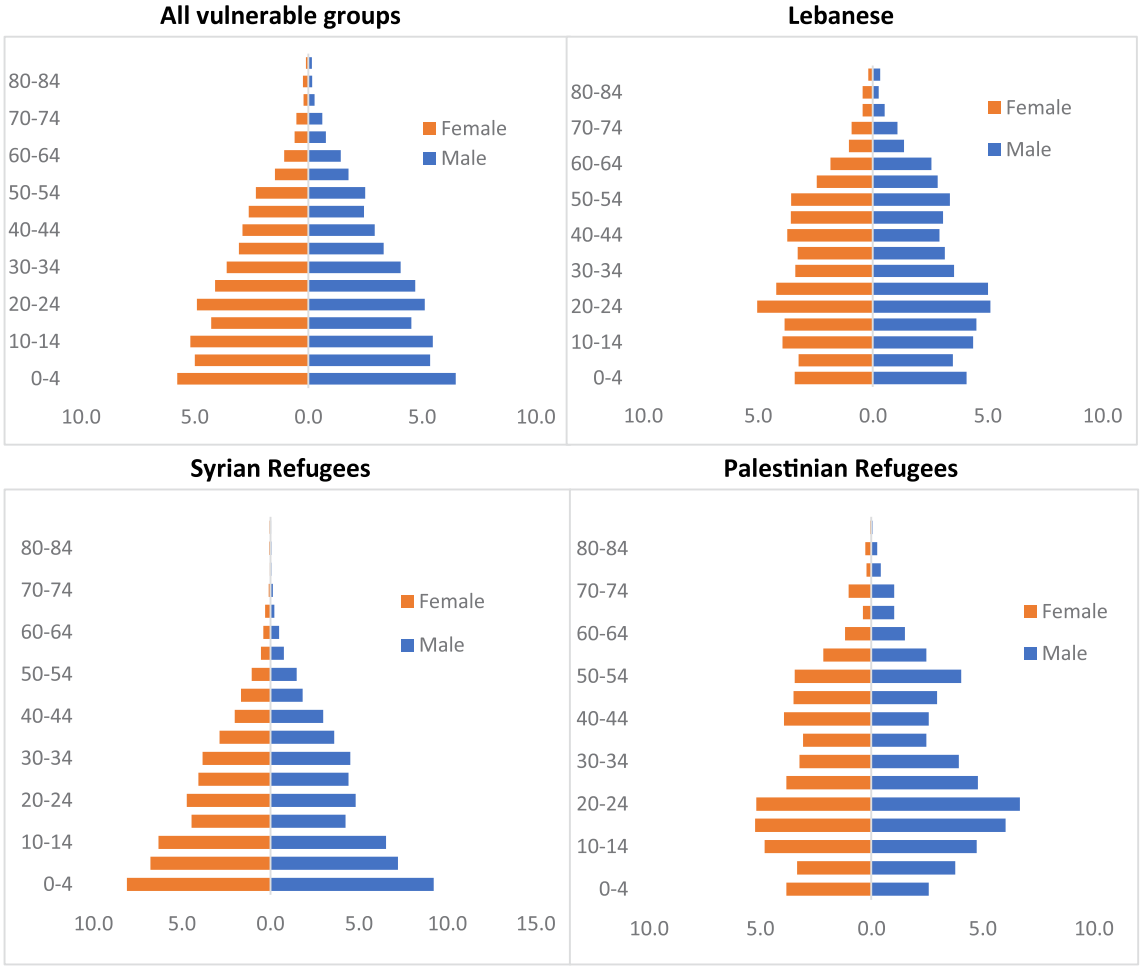
▶Table 5. Distribution of individuals by nationality and governorate (%)

	Lebanese	Syrians	Palestinians	Total
Akkar & North	29.9	29.3	18.7	28.5
South	14.0	14.0	42.3	**16.7**
Mount Lebanon	15.7	14.8	21.2	**15.8**
Baalbek-Hermel	11.2	11.9	8.8	**11.3**
Bekaa	15.7	16.0	0.0	**14.3**
El Nabatieh	11.5	12.0	0.0	**10.6**
Beirut	2.0	2.0	8.9	**2.7**
Total	**100.0**	**100.0**	**100.0**	**100.0**

1.2 Age pyramid

Overall, men represented 52.1 per cent of the total surveyed individuals in the sample. The largest demographic group was young children aged 0–4, representing 12.3 per cent of the total sample population. Figure 2 shows that the age pyramids of the three groups are quite different. Notably, 44.2 per cent of Syrian refugees were children aged below 15, while only 1 per cent were aged 65 or above. Among Lebanese and the Palestinians, the highest concentration of individuals was in the age group 20–24, representing 10.2 per cent and 11.8 per cent of the two groups, respectively.

▶Figure 2. Age pyramids by nationality (%)



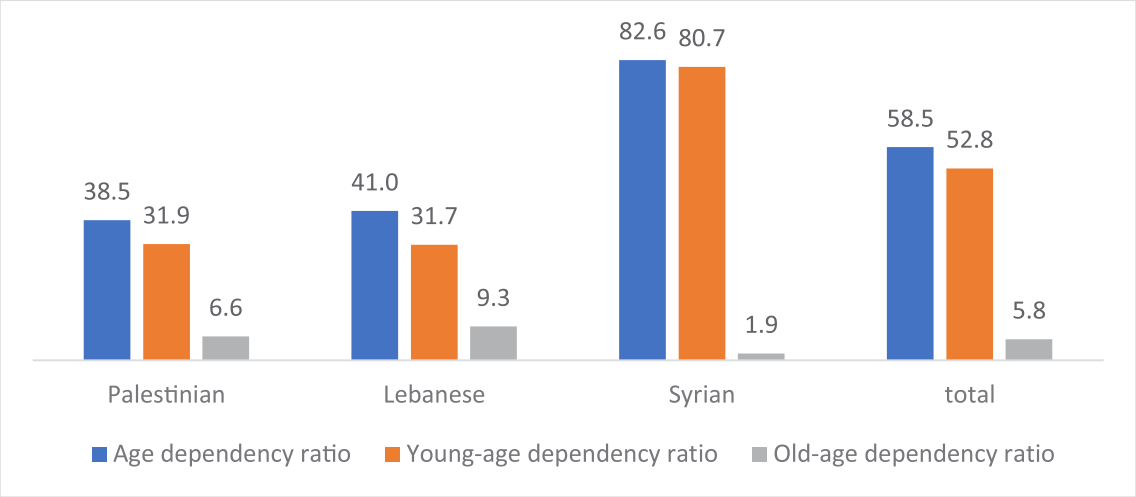
1.3 Age dependency ratio

One of the most common measures used to assess dependency is the age dependency ratio. This ratio is the sum of (a) the young-age dependency ratio (i.e. the number of individuals below the age of 15 years relative to those aged 15–64 years), and (b) the old-age dependency ratio (i.e. the number of those aged 65 and above relative to those aged 15–64 years).

Overall, the total age dependency ratio for the sample population stood at 58.5 per cent. This ratio can be almost entirely explained by the large number of children, rather than the old-age dependency ratio, especially among Syrians.

Notably, the age dependency ratio differed greatly by nationality: 82.6 per cent among Syrians, 41 per cent among the Lebanese, and 38.5 per cent among Palestinians. Syrians' dependent population constitutes 45.2 per cent of the total population.

▶Figure 3. Age, young-age and old-age dependency ratios by nationality (%)



Of course, the age dependency ratio is arrived at only by a ratio of age groups and ignores other aspects related to an individual's actual productivity status, including their participation in the labour force, employment status or income, and bears no relationship to whether their income is sufficient to support others or not. These labour indicators will be discussed in more detail in later chapters.

1.4 Household structure and size

Driven by cultural norms and entrenched gender roles, only 13 per cent of households were headed by a woman. Lebanese households had the highest share of female heads (15.1 per cent), followed by Palestinians (13.7 per cent) and Syrians (10.7 per cent).

With respect to household composition, Table 6 shows that for every 1,000 heads of household (HHH), there were 743 spouses and 1,913 children. While the ratio of spouses was similar across the three nationality groups, the number of children per HHH was higher among Syrians (2.3) than Lebanese (1.6) or Palestinians (1.8).

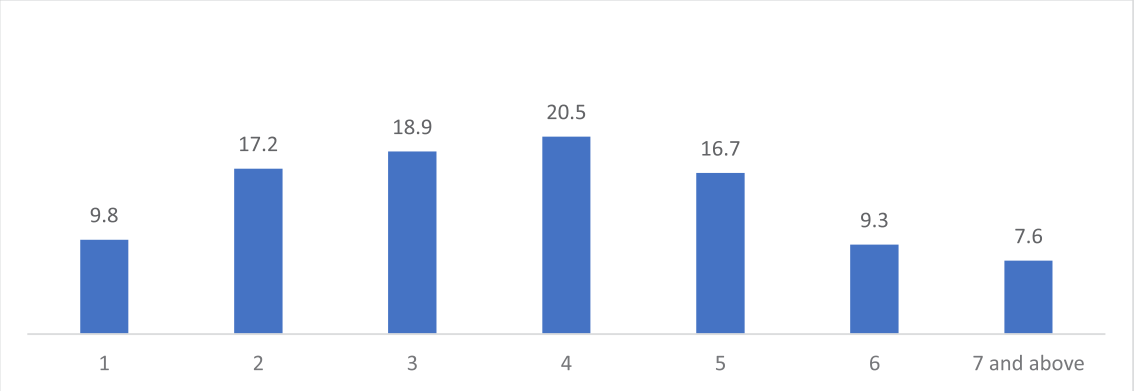
▶Table 6. Relationship with head of household (per 1,000 households) by nationality

	Lebanese	Syrians	Palestinians	Total
Head	1 000	1 000	1 000	1 000
Spouse	732	756	729	743
Child	1 587	2 264	1 810	1 913
Grandchild	15	40	6	25
Parent	40	26	69	37
Sibling	70	72	127	77
Brother- or sister-in-law	1	2	8	2
Son- or daughter-in-law	2	2	-	2

Other relative	11	26	2	17
Domestic worker (Lebanese, Syrian or Palestinian)	-	-	-	-
Non-relative	1	17	-	8
Domestic worker (other nationality)	-	0	-	0
Total	**3 460**	**4 206**	**3 752**	**3 824**

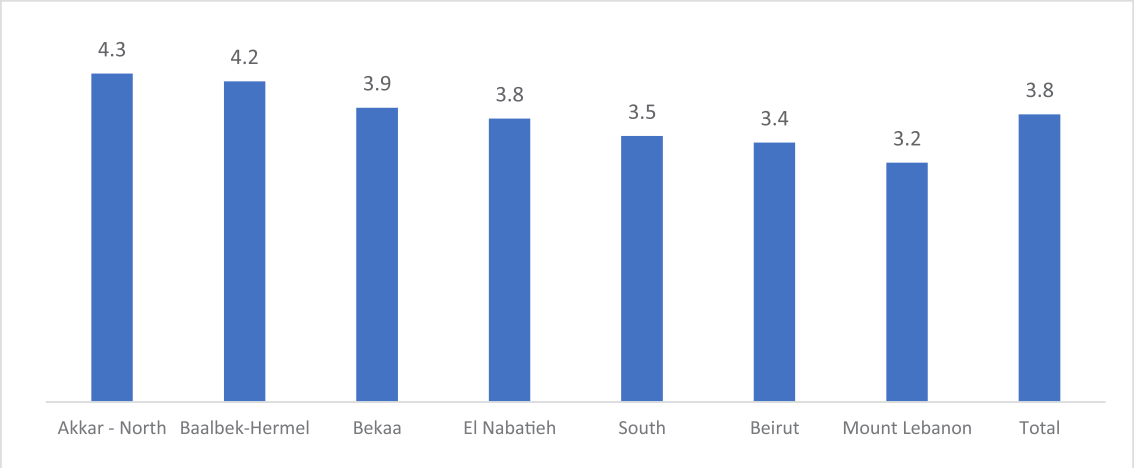
Overall, the average household size was comprised of 3.8 individuals. Lebanese households were the smallest at 3.5 individuals per household, compared with Palestinian (3.8) and Syrian (4.2). Households' sizes ranged from one member (9.8 per cent of total households) to seven and above (7.6 per cent of total number of households).

▶Figure 4. Distribution of households by household size (%)



Household size also varied across the country. Generally, governorates that were poorer, more rural, or further away from a large city (e.g. Akkar or Baalbek) were comprised of larger households compared with Beirut or Mount Lebanon. Akkar and North combined had the largest household size (4.3), whereas Mount Lebanon had the smallest (3.2).

▶Figure 5. Size of household by governorate (No. of members of household)



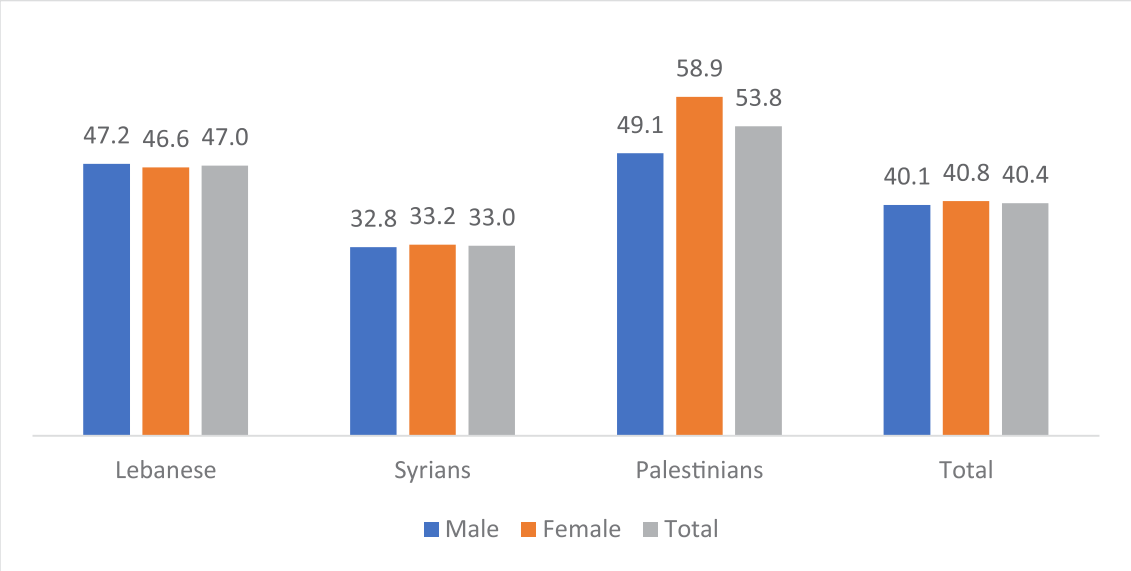
Chapter 2. Education

2.1 School enrolment

School enrolment rates by nationality

The survey revealed that school enrolment rates are low, with just 40.4 per cent of the population aged 5–24 years attending school during the school cycle at the time of the survey. Young Palestinian refugees exhibited the highest enrolment rate at 53.8 per cent, followed by Lebanese (47 per cent) and Syrians (33 per cent). Overall, young boys and girls exhibited similar enrolment rates, except among Palestinians, with more girls than boys attending school.

▶Figure 6. School enrolment (ages 5–24), 2020 (%)



The economic crisis has certainly played a role in driving children from vulnerable households out of school, either because they were sent to work to financially support their families or because families could no longer afford to cover school expenses. Moreover, households with inadequate internet penetration and lower levels of digital literacy were severely impacted by the shift towards remote learning. Unfortunately, many youth in this sample remain not in employment, education or training (NEET – see Chapter 4).

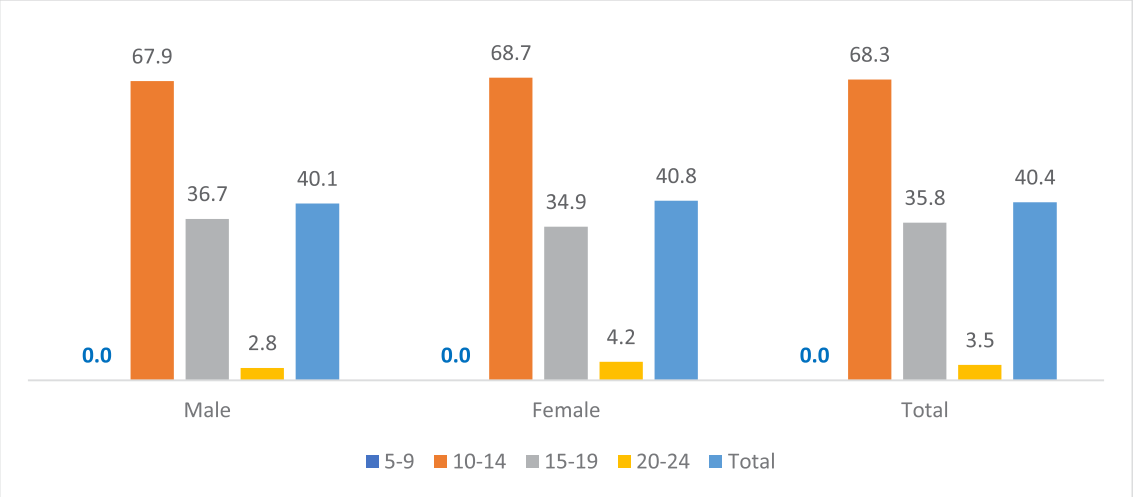
Overall, and while education is the main route through which children from vulnerable households can secure a brighter future for themselves and achieve upwards social mobility, the fact that less than half of youth from vulnerable households are receiving education is concerning. This requires urgent attention from policymakers to prevent children from vulnerable households falling into a poverty trap.

School enrolment rates by age group

A breakdown of school enrolment by age exhibits an even more stark statistic. None of the children aged between 5 and 9 were attending school at the time of survey. School enrolment rates declined with age, from a high of 68.3 per cent among ages 10–14 to 35.8 per cent among those aged 15–19 years. The same pattern was observed in both girls and boys. This reflects a tendency for students to drop out of school as soon as they attain a minimum level of education. Young people from vulnerable households thus risk being trapped in low-productivity activities after entering the labour market. For young girls, low enrolment rates are even more worrying, and indicative of additional risks, such as child marriage, in order to meet families' financial needs.

Among youth aged 20–24, only 3.5 per cent were attending an educational institution. This is largely an effect of their vulnerable economic circumstances, whereby many young school graduates cannot afford to pursue further education. Instead, they seek employment. However, low enrolment levels for university were expected within the sample, given that many of the areas targeted were generally rural, with less access to higher education. Young rural people who pursue higher education would normally move to an urban area where educational institutions tend to be situated.

▶Figure 7. School enrolment by age and sex (%)



2.2 Educational attainment and illiteracy

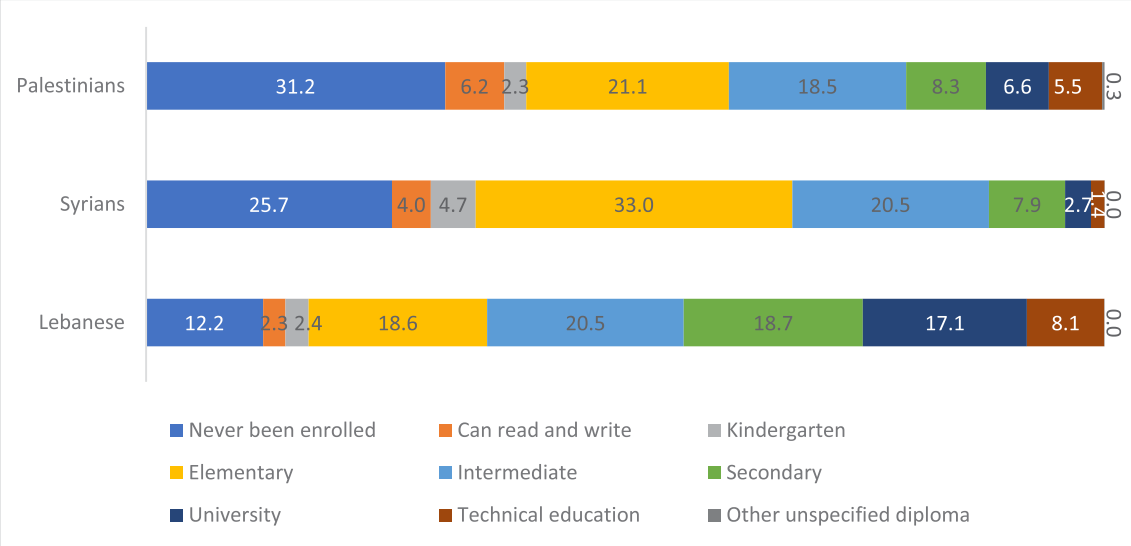
Education levels among the working age population (15+) generally exhibited low levels of attainment: 87.9 per cent of Syrian refugees had less than secondary education, compared with 79.3 per cent of Palestinians and 56.1 per cent of Lebanese. Such low levels are typical of vulnerable communities, for whom education is often considered unaffordable.

Considering the nature of jobs available in rural areas, and the fact that demand in these areas is largely for low-skilled workers, most children acquire the bare minimum level of education required to get a job locally. Generally, most people of working age with higher education levels would leave their home community in search of higher-paid employment in or closer to a city.

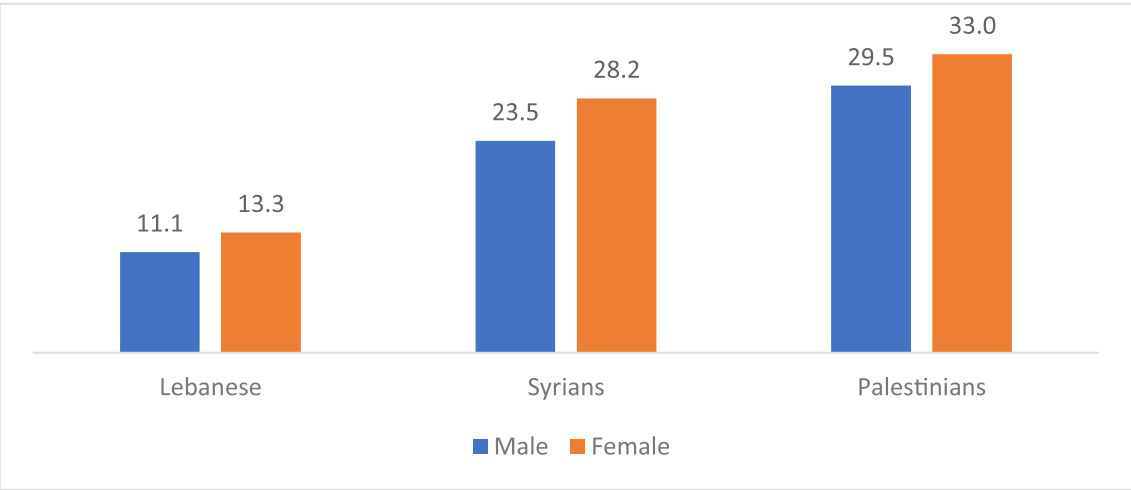
Further, among the working age population in the sample, one in every five individuals had never been enrolled in education (12.2 per cent of Lebanese, 25.7 per cent of Syrians, and 31.2 per cent of Palestinians). In the context of vulnerable communities, lower educational attainment often means

a life spent in precarious, low-paid jobs with poor working conditions. People who have never been enrolled in an educational institution require a tailored policy approach to lift them out of the vicious cycle of vulnerability and low-productivity. Specific skills development programmes must be crafted to help them meet labour market demand. This is especially true for women, who were disproportionately affected across all three nationalities.

▶Figure 8. Nationality (aged 15+) by highest educational attainment (%)



▶Figure 9. Working age individuals (15+) never enrolled in school by nationality and sex (%)



Chapter 3: Labour force

3.1 Labour force and labour underutilization

The survey data highlight serious gaps in decent work and a substantial level of labour underutilization in the sample. Table 7 provides a summary of the key labour force and labour underutilization indicators, disaggregated by sex and nationality. Overall, of the 12,739 individuals aged 15 and above, only 39.7 per cent were participating in the labour force. Men's labour force participation rate (62.1 per cent) was significantly higher than that of women (15.5 per cent), reflecting gender roles.

In parallel, the employment-to-population ratio registered a very low 26.6 per cent, with a significantly lower ratio among women (9.7 per cent) compared with men (42.2 per cent). On the other hand, the total unemployment rate was high, reaching 33 per cent overall, with a slightly higher rate among women (37.2 per cent) than men (32 per cent).

▶Table 7. Labour force indicators by sex and by nationality (%)

Indicator	Nationality									Total		
	Lebanese			Syrian			Palestinian					
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Labour force participation rate	59.9	20.1	40.4	69.1	11.8	42.3	45.1	8.2	27.5	62.1	15.5	**39.7**
Employment-to-population ratio	48.4	13.7	31.4	42.0	6.4	25.3	17.8	4.4	11.4	42.2	9.7	**26.6**
LU1: Unemployment rate	19.2	32.0	22.3	39.3	45.9	40.1	60.5	46.4	58.5	32.0	37.2	**33.0**
LU2: Combined rate of time-related underemployment and unemployment	20.9	34.2	24.1	42.3	50.3	43.4	62.0	48.2	60.1	34.3	40.0	**35.4**
LU3: Combined rate of unemployment and potential labour force	27.9	49.7	34.0	44.6	62.5	47.6	75.9	76.9	76.1	41.0	56.3	**44.4**
LU4: Aggregate measure of labour underutilization	29.4	51.3	35.6	47.4	65.6	50.4	76.8	77.7	76.9	43.0	58.3	**46.4**

In addition to unemployment, labour underutilization can be measured in different ways, taking into account the proportion of those in time-related underemployment or that of the potential labour force, both of which can help draw a better picture of the mismatch between supply and demand. The combined rate of unemployment and time-related underemployment (LU2 = 35.4 per cent) is slightly higher than the unemployment rate, with only 1 per cent of the total working age population classified as time-related underemployed (see Table 8).

However, the combined rate of unemployment and potential labour force (LU3 = 44.4 per cent), and the composite measure of labour underutilization covering all three components of labour underutilization (LU4 = 46.4 per cent), are both considerably higher than the 33 per cent general unemployment rate. This means that a good number of individuals are outside the labour force but maintain ties to the

labour market and are either available to work but not actively seeking employment, or not available to work but are seeking employment. In general, the potential labour force points to various issues, including, but not limited to, job-search discouragement, inappropriate or insufficient employment services, and being unavailable to take up a job if an offer were to come along.

3.2 Composition of the population outside the labour force and gender patterns in inactivity

The vast majority of those considered inactive included those who are not in the potential labour force, and have not kept any ties with the labour market (52.1 per cent of the total working age population). Table 8 shows the labour force and labour underutilization distribution of the working age population by sex.

▶Table 8. Labour force and labour underutilization status (15+) by sex

	Male	Female	Total
A. Employed (A1 + A2)	**42.2**	**9.7**	**26.6**
A.1. Time-related underemployed	1.4	0.4	1.0
A.2. Other employed	40.8	9.3	25.7
B. Unemployed	**19.9**	**5.7**	**13.1**
C. Outside labour force (C1 + C2)	**37.9**	**84.5**	**60.3**
C1. Potential labour force (C1.1 + C1.2)	9.4	6.7	8.1
C1.1. Unavailable jobseekers	0.8	0.1	0.5
C1.2. Available potential jobseekers	8.6	6.6	7.7
C2. Other inactive	28.5	77.8	52.1
Total (population +15)	**100.0**	**100.0**	**100.0**

Of those in the potential labour force, the majority of both males and females are available potential jobseekers. This sub-group comprises discouraged jobseekers, who are available to work but are not actively looking for a job. Unavailable jobseekers, on the other hand, comprise a very small share of the potential labour force, suggesting that difficulties in job searching and the belief that jobs are unavailable are much stronger than barriers to individuals' availability to take up a job. This can occur, particularly during economic downturns, when individuals, especially those from vulnerable groups, become increasingly pessimistic.

In Lebanon, the economic situation, together with the repercussions of the financial crisis and the COVID-19 pandemic, has undoubtedly impacted people's interest in employment, leaving them hesitant to make any effort to actively search for a job. Those who were unemployed prior to the crisis have become further discouraged as news media report layoffs around the country. Similarly, many of those who lost their jobs during the crises have decided to leave the labour force, at least for the time being.

From a gender perspective, and coupled with the fact that nearly all of the women within the potential labour force are available potential jobseekers, what the data suggest is that women who are unavailable to take up a job because of gender roles and family care responsibilities are also not looking for a job. This is then reflected in the high rate of inactivity, which, excluding the potential labour force, stands at 77.8 per cent of the total female working age population. On the other hand, only 5.7 per cent of the female working age population were both actively searching for a job and available to start work.

That said, vulnerable women in Lebanon are generally disconnected from the labour market, either by choice or by force. Notwithstanding the fact that many inactive women are in education or training, many others are denied the right to become economically active because of social norms, religious beliefs or family-imposed restrictions. In parallel, a large share of women have simply decided to limit their time to household and care work activities. These women make their economic choices based on costs and benefits and might, therefore, decide to stay home and tend to household chores and care for children, and/or the elderly, rather than pay someone else an amount that currently exceeds their potential income had they decided to work.

In addition, the compound effects of the crises on women (including job losses) are thought to have mostly translated into higher inactivity rates, rather than higher unemployment rates. Women were forced to drop out of the labour force as schools closed and jobs became increasingly hard to find. Overall, the pandemic has exacerbated existing gender-related challenges, making it even more difficult for women to keep ties to the labour market.

3.3 Labour force characteristics by nationality

Comparing the characteristics of the labour force and labour underutilization by nationality, the survey shows that Palestinian refugees fared worse than their Syrian and Lebanese counterparts, registering the lowest labour force participation rate (27.5 per cent), the lowest employment-to-population ratio (11.4 per cent) and the highest unemployment rate (58.5 per cent).

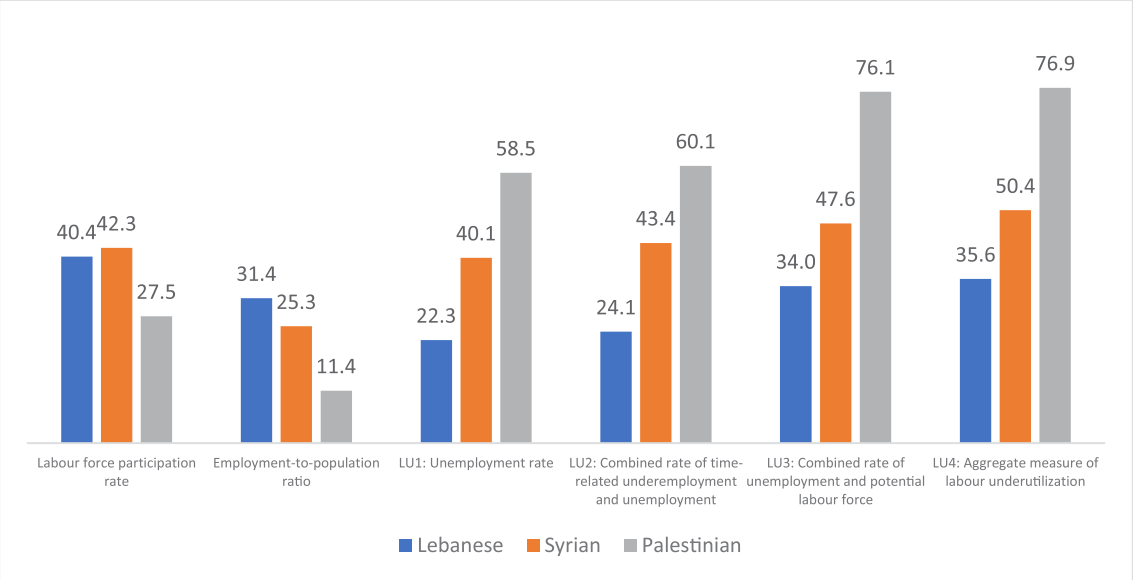
Similarly, the Palestinian sub-population group in this sample registered the highest rate of labour underutilization (LU4 = 76.9 per cent), similar for both men and women. The fact that Palestinian refugees registered weaker employment outcomes is not necessarily surprising given that the Palestinian population has suffered from prolonged social exclusion in Lebanon and remains prohibited from practicing several professions, while being subject to discriminatory practices and poor working conditions.[13] With the deteriorating economic conditions, finding a job is even more challenging, resulting in high inactivity and labour underutilization. It is also generally believed that Syrian refugees are the main competitors to Palestinians and their presence in the country has widely affected the employment opportunities and conditions of Palestinians.

Further, it is worth noting that the survey focuses on the most vulnerable population sub-groups, with the sample of Palestinians drawn from the camps, where the poorest of the poor live. Thus, it is not surprising to find that the Palestinians in this sample register weaker employment outcomes compared with Lebanese and Syrians, who are more widely dispersed across the country.

Looking more closely at the data for the three nationality groups disaggregated by sex, we see that, while Palestinian women had a much lower unemployment rate (46.4 per cent) compared with their male counterparts (60.5 per cent), the composite measure of their labour underutilization, which covers all three components of labour underutilization (LU4 = 77.7 per cent), is slightly higher than that of men (76.8 per cent). This means that a large share of underutilized Palestinian female labour could potentially join the labour force in the future when demand for labour improves. Possibly, they are discouraged by the current level of discriminatory practices and the lack of decent and safe work opportunities available.

13 ILO and CEP (2012b).

▶Figure 10. Labour force and labour underutilization by nationality (%)



Overall, and while the three sub-population groups are at a great disadvantage and face similar employment and labour market challenges, the Lebanese group recorded relatively better employment outcomes compared with the other two nationalities. This could have been driven, in part, by the fact that Syrians and Palestinians have similar skill sets and compete with each other, especially in the construction sector.

Chapter 4. Youth and the labour market

4.1 Youth unemployment and labour underutilization indicators

Compared with the labour force participation rate of older adults (42.5 per cent), youth aged 15–24 years exhibited a lower rate (32.7 per cent). This, coupled with the very high unemployment rate (49.1 per cent), produced an extremely low employment-to-population ratio of just 16.6 per cent (Table 9). Taking into account time-related underemployment and the potential youth labour force, the aggregate measure of labour underutilization (LU4) registers 64 per cent. This was, again, significantly higher than the older adult rate of 40.2 per cent.

▶Table 9. Key labour force indicators for working age youth and older adults (%)

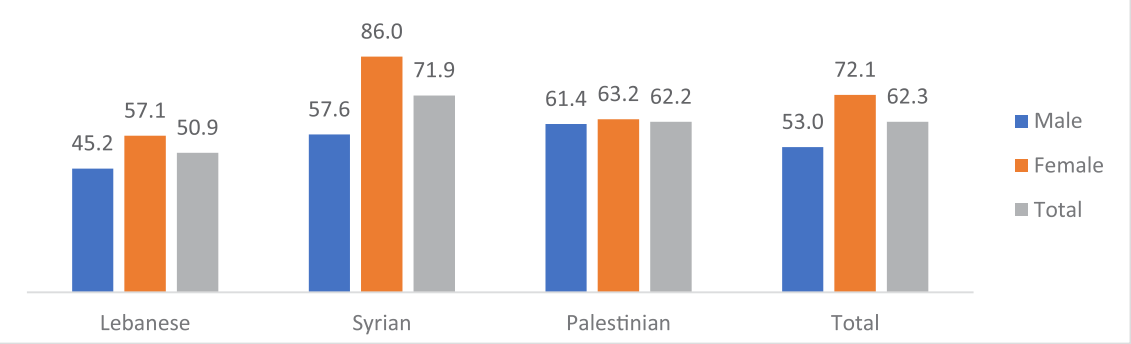
Key labour force indicators	Youth (15–24 years)	Adults (25+ years)	Total
Labour force participation rate	32.7	42.5	39.7
Employment-to-population ratio	16.6	30.6	26.6
LU1: Unemployment rate	49.1	28.1	33.0
LU2: Combined rate of time-related underemployment and unemployment	51.5	30.5	35.4
LU3: Combined rate of unemployment and potential labour force	62.2	38.1	44.4
LU4: Aggregate measure of labour underutilization	64.0	40.2	46.4

4.2 Youth not in employment, education or training

NEET rates by sex and nationality

A better indicator of youth underutilization is the NEET rate (the share of youth not in education, employment or training). According to this survey, the NEET rate among youth from the most vulnerable households in Lebanon registered 62.3 per cent. These youth represent untapped potential and could be contributing to economic and social development through education and work.

▶Figure 11. NEET rate for youth (15–24 years) by nationality and sex (%)



Undoubtedly, school dropouts increased during the COVID-19 crisis, during which schools were physically closed and education moved to online platforms. Vulnerable groups often lack the requisite IT infrastructure, equipment and skills to remain in education. According to this survey, 79.2 per cent of youth aged 15–24 did not attend school during the school cycle at the time of survey. In addition, very few young people were in training. In fact, among those aged 15 to 29, only 5.6 per cent reported attending a course, seminar or other training to develop specific skills during the previous four weeks.

In parallel, economic activity around the country largely came to a halt and jobs became scarce, especially for youth, including school leavers.

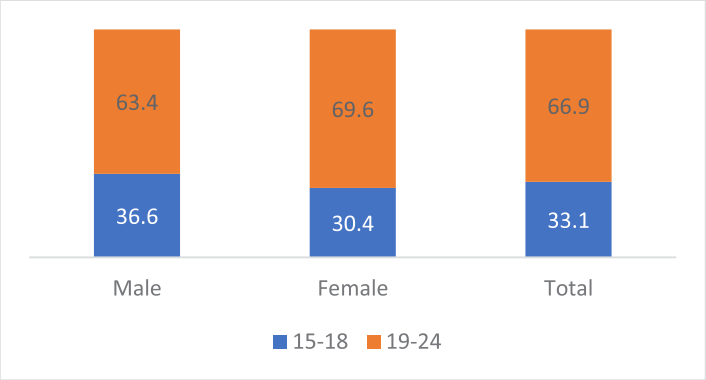
Figure 11 shows that youth NEET rates were highest among Syrians (71.9 per cent), followed by Palestinians (62.2 per cent), and Lebanese (50.9 per cent). This was largely driven by the particularly low enrolment rates of Syrian youth (15–24) in education; only 11 per cent of Syrian youth were enrolled in education in the current school cycle, compared with 30.5 per cent of Lebanese and 31.4 per cent of Palestinians, at a time when employment opportunities remain scarce for all. Among all youth, 91.8 per cent of Palestinians, 84.2 per cent of Lebanese and 80.6 per cent of Syrians were either unemployed or outside the labour force.

Youth NEET rates are also significantly higher among young women compared with their male counterparts, especially among Syrian girls, suggesting substantial engagement of girls in household chores, and their inability to participate in the labour market or access training or education.

NEET rates by age

Overall, NEETs are a diverse group. According to this survey, 66.9 per cent of youth NEETs were in the age group 19–24, compared with 33.1 per cent in the age group 15–18. While the NEET status of the latter group is closely linked to early school leaver status, the former is more often related to labour market conditions and functioning, and the ease or difficulty of the school-to-work transition. Policies that address the challenges of these two groups of NEETs will, therefore, vary depending on the needs of each group, whether in terms of improved access to education or greater opportunities to find decent jobs, including through training and better skills matching or public works.

▶Figure 12. Distribution of youth NEET (aged 15–24) by age and sex (%)

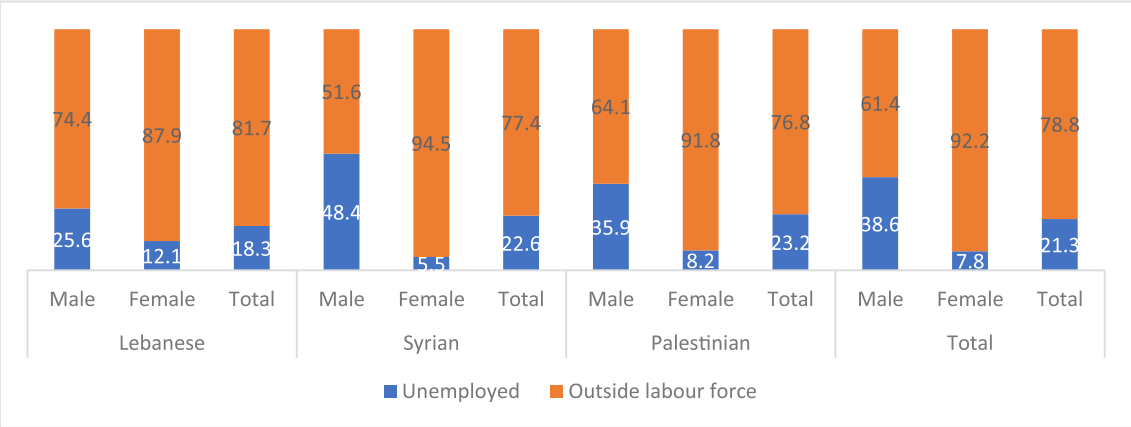


Unemployed versus inactive NEETs

Young NEETs are more likely to be inactive rather than searching for work. However, young men were more likely than young women to be unemployed. While inactivity among young men can suggest high levels of discouragement, driven largely by a belief that jobs are unavailable, for young women inactivity is primarily driven by family responsibilities and engagement in household chores.

Among young male NEETs, 48.4 per cent of Syrians were unemployed, followed by 35.9 per cent among Palestinians and 25.6 per cent among Lebanese. This appears largely driven by the extreme poverty rates among Syrian refugees and the efforts made by families to increase household income; thus young men are eager to find employment. Often, these families cannot afford inactivity. Negative coping mechanisms used by Syrian refugees also include resorting to child labour, and this not only impacts the education of children but also their future employment prospects.

▶Figure 13. Labour force status of NEETs (aged 15–24) by sex and nationality (%)



This unemployment–inactivity dichotomy, along with the heterogeneous nature of inactive NEETs and the different sex and age group profiles of young NEETs, all have important implications for developing effective policies. Interventions to reduce youth NEET rates should be gender-sensitive and take into account the various obstacles and challenges faced by each sub-group.

4.3 Long-term unemployment rate – youth

The duration of joblessness clearly has an impact on the future employment prospects of individuals, and can leave scarring effects and lead to detrimental health and financial consequences for young people. Long-term unemployment affects skills, work experience and work habits, and increases levels of discouragement, which can ultimately push jobseekers to drop out of the labour force. In addition, long-term unemployment acts as a negative signal to potential employers, who are reluctant to recruit long-term unemployed people. According to this survey, one in every 10 to 15 individuals in the labour force had experienced periods of unemployment of 12 months or longer and long-term unemployment rate among youth was highest at 14.6 per cent (Table 10). Immediate and well-targeted interventions are key for supporting labour market outcomes for young people, and even more so in times of crisis.

▶Table 10. Long-term unemployment rate by sex and age (%)

	15–24	25–34	55–64	35–44	45–54	65+	Total
Male	13.2	9.9	11.1	7.8	9.5	5.0	**10.1**
Female	20	15.3	6.7	14.7	5.0	18.2	**14.3**
Total	**14.6**	**10.9**	**10.4**	**9.1**	**8.7**	**6.3**	**10.9**

Chapter 5: Employment

5.1 Employment by economic activity

Employment distribution by branch of economic activity

Survey results show that employed individuals from vulnerable households were mostly concentrated in four sectors, namely "wholesale and retail trade and motor vehicle repair" (29.6 per cent), "construction" (12.4 per cent), "manufacturing" (10.9 per cent), and "agriculture, forestry, and fishing" (8.8 per cent).

Three of these sectors (wholesale retail trade and motor vehicle repair, manufacturing and agriculture) collectively employ around half of the total employed individuals in this sample (49.2 per cent), and have been identified by the ILO as high-risk sectors in Lebanon.[14] That is, sectors that suffered a drastic fall in output as a result of the COVID-19 pandemic, with workers at a particularly high risk of suffering additional precariousness.

The survey shows that a larger proportion of workers from vulnerable households are employed in these sectors compared with the general population.[15] The higher level of representation of workers from vulnerable households in these sectors highlights how the pandemic has reinforced existing inequalities.

▶Table 11. Employment by economic sector and nationality (%)

Sector	Lebanese	Syrian	Palestinian	Total
Wholesale and retail trade; repair of motor vehicles and motorcycles	34.4	22.5	31.3	29.6
Construction	4.5	23.9	10.4	12.4
Manufacturing	9.7	12.5	12.9	10.9
Agriculture, forestry and fishing	5.8	14.0	0.6	8.8
Accommodation and food service activities	5.1	6.5	8.0	5.8
Transportation and storage	5.8	4.1	4.3	5.0
Other service activities	5.0	3.4	12.3	4.7
Public administration and defence; compulsory social security	7.3	0.6	1.8	4.4
Administrative and support service activities	1.9	8.0	1.2	4.2
Education	5.9	0.7	1.8	3.7
Human health and social work activities	5.0	0.4	5.5	3.2
Professional, scientific and technical activities	3.6	0.2	2.5	2.2
Water supply; sewerage, waste management and remediation activities	0.9	1.4	2.5	1.2
Information and communication	1.5	0.2	1.2	1.0
Financial and insurance activities	1.2	0.0	0.0	0.6
Electricity, gas, steam and air conditioning supply	0.6	0.3	0.0	0.5
Arts, entertainment and recreation	0.4	0.2	1.2	0.4
Activities of extraterritorial organizations and bodies	0.2	0.2	1.2	0.3

14 ILO (2020a).
15 General population statistics are from ILO and CAS (2019).

Real estate activities	0.3	0.0	0.0	0.1
Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use	0.0	0.1	1.2	0.1
Mining and quarrying	0.1	0.1	0.0	0.1
Non-response	0.8	0.9	0.0	0.8
Total	**100.0**	**100.0**	**100.0**	**100.0**

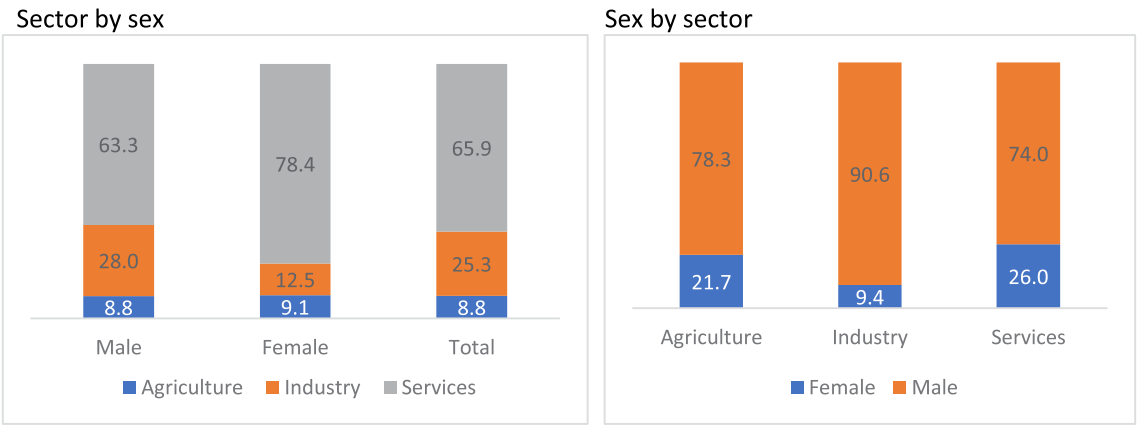
Looking at sectoral employment by nationality, we find that Lebanese workers were concentrated in three sectors, namely wholesale and retail trade, repair of motor vehicles and motorcycles (34.4 per cent), manufacturing (9.7 per cent), and public administration and defence (7.3 per cent). Syrians, on the other hand, were most likely to work in construction (23.9 per cent), wholesale and retail trade and repair of motor vehicles and motorcycles (22.5 per cent), and agriculture, forestry and fishing (14 per cent). Palestinians mainly worked in wholesale retail trade and motor vehicle repair (31.3 per cent), manufacturing (12.9 per cent), and other service activities (12.3 per cent).

Sectoral distribution and gender

Looking at the distribution of employment across broad economic sectors, aggregated according to ISIC 4,[16] a large majority of workers from vulnerable households were in the services sector (65.9 per cent), followed by 25.3 per cent in industry and 8.8 per cent in agriculture. From a gender perspective, agricultural employment was equally common among men and women, representing 8.8 per cent and 9.1 per cent of male and female employment, respectively. In the industrial sector, women were less likely to be employed than men; their employment share in the industrial sector was just 9.4 per cent, but 26 per cent in services (see Figure 14).

Overall, the higher concentration of women in services and their lower engagement in industry could have a direct impact on their level of vulnerability. The services sector is dominated by low productivity and low-wage jobs with a high prevalence of informality, and is highly vulnerable to economic disruption. As a result, workers in the services sector are especially vulnerable to loss of income, reduced working hours and degrading working conditions.

▶Figure 14. Distribution of employed (15+) by economic sector and sex (%)



Note: The percentages presented in the above figures are calculated excluding non-response.

16 United Nations Department of Economic and Social Affairs, Statistics Division (2008).

5.2 Employment by occupation

Table 12 shows that service and sales workers constituted the largest occupation category of both men and women, representing 30.1 per cent and 35.6 per cent of male and female employment respectively. This was followed by craft and related trades (25.3 per cent) and elementary occupations (10.3 per cent).

▶Table 12. Distribution of employed (15+ years) according to occupation and sex (%)

Occupational group	Male	Female	Total
Service and sales workers	30.1	35.6	**31.1**
Craft and related trades workers	28.8	9.1	**25.3**
Elementary occupations	9.5	13.7	**10.3**
Professionals	5.0	22.4	**8.1**
Plant and machine operators, and assemblers	8.8	0.8	**7.4**
Skilled agricultural, forestry and fishery workers	7.0	5.4	**6.7**
Technicians and associate professionals	2.6	6.9	**3.4**
Armed forces	3.6	0.5	**3.1**
Clerical support workers	1.8	2.7	**1.9**
Managers	2.0	1.3	**1.9**
Non-response	0.7	1.5	**0.8**
Total	**100.0**	**100.0**	**100.0**

Looking at men and women separately, it was notable that while both men and women mostly worked as service and sales workers, the second major occupational group for women was professionals (22.4 per cent) , followed by elementary occupations (13.7 per cent). For men, 28.8 per cent worked as craft and related trades workers, followed by 9.5 per cent in elementary occupations.

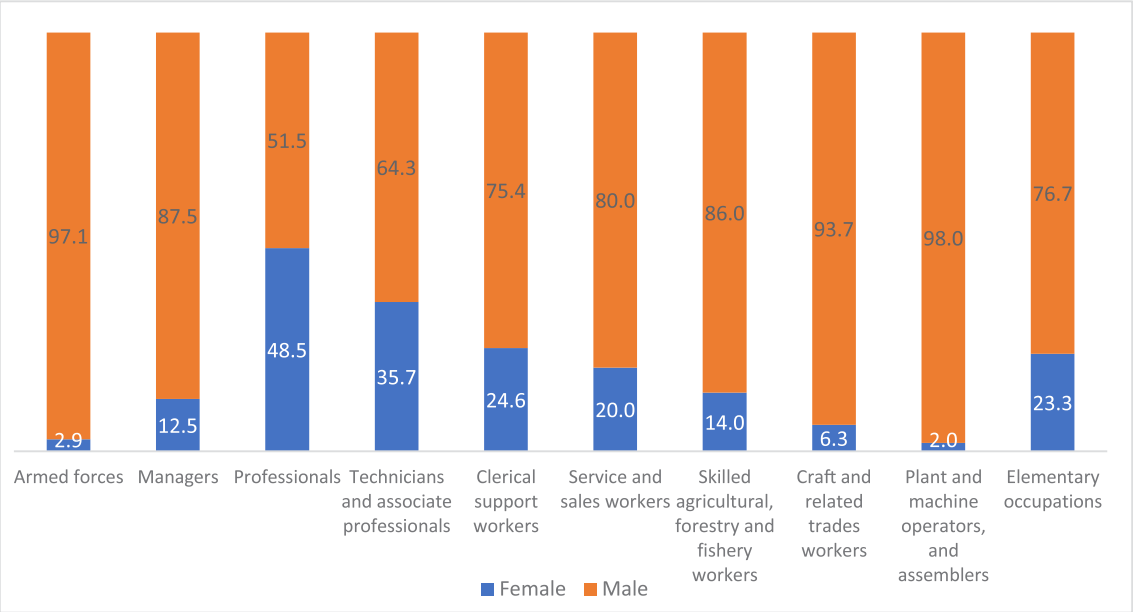
This segregation by sector, and the different distributions of male and female employment by occupation, can be further analysed using the dissimilarity index (D or Duncan index). This is calculated as

$$D=\frac{1}{2}\sum_{i=1}^{n}|f_i - m_i|$$

where *i* is the occupation, *n* is the total number of occupations, f_i is the share of employed women working in occupation i as a percentage of total female employment and m_i is the share of employed men working in occupation *i* as a percentage of total male employment.

Among vulnerable groups, D was found to be 32.6 per cent, which is lower than the overall dissimilarity index recorded by the entire population in Lebanon. Interestingly, women represent 48.5 per cent of all professionals, 35.7 per cent of all technicians and associate professionals and 24.6 per cent of clerical support workers. Among managers, women represent 12.5 per cent of the total employed in this occupation category (Figure 15).

▶Figure 15. Occupational group by sex (%)

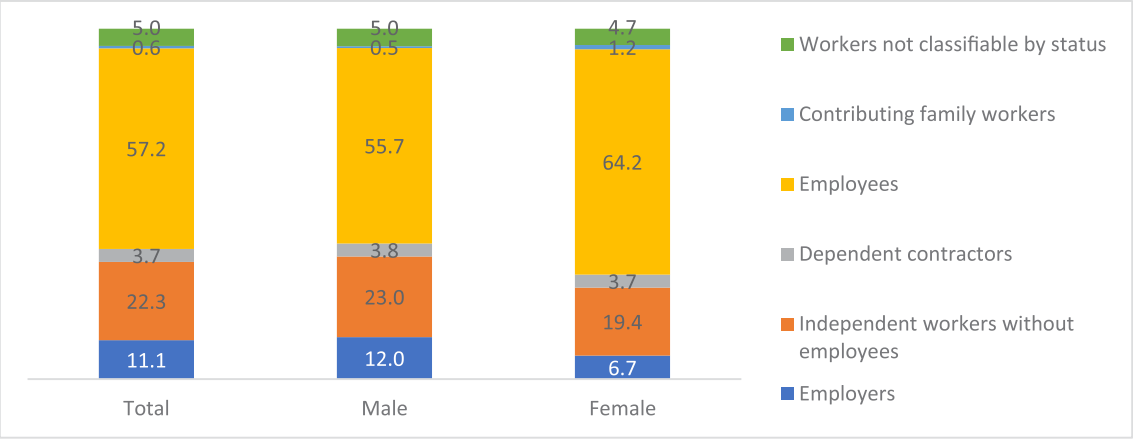


5.3 Employment by status in employment

The breakdown of employment by status follows the international classification of status in employment by type of authority (ILO 2018). According to the survey results, the employment structure was dominated by employees or waged workers, who make up 57.2 per cent of the total employed population from vulnerable households. This was followed by 22.3 per cent working as independent workers, while employers constituted 11.1 per cent of the total employed population.

Gender differences in the proportion of employed individuals were noticeable across all employment status categories. Women (64.2 per cent) were more likely to work in paid employment compared with men (55.7 per cent), whereas men were more likely than women to be employers and independent workers without employees. Women were also more likely to work as contributing family workers, compared with men. The large difference between men and women in pursuing self-employment or employing others could be largely because of a lack of resources available for women, self-confidence, societal norms or limited business opportunities. This highlights the importance of promoting female entrepreneurship, especially in vulnerable communities. When female entrepreneurs gain financial independence they have a better chance of lifting their families out of financial vulnerability; they are also job creators for the wider community. The current situation of low female entrepreneurship in vulnerable households thus offers a potential intervention vector that could prove very effective in improving the situation of vulnerable communities on a larger scale.

▶Figure 16. Main employment status by sex (%)



5.4 Employment by education

Employment by education and sex

Overall, the present survey indicates a lower educational attainment among employed workers from vulnerable households compared with the national average. While this is to be expected given the scope of this survey and its targeted population, it is also noteworthy that those with higher levels of education, as mentioned elsewhere in the report, tend to also move out, especially from rural areas. The share of the employed persons with no formal education[17] stands at 17.9 per cent, compared with 9.4 cent in the general population.[18] Meanwhile, only 16.4 per cent of those employed from vulnerable households have a university degree or higher – almost half the national average share of 32.3 per cent.

▶Table 13. Highest educational attainment (ages 15+) by sex (%)

	Male	Female	Total
Not enrolled	11.8	10.1	**11.5**
Read and write	3.5	2.7	**3.4**
Pre-school	3.2	2.2	**3.0**
Elementary	28.8	19.2	**27.1**
Intermediate	23.0	18.0	**22.1**
Secondary	16.5	15.9	**16.4**
University and above	13.1	31.7	**16.4**
Undefined education level	0.0	0.2	**0.1**
Total	**100.0**	**100.0**	**100.0**

This finding is the result of both the generally lower educational attainment levels of the working age population living in vulnerable areas, and the nature of jobs available in these areas – mostly low-value-added and low-paying jobs. As a result, workers often find it more rational to enter the job market without completing higher education as the marginal benefit of a higher degree rarely outweighs its cost, especially given that the labour market in rural areas doesn't generate sufficient decent work opportunities.

17 In this report, formal education refers to elementary education and above.
18 ILO and CAS (2019).

Moreover, the survey reveals lower levels of educational attainment among male employed workers compared with female workers – only 29.6 per cent of employed male workers had a secondary degree or higher compared with 47.6 per cent among females. The lower share of employed males with a higher education degree could also be the result of migration through which individuals – especially men – with higher educational attainment move to urban centres where job opportunities are more likely to match their education level and offer better pay.

A similar dynamic explains the inverse relationship between education levels and unemployment rates observed in the target population. In fact, with the exception of those who can only read and write, survey data show that the unemployment rate was highest among those who have never been enrolled in education or who have only ever attended pre-school (42.6 per cent and 41.1 per cent respectively). Unemployment decreased with educational level, and was lowest among those with university degrees and above.

However, these figures may be skewed by the fact that university graduates comprised only 10 per cent of the working age population in the sample. Because vulnerable communities are mainly concentrated in rural areas, which do not offer the same work opportunities for highly skilled candidates, university graduates are underrepresented. Most university graduates eventually leave rural areas to be closer to an urban centre. This leads to misleadingly low levels of unemployment among that section of the sample population. Other statistics, such as the share of employed individuals with a university degree, as well as the share of economic participation of university graduates, reinforce the conclusion that the unemployment rate among university graduates is artificially low because of migration dynamics.

▶Table 14. Unemployment rate by highest educational attainment and sex (%)

	Male	Female	Total
Never been enrolled	42.6	42.3	**42.6**
Pre-school	42.7	27.8	**41.1**
Elementary	34.4	39.4	**35.1**
Secondary	28.0	42.7	**31.0**
Intermediary	28.6	30.1	**30.1**
University and above	22.9	31.4	**26.0**
Read and write	25.0	23.8	**24.8**

Employment by education and occupation

Variability in terms of education translates into different employment outcomes in terms of occupation. The majority of workers with a secondary education and below work in crafts and related trades, as service and sales workers or, to a lesser extent, in elementary occupations. University graduates, on the other hand, are mainly employed as professionals (38.8 per cent), service and sales workers (26.4 per cent) or as technicians and associate professionals (10.4 per cent). Additionally, and while around 11.3 per cent and 12.2 per cent of those without formal education (preschool or lower) work as skilled agricultural workers, that share drops as workers' educational attainment increases to reach a mere 1.6 per cent among university degree holders.

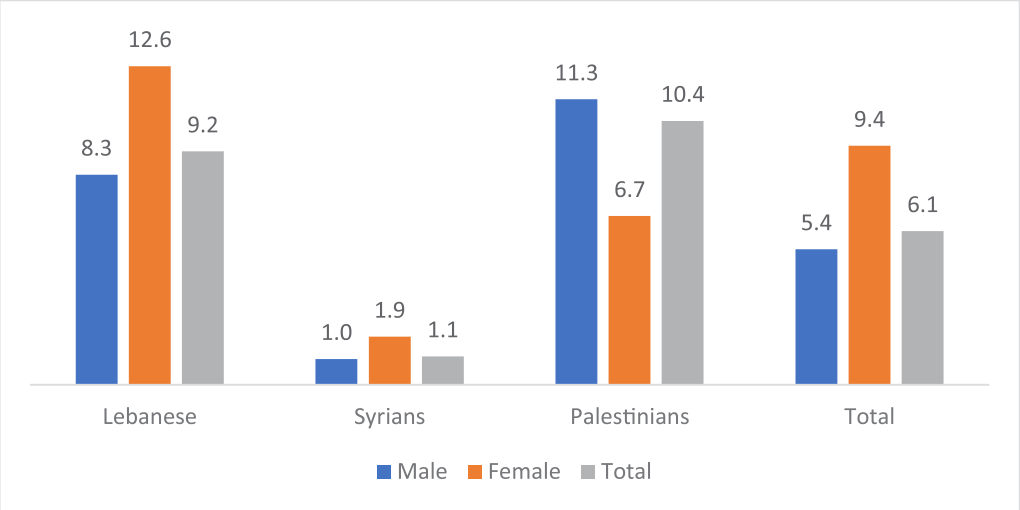
▶Table 15. Occupational grouping by educational attainment (%)

Occupation group	Not enrolled	Literate	Pre-school	Elementary	Intermediate	Secondary	University and above	Total
Service and sales workers	26.2	21.7	22.3	29.3	38.0	36.2	26.4	**31.1**
Craft and related trades workers	31.8	38.3	31.1	32.6	27.9	21.6	5.4	**25.3**
Elementary occupations	19.5	10.4	18.4	13.5	10.5	5.4	1.4	**10.3**
Professionals	0.0	0.0	0.0	0.4	1.3	7.9	38.8	**8.1**
Plant and machine operators, and assemblers	8.2	7.8	11.7	8.9	8.3	6.5	3.4	**7.4**
Skilled agricultural, forestry and fishery workers	11.3	12.2	11.7	9.7	5.1	4.1	1.6	**6.7**
Technicians and associate professionals	0.5	1.7	0.0	1.4	1.6	5.0	10.4	**3.4**
Armed forces	0.3	0.9	3.9	1.4	4.4	6.1	3.2	**3.1**
Clerical support workers	0.8	0.9	0.0	1.2	1.3	3.2	4.0	**1.9**
Managers	0.5	1.7	1.0	1.3	0.8	2.7	4.7	**1.9**
Non-response	1.0	4.3	0.0	0.3	0.8	1.3	0.5	**0.8**
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Employment and technical education

Among the employed population in the sample, 6.1 per cent had a technical education background. The proportion was higher among women (9.4 per cent) than men (5.4 per cent). There were also significant differences between nationalities. Technical education was relatively more common among employed Palestinians (10.4 per cent), than among Lebanese (9.2 per cent) or Syrians (1.1 per cent). It is worth noting that the share of employed individuals with a technical education (6.1 per cent) was higher than the share of technical education graduates in the sample (5 per cent), indicating better employment outcomes for those who enter technical education. This equally applied to men and women, and both Palestinian and Lebanese population sub-groups.

▶Figure 17. Technical education by nationality and sex (%)

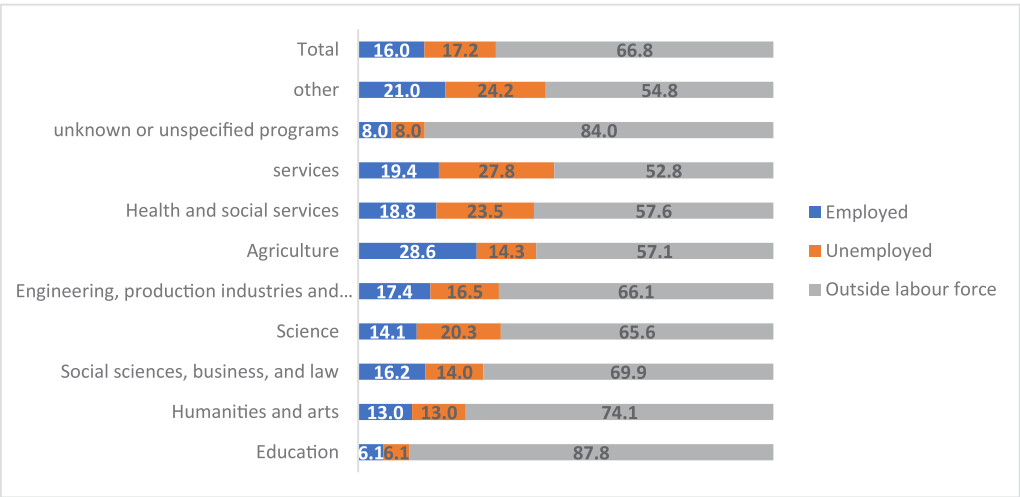


Youth employment outcomes by education

Among youth (15–24 years) with a vocational or university education, employment outcomes varied significantly depending on the field of study. Agriculture-related education offered the best employment prospects, with 28.6 per cent of those who completed an agriculture-related course being employed during the survey period. This was followed by educational fields related to services (19.4 per cent), and health and social services (18.8 per cent).

At the other end of the spectrum, education-related studies were associated with the lowest levels of youth employment. More than 87 per cent of young graduates of education-related fields were completely out of the labour force, with only 6.1 per cent employed and another 6.1 per cent unemployed. The share of youth outside the labour force was also significant, especially for graduates of humanities and arts, social sciences, business and law. Some 66.8 per cent of young graduates with technical, vocational or university education were outside of the labour force altogether, while 17.2 per cent were unemployed, indicating a significant skills mismatch that has translated into frustration, leading such youth to stop seeking work.

▶Figure 18. Youth (aged 15–24) employment status by field of study (%)



Chapter 6: Prevalence of Informality

6.1 The informal sector and informal employment

When looking at informality, one should distinguish between employment in the informal sector and informal employment. Employment in the informal sector is defined by the characteristics of the economic/production unit that employs workers, whereas informal employment is defined by the characteristics or nature of the job, with respect to the terms and conditions of employment and any protections received by the worker.

According to this survey, 77.8 per cent of total employment among the sample was informal, compared with a nationwide informality rate of 54.9 per cent in 2018–19. Informal employment was found in the informal sector (65.5 per cent), in the formal sector (10.2 per cent) and in the household sector (2 per cent). As expected, employment in the informal sector was the largest of the three components of informal employment. At the same time, some jobs in the informal sector were formal, leading to a total of 67.4 per cent of all employed individuals who were working in the informal sector (Table 16).

▶Table 16. Formality of main employment by sector (%)

Sector	Informal employment	Formal employment	Total
Informal Sector	65.5	1.9	**67.4**
Formal sector	10.2	20.2	**30.4**
Household sector	2.0	0.1	**2.2**
Total	**77.8**	**22.2**	**100.0**

Informal work arrangements can translate into precarious employment, especially for vulnerable populations during times of economic crisis. As whole sectors of the economy were shut down to combat the spread of COVID-19, many informal workers were laid off, or suffered a reduction in salary or working hours, as they do not benefit from the legal protections afforded to formal workers. Moreover, informal workers also lack healthcare coverage; without an income their access to healthcare can be limited – a clear threat during a global pandemic.

6.2 Informal employment by nationality

Broken down by nationality, informal employment levels are high across the three nationalities, with Syrians and Palestinians registering extremely high rates of informality – 95 per cent and 93.9 per cent respectively. In comparison, 64.3 per cent of Lebanese workers from vulnerable households were in informal employment.

The higher prevalence of informal labour within the non-Lebanese population is the result of several factors. On the one hand, the desperate circumstances in which refugees often find themselves leads them to seek any form of income available. This leaves them at a contractual disadvantage as they often have to accept any job offered – whether formal or not. Once engaged in an informal work arrangement, foreign workers suffer worse working conditions with little to no legal means

to rectify their situation. In addition, employment laws often discriminate against foreign workers, offering them few, if any, benefits from formal employment and thereby providing them with lower incentives to actively pursue formal employment.

The National Social Security Fund (NSSF) law places significant limitations on eligibility to benefits for foreign workers. Even for Palestinians and Syrians working formally in the country, NSSF coverage is generally not standard practice. According to a reciprocal treatment policy, foreign employees who are formally registered with valid work permits are only eligible for NSSF benefits if their country of origin offers similar treatment to Lebanese workers. Since 2010, Palestinian workers have been exempt from the reciprocity injunction with respect to the end-of-service indemnity. Nevertheless, the few Palestinian refugees registered with the NSSF do not receive other benefits (e.g. family allowance, medical coverage, etc.), even after years of contributing.[20] In the case of health insurance, there are even greater concerns from the perspective of equality of treatment. Contributions to health insurance schemes are paid on behalf of foreign workers, but they are not eligible to benefit unless they come from countries with reciprocity agreements.

6.3 Age profile of informality

Informal employment was higher among younger employed individuals (see Figure 19) at 91.9 per cent for those aged 15–24. The lowest level of informality (65.3 per cent) was witnessed in the 65+ age group.

▶Figure 19. Informal employment by age group (% of total employment)

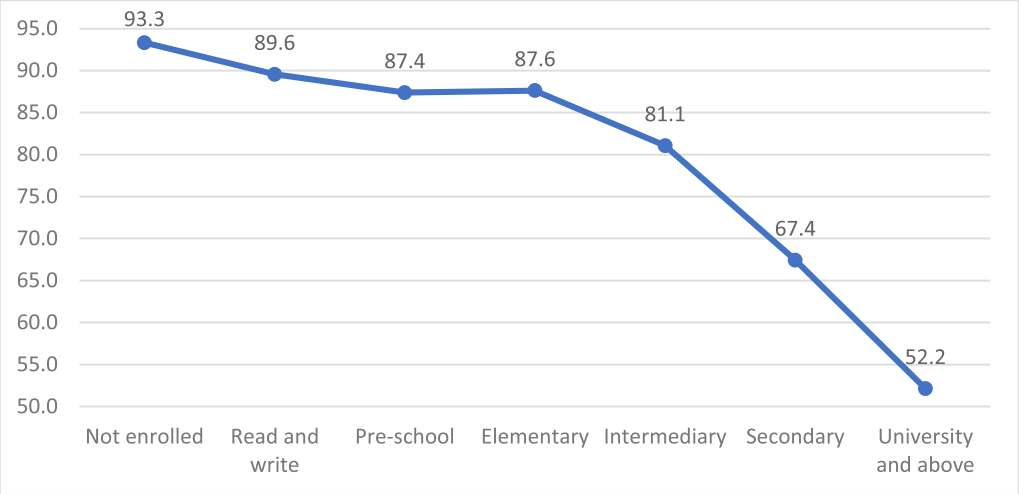
6.4 Informality and education

Education is another key factor affecting informality. Survey results show that the share of informal employment decreases with level of education, from 93.3 per cent among those with no education to 52.2 per cent among those with university level and above.

Lower skills and education levels are associated with lower productivity and, by extension, lower pay. Lower qualifications also weaken the workers' ability to negotiate better working conditions, leaving them prone to poor working conditions and inadequate livelihoods, especially in times of crises and reduced economic activity.

20 ILO and CEP (2012a).

▶Figure 20. Share of informal employment by highest educational attainment (%)

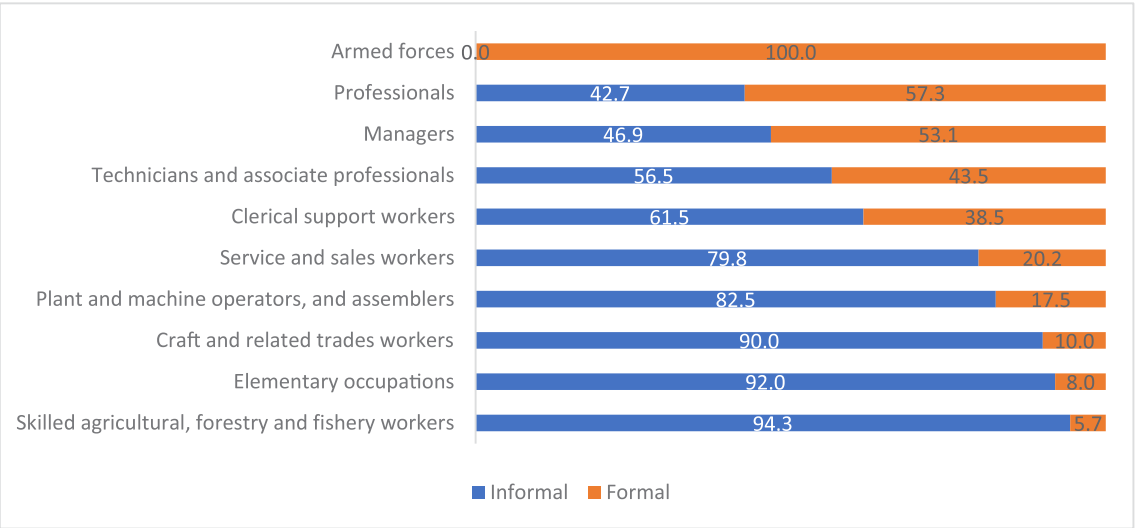


6.5 Informality by occupation

While both the formal and informal workers from vulnerable households seem to be concentrated in the same occupations, working primarily as service and sales workers or in craft and related trades, the degree of formality within each occupation reveals some stark differences. In effect, informality represents more than half of total employment in almost all occupations, with the exception of the armed forces, where all employment is formal. Managers and professionals reported relatively low informality rates (46.9 per cent and 42.7 per cent respectively). Informal work is particularly prevalent in craft work and related trades (90 per cent), as well as for those involved in elementary occupations (92 per cent) or working as skilled agricultural, forestry and fishery workers (94.3 per cent).

The pattern confirms, although not perfectly, the relationship between low skill levels and informality. It also underlines the important roles that education and training can play in efforts to combat informality, especially in vulnerable communities.

▶Figure 21. Degree of formality by job category (%)



6.6 Informal employment in agricultural and non-agricultural sectors

Table 17 reports on the indicator of Sustainable Development Goal (SDG) 8 concerning decent work and economic growth. This survey showed that the proportion of informal employment was extremely high in agriculture, registering 95.3 per cent, which was unsurprisingly higher than the overall average informality rate, given the nature of work in this sector, not only in Lebanon but also globally. However, if we exclude agriculture, the share of informal employment still remains high, decreasing only slightly from 77.8 per cent to 76.1 per cent, which means that informal employment is common to both agriculture and non-agriculture sectors.

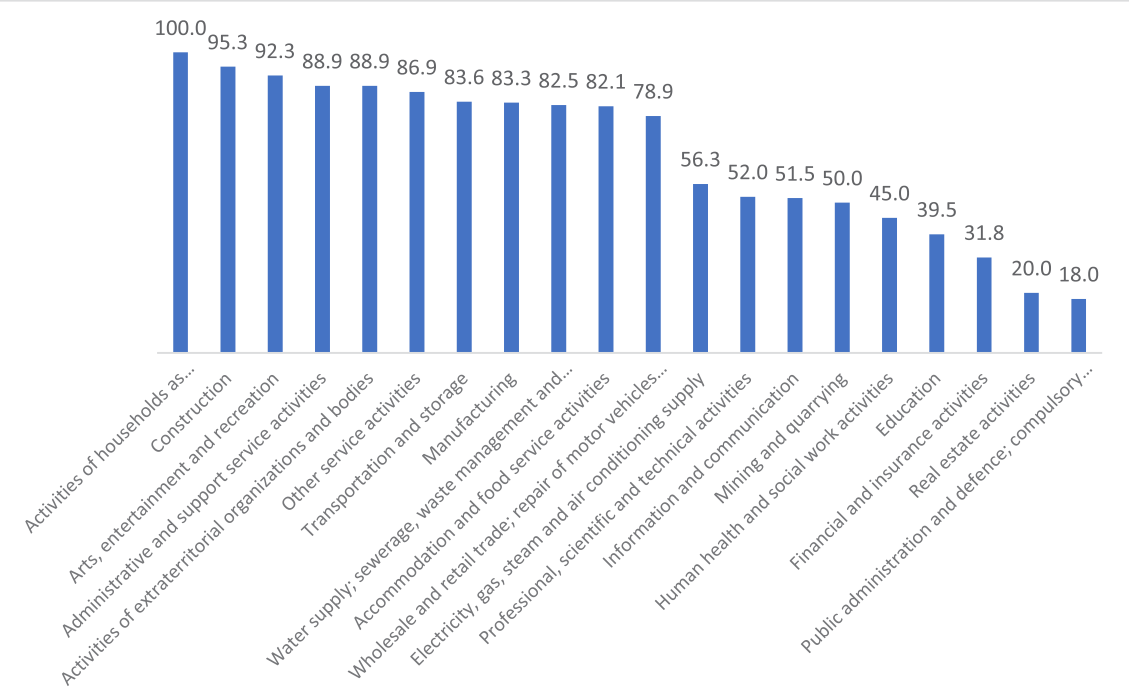
▶Table 17. Informality in agriculture/non agriculture sectors by sex (%)

	Male	Female	Total
Agriculture	94.3	100.0	**95.3**
Non-agriculture	77.0	71.7	**76.1**
All sectors	78.5	74.2	**77.8**

From a gender perspective, informality was higher among men than women, registering 78.5 per cent and 74.2 per cent respectively. Informal employment in agriculture affected all women working in that sector and 94.3 per cent of men. Excluding agriculture, informality decreased slightly for both men and women and registers 77 per cent and 71.7 per cent respectively.

Looking at informality in the non-agriculture sectors, we see high shares of informality in sectors with a high concentration of workers from vulnerable households. Such concentration, especially given the low wages and poor working conditions, underscores the importance of targeting interventions at vulnerable households and communities.

▶Figure 22. Informal employment by sector (%)



Chapter 7. Working conditions

Decent working conditions are central to sustainable development and poverty reduction, and are the key means for achieving equity and inclusiveness in the labour market. In times of crises and economic downturns, individuals often forgo some of their employment rights, including the right to a decent wage, for an acceptable number of hours of work and access to social security, among other things.

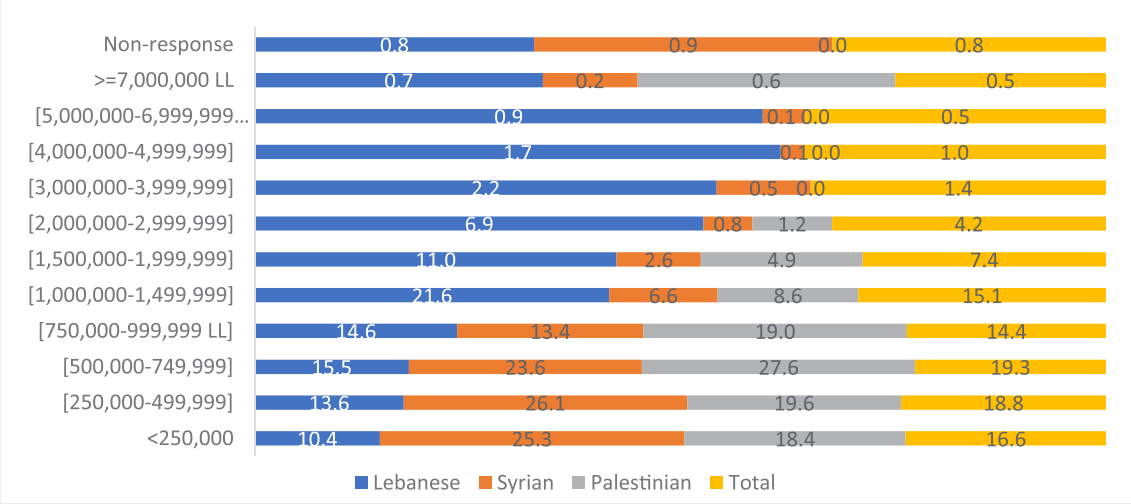
7.1 Wages and income

Monthly income

Wages are a key aspect of the quality of work and almost always the first thing that workers look at when considering a job offer. According to this survey, more than a third of the total employed population were earning less than LBP500,000 per month, which means that at least 35.4 per cent of workers from vulnerable households were being paid less than the minimum wage of LBP675,000.[21] Further, 54.7 per cent were paid less than LBP750,000, suggesting that the majority of workers were receiving very low pay. Of course, this is especially the case following the currency's devaluation.

Overall, Lebanese workers earn relatively better than their Syrian and Palestinian counterparts, with 39.6 per cent of them earning less than LBP750,000, compared with 74.9 per cent and 65.6 per cent of Syrian and Palestinian workers respectively (Figure 23). Lebanese are also more likely to earn LBP1,500,000 or more (23.4 per cent), compared with Syrians (4.1 per cent) and Palestinians (6.7 per cent).

▶Figure 23. Work-related income by nationality (in LBP)



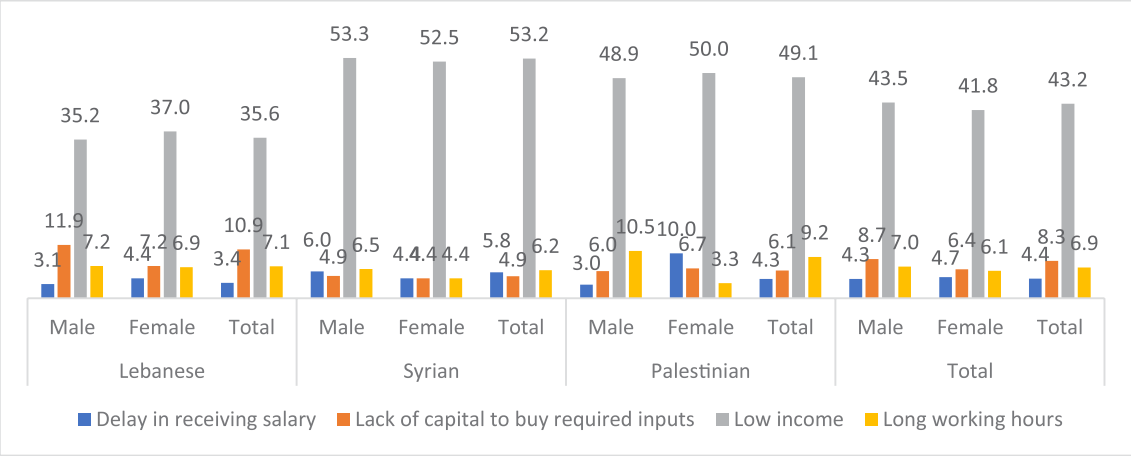
The large wage differentials are, firstly, a product of the fact that the minimum wage regulation does not apply in practice to migrant workers in Lebanon. Second, these differences are a reflection of the different occupational distributions of the three nationalities in the sample, whereby almost 20 per

21 The official minimum wage of LBP675,000 applies in practice only to Lebanese workers, even though the minimum wage legislation itself does not explicitly differentiate between nationalities.

cent of Syrian workers were employed in elementary occupations, as opposed to 4.2 per cent and 7.4 per cent of Lebanese and Palestinian workers respectively. At the other end of the scale, only 1 per cent of the Syrian workforce was employed in managerial and professional jobs, as opposed to 15.9 per cent and 14.7 per cent of Lebanese and Palestinians respectively.

Notwithstanding the fact that one group earns slightly more than the others, the majority of the sample, both men and women, reported low wages as their main issue with work. Long working hours, lack of capital to buy required inputs, and delays in receiving salaries were less frequent issues. Other problems, such as exposure to physical risk or work intensity, were less likely to be considered as key issues. Figure 24 shows the distribution of responses.

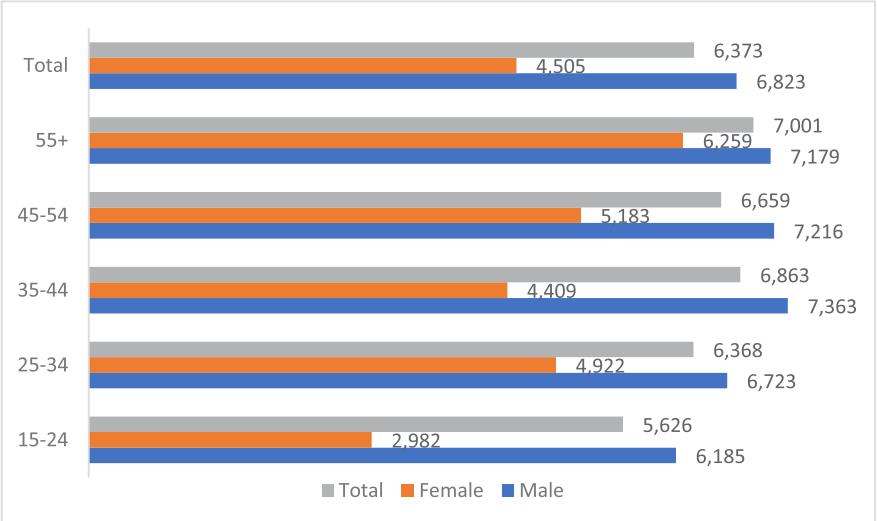
▶Figure 24. Key problem faced at work by sex and nationality (%)



Hourly earnings

While monthly wages provide a good indicator of the quality of work, hourly wages are often used to assess income inequalities between different groups of workers, while avoiding any reporting bias brought about by the difference in the number of hours worked. In this sample, the average hourly wage stands at 6,373 Lebanese pounds/hour. On average, hourly wages are lowest among youth (LBP5,626) and highest among those aged 55+ (LBP7,001).

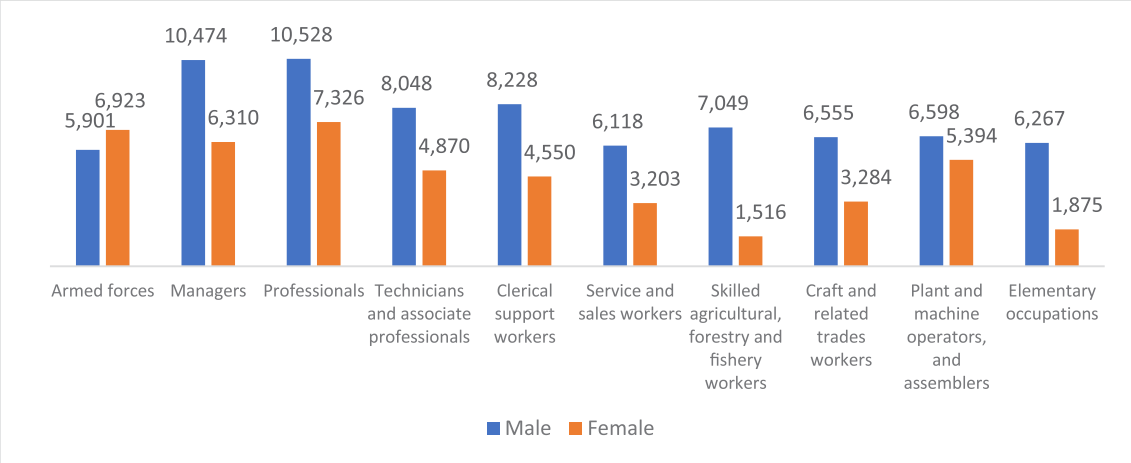
▶Figure 25. Average hourly earnings by age and sex (LBP)



From a gender perspective, women are clearly paid less than their male counterparts, earning on average 4,505 LBP/hour compared with 6,823 LBP/ hour for men, suggesting a 34 per cent gender pay gap. This discrepancy can be partly explained by a number of factors such as education level, qualifications, work experience or occupational category. Once these are accounted for, though, the remaining "unexplained" portion of the pay gap is then attributed to discrimination.

Data from this survey show substantial gender pay gaps, even within the same occupation group. In fact, with the exception of women working in the armed forces, all women earned much less, on average, than their male counterparts, whether in managerial and professional jobs or in elementary, unskilled occupations. In the armed forces, women exhibited a higher hourly pay rate than men because men work more hours than women (e.g. overnight guard duties), despite the fact that their monthly salaries are the same.

▶Figure 26. Average hourly earnings by occupation and sex (LBP)



7.2 Weekly working hours

Hours of work are another key characteristic of the quality of employment and can provide important insights into time-related underemployment[22] and the level of excessive hours of work. According to this survey, the average weekly hours usually worked was 48.7 hours, but decreased slightly to 47.5 actual weekly hours worked, to account for those who were temporarily absent from work.

▶Table 18. Average number of hours actually and usually worked at all jobs, by sex and nationality

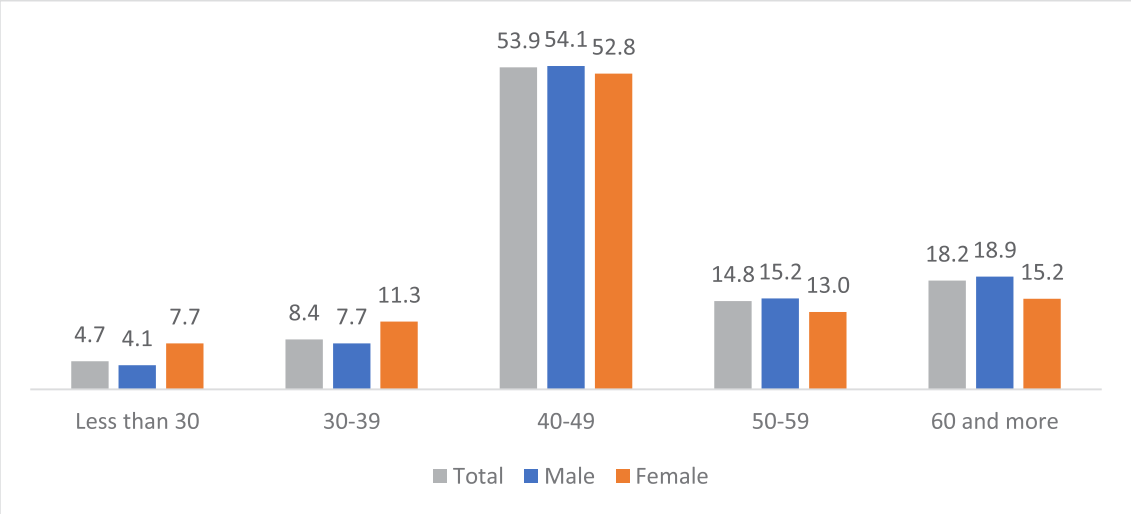
	Actual hours			Usual hours		
	Total	Male	Female	Total	Male	Female
Lebanese	48.9	50.1	44.5	49.3	50.2	46.0
Syrian	45.5	46.3	40.2	48.1	48.2	47.5
Palestinian	47.0	47.4	45.2	47.0	47.5	45.0
Total	**47.5**	**48.4**	**43.4**	**48.7**	**49.3**	**46.3**

On average, men worked longer hours than women, both in terms of actual and usual hours of work. However, while almost half of all workers usually worked 40 to 49 hours per week, a larger proportion

22 It is important to note that time-related underemployment is not simply based on the number of hours worked. To be classified as time-related underemployed, individuals must meet the following criteria: (a) they want to work additional hours; (b) their working time in all jobs was less than 40 hours during the previous 7 days; and (c) they were available to work additional hours had there been an opportunity for more work.

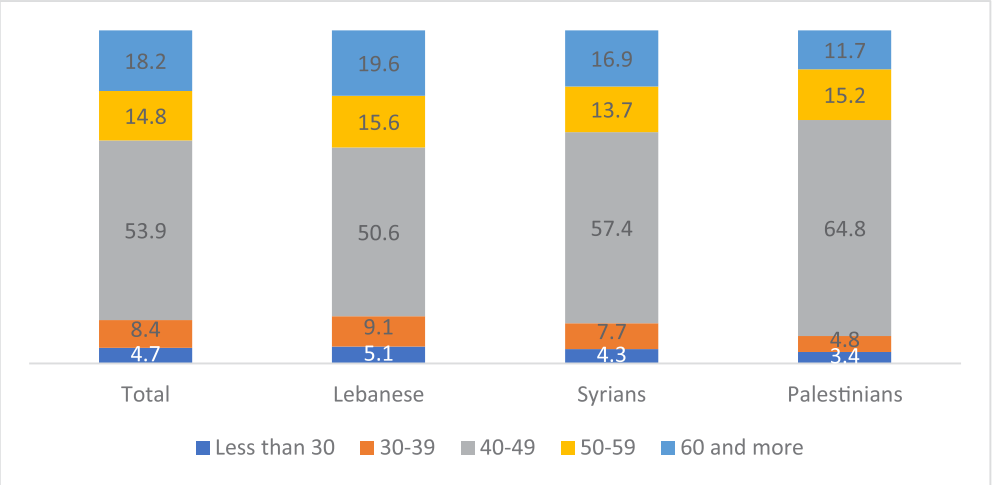
of women (7.7 per cent) tended to work for less than 30 hours, compared with men (4.1 per cent), primarily to attend to family and household responsibilities. Men, on the other hand, were more likely than women to work for more than 50 or 60 hours per week (Figure 27).

▶Figure 27. Usual weekly hours of work by sex (%)



In terms of nationality differences, Lebanese worked slightly longer usual, and actual, hours of work than their Palestinian and Syrian counterparts (Table 18). The distribution of working hours (Figure 28) shows similar patterns across the three nationality groups, with the majority (53.9 per cent) working 40–49 hours per week, followed by a significant share working 60 hours and more (18.2 per cent).

▶Figure 28. Usual hours of work per week by nationality (%)

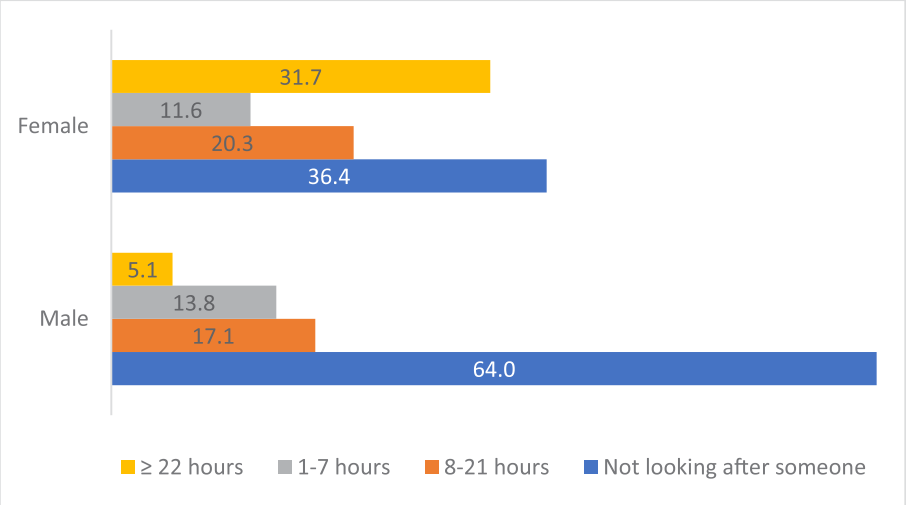


7.3 Multiple jobholding

Multiple jobholding is not uncommon among vulnerable groups. This survey shows that 15.5 per cent of the total workforce held two jobs or more, indicative of insufficient income from their main job. Males (16.4 per cent) were more likely to work multiple jobs than females (11.3 per cent). This again appears largely driven by the entrenched societal gender roles, whereby men take the primary responsibility of earning, while women continue to be largely responsible for unpaid household and family care work activities. In fact, according to this survey, 31.7 per cent of working age women spent

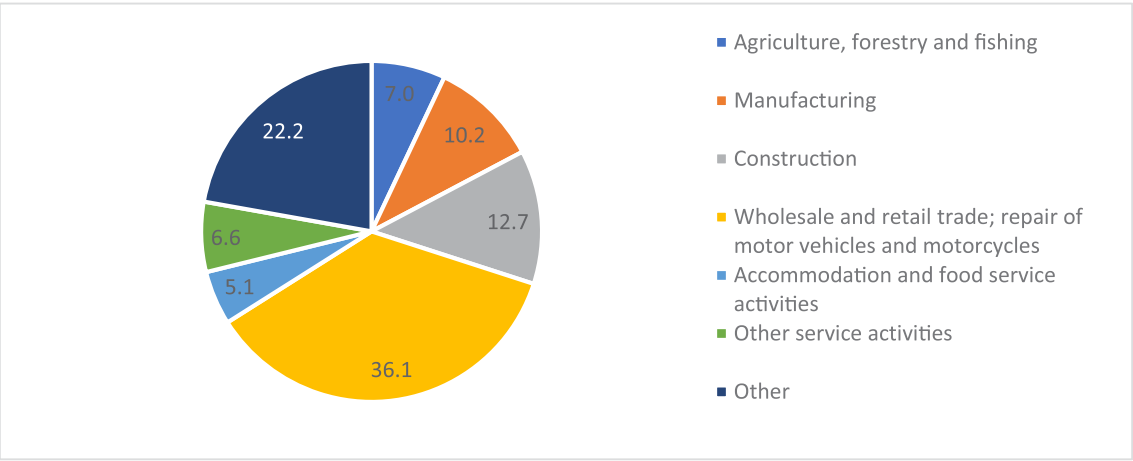
more than 22 hours looking after children, elderly or disabled in the reference week, while 64 per cent of men did not assume any care duties during the same period (see Figure 29).

▶Figure 29. Hours spent looking after children, elderly or disabled during the last 7 days by sex (%)



Moreover, among those holding multiple jobs, more than one third had a main job in the wholesale and retail trade sector, followed by 12.7 per cent in construction and 10.2 per cent in manufacturing. These are the sectors where workers from vulnerable households are mostly concentrated and where working conditions and wages are poor.

▶Figure 30. Multiple job holding by branch of economic activity at main job (%)



In terms of nationality, Palestinians were more likely to hold multiple jobs (18.4 per cent), relative to Lebanese (17.3 per cent) and Syrians (12.7 per cent). Although multiple jobholding appears to be a necessity for many, consideration should be given to the potential impact on workers' health and well-being as a result of long working hours and increased stress levels.

7.4 Contractual status

In terms of contractual agreements, 46.5 per cent of eligible[23] employed individuals in this sample did not have a work contract, 27.5 per cent had a written contract, and 20.9 per cent had an oral agreement.

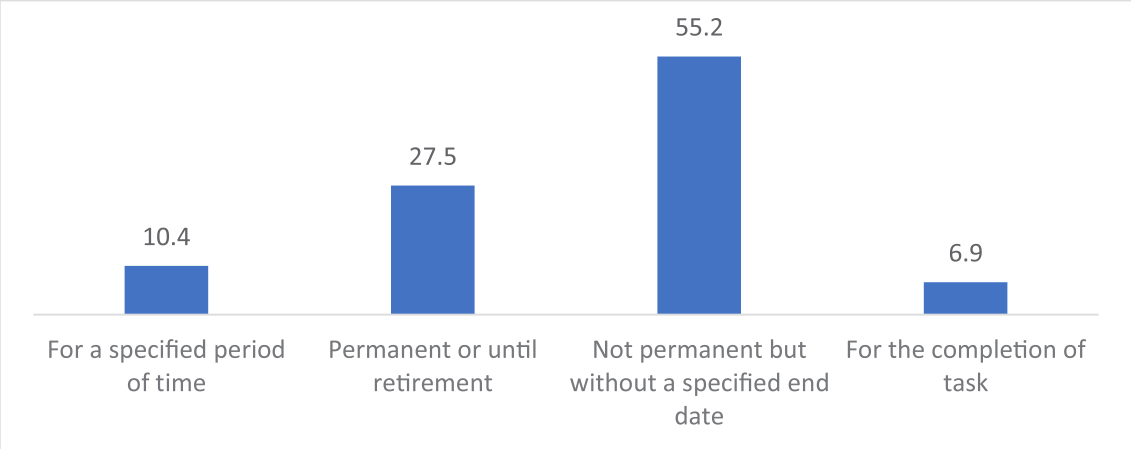
Employment contracts recognize the employment relationship between a worker and an employer, specify employment conditions and provide basic employment protection. In addition to access to social security and entitlements to paid annual and sick leave, the existence of an employment contract is another defining criterion of a formal, as opposed to an informal, job. Workers without contracts often lack the kind of decent employment conditions that would categorize them as formal employees. Not having a contractual agreement is also more common among the less educated who have less negotiation power and are, therefore, more likely to accept a job offer without a contract and/or with generally poor and inadequate employment conditions.

▶Table 19. Contract type (%)

Contract type	None	Written contract	Oral agreement	Don't know	Non-response	Total
Percentage	46.5	27.5	20.9	4.5	0.6	100

In addition to its availability, the duration of the contract or agreement is also a key characteristic of the quality of employment. According to this survey, among those who reported having a written or verbal agreement, only 27.5 per cent said that their contract was permanent, 55.2 per cent said that it was not permanent but without a specified end date, and 17.3 per cent said that it was for a specified period of time or based on completion of a specified task.

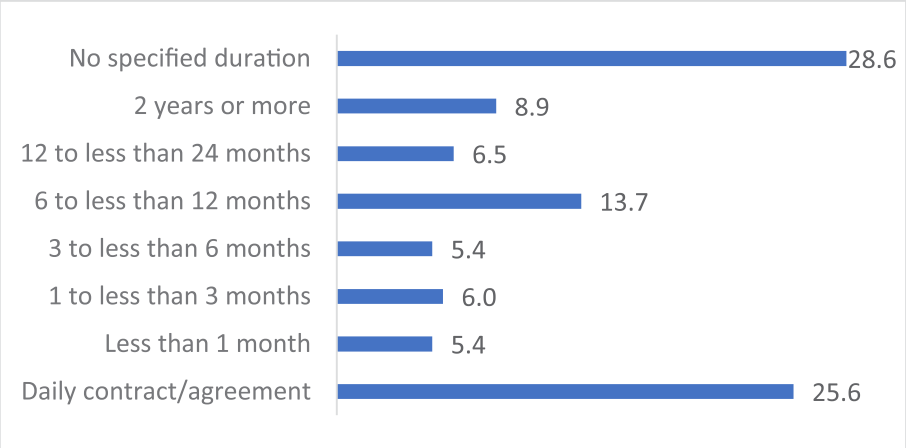
▶Figure 31. Employment distribution by term of written or verbal contract (%)



Among those whose contracts ended on a specific date or following completion of a specific task, the majority (56 per cent) were short-term workers, including a quarter involved in daily work. Only 15.5 per cent had a contract or work agreement for a period 12 months or longer. This suggests a high level of instability, insecurity and uncertainty among workers from vulnerable households, undermining their ability to financially plan for their future. Daily workers have been particularly affected by the pandemic measures, and have been forced to deplete their savings, where available, to sustain themselves and their families.

23 "Eligible" employed individuals were defined in this survey as those who were either: (a) employed by someone else; (b) working for a family or on a family project with no pay; (c) in training; or (d) helping a relative who was, in turn, employed by someone else.

▶Figure 32. Employment distribution by duration of contract (%)



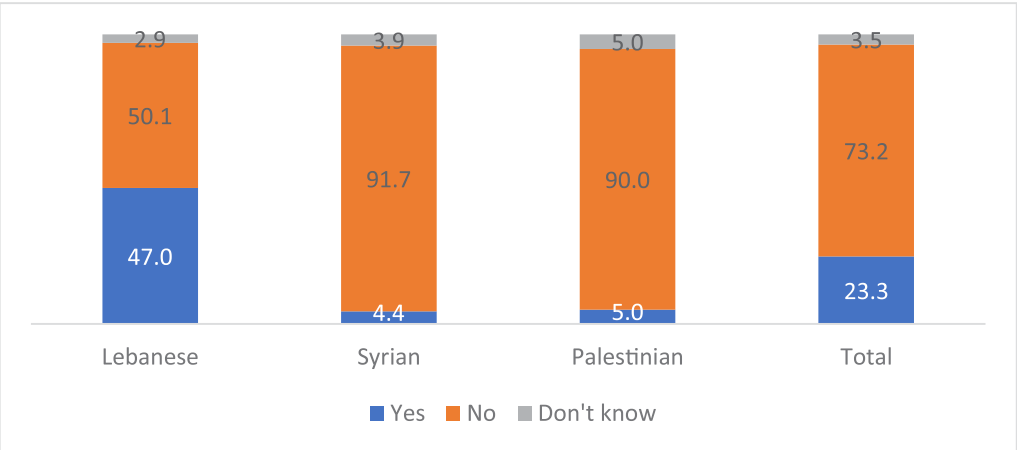
7.5 Social security

In addition to wages, hours of work and the existence and type of contracts, access to paid annual and sick leave are important working conditions and key characteristics of formal employment. Access to social protection and health care coverage are also key for achieving SDG 8 on promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work, as achieving it requires a healthy and well-protected workforce.

Contribution to social security funds

Overall, 73.2 per cent of eligible employed individuals in this sample were not contributing to any social security fund. Unsurprisingly, Lebanese workers were most likely to contribute to social security (47 per cent). But over 90 per cent of employed Palestinian and Syrian refugees made no contributions. Because of their current legal status, Palestinian and Syrian refugees are more likely to work without a valid work permit or a contract. Moreover, even if they were to contribute to the NSSF, for example, they would not necessarily receive any benefits from it.[24]

▶Figure 33. Contributions to social security by nationality (%)

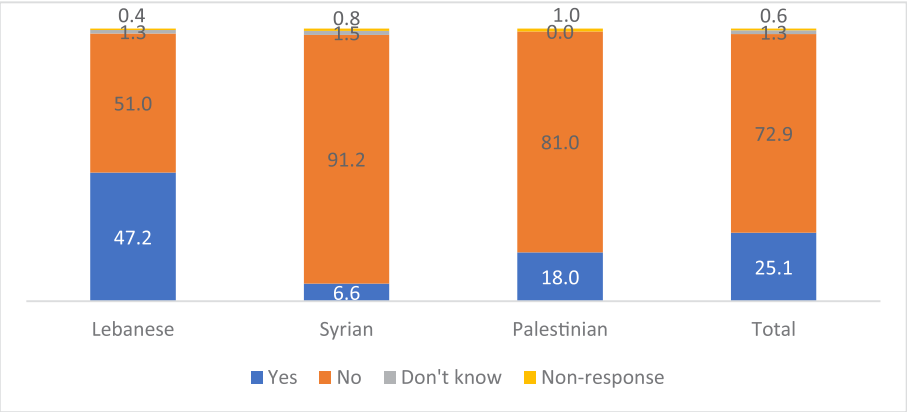


24 Palestinians benefit from end-of-service indemnity but are not entitled to other benefits offered by the fund (see Chapter 6).

Access to annual paid leave

Overall, 72.9 per cent of eligible workers from vulnerable households did not have access to paid annual leave. Some 81 per cent of Palestinians and 91.2 per cent Syrians were not entitled to paid annual leave, compared with 51 per cent of Lebanese workers. These workers face higher risks of declining productivity and motivation, and a deterioration of their well-being more generally.

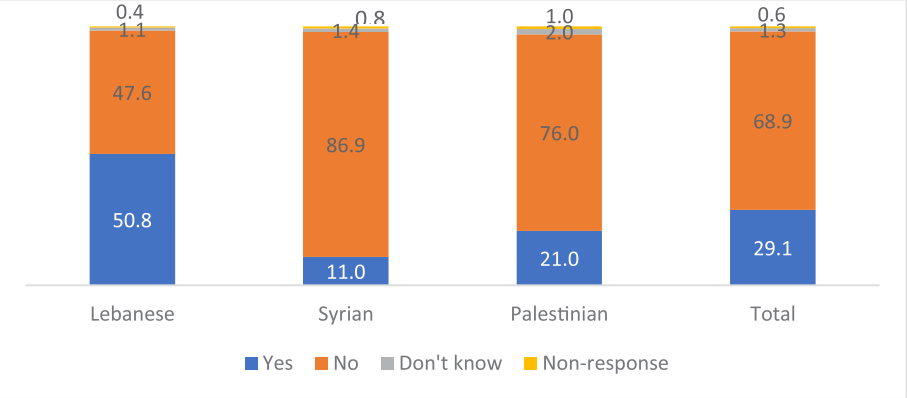
▶Figure 34. Access to paid annual leave by nationality (%)



Access to paid sick leave

Overall, 68.9 per cent of eligible workers in the sample reported not having access to paid sick leave in case of illness or injury. Some 86.9 per cent of Syrians were not eligible for paid sick leave, compared with 76 per cent of Palestinians and 47.6 per cent of Lebanese. The absence of paid sick days has detrimental effects on workers who become forced when ill to decide between looking after their health or losing their job and income. Without social security and health protection, including paid sick leave, vulnerable workers cannot afford to prioritize their health over their job.

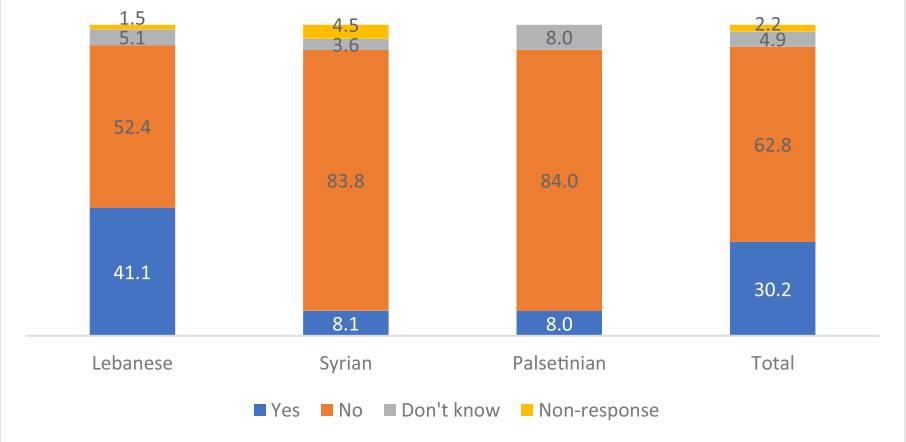
▶Figure 35. Access to paid sick leave by nationality (%)



Maternity benefits and protection

For women, beyond the abovementioned working conditions, access to maternity protection, including paid maternity leave, is also key, as it provides women with an income guarantee after giving birth. According to the results of this survey, more than two-thirds of women, who should be eligible for paid maternity leave, were not, in practice, entitled to it. Lebanese women were much more likely to benefit from paid maternity leave (41.1 per cent), compared with Syrians (8.1 per cent) and Palestinians (8 per cent).

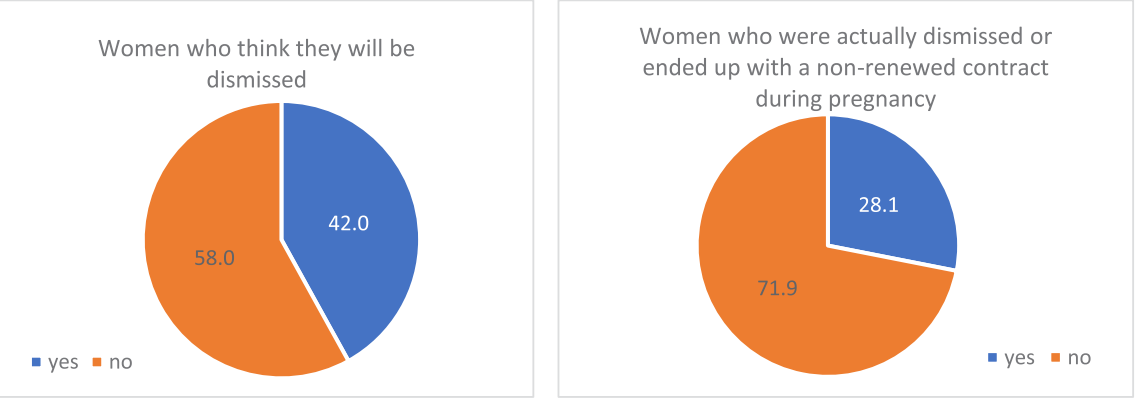
▶Figure 36. Entitlement to paid maternity leave by nationality (%)



The law requires employers to provide 70 days of paid maternity leave to working women. However, this law only applies to Lebanese citizens, and excludes migrant workers and refugees in many cases.[25]

It can be surmised that, as maternity benefits are the employer's liability, women face potential discriminatory hiring and employment practices. According to this survey, 42 per cent of women aged 15–54 believed that they would be dismissed in case of pregnancy. Figure 37 compares these speculative beliefs among all women with the experience of those who were actually dismissed. According to this survey, 28.1 per cent of all women aged 15–54 lost their job during pregnancy.

▶Figure 37. Belief that pregnancy would lead to dismissal (women aged 15–54) versus actual experience (%)



Note: Percentages in these figures are calculated as a total of those who answered either "yes" or "no" to the relevant questions; those who answered "not applicable" are not included.

25 The Social Security Law specifies that foreign workers can receive social security benefits only if: (a) they have a work permit; and (b) if there is a reciprocal agreement in place with the worker's country of origin.

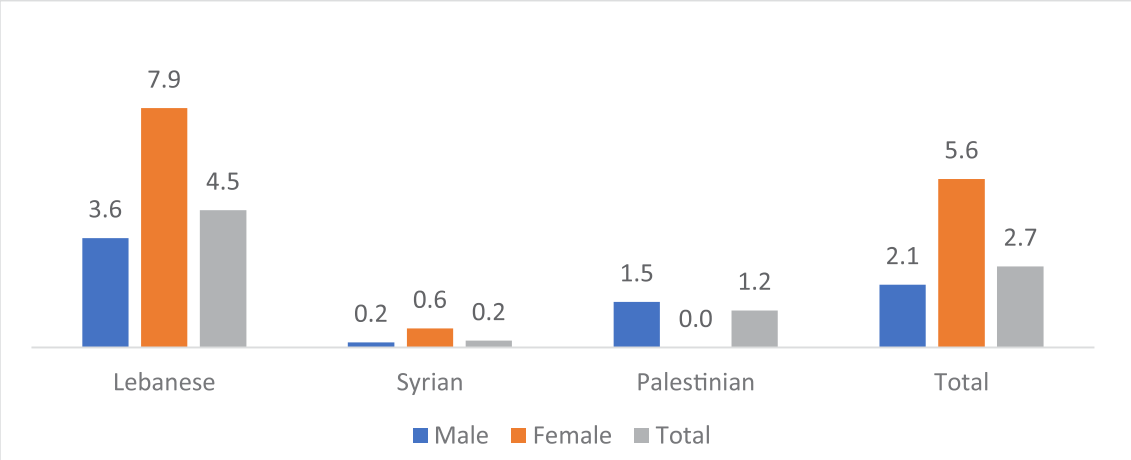
It is disconcerting that the share of women who have been dismissed or ended up with a non-renewed contract during pregnancy is so pronounced. For vulnerable women, such job losses can be devastating, as these women often have little money or support to look after themselves and their newborn children, with many forced to search for work soon after childbirth.

7.6 Affiliation to trade unions

Despite evidence of the role of trade unions in improving working conditions for their members, and the persistent call for increased representation of workers and enhanced social dialogue in the Arab region, including in Lebanon, unionization rates remain low, especially among workers from the most vulnerable groups.

According to this survey, only 2.7 per cent of all employed individuals were affiliated to a union. For Palestinians and Syrians, the rate is close to zero participation (1.2 per cent and 0.2 per cent respectively), compared with 4.5 per cent among Lebanese workers.

▶Figure 38. Union/syndicate affiliation by sex and nationality (%)

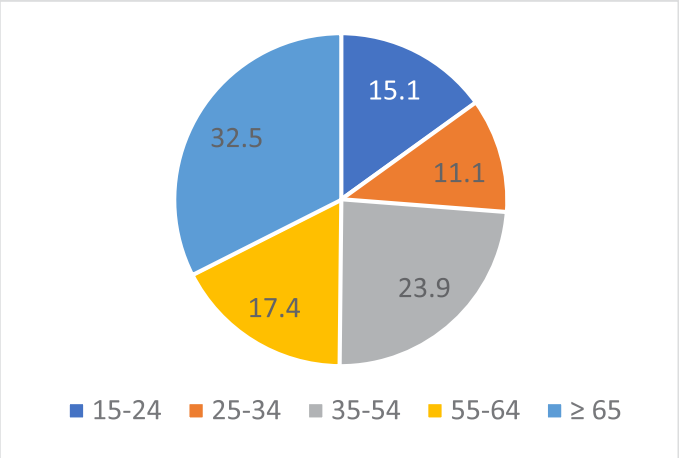


Addressing low levels of union membership is critical for defending the interests of workers, especially those in vulnerable and informal jobs. Promoting social dialogue and encouraging workers' participation in trade union activities can play a role in improving working conditions and remuneration levels.

7.7 Disability, labour force and working conditions

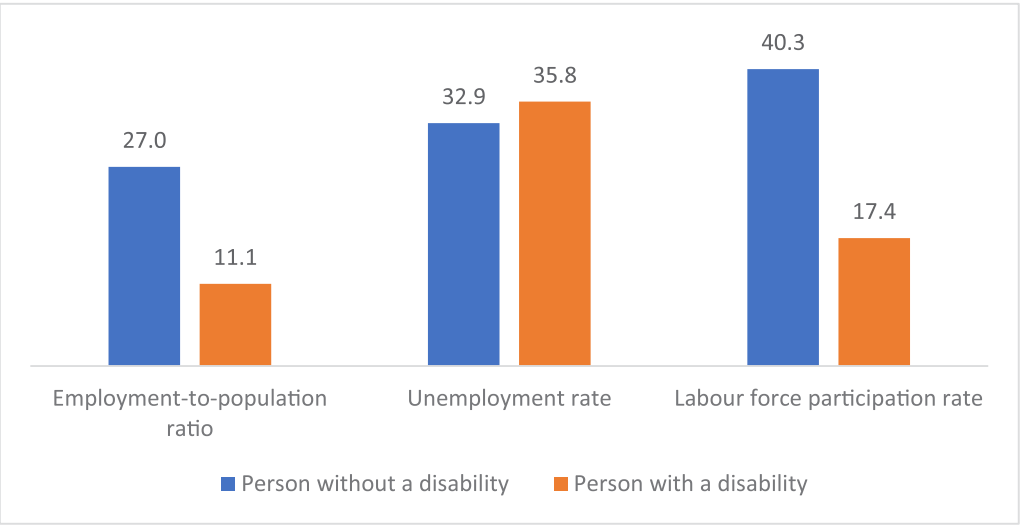
While decent working conditions and adequate protection for workers are key for all individuals, people with a disability require additional assistance to enable them to fully and effectively participate in the labour market. According to this survey, 2.4 per cent of the working-age population had at least one disability, with around a third of them aged 65 years or older (Figure 39).

▶Figure 39. Distribution of total disabilities by age (%)



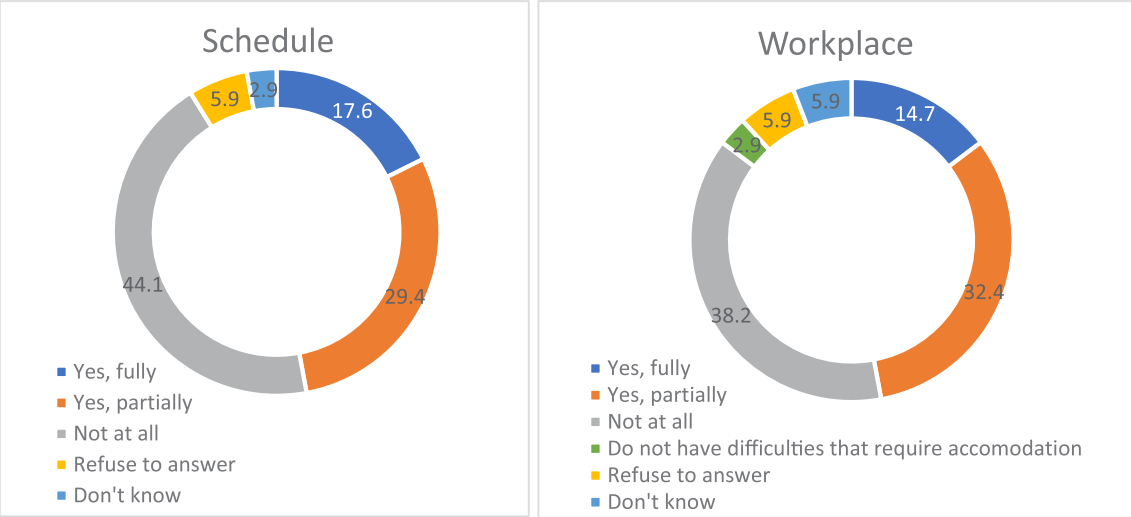
Looking closely at labour force indicators, we find that people with a disability are less engaged in the labour force. This is observed in the low labour force participation rate and the low employment -to-population ratio among those with at least one type of disability, registering 17.4 per cent and 11.1 per cent respectively, compared with 40.3 per cent and 27.0 per cent among those without a disability. Unemployment rates were, however, fairly similar.

▶Figure 40. Key labour market indicators by disability status (%)



The survey results show that 44.1 per cent of workers (aged 15+) with a disability did not have a work schedule adapted to their disability, while 38.2 per cent of workers with a disability reported not having a physically adapted workplace (see Figure 41).

▶Figure 41. Degree of adaption for employed persons with a disability (%)



It is crucial to address the challenges that hinder the participation of persons with disabilities in the labour force, especially when the challenges are external and driven by the lack of an accessible and safe environment. Access to social protection and decent working conditions for this vulnerable group should be guaranteed, especially during the pandemic, so that they can safely participate in the labour market. Effective implementation of the Lebanese Law 220/2000, which defines the rights of people with disabilities in the fields of education, rehabilitation, employment, and access to services, should also be prioritized along with other measures to promote inclusive employment in the labour market.

Chapter 8. COVID-19 and the current economic crisis

The significantly high labour underutilization and inactivity rates revealed in this survey are undoubtedly driven in part by the cumulative events since October 2019, namely the economic disruptions associated with the financial crisis and the COVID-19 pandemic. In addition, the explosion at the Port of Beirut devastated much of the capital. Underlying those background events, political gridlock has gripped the country since 2019, hampering recovery efforts and deepening the effects of these crises further.

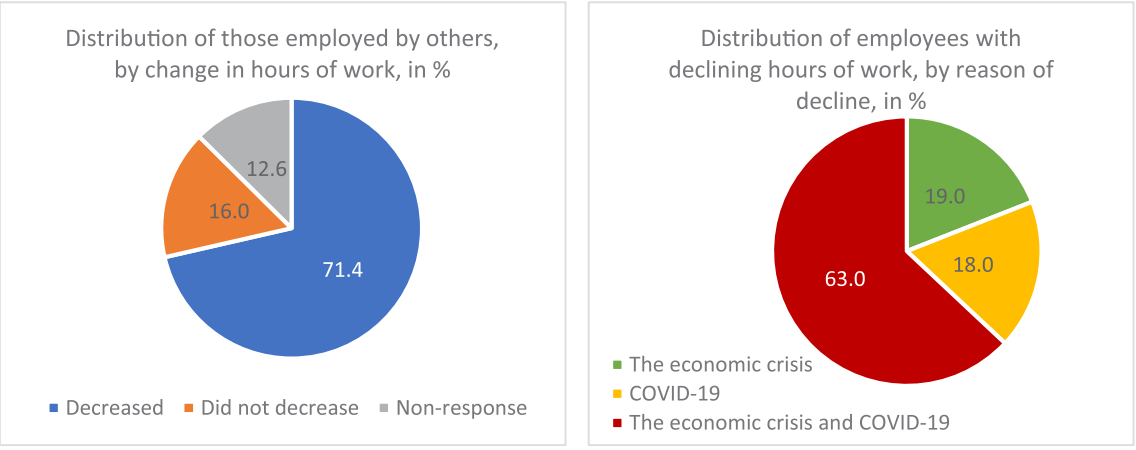
Many individuals have lost their jobs, and the impacts have fallen mostly on already vulnerable groups working in low-skill jobs and high-risk sectors. Job losses have translated either into unemployment or inactivity, whereby individuals leave the labour force altogether. For those who have managed to keep their jobs, in many cases their income or hours of work have been reduced. And for those who managed to maintain their income, devaluation of the Lebanese pound has eroded their purchasing power.

8.1. Change in income and hours of work

While reductions in income and hours of work can affect all workers irrespective of their status in employment, this section focuses on the change in hours of work among those employed by others and the change in income among those who are self-employed. This illustrates the impact of the crises on economic activity, and how businesses have been affected.

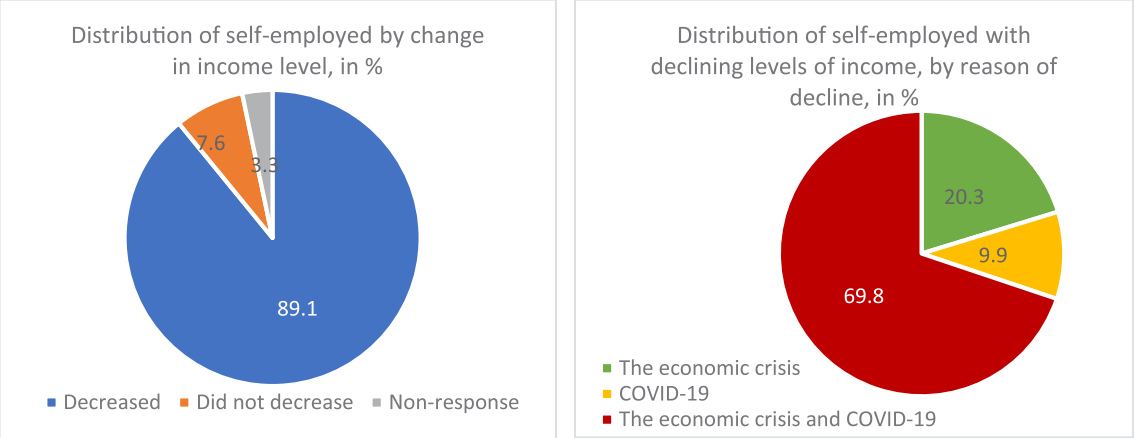
Among those employed by others, 71.4 per cent reported a decline in the number of hours worked, of whom 63 per cent cited both the economic situation and the COVID-19 crisis as the reason behind this decline. This is unsurprising in Lebanon, as employers and enterprises were severely affected by the crisis, which translated into reduced economic activity. As such, employers have mostly resorted to reducing employees' working hours (often accompanied by reduced wages), especially in those sectors identified as particularly hard-hit.

▶Figure 42. Employees, by change in hours of work and causes of change (%)



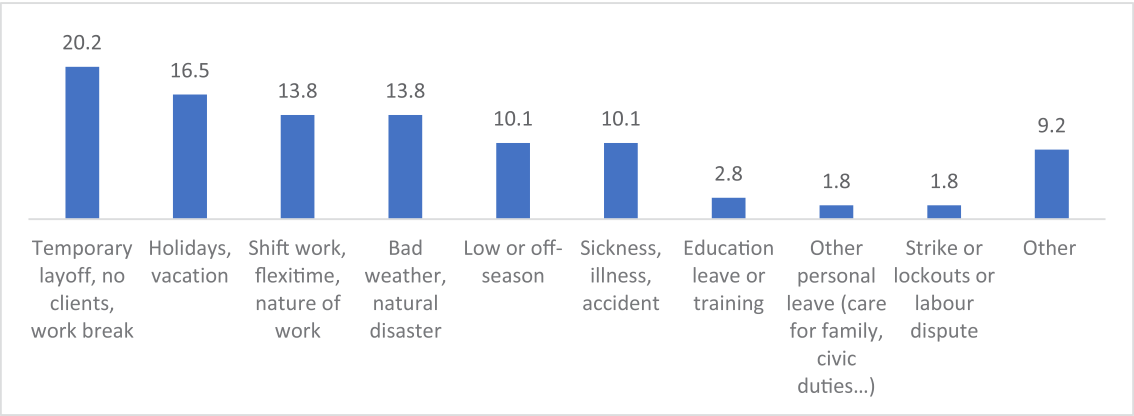
Similarly, among those declared as self-employed, 89.1 per cent reported a decrease in their incomes, with 69.8 per cent of them attributing this decline to the combination of the economic situation and COVID-19.

▶Figure 43. Self-employed workers by change in income and cause of change (%)



Closely linked to this issue of reduced economic activity, the survey shows that one fifth of those employed who reported being absent from work during the survey period were absent because of a temporary layoff, lack of clients or a work break.

▶Figure 44. Reason for absence from work during the reference week (%)



8.2 Desire for additional work or a replacement job

Despite the difficult conditions under which surveyed individuals generally work and live, only 14.4 per cent of the employed sample were actively seeking additional or alternative employment during the previous month, with only a slight difference between men (14.9 per cent) and women (12.1 per cent). This low level of mobility among workers is not necessarily uncommon, particularly during economic downturns, when workers' biggest concern is to retain their jobs and income. Workers tend to become more risk averse as layoffs become more commonplace, and they often defer search for alternative work until it becomes a necessity.

While the proportion of workers who actually took the initiative to search for an additional or a replacement job was small, 34.1 per cent of workers expressed a desire to change their current employment. Again, gender differences were small, with 34.7 per cent of men and 31.7 per cent of women desiring change. The discrepancy between simply wanting to change employment and

actually taking action is indicative of the level of discouragement among workers and their belief, or perhaps realization, that better jobs are not available.

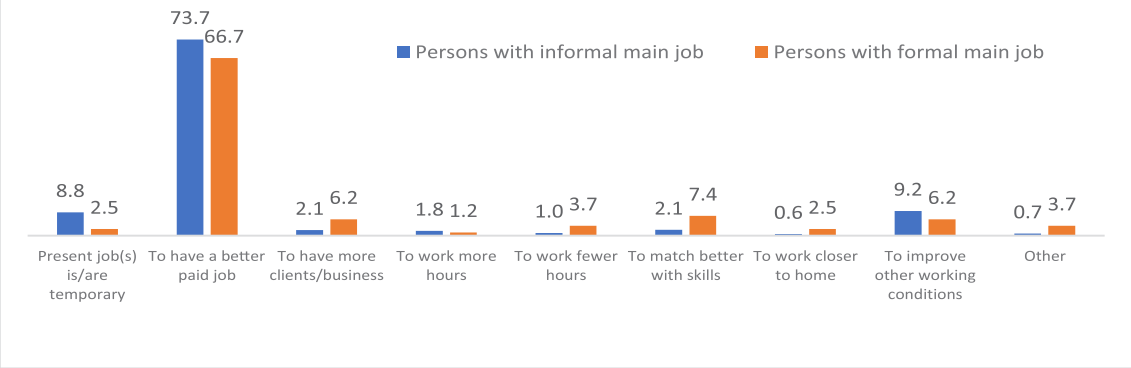
For 73.2 per cent of respondents, seeking higher wages was their primary motivation. Far less significant were the temporary nature of current job (8.3 per cent) or desiring better working conditions (9.0 per cent). Men's and women's motivations were very similar; men were only slightly more motivated by better paid employment (74 per cent) than women (69.1 per cent), whereas women (10.1 per cent) valued working conditions slightly more than men (8.8 per cent).

▶Table 20. Main reason for desiring change in current job by sex (%)

	Male	Female	Total
Present job(s) is/are temporary	8.1	9.6	**8.3**
Better paid job	74.0	69.1	**73.2**
Gain more clients/business	2.1	3.7	**2.3**
Work more hours	1.7	2.1	**1.7**
Work fewer hours	1.2	1.1	**1.2**
Better skills match	2.4	3.2	**2.5**
Work closer to home	0.6	1.1	**0.7**
Improve other working conditions	8.8	10.1	**9.0**
Other	1.1	0.0	**1.0**
Total	**100.0**	**100.0**	**100.0**

Unsurprisingly, the desire to change current employment was more pronounced among individuals with informal main jobs (40.9 per cent) compared with those with a formal main job (10.7 per cent). Nevertheless, both groups cited better pay as the main reason for changing employment, meaning that low pay is a major issue in both the formal and informal sectors, but other reasons were more salient for those in formal employment, such as better skills matching, more clients, working fewer hours, working closer to home and other reasons not specified (see Figure 45).

▶Figure 45. Main reason for desiring change in main job by job formality (%)



Chapter 9. The labour market in Lebanon – demand side

Economic realities have forced the private sector to adapt to new market conditions as Lebanon's fixed foreign exchange rate since 1997 comes unstuck. The previously stable financial system has been supplanted by foreign currency scarcity with stringent unofficial capital controls, which has led to economic uncertainty and political paralysis.

In concrete terms, enterprises in the private sector, irrespective of their size, face the twin challenges of access to costly foreign exchange – necessary for imports – and the collapsing purchasing power of consumers. As a result, previously dominant sectors, such as services and construction, have been severely impacted, while previously dormant sectors appear to be emerging.

These new market conditions are seen to favour large companies. SMEs, in general, are facing a serious contraction of business following the currency crash, and have been hit hard by the cancellation of credit lines. Clients are increasingly economizing, leading to a drying-up of demand for goods and services across most sectors. In agriculture, for example, larger businesses and professional farmers with liquidity are in a better position to adapt to changes in market conditions, but small enterprises and farmers in direct contact with consumers are less resilient.

The re-orientation of the Lebanese economy towards a more productive and export-driven model is seen as a necessary reform. However, the country's heavy dependency on imports in historically productive sectors, such as manufacturing and agriculture, is being challenged, perhaps inhibiting future potential growth.

9.1 Informality, vulnerability and employment conditions

As previous chapters noted, informality is widespread in Lebanon, especially among vulnerable communities. Historically, though, a segment of the informal smaller enterprises, which are often discouraged by official registration requirements, nonetheless offer basic employment standards of pay, leave and even health coverage. Focus group discussions qualified some of the findings of informality revealed in the survey results.

▶ Small traders that are, for example, goods traders, dealers, toys shops, etc. can be small companies that are not registered and don't have licenses to avoid taxes. … However, they give their employees their rights, salaries and social security and days off. (Participant, first focus group discussion)

To deal with the fraught economic conditions, impacted enterprises resorted to dismissing employees, reducing salaries and changing working hours, making them longer or shorter as required. Smaller enterprises even turned to unpaid own family members to reduce operational costs, further impacting the demand for labour, especially in vulnerable areas.

Additional measures reported by smaller enterprises included the cancellation of the right to transportation compensation, paid holiday leave and maternity leave. Other measures included asking formal employees registered with the NSSF to contribute a greater share of the cost paid by companies (36 per cent in the private sector) in return for continued coverage, or be given a lump sum salary, or asked to take care of their own insurance and benefit entitlements under the law, leaving them vulnerable to a lack of coverage.

Prior to the crises, undocumented refugees and migrant workers were often subjected to long working hours, given additional work without compensation and not provided any health coverage or sick leave. In one case, the summary dismissal of Lebanese workers was prompted not by salary considerations, but because refugees and migrant workers can be asked to endure longer hours of work without benefits. In this very tight labour market, even Lebanese workers may not report rights abuses unless alternative employment is in sight.

▶ Some employers do not provide workers their rights. They offer a low wage and the worker is free to accept or not. Many individuals are looking for work, irrespective of the conditions. (Participant, first key informant interview)

The current minimum wage is no longer sufficient to feed families, pushing large segments of the population into destitution. This has created a vicious cycle of depressed domestic demand, further undercutting earnings and employment, especially for front line businesses in direct contact with clients. In less severely impacted sectors, some of the larger operations reported steady or increased staffing levels, and even raising salaries. Likewise, certain MSMEs have kept essential staff, but adopted other cost-cutting measures.

9.2 Current labour market demand by sector

Vulnerable workers are concentrated in the sectors that have been hardest hit by the crises. This section provides an overview of the present labour demand situation across those sectors deemed key employers of individuals from these sub-groups. Expectations of whether job opportunities will persist if these crises are protracted, or whether shifts in the structure of employment will occur are explored.

Agriculture is expecting a significant decline in labour demand if the current economic pressures remain, particularly as input price rises are driven by devaluation of the currency. An FAO (2020) study reports that agricultural production shifted to low-input production in the 2019/2020 season, and predicts that farmers might cultivate smaller arears. As such, smaller picking crews will be required during harvest season. Moreover, a large part of labour demand will be met by family members, many of whom have no alternative because of the shortage of work opportunities elsewhere.

Construction is reportedly at a standstill for small and medium-sized contractors. While some demand for repair work was generated following the port explosion, major reconstruction remains pending. Ongoing work consists of projects already commissioned, with no new projects being tendered. This has direct implications for Syrian refugee workers, who are the mainstay of specialized construction crews. Lebanese, normally employed as professionals and managers, have become redundant as the industry sheds jobs.

Services, tourism and hospitality were affected not only the economic crisis and COVID-19, but also by the port explosion. Reduced purchasing power in the population has radically changed consumer behaviour. Whereas, prior to the crises, a large segment of the population frequented hospitality venues, restaurants, and so on, and consumed other services, increasing levels of poverty and the general decline in income has forced many to reconsider spending on recreation, slashing demand for goods and services in these sectors even further, resulting in suppressed labour demand.

This is not to overlook the fact that the pandemic and its related travel restrictions generated a certain level of demand for domestic tourism as many Lebanese turned to "staycations" in hotels, guesthouses and campsites. However, this has been insufficient to compensate for the overall loss in demand across the tourism and hospitality industry. Nevertheless, some activity has been maintained and this is likely to continue as restrictions remain in place and purchasing power is further eroded.[26]

26 Hospitality News Middle East (2021).

Retail and trade have also experienced significant job losses, impacting both small businesses and their employees. It is believed, however, that the scarcity and high cost of imports may create opportunities for SMEs in certain technically skilled crafts and trade sectors. Electrical goods repair shops and car and related repair services, for example, are likely to boom given that goods and vehicle components that, previously, were routinely replaced will now be more often repaired.

Manufacturing of local goods has experienced growth, as consumers switch to more affordable local products. Industrialists are adapting by creating new production lines, which will likely create additional demand for labour in the sector. Over the past year, the hygiene and detergent business, for example, has achieved considerable growth, providing new job opportunities. Based on the information gathered through the FGDs, employers required more production supervisors but could not easily find them. Low-skilled labour was viewed as more readily available. Overall, while some businesses reduced staff levels, others, including in the food industry, reported steady or increased labour demand as new shifts or production lines were introduced. In parallel, food-related businesses, such as butchers, grocers and vegetable shops, and COVID-19-related hygiene and protective clothes and equipment manufacturers, proved more resilient and maintained their levels of labour demand.

9.3 Demand for Syrian and Palestinian labour and migrant workers

Prior to the crises, demand for Syrian skilled and unskilled workers was particularly high, especially in construction, industry and agriculture. Apart from the relatively low wages of the Syrian workforce, vocational expertise gave them an advantage in certain job categories. Syrian refugees were typically sought for labour-intensive tasks. However, shrinking economic activity has led to a reduced demand for labour in these sectors, resulting in increased rates of unemployment and longer-term unemployment among Syrians.

Both the demand for and supply of Palestinian labour have been long constrained by employment restrictions imposed on the Palestinian refugee labour force, forcing them to adapt by taking on informal employment in elementary or vocational and trade professions. Palestinian refugees have typically oriented to skilled labour professions in craft and related trade industries, as well as in professions requiring higher levels of vocational education and skills acquired through institutes such as the Sibline training centre or the technical school of Saida. Examples include construction and related vocational trades, car maintenance and repair, photography, social media, nursing, statistics and other professions. Historically, jobs were unavailable for more qualified Palestinians, as they were prohibited from working in certain professions such as the health sector. This prohibition has been recently lifted because of labour shortages, enabling Palestinian nurses to access formal employment for the first time.

Generally, the practice of employing migrant workers in factories, gas stations and garbage collection has been reduced as employers become increasingly unwilling to pay salaries in hard currency, following the sharp decline in value of the Lebanese Pound. The same applies to migrant domestic workers, who earn their salaries in USD and have been increasingly subject to abuse, dismissal and non-payment of salaries.

9.4 Female labour demand

While employment of highly-skilled/educated women has become increasingly common over the years among the Lebanese population, employing less educated women in low-skilled and elementary occupations is generally less attractive to employers. Unless it is not possible to bring in a male worker, most employers prefer to hire men who can work longer hours, while at the same time, they do not have to worry about pregnancy and maternity leave, and other childcare-related costs, including absenteeism.

The marital status of employees can also be a deciding factor in the recruitment process. Certain employers prefer single women and refuse to employ married women, who may be entitled to maternity leave. In many cases, women are dismissed when they get married.

Culturally, women are considered able and qualified in Lebanon, but not suitable for certain trades, technical and related services, or unskilled work requiring stamina, with the exception of agriculture. In the unskilled or semi-skilled professions, there is still a perception that women are more suited for front line service positions and work requiring communication or lighter physical exertion. It would seem, however, that there is a greater acceptance of diversity in the professional categories, whereby female engineers, for example, are present and accepted on construction sites.

Overall, sectors associated with a large presence of women include services, tourism, education, health and banking. Currently, (Lebanese) women represent a large proportion of banking staff in Lebanon. However, thousands have lost their jobs, making this sector less capable of absorbing new entrants.

With the emergence of the COVID-19 pandemic and the closure of schools, many women have also taken the decision to resign in order to look after their children. Some have resorted to self-employment and started home-based activities, such as catering. Online retail activities (e.g. selling clothes) have also increased among women, especially Lebanese women and those who can afford the capital required to start a business. However, among vulnerable women, home-based entrepreneurial activities are often constrained by childcare and other caregiving responsibilities exacerbated by COVID-19.

9.5 Recruitment channels and the role of the National Employment Office

Most skilled and unskilled labour is recruited by word of mouth. Even among the largest enterprises, employers ask their employees for recommendations regarding suitable candidates for employment. In more rural settings, the company may ask municipalities.

Interestingly, none of the enterprises interviewed reported dealing with the NEO, with the exception of the micro bank (see Table 4). The NEO is known to certain large organizations and among experts, but general awareness is limited. Overall, the NEO is thought to be an underutilized, yet essential, service in times of crisis to match supply and demand. It is a public service that is free of charge to both employers and jobseekers. However, the NEO needs greater investment in human resources, capacity-building and an upgrade of its IT systems in order to raise productivity and deliver timely services. Awareness-raising campaigns on its role should be organized, including though TV and social media channels.

9.6 Projected directions in labour demand

Based on the trends and changes observed in the Lebanese economy and labour market, efforts should be made to support job creation and sustainable economic development and growth, including through identifying new sectors with high potential to employ vulnerable groups.

The crafts sector is one such potential employer, given that such jobs can be found in all regions of the country and are not necessarily urban-based nor heavily dependent on infrastructure. Areas with potential for growth could include, for example, traditional artisanal crafts, mosaics and stained glass, traditional agro-foods such as mouneh (jams etc.), and apparel.

It should be noted that growth in the crafts industry is a worldwide phenomenon in line with environmental trends for longer lasting and less wasteful products. Lebanon's established reputation as a centre of arts and design could promote growth in crafts and other design-oriented creative professions.

Within the skilled technical and related trades category, job opportunities are available for technical staff with updated skills at Technique Superieur (TS) and Baccalauréat Technique (BT) levels in certain fields. Examples include:

- heads of electro-mechanical systems, supervisors for production lines, and maintenance workers for machines;
- maintenance workers for buildings, and electricians;
- technicians with advanced mechanical qualifications to fix vehicles with advanced electronic systems;
- food preparation and hospitality;
- advanced health-related machine operators and technicians;
- repair workshops.

Building on the current practice of "staycations", job opportunities are expected to increase in the services, tourism and hospitality industry, especially in rural areas. The promotion of rural/domestic tourism and ecotourism, along with the establishment of additional guesthouses, campsites and other retreats in non-urban areas, could create employment for residents from these areas, while also generating work opportunities for local guides and craftworkers.

Another area with potential for job creation is in the home-based care sector. Professions such as nannies, home cleaning services and home health workers with skills to provide home-based care for the elderly have long been supplied by migrant labour. However, large numbers of migrant workers in these occupations have left the country. This supply shortfall could be filled by local workers.

In agriculture, job opportunities could emerge if increased support is provided to the sector. Crucially, support should be based on a data-driven sectoral strategy grounded in an assessment of local and export needs, and an in-depth market assessment of the sector's potential. However, this would also need to be complemented with relevant training to ensure that new opportunities are in high-productivity jobs rather than informal, seasonal low-productivity jobs. Specifically, farmers must become acquainted with modern, high-yield farming techniques and the environmental conservation aspects of their work, such as water-saving methods, the appropriate use of pesticides and fertilizers, and so on. This is especially the case given the increasingly stringent safety standards applied in export markets such as Europe.

Labour demand in construction appears to be contingent on rebuilding Beirut following the port explosion, as well as other infrastructure projects pending future developments. While this has been delayed so far, partly because of the political gridlock, it is to be expected that rebuilding efforts will be expedited once a new government takes charge.

Finally, yet importantly, as the world of work becomes increasingly digitalized, the knowledge industry will likely be a key provider of jobs in the near future. Specifically, jobs in information and communication technology, software development, social media consulting and artificial intelligence are on the rise and will likely continue to be main drivers for employment generation worldwide. With its educated and young workforce, Lebanon is well-poised to benefit from this trend. The fact that many jobs in that sector can be done remotely allows Lebanese workers to compete in foreign markets where they previously weren't able to. However, this will require serious efforts in ensuring that the skills available in the market remain up-to-date.

9.7 Skills gaps and needs

Parents and students continue to be influenced by dated perceptions of "prestigious" professional careers, including, for example, engineering and law, rather than qualifications in emerging fields of vocational or technical education. Meanwhile, technical and vocational education suffers from a similar bias towards "traditional fields" and offers curricula and specializations that are not sufficiently diverse and, in some cases, altogether obsolete.

Stakeholders agree that, to build a better future for Lebanon's youth, more career guidance is needed in schools. Youth (and parents) should be advised of current trends in the labour market, as well as future labour market needs. Career advice should include potential employment and levels of remuneration expected from different education and career paths, if pursued. Failure to do so will further aggravate the skills mismatch, which currently plagues the Lebanese labour market. This is fuelling youth migration, which is haemorrhaging the most promising and educated segments of the population. Even now, students sometimes choose their field of study with a view to leaving the country, and ultimately sending money back to their families.

According to employers, the quality of education varies from one institution to another, with many graduates lacking up-to-date skills. Mechanics students in some institutions, for example, are not taught to fix modern cars equipped with complex electronic parts. Thus, employers must take into account the reputation of the educational institution attended by the jobseeker when making decisions on whether to recruit them or not.

The Sibline institute, for example, was cited as an example of a good technical school that teaches skills relevant to the labour market. Other institutes, however, do not necessarily have such a positive reputation. When students graduate without the requisite skills, employers are hesitant to recruit them. Another issue also relates to finding workers with mid-level technical and maintenance skills that can be acquired through placement programmes.

Despite the reservations, skill levels among Lebanese workers are generally considered adequate. Employers do not face major challenges finding the required level of expertise, even though this can vary between areas. Factories in rural areas, for example, may find it more difficult to recruit workers with the necessary technical skills, compared with those in the cities.

Lebanese workers are often well-equipped with soft skills, but this is dependent on geographic location, with those from rural areas often needing more coaching and training on presentation and communication skills compared with their urban counterparts.

On the other hand, the Syrian refugee workforce, while not formally qualified, is considered skilled in many professions such as plumbing, painting and other construction-related activities. Their skills are acquired through early apprenticeships that provided them with hands-on experience and expertise.

Palestinian refugees are more likely to find jobs in advanced vocational and craft professions, working either informally for others or as self-employed. According to Najdeh, an NGO working with Palestinian refugees on youth training, Palestinians are increasingly aware of the new skillsets in demand and are looking to acquire more up-to-date and in-demand skills in fields such as social media, visual arts and management.

Overall, employers put a lot of emphasis on training and skills, re-iterating the need for continuous lifelong training. Even among the more educated, once qualified, little effort tends to go into maintaining one's knowledge to remain informed and up-to-date. This can quickly lead to workers' skillsets losing value and individuals becoming less competitive in the labour market.

Given the skills gaps identified, it is clear that increased efforts are needed to ensure the continued availability of skills related to construction, building and electrical maintenance, especially among Lebanese workers who have historically steered away from those occupations because of cultural preferences. Training programmes should also be informed by regional needs assessments to ensure that workers' skills are in line with the needs of the job market in their area of activity. Al Majmoua Bank, for example, previously implemented a training programme that offered different skillsets in different regions of the country. In the North, the training programme focused on construction-related skills, while in Beirut and Mount Lebanon the curricula focused on beauty care and hairdressing. In the more rural and agricultural areas in the mountains, the Bank provided training for skills related to the environment and conservation.

Management and negotiation skills are also critical, especially for those running their own businesses or aspiring entrepreneurs. According to the present research and stakeholder input, these skills are currently lacking not only among all three population groups in the study, but other (non-vulnerable) groups as well. Many interviewees stressed the importance of this skillset, especially at later stages of workers' careers when interpersonal and leadership skills become just as relevant as technical skills.

▶ Part C: Conclusions and recommendations

In conclusion, the pervasiveness of the informal economy, and its impact on the different population groups, especially refugees, highlights the necessity of devising a multipronged approach to address sub-optimal working conditions and promote decent employment across the country, especially in vulnerable communities.

First and foremost, it is crucial that we understand that people enter the informal economy not by choice, but rather as a consequence of the lack of opportunities in the formal economy. This is especially true for vulnerable individuals, who are often forced to accept any employment they can find, in a desperate bid to make ends meet. The particular characteristics, needs and circumstances of informal workers are diverse, and that diversity must be reflected in the tools we employ to tackle informality. Therefore, any transition to formality can only be achieved through a comprehensive, integrated national strategy.

Such a strategy, especially in times of crises, should emphasize immediate support for the most vulnerable groups, while promoting and preserving work opportunities in the formal economy. Formalization of jobs requires increased efforts to ensure respect for, and promotion and realization of the fundamental principles and rights at work, and the introduction of carefully designed measures to address the poor and unsafe working conditions that often characterize informal work. In parallel, vulnerable communities must be provided with opportunities to acquire new skills that would improve their chances at finding decent and formal employment. Structural issues at the root of the skills mismatch, such as outdated curricula or lack of lifelong learning practices, must also be addressed. Moreover, regulation must be tailored to allow for the smooth entry of small companies into the formal sector through streamlining bureaucratic processes, while also promoting and enforcing decent working conditions to ultimately support formal employment creation and sustainability. Only then will the Lebanese economy offer its workforce sufficient formal opportunities for decent and fulfilling employment.

Recommendations for the short term

Scale up and expand cash transfers for vulnerable and affected groups

The survey pointed to significant levels of poverty and vulnerability among Syrian and Palestinian refugees and their host communities. In the short term, in order to help vulnerable individuals meet their immediate and often basic needs, cash transfers should be scaled up and targeted at vulnerable and other affected groups, including informal economy workers, self-employed workers, disadvantaged migrants and refugees, and so on. Such cash transfers should form the basis of a permanent and nationally financed social assistance system.[27]

Invest in cash-for-work and public works programmes

Cash-for-work programmes are employment-intensive programmes that aim to provide income to poor and vulnerable individuals and enable them to get back on their feet, especially during crises. At the same time, public works programmes, which generate thousands of jobs for unskilled workers who face difficulties finding jobs even during non-emergency times, are used to improve rural infrastructure (e.g. roads, water, health centres, electricity, educational institutions), ultimately contributing to the social, economic and labour market development of vulnerable areas. Cash-for-work and public works programmes need to be carefully designed to support decent work and address potential decent work deficits, including those related to wages, hours of work and occupational safety and health, among other things.

27 United Nations in Lebanon (2020).

Establish an unemployment insurance scheme/fund

In partnership with the ILO, the Government of Lebanon is working on establishing and piloting an unemployment insurance scheme, which, operated by the NSSF, would provide a monthly cash benefit to all insured members who have been laid-off during the scheme. In the longer-term, this fund should consider covering all workers, confronting different levels of unemployment risk, and be further combined with active labour market policies (ALMPs) to activate beneficiaries and increase their incentives for job-search, training and skills development.

Provide emergency support to small and medium sized enterprises

SMEs are a fundamental part of the economic fabric in Lebanon. However, their vital role is unfortunately under threat, as small businesses are being hit hardest by the COVID-19 crisis. Measures to maintain workers' incomes and prevent SMEs from collapsing are essential. Interventions should include i) suspension of debt, tax, rent and levies payments for SMEs that have been particularly affected by the crisis; and ii) allowing for rescheduling of payment of social security contributions (at least for the End of Service Indemnity component) for SMEs that are affected by the crisis, with no associated penalties. It is also critical to ensure that all forms of support offered to businesses target businesses affected by the crisis and are conditional on maintaining current employment levels and registration of all workers with the NSSF.

Recommendations for the medium to long term

Promote sustainable growth strategies, decent job creation and enterprise formalization through:

- **Encouraging and easing the formalization of businesses.** Governments must ensure that the process of registering companies and workers is streamlined to encourage individuals to enter and remain in the formal sector. This will require updating the company registration process, especially for MSMEs, through the use of e-government tools, transparent processes and requirements, and faster turnaround times. Providing incentives for informal businesses, in terms of access to markets, business development services and taxation, are also critical to encourage formalization. A one-time society-wide amnesty for companies and workers wishing to formalise their work contracts and/or activities could provide initial momentum for these efforts.

- **Improving labour law compliance through a public "Golden List".** One tool that can prove effective in increasing compliance to labour laws is the introduction of "Golden Lists" for employers who abide exceptionally by the labour law. The "Golden" status grants employers prerogatives such as tax credit, expedited official procedures, exemption from bank guarantees for public tenders, and so forth. That list can also be made public to incentivise other companies to pursue higher compliance levels and benefit from positive marketing.

- **Increasing access to financing through a National Financial Inclusion Strategy.** Access to finance is one of the major constraints for MSMEs. Therefore, if access to finance can be improved, it will boost the ability of MSMEs to create jobs and further promote the formalization of activities. A National Financial Inclusion Strategy (NFIS) is one of the best tools available in that regard. An NFIS can be built to target especially vulnerable groups such as women and refugees who are disproportionately affected by informality, through a focus on microfinance, digital financial services, financial literacy and the development of an appropriate credit rating system for MSME borrowers. In effect, an NFIS will help promote MSME growth while ensuring their activities are formalised at the early stages and will more likely remain so as the enterprises grow and develop.

‣ **Promoting rural economic development, including rural cooperatives.** The lack of employment opportunities in rural areas, where most of the vulnerable population resides, is a major contributor to the apparent persistence of vulnerability and poverty within those communities. Rural cooperatives, including in agriculture, tourism and handicrafts, among others, can provide an important way out of poverty for vulnerable populations. Targeted programmes must assist the formation of cooperatives, taking into consideration the economic potential of each area and, crucially, the skills and preferences of the people themselves. Promoting non-traditional agricultural production should also be considered to create formal, high value-added jobs in this sector.

‣ **Reviewing the overall macroeconomic policy framework and implementing effective sectoral policies.** The Lebanese economy has so far failed to provide sufficient employment opportunities for its residents, including for the most vulnerable groups. There is a significant pool of unemployed workers and an even greater pool of discouraged workers leaving the labour force or emigrating. Employment-centred macroeconomic and sectoral strategies are key to promoting labour demand in high-value added sectors and economic activities, both in rural and urban areas. Such strategies need to promote the creation of productive and formal jobs characterized by decent working conditions, and support structural transformation to shift away from low-skilled and informal activities towards high-value added jobs in the formal economy.

Strengthen legal frameworks and workers' protections through:

‣ **Reviewing and updating the minimum wage.** Minimum wage regulations are central to the success of formalization efforts. The recent devaluation of the Lebanese pound has caused a sharp decline in the purchasing power of the minimum wage, which is now insufficient to provide workers with even the most basic of necessities. An effort to update the minimum wage level, taking into account the needs of workers and their families, the cost of living, as well as other economic factors, is of the utmost urgency. This minimum wage should apply to all categories of workers, particularly those who are most at risk of unduly low pay. Identifying the adequate level of minimum wage also requires a tripartite agreement between the government, employers and workers, to ensure a balanced approach that takes into consideration the repercussions of such an adjustment for different stakeholders.

‣ **Reforming the labour law.** The current labour law has changed little since 1946. Elements of the law have since become obsolete, thus hindering both the effective transition from the informal to the formal economy, as well as efforts to promote decent employment for all workers in the country. Weak elements include those in relation to the coverage of all workers and equal pay for equal work, among others. Vulnerable populations are especially affected by regulatory weaknesses since their circumstances often do not allow them the luxury of refusing work when working conditions are poor. A review of the legal framework is required to guarantee fundamental principles and rights at work for all workers, including informal workers, and eliminate all forms of discrimination against migrant workers, women and people with disabilities, amongst others.

‣ **Developing a national social assistance system.** Emergency cash transfers should pave the way for the establishment of a national system of social assistance programmes. This system would comprise cash-based social grants to address life-cycle vulnerabilities (social pension, disability allowance and child benefits) in addition to anti-poverty social assistance schemes.[28]

‣ **Extending access to contributory social insurance, including health insurance, to vulnerable workers.** Informal economy workers, migrant workers and the self-employed lack adequate social protection coverage, including income security and access to health care. A strategic plan for the progressive extension of coverage of social insurance provisions should restore the original NSSF mandate to cover the entire population of Lebanon, including for risks faced during one's working life, such as unemployment, maternity and work injuries.[29]

28 ILO and UNICEF (2021).
29 ILO (2020b).

‣ **Setting the foundations for a rights-based social protection floor.** While emergency support is needed to protect certain groups of vulnerable workers and individuals, building a social protection floor to cover all workers in all types of employment should be prioritized.[30] According to the ILO, a two-dimensional strategy needs to be followed, whereby the progressive achievement of higher levels of protection should be sought through a comprehensive social security system, and social protection gaps are closed, both horizontally and vertically. A social protection strategy for Lebanon is currently being developed with UNICEF and ILO support, and should articulate key priorities for integrated and comprehensive social protection reforms in the country.[31]

‣ **Increasing workers' and employer's representation and promoting social dialogue.** Union affiliation among workers from vulnerable households remains low. Ensuring workers' and employers' involvement in the design and implementation of policies that impact them, including those related to the transition to the formal economy, is key, given their in-depth knowledge of their needs and priorities, as well as their ability to drive fair and inclusive growth. Extending membership and services of workers' and employers' organizations to workers and enterprises operating in the informal economy is also important and would contribute to the success of formalization and for guaranteeing decent work for all.

‣ **Enforcing labour inspection.** In tandem with efforts to support formalization and protect the rights of workers, especially vulnerable groups in the labour market, labour inspection and enforcement of the laws in place must be strengthened. Labour inspection authorities must be provided with sufficient financial and human resources to allow them to ensure that workers' rights are respected and that occupational safety and health standards are applied to all jobs. Promoting labour inspection interventions in sectors with a high prevalence of informality is particularly important for the inclusion of (eventually) all workers and enterprises.

Increase women's participation in the labour force through:

‣ **Providing entrepreneurship training and support for women.** The disproportionately low number of female employers is a result of longstanding cultural preferences and a myriad of obstacles that women face in the workplace and in society in general. This must be tackled not only as a means of promoting gender equality, but also to stimulate job creation within vulnerable communities. Targeted programmes must be put in place to provide women with the know-how and resources to start and run their own businesses.

‣ **Conducting sensitization and awareness-raising activities.** Gender roles and entrenched societal norms have long resulted in low levels of labour force participation and employment among women, especially those from disadvantaged groups. Organizing and raising awareness regarding the respective rights and duties of female workers and employers is key to ensuring improved employment and labour market outcomes for women. National campaigns to challenge gender stereotypes are also needed to promote a more positive and active role for women in the labour market and reduce employers' reluctance to hire and retain female workers. Overall, it should be clear to everyone that employment of women is good for women themselves, for employers and for society and the economy more broadly.

‣ **Ensuring women's access to maternity protection, in line with the ILO Maternity Protection Convention, 2000 (No. 183).** According to this Convention, women should have access to at least 14 weeks of maternity leave and should be provided with cash benefits during absence to be able to maintain themselves and their new-borns under decent health and living conditions. Establishing a public fund to provide maternity benefits is also recommended to reduce potential discrimination in the labour market as employers would no longer have to bear the full costs. The current maternity and sickness fund under the NSSF only covers medical care costs during pregnancy. Payment of wages during maternity is instead established as a direct responsibly

30 ILO and UNICEF (2021).
31 United Nations in Lebanon (2020).

of the employer, which leads to discrimination and risk of non-payment, as documented in this report. In this regard, Lebanese policy makers could learn from the experience of Jordan, which has successfully introduced a maternity insurance scheme based on collective risk pooling and financing.[32]

Reduce the share of youth not in employment, education or training through:

‣ **Providing support to increase youth enrolment in educational institutions.** Syrian refugee youth, in particular, need additional support to participate in alternative education and vocational training and skills development programmes. A distance learning strategy should be developed by the Ministry of Education and Higher Education, in coordination with other stakeholders, to ensure that all children can engage in distance learning, with access to the equipment and infrastructure required. Awareness-raising against child labour and child marriage is also key to encourage children's enrolment in education and reduce dropout rates.

‣ **Easing the school-to-work transition for youth through designing effective and well-targeted ALMPs.** These include entrepreneurship support, public works, wage subsidies, skills training initiatives and job-search assistance. Such programmes should, however, be carefully designed to target the most disadvantaged groups, particularly those with low skills and low educational qualifications, or those who have been particularly affected by the crises. This would ultimately boost their prospects of higher paid employment and reduce their risk of falling into long-term unemployment.

Promote inclusion of people with disabilities in the labour market through:

‣ **Enforcing non-discrimination and quota legislation.** In parallel with the recommended reform of the labour law and the related promotion of non-discrimination in the workplace, including against people with disabilities, and building upon the existing law 220/2000 on the Rights of Disabled Persons, implementation mechanisms must be identified to effectively enforce the application of such legislation and contribute to the promotion of employment of people with disabilities.

‣ **Sensitizing the public about disability issues and the right of people with disabilities to access decent and productive employment.** This includes raising awareness of the general public, including employers, on the benefits brought by the employment of people with disabilities. Campaigns should be used to challenge stereotypes and stigmas associated with disabilities, and encourage employers and enterprises to adopt accessible workplaces and promote inclusive working environments.

Address the issue of skills mismatches through:

‣ **Revamping the role of the NEO and developing a modern job-matching platform.** Labour market outcomes can be improved through supporting the NEO to fully assume its role of matching jobseekers with employers. Updating its technology to support a modern job-matching platform would allow private-sector employers to post job vacancies and jobseekers to apply for them. This would not only simplify job search activities, but also provide policymakers with real-time labour market information.

‣ **Updating TVET and formal education curricula.** Stakeholders have consistently shared their concerns regarding the quality of TVET and formal public education in Lebanon, noting that

32 ILO (2020c).

curricula are outdated and do not provide relevant skills for the current job market. A revamp of the TVET and formal education curricula, with the close involvement of the private sector, is necessary to modernize the skillsets taught to students in line with labour market needs. In parallel, education and training providers must adjust their systems and curricula not only to respond better to labour market needs in terms of technical skills, but also in terms of soft skills development.

‣ **Developing a strong career guidance system and promoting lifelong learning.** Many of the current labour market issues in relation to skills mismatches are driven by a lack of effective guidance and orientation for students, leading to an oversupply of certain skillsets and professional aspirations, while other fields remain unpopular, despite being in high demand by employers. Thus, a national framework for career orientation should be developed in collaboration with employers, schools, TVET institutes and universities, based on recent data about the skills and qualifications most demanded. Training systems, developed in close coordination with employers, should be available to support the re-skilling and up-skilling of individuals and closely align available skills with current and future labour market needs.

Build a strong and comprehensive labour market information system

Finally, the Government of Lebanon, through the CAS, should aim to collect data and produce regular and comprehensive statistics on labour market supply and demand. This is critical for evidence-based policy development, improved labour market analysis and planning and, more importantly, better targeting strategies capable of accurately identifying vulnerable people and their needs and priorities, and determining the nature and scope of intervention required to assist them. Timely and reliable disaggregated data and statistics by sex, age group, nationality and disability status, among others, are critical for the design, implementation, monitoring and evaluation of effective and well-targeted policies and programmes.

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Appendix I. Key definitions and statistical concepts

Extended labour force

The extended labour force is defined as the sum of the labour force plus the potential labour force.

Informal employment

Informal employment comprises:

- all employees where, in their main or secondary jobs, the employer does not pay a social security contribution on behalf of that person (if the information on social security contributions is not available or unknown, the classification relies on whether or not the person is entitled to paid annual leave (or compensation in lieu of it) and paid sick leave);
- contributing family workers; and
- own-account workers, employers or members of producers' cooperatives of informal sector enterprises.

Informal sector

The informal sector is a subset of unincorporated enterprises not constituted as separate legal entities independent of their owner.

Key measures of labour underutilization

Unemployment rate:

LU1 = [persons in unemployment / labour force] x 100

Combined rate of time-related underemployment and unemployment:

LU2 = [(persons in time-related underemployment + persons in unemployment) / labour force] x 100

Combined rate of unemployment and potential labour force:

LU3 = [(persons in unemployment + potential labour force) / (extended labour force)] x 100

Composite measure of labour underutilization:

LU4 = [(persons in time-related underemployment + persons in unemployment + potential labour force) / (extended labour force)] x 100

Labour force

The labour force is defined as the sum of persons in employment plus persons in unemployment.

Long-term unemployment rate

The long-term unemployment rate is equal to the proportion of persons unemployed for one year or longer to the size of the labour force.

Persons in employment

Persons in employment are defined as all those of working age (15+ years) who, during a short reference period, were engaged in any activity to produce goods or provide services for pay or profit. They comprise:

(a) employed persons "at work" (i.e. those who worked in a job for at least one hour);

(b) employed persons "not at work" because of temporary absence from a job or other working-time arrangements (e.g. shift work, flexitime or compensatory leave for overtime).

Persons in time-related underemployment

Persons in time-related underemployment are defined as all persons in employment who, during a short reference period, wanted to work additional hours, whose working time in all jobs was less than a specified hours threshold, and who were available to work additional hours given an opportunity for more work.

Persons in unemployment

Persons in unemployment are defined as all those of working age who were not in employment, but who carried out activities to seek employment during a specified recent period and were currently available to take up employment given a job opportunity.

Potential labour force

Potential labour force is defined as all persons of working age who, during the short reference period, were neither in employment nor in unemployment and:

(a) carried out activities to "seek employment", but were not "currently available" yet would become available within a short subsequent period (i.e. unavailable jobseekers); or

(b) did not carry out activities to "seek employment", but wanted employment and were "currently available" (i.e. available potential jobseekers).

Vulnerable households

Vulnerable households refer to households located in the 251 most vulnerable cadastres as identified by the 2015 United Nations inter-agency assessment, reported in the Lebanon Crisis Response Plan 2017–2020.

Appendix II. Overview of the pre-crisis labour market situation in Lebanon

Labour force and employment

In 2018–2019, the Labour Force and Household Living Conditions Survey (LFHLCS) showed that the Lebanese labour force amounted to 1,794,000 individuals, with the labour force participation rate registering 48.8 per cent. However, this figure is the average of 29.3 per cent of women (aged 15 and above) and 70.4 per cent of men who were in the labour force. Cultural norms which see a woman's primary role as responsible for domestic housework and raising children certainly contribute to the low labour force participation rates among women. However, younger women appear to be breaking with these norms. Some 53.0 per cent of women between the ages of 25 and 29 were active in the labour force compared with 26.3 per cent of women aged 50 to 54. Women with higher educational attainment levels were also much more likely to participate. In effect, 51.6 per cent of female university graduates were engaged in the labour force, compared with 21.1 per cent of women with only secondary education.

The weakness of the labour market in Lebanon has caused significant losses in terms of productivity. In effect, only 43.4 per cent of working age individuals were employed at the time of survey. This indicates that, even before the economic crisis, the Lebanese economy was incapable of creating the right quantity and quality of jobs that allow it fully utilize its human resources. Between mid-2017 and 2018–2019, Lebanon lost 28.6 per cent more jobs (87,200) than it created (67,800).

Rural areas have tended to be disproportionately affected as job availability exhibits a significant level of regional disparity. In peripheral areas such as Akkar and Nabatieh, the share of working age individuals employed stood at 34.8 per cent and 38.5 per cent, respectively. Meanwhile, urban centres (where economic activity is concentrated) such as Mount Lebanon and Beirut had higher-than-average employment levels, registering 47.3 per cent and 46.4 per cent, respectively.

Paid employment was the dominant form of employment in the country. Monthly paid employees comprised 59.4 per cent of total employment and employees paid on a daily, weekly, or productivity basis comprised just 11.3 per cent. Meanwhile, own-account workers and employers constituted 19.2 per cent and 9 per cent of the employed population, respectively.

The services sector was the largest employer in the country in 2018–2019, providing jobs for 75.9 per cent of the employed population, followed by the industrial sector with a 20.5 per cent share and agriculture with 3.6 per cent. Gender segregation was evident in that, despite representing 30.5 per cent of the employed population, women constituted 13.3 per cent of agricultural employment and 9.9 per cent of industrial employment. Meanwhile, women were overrepresented in the services sector where they held a 36.9 per cent share of employment. In effect, nine out of every ten employed women were employed in the services sector – a significant figure given the heavy impact that the crises have had on the services sector.

Employment was heavily concentrated in a few activities. The largest activity in terms of employment was wholesale and retail trade and motor vehicle repair (19.8 per cent), followed by manufacturing (10.9 per cent), public administration and defence (9.9 per cent), construction (8.9 per cent), and education (8.6 per cent).

With the eruption of COVID-19, six sectors were identified as high-risk, namely accommodation and food services, manufacturing, construction, wholesale and retail trade, real estate and business activities, and arts and entertainment. The 819,000 workers in those sectors in 2018–2019 faced increased risks of job loss, reduced wages and/or hours of work.[33]

Unemployment

Before the series of events that have unravelled since mid-2019, unemployment in Lebanon registered 11.4 per cent. While not especially high, the national average concealed significant inequalities in terms of access to decent employment for the most vulnerable segments of the labour force.

33 ILO (2020a).

Unemployment was higher among youth, registering 27.9 per cent and 21.9 per cent among those aged 15–19 and 20–24, respectively. Women were also more likely to be unemployed than men, with the female unemployment rate standing at 14.3 per cent compared with 10.0 per cent for men.

Notably, higher educational attainment levels were associated with higher unemployment rates – a clear sign of the systemic failure of the Lebanese economy to provide high-productivity high-skilled jobs for its increasingly educated labour force. Unemployment among those with a university degree or higher stood at 14.5 per cent compared with 8.7 per cent among those with an elementary education.

The LFHLCS also found that 56.5 per cent of the unemployed had been unemployed for more than a year, with women significantly more likely than men to be in long-term unemployment (63.1 per cent compared with 52.3 per cent, respectively). Among those unemployed, 25.4 per cent reported having been dismissed or made redundant, 19.3 per cent mentioned that their job was temporary and 17.2 per cent left their jobs because of inappropriate working conditions in terms of working hours and income levels.

The prevalence of long-term unemployment points to longstanding structural deficiencies in labour market dynamics rather than a temporary disequilibrium in supply/demand at the root of unemployment. These deficiencies include insufficient job creation, skills mismatches, unattractive working conditions/wages, and a lack of effective efforts to integrate youth and women into the labour market.

Since October 2019, Lebanon has witnessed massive changes in employment triggered by the financial and economic crises, the COVID-19 pandemic and the explosion at the Port of Beirut. People's lives have been severely affected, with thousands of additional workers left either unemployed or underemployed, or with reduced wages and/or working hours.

Youth

As of 2018–19, the youth unemployment rate stood at 23.3 per cent, much higher than that of adults aged 25 years and over (8.6 per cent). Such a large wedge between youth and older adult unemployment rates underscores the unique employment barriers faced by youth, above and beyond general labour market challenges. In effect, 48.9 per cent of youth had been seeking employment for more than 12 months. Such long spells of unemployment in the earlier stages of a person's career can negatively impact their employability in the future.

While youth unemployment is intrinsically structural, and linked to the overall economic situation, the alarmingly high figures are also the result of skills mismatches. According to the LFHLCS, 31.5 per cent of employed youth were engaged in occupations that required qualifications below their levels of education, while 21.3 per cent of them were engaged in occupations that required qualifications that exceeded their level of education. Youth are significantly more affected by the lack of high-skill jobs. Unemployment among youth with university degrees stood at 35.7 per cent compared with the national average for college graduates of 14.5 per cent.

Moreover, about 22 per cent of youth in Lebanon were not in employment, education or training, with an even higher rate among young women (26.8 per cent) than young men (16.7 per cent). Given the repercussions of the COVID-19 crisis on employment and education, youth inactivity and NEET rates are expected to rise in Lebanon,[34] potentially leading to greater risks of exclusion, both socially and from the labour market.

Working conditions and informality

Like many countries in the region, the challenge that Lebanon faces is not limited to creating a sufficient number of jobs; there is also an urgent need to improve the quality of jobs available. Poor and unsafe working conditions, low wages and informality are disconcerting features of the Lebanese labour market, particularly for the most disadvantaged groups.

34 ILO (2020a).

As of 2018–19, 54.9 per cent of employed persons were in informal employment, with 57.5 per cent of these lacking social security coverage from their employers. Informal employment was more prevalent among workers with lower educational attainment levels. The majority of informal workers had either an elementary education (26.6 per cent) or an intermediate education (26per cent). Most people working in elementary occupations (87.8 per cent), skilled agricultural, forestry and fishery work (85.7 per cent) and craft and related trades (77 per cent) held informal jobs. The largest proportions of informal employment were found in household activities (97.2 per cent), followed by agriculture, forestry and fishing (88.1 per cent), and construction (84 per cent).

Another indicator of the quality of employment is working time. Some 31.9 per cent worked between 40 and 49 hours a week. However, 29 per cent of those employed reported working for more than 60 hours, generally considered an excessive amount that threatens the mental and physical health of workers.

Low wages and earnings were also of concern, with the 2018–19 data showing that 21.8 per cent of total employment was in low-paid work. With the large devaluation of the currency since 2019, and the effect of the COVID-19 crisis on wages, these workers have been disproportionately affected and pushed further into extreme poverty and vulnerability. Working poverty is now a reality for a significant portion of the labour force.

Foreign workers

Lebanon has a large proportion of foreign workers in the agriculture and construction sectors, as well as in domestic work activities, where wages are low and working conditions are poor. Non-Lebanese citizens made up about 21.3 per cent of the total labour force, with a higher participation rate of 60.8 per cent, relative to Lebanese citizens, and a lower unemployment rate (8.7 per cent).[35] Foreign workers are largely involved in elementary occupations and tend to work longer hours than their Lebanese counterparts. Compared with Lebanese workers (27.8 per cent), foreign workers are also more likely to have informal jobs, and lack social security coverage, paid sick leave or paid annual leave (91.1 per cent).

Syrian refugees

Syrian workers have always been a part of the Lebanese labour market. Even before the 2011 outbreak of violence in Syria that pushed many to seek refuge in Lebanon, there were an estimated 300,000 Syrian workers in the country, mainly working in occupations and sectors where Lebanese labour supply was insufficient, such as construction and agriculture. The influx of refugees followed that pattern, increasing labour supply in those activities and then spilling over into other sectors to compete with Lebanese workers, especially for jobs requiring low skill levels.

As of the end of 2020, some 865,500 Syrians were registered with UNHCR, and the Lebanese government estimates around 1.5 million Syrian refugees reside in the country.[36] According to UNHCR estimates, 89 per cent of Syrian refugee families in Lebanon live in extreme poverty. While registered refugees do receive financial assistance, the level remains insufficient for the purchase of basic goods, especially given the high levels of inflation.

The large majority of Syrians work informally. According to a rapid assessment,[37] only 2 per cent of Syrian respondents reported having social security, and 95 per cent of those employed reported a lack of valid work permits, suggesting that the majority of them work in the informal economy and are subject to poor working conditions. In fact, refugees registered with UNHCR are often wary of working formally for fear it would invalidate their refugee status. Even for those who are not registered as refugees but consider obtaining a legal work permit, the complexity of the procedures and the associated costs often deter them from doing so. In fact, Syrian refugees who are not duly registered with the UNHCR are required to have a Lebanese kafeel (sponsor) to obtain legal residency in the country, in addition to paying an annual renewal fee of US$200 – a steep amount for a community severely impacted by poverty.

This widespread informality leaves Syrian workers exposed to unilateral termination of employment and reductions in wages or working hours – measures that are otherwise either heavily regulated or prohibited under the current labour law. The 2020 rapid assessment indicated that the COVID-19

35 ILO and CAS (2019)
36 UNHCR Global Focus: Lebanon, 2021.
37 ILO (2020d).

crisis has significantly increased the vulnerability of Syrian refugees, with 60 per cent of them being permanently laid off and another 31 per cent temporarily laid off.

Palestinian labour force

The United Nations Relief and Works Agency (UNRWA) is the United Nations agency in charge of providing assistance and protection to Palestinian refugees and providing them with services such as education, healthcare and financial assistance. As of 2019, UNRWA had registered 475,075 Palestinian refugees residing in the 12 refugee camps in Lebanon. A 2017 census of Palestinian refugees put the number of Palestinian refugees at 183,255, including 17,706 Palestinian refugees from Syria.[38]

While the legal framework governing Palestinian refugees is somewhat more developed than laws pertaining to other migrant workers, they still suffer from a considerable disadvantage in terms of access to labour. Even before the recent crises, the Palestinian labour force participation rate stood at 43.8 per cent. A mere 16.4 per cent of women were actively engaged in the labour force compared with 71.5 per cent of men.

Unemployment is widespread among Palestinian refugees, standing at 19.4 per cent in 2017. Despite their low involvement in the labour force, women were still disproportionately affected by unemployment with 27.3 per cent of economically active women unable to find work compared with 17.5 per cent of their male counterparts. This indicates a severe lack of employment opportunities for women. Youth were also significantly affected by high unemployment rates with 45.3 per cent of those aged 15–19 and 36.4 per cent of those aged 20–24 being unemployed.

Even employed Palestinians are in an extremely vulnerable position. In effect, informal work is widespread as 93.5 per cent of Palestinian workers do not hold the necessary work permits. This leaves almost all Palestinian workers vulnerable to low wages, unsafe working conditions and without access to social security. A 2012 study estimated that 75 per cent of Palestinian workers earned less than the minimum wage.[39]

It is clear that Palestinian refugee communities were ill-equipped to face the recent crises that have engulfed Lebanon. Their access to job opportunities remains severely deficient, leaving them extremely dependent on international organizations for survival, even as those same organizations struggle with funding shortfalls.[40] In addition, around 60 per cent of workers were employed in the six most high-risk sectors, which suffered the greatest number of job losses during the crisis. According to UNRWA, unemployment among Palestinian refugees has increased while the agency is unable to assist further because of the lack of funding in and outside of Lebanon.[41]

Only 62,000 Palestinian refugees identified as “extremely vulnerable” receive regular, but very limited, financial assistance from UNRWA. The 30,000 Palestinian refugees from Syria also benefit from financial aid, with households initially receiving monthly payments of LBP150,000 in addition to LBP40,000 per individual for food. These amounts were adjusted following the currency devaluation, and households now receive LBP320,000 as general aid, in addition to LBP81,000 per individual for food.[42] In summary, however, Palestinian refugees in Lebanon face dire economic and livelihood conditions and international assistance remains inadequate.

38 ILO (2020a).
39 ILO and CEP (2012b).
40 UNRWA (2020).
41 Sewell and Chehayeb (2020).
42 Sewell and Chehayeb (2020).

Appendix III. Sampled clusters

The 251 geographical clusters identified included the following cadastres (by governorate):

Akkar:

Aamayer, Mazarea Jabal Akroum, Mhammara, Tikrit, Aakkar El-Aatiqa, Minyara, Aandqet, Bebnine, Berqayel, Biret Aakkar, Cheikh Taba, Chir Hmairine, Dayret Nahr El-Kabir, Deir Dalloum, Fnaydek, Halba, Hrar, Jdeidet El-Qaitaa, Khirbet Daoud Aakkar, Khreibet Ej-Jindi, Kouachra, Machha, Machta Hammoud, Mazraat En-Nahriye, Michmich Aakkar, Ouadi El-Jamous, Qbaiyat Aakkar, Qleiaat Aakkar, Qobbet Chamra, Rahbe, Tall Aabbas El-Gharbi, Tall Meaayan, Tall Kiri.

North:

Batroun, Chikka, Kfar Aabida, Amioun, Dedde, Kousba, Enfe, Ras Masqa, Aassoun, Bakhaaoun, Beddaoui, Bqaa Sefrine, Deir Aammar, Izal, Kfar Habou, Minie, Sir Ed-Danniye, Zouq Bhannine, Mina Jardin, Mina N2, Mina N3, Qalamoun, Trablous El-Qobbe, Trablous et Tabbaneh, Trablous Et-Tell, Trablous Ez-Zahrieh, Trablous Ez-Zeitoun, Trablous jardins, Mejdlaiya Zgharta, Miriata, Miziara, Zgharta, Trablous El-Haddadine, El-Hadid, El-Mharta.

Bekaa:

Dahr El-Ahmar, Khirbet Rouha, Rachaiya, Rafid Rachaiya, Sohmor, Ghazze, Haouch El-Harime, Joubb Jannine, Kamed El-Laouz, Kherbet Qanafar, Lala, Machghara, Manara (Hammara) BG, Mansoura BG, Marj BG, Qaraaoun, Souairi, Zahle Maallaqa Aradi, Raait, Aali En-Nahri, Aanjar (Haouch Moussa), Ablah, Chtaura, Barr Elias, Dalhamiyet Zahle, Fourzol, Jdita, Kfarzabad, Majdel Aanjar, Makse, Qabb Elias, Riyaq, Saadnayel, Taalbaya, Taanayel, Terbol Zahle, Zahle Aradi, Zahle El-Maallaqa, Zahle El-Midane.

Baalbek- El Hermel:

Fekehe, Iaat, Qaa Baalbek, Aain Baalbek, Aarsal, Baalbek, Bednayel Baalbak, Bouday, Brital, Chaat, Chmistar, Deir El-Ahmar, Douris, Hadath Baalbek, Haouch Er-Rafqa, Laboue, Nabi Chit, Qsarnaba, Ras Baalbek Es-Sahel, Serraaine Et-Tahta, Talia, Taraiya, Temnine El-Faouqa, Temnine Et-Tahta, Youmine, Hermel.

Beirut:

Msaitbe fonciere, Ras Beyrouth fonciere, Achrafieh fonciere, Bachoura fonciere, Mazraa fonciere, Zqaq el-Blat fonciere.

Mount Lebanon:

Aaley, Aaramoun Aaley, Bayssour Aaley, Bchamoun, Choueifat El-Aamrousiye, Choueifat El-Quoubbe, Baabda, Bourj El-Brajneh, Chiyah, Furn Ech-Chebbak, Hadath Beyrouth, Hammana, Haret Hreik, Kfar Chima, Laylake, Tahouitat El Ghadir, Rmeilet Ech-Chouf, Baaqline, Barja, Chhim, Damour, Daraiya Ech-Chouf, Jdeidet Ech-Chouf, Jiye, Ketermaya, Kfar Nabrakh, mazboud, Naame, Sibline, Antelias, Baouchriye, Bourj Hammoud, Dekouane, Fanar, Jal Ed-Dib, Jdaidet El-Matn, Mansouriyet El-Matn, Sinn El-Fil, Zalqa, Zouk El-Kharab, Aamchit, Jbayl, Jounie Ghadir, Jounie Sarba, Zouk Mkayel, Zouk Mousbeh.

South:

Roum, Jezzine, Insariye, Aabra Saida, Aadloun, Aanqoun, Babliye, Bissariye, Darb Es-Sim, Ghaziye, Haret Saida, Hlaliye Saida, Khayayeb Saida, Maghdouche, Miye ou Miye, Qraiyet Saida, Saida El-Oustani, Saida El-Qadimeh, Saksakiye, Sarafand, Zrariye, Sour, Srifa, Aabbassiyet Sour, Aain Baal, Aaytit, Barich, Bazouriye, Bedias, Borj Ech-Chemali, Chehabiye, Deir Qanoun El-Aain, Jouaiya, Maarake, Qana, Qlaile Sour, Sadiqine, Tayr Debbe, Tayr Falsay.

El-Nabatieh:

Aaintaroun, Aaynata Bent Jbayl, Bent Jbayl, Chaqra, Haris, Rmaich, Tibnine, Aarab Salim, Ansar, Deir Ez-Zahrani, Douair En-Nabatiyeh, Habbouch En-Nabatiyeh, Harouf En-Nabatiyeh, Jibchit, Kfar Roummane, Kfar Sir, Kfar Tibnit, Nabatieh Et-Tahta, Nabatiyeh El-Faouka, Qsaibet En-Nabatiyeh, Zefta, Zibdine En-Nabatiyeh, Chebaa, Hasbaiya, Hebbariye, Marjaayoun, Kfar Kila, Khiyam Marjaayoun, Majdel Selm, Meiss Ej-Jabal.

Appendix IV. Labour market and informality profiles by nationality

Lebanese

Table A1. Key labour market indicators by sex and age (%)

	Total (15+)			Youth (15–24)			Adults (25+)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Labour force participation rate	59.9	20.1	40.4	40.4	19.2	30.2	66.1	20.4	43.6
Employment-to-population ratio	48.4	13.7	31.4	23.1	7.9	15.8	56.5	15.4	36.3
LU1: Unemployment rate	19.2	32.0	22.3	42.8	58.6	47.6	14.6	24.4	16.8
LU2: Combined rate of time-related underemployment and unemployment	20.9	34.2	24.1	44.1	60.2	49.0	16.3	26.8	18.7
LU3: Combined rate of unemployment and potential labour force	27.9	49.7	34.0	55.2	75.0	62.3	21.7	40.2	26.4
LU4: Aggregate measure of labour underutilization	29.4	51.3	35.6	56.2	75.9	63.3	23.3	42.1	28.1
Long-term unemployment rate	7.0	12.1	8.3	13.5	18.8	15.1	5.8	10.2	6.8
Youth NEET rates				45.2	57.1	50.9			
Informal employment	64.3	64.4	64.3	79.9	76.4	79.0	62.2	62.6	62.3
Informal employment in non-agriculture	62.4	63.8	62.8	79.9	75.0	78.7	60.0	62.1	60.5

Table A2. Selected indicators of working conditions by sex

	Male	Female	Total
Average hourly income (LBP)	7 526	5 486	6 929
Average weekly working hours (Actually worked)	50.1	44.5	48.9
Average weekly working hours (Usually worked)	50.2	46.0	49.3
Percentage of workers holding multiple jobs	18.5	12.8	17.3
Percentage of eligible workers:			
With oral or written contract	67.0	72.8	68.7
With access to paid annual leave	47.2	47.2	47.2
With access to paid sick leave	51.0	50.2	50.8
With access to maternity leave		41.1	
Contributing to social security	48.2	44.2	47.0
Percentage of employed individuals with trade union affiliation	3.6	7.9	4.5

Syrian refugees

▶Table A3. Key labour market indicators by sex and age (%)

	Total (15+)			Youth (15–24)			Adults (25+)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Labour force participation rate	69.1	11.8	42.3	62.9	10.3	36.4	71.8	12.7	45.1
Employment-to-population ratio	42.0	6.4	25.3	33.8	5.1	19.4	45.5	7.1	28.2
LU1: Unemployment rate	39.3	45.9	40.1	46.2	50.6	46.8	36.6	43.8	37.5
LU2: Combined rate of time-related underemployment and unemployment	42.3	50.3	43.4	49.0	56.2	50.0	39.8	47.8	40.8
LU3: Combined rate of unemployment and potential labour force	44.6	62.5	47.6	52.9	68.8	55.8	41.3	59.3	44.1
LU4: Aggregate measure of labour underutilization	47.4	65.6	50.4	55.3	72.3	58.5	44.2	62.1	47.0
Long-term unemployment rate	10.6	15.1	11.1	10.2	16.9	11.2	10.7	14.3	11.1
Youth NEET rates				57.6	86.0	71.9			
Informal employment	95.0	94.9	95.0	98.6	97.7	98.5	93.8	93.9	93.8
Informal employment in non-agriculture	94.6	92.9	94.4	98.4	96.8	98.3	93.3	91.4	93.1

▶Table A4. Selected indicators of working conditions by sex

	Male	Female	Total
Average hourly income (LBP)	6 304	2 233	5 900
Average weekly working hours (Actually worked)	46.3	40.2	45.5
Average weekly working hours (Usually worked)	48.2	47.5	48.1
Percentage of workers holding multiple jobs	13.3	8.2	12.7
Percentage of eligible workers:			
With oral or written contract	31.9	42.3	32.9
With access to paid annual leave	6.4	7.7	6.6
With access to paid sick leave	10.6	14.4	11.0
With access to maternity leave		8.1	
Contributing to social security	4.1	6.7	4.4
Percentage of employed individuals with trade union affiliation	0.2	0.6	0.2

Palestinian refugees

▶Table A5. Key labour market indicators by sex and age (%)

	Total (15+)			Youth (15–24)			Adults (25+)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Labour force participation rate	45.1	8.2	27.5	39.4	9.3	25.9	47.7	7.8	28.2
Employment-to-population ratio	17.8	4.4	11.4	12.7	2.6	8.2	20.1	5.1	12.8
LU1: Unemployment rate	60.5	46.4	58.5	67.7	72.2	68.5	57.8	34.2	54.6
LU2: Combined rate of time-related underemployment and unemployment	62.0	48.2	60.1	68.8	77.8	70.3	59.4	34.2	56.0
LU3: Combined rate of unemployment and potential labour force	75.9	76.9	76.1	81.8	90.7	84.0	73.3	67.1	72.3
LU4: Aggregate measure of labour underutilization	76.8	77.7	76.9	82.4	92.6	84.9	74.4	67.1	73.2
Long-term unemployment rate	24.3	33.9	25.7	29.0	44.4	31.5	22.5	28.9	23.4
Youth NEET rates				61.4	63.2	62.2			
Informal employment	93.2	96.7	93.9	100.0	100.0	100.0	91.3	96.0	92.2
Informal employment in non-agriculture	93.2	96.7	93.8	100.0	100.0	100.0	91.2	96.0	92.1

▶Table A6. Selected indicators of working conditions by sex

	Male	Female	Total
Average hourly income (LBP)	7 052	3 129	6 068
Average weekly working hours (Actually worked)	47.4	45.2	47
Average weekly working hours (Usually worked)	47.5	45	47
Percentage of workers holding multiple jobs	21.1	6.7	18.4
Percentage of eligible workers:			
With oral or written contract	19.7	37.5	24.0
With access to paid annual leave	19.7	12.5	18.0
With access to paid sick leave	19.7	25.0	21.0
With access to maternity leave		8.0	
Contributing to social security	5.3	4.2	5.0
Percentage of employed individuals with trade union affiliation	1.5	0.0	1.2

Total sampled population

▶Table A7. Key labour market indicators by sex and age (%)

	Total (15+)			Youth (15–24)			Adults (25+)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Labour force participation rate	62.1	15.5	39.7	50.7	13.7	32.7	66.5	16.2	42.5
Employment-to-population ratio	42.2	9.7	26.6	26.8	5.9	16.6	48.2	11.2	30.6
LU1: Unemployment rate	32.0	37.2	33.0	47.2	56.7	49.1	27.5	30.5	28.1
LU2: Combined rate of time-related underemployment and unemployment	34.3	40.0	35.4	49.4	60.0	51.5	29.9	33.2	30.5
LU3: Combined rate of unemployment and potential labour force	41.0	56.3	44.4	57.7	74.9	62.2	35.5	48.0	38.1
LU4: Aggregate measure of labour underutilization	43.0	58.3	46.4	59.4	76.9	64.0	37.6	50.1	40.2
Long-term unemployment rate	10.1	14.3	10.9	13.2	20.0	14.6	9.2	12.4	9.8
Youth NEET rates				53.0	72.1	62.3			
Informal employment	78.5	74.2	77.8	92.1	86.5	91.1	75.6	71.6	74.9
Informal employment in non-agriculture	77.0	71.7	76.1	91.7	84.1	90.4	73.9	69.2	73.0

▶Table A8. Selected indicators of working conditions by sex

	Male	Female	Total
Average hourly income (LBP)	6 823	4 505	6 373
Average weekly working hours (Actually worked)	48.4	43.4	47.5
Average weekly working hours (Usually worked)	49.3	46.3	48.7
Percentage of workers holding multiple jobs	16.4	11.3	15.5
Percentage of eligible workers:			
With oral or written contract	44.9	62.6	48.4
With access to paid annual leave	22.9	34.6	25.1
With access to paid sick leave	26.7	39.2	29.1
With access to maternity leave		30.2	
Contributing to social security	21.2	31.8	23.3
Percentage of employed individuals with trade union affiliation	2.1	5.6	2.7