International Labour Organization

Lebanon's labour market in crisis: Assessing the impacts of renewed conflict and regional instability

A focus on private sector workers

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Executive summary

Lebanon's ongoing crisis has had devastating consequences for communities across the country, claiming lives, displacing more than 1 million people, eroding social cohesion and severely disrupting employment, income stability and job quality, with far-reaching effects on workers' livelihoods and the functioning of the labour market. These impacts have unfolded against a backdrop of multiple and successive shocks that have progressively weakened the country's economic and social fabric. Since the financial and economic crisis of 2019, workers and enterprises have had to navigate a series of compounding crises, including the COVID-19 pandemic, the Beirut Port explosion in 2020, the 2024 conflict and its aftermath and the continuing effects of regional instability. As a result, the labour market entered the current period of conflict already burdened by deep structural weaknesses and heightened vulnerability.

This report presents findings from a survey of private sector workers conducted in May 2026, in partnership with the General Confederation of Lebanese Workers (CGTL) and the National Federation of Workers and Employees Trade Unions in Lebanon (FENASOL), providing evidence on the impacts of the current crisis on employment, earnings and working conditions. It also examines the coping strategies adopted by workers and their priorities for recovery and support, with the aim of informing policy responses to protect workers and support labour market recovery during a period of acute economic and social distress.

Since the survey was conducted, displacement patterns have remained highly volatile, and further escalations in the conflict, namely in South Lebanon and Nabatieh, have likely led to additional displacement from these governorates and intensified the challenges faced by affected workers and their households. Although a new ceasefire agreement was reached on 19 June 2026, it has remained fragile. Many families from South Lebanon and Nabatieh governorates also remain unable to return to their villages as Israeli forces maintain positions in parts of these governorates, restricting civilian access to areas designated by Israel as a buffer (or security) zone.

Main survey findings

The present survey covered 2,485 private sector workers who were employed prior to the conflict resumption in Lebanon in March 2026. It targeted both employees and self-employed individuals. Women accounted for 30.1 per cent of the sample, while persons with disabilities represented 3.1 per cent.

Lebanese workers represented 71.9 per cent of the sample, Syrian refugees accounted for 20.1 per cent, Palestinians for 3.9 per cent and workers of other nationalities for 4.1 per cent. The latter group consisted predominantly of migrant domestic workers.

Among employees, 66.5 per cent held informal jobs, 60.6 per cent among women and 69.9 per cent among men.

By capturing experiences across different regions, sectors and population groups, the survey provides valuable insights into how the crisis has reverberated throughout the Lebanese economy and labour market, affecting not only areas directly impacted by airstrikes and artillery shelling, but also workers across the country.

Widespread displacement reshaped household structures and livelihoods

The conflict resulted in widespread displacement among workers. 37.4 per cent of surveyed respondents reported being displaced at the time of the survey, while an additional 14.2 per cent had been displaced during the conflict but had subsequently returned home.

Respondents from conflict-affected governorates were considerably more likely to experience displacement. Nearly all respondents from Nabatieh (97.6 per cent) reported being displaced at the time of the survey, compared with 57.6 per cent among those from South Lebanon. Displacement was also substantial in Mount Lebanon, where one-third of respondents (33.6 per cent) reported being displaced.

The average household size rose from 4.9 to 6.2 persons as many displaced families moved in with relatives or shared accommodation. At the same time, the average number of working household members declined from a pre-conflict level of 2.0 to 1.6 after its onset.

Job losses were widespread but unevenly distributed

The conflict triggered substantial employment losses across the Lebanese private sector. At the time of the survey, 33.0 per cent of the sampled workers were no longer working, including 28.2 per cent who were unemployed and 4.7 per cent who had exited the labour force.

Displacement emerged as a major driver of job loss. More than two-thirds of workers who remained displaced were out of work.

Job losses were particularly severe in conflict-affected governorates, reaching 76.5 per cent among residents of Nabatieh and 43.2 per cent among residents of South Lebanon. The effects of the conflict, however, extended far beyond the areas directly affected by hostilities. Respondents from Akkar and North Lebanon also experienced declines in employment, with job losses affecting 13.7 per cent and 9.1 per cent of workers, respectively, reflecting the broader economic repercussions of the crisis, including weakened demand, reduced economic activity, inflationary pressures and wider market disruptions.

Job losses were unevenly distributed across sectors. Among surveyed workers, the highest rates of job loss were observed in real estate, arts and entertainment (60.0 per cent), domestic work (51.7 per cent), administrative, support and other services (44.5 per cent), and accommodation and food services (42.6 per cent). In contrast, workers in IT, financial and professional services and in electricity and water supply appear to have been relatively less affected, reporting the lowest levels of job destruction.

The crisis has disproportionately affected already vulnerable groups. Higher rates of joblessness were observed among persons with disabilities (71.4 per cent), women (44.3 per cent), youth aged 15–24 (42.4 per cent), Syrian refugees (39.4 per cent) and employees with informal jobs (37.7 per cent). Individuals with lower levels of education, those without written contracts and those working for smaller enterprises were also at a greater disadvantage compared to their respective counterparts.

Weak labour demand and displacement continue to hinder re-employment

The scarcity of employment opportunities emerged as the primary obstacle to re-employment. 68.1 per cent of unemployed workers reported being unable to find suitable jobs, a challenge that was particularly acute among Syrian workers, 86.1 per cent of whom cited the lack of adequate employment opportunities as a barrier to returning to work.

Displacement and insecurity also impeded workers' return to employment. 43.2 per cent of unemployed workers cited displacement or relocation as a barrier to employment, while 16.2 per cent reported security concerns.

For those who had exited the labour force, displacement was the most frequently reported barrier, cited by 55.1 per cent of inactive workers. A further 44.1 per cent reported remaining out of the labour force as they wait to be recalled by a previous employer.

Women faced additional barriers to labour force re-entry. Among inactive workers, 27.3 per cent of women cited household and family responsibilities as a reason for remaining out of the labour force, compared with 1.6 per cent of men. Unlike men, women also identified financial constraints, such as the inability to afford transport or other work-related expenses, as a key barrier to labour force re-entry.

Job change was limited and often came at the cost of lower earnings and poorer job quality

Among all respondents, 57.4 per cent remained in the same job and governorate, 4.8 per cent retained their jobs but relocated to another governorate and 4.8 per cent changed jobs altogether.

Persons with disabilities faced the most severe labour market exclusion. Among surveyed workers with disabilities, none was able to secure new employment by the time of the interview.

Re-employment often came at the expense of both earnings and job quality, reflecting, at least partly, weakened bargaining power in a highly constrained labour market characterized by a growing pool of job seekers and limited employment opportunities. Workers who secured new jobs earned, on average, 30.7 per cent less than in their previous employment. At the same time, only 5.9 per cent transitioned into formal employment, while the majority (61.3 per cent) entered informal jobs. The remaining 32.8 per cent were self-employed.

None of the workers who had been in informal employment prior to the conflict succeeded in obtaining a formal job after changing employment, pointing to the persistence of an informality trap whereby workers face significant barriers to transitioning into formal employment once they enter the informal economy.

Men were more likely than women to change jobs but often entered more precarious employment. Job change rates were 5.2 per cent among surveyed men compared to 3.9 per cent among women. However, among those who changed jobs, only 2.2 per cent of men secured formal employment, compared with 17.2 per cent of women. This pattern may reflect, at least partly, the greater economic and social pressure on men to remain employed and generate income, even if this requires accepting low-quality or informal jobs.

Labour market deterioration extended beyond job losses

The conflict generated a massive income shock. Average labour income among those who remained in employment fell by 14.8 per cent. Most workers perceived these income adjustments as unfair, with 72.8 per cent of those who experienced a change in earnings reporting that it was disproportionate to changes in their working time.

Average earnings declined more sharply among men (-15.5 per cent) than women (-12.4 per cent). The reduction was even more pronounced among workers with disabilities: among those who remained employed, average earnings fell by 29.2 per cent, almost twice the decline recorded among workers without disabilities (14.7 per cent).

Workers of other nationalities, the majority of whom are migrant domestic workers, experienced the sharpest decline in earnings among all nationality groups. Given their concentration in low-paid employment and their often-limited access to labour protection, these income losses are likely to have significant repercussions for their livelihoods and for the families in their countries of origin who rely on their support.

Overall, while declines in labour income among those who remained employed are particularly concerning, the average labour income is estimated to have fallen by 40.4 per cent once the complete loss of earnings among workers who lost their jobs is also taken into account. This highlights the magnitude of the income shock generated by the conflict and points to severe repercussions for workers, their households and the broader economy.

Beyond income reductions, many workers who remained employed worked less. 28.3 per cent of workers reported fewer working days and 27.5 per cent reported reduced daily working hours.

Job stability concerns were widespread. Only 7.4 per cent of employed respondents reported being very confident about the stability of their jobs while 33.5 per cent were not confident at all. Confidence levels were particularly low among non-Lebanese workers.

Limited public support forced households to rely on their own resources

Households primarily relied on savings and informal support networks to cope with income losses. Drawing on savings was the most common coping mechanism across all groups, while formal borrowing played almost no role, with fewer than 1 per cent of respondents reporting access to loans from formal or informal financial institutions. Instead, workers relied heavily on support from family, friends and community networks.

More than 40 per cent of Lebanese, Syrian and Palestinian workers reported delaying the repayment of loans or household bills, highlighting growing financial strain and the risk of increased indebtedness over time.

Government support reached very few workers. Only 4.0 per cent of Lebanese workers reported receiving government financial assistance, compared with 0.4 per cent of Syrian workers, while no respondents from other nationality groups reported benefiting from such support.

Compared with other groups, Syrian refugees relied more heavily on humanitarian assistance, with 15.6 per cent reporting receiving financial support from NGOs or other organizations.

Reducing household expenditure was also a widespread coping strategy, particularly through reduced food consumption. Around one-third of Syrian workers (33.4 per cent) reported reducing food expenditure, alongside 27.8 per cent of Lebanese workers and 27.1 per cent of Palestinian workers, pointing to significant pressures on household welfare, living standards, health and food security.

Employer support is important but remains limited and closely linked to enterprise capacity

Employer support reached 10.8 per cent of surveyed employees. Lebanese workers were the most likely to receive assistance (12.7 per cent), followed by Syrian workers (9.4 per cent). Support was much less common among Palestinian workers (4.5 per cent) and workers of other nationalities (1.4 per cent).

Workers in larger enterprises were substantially more likely to receive support. More than one-quarter (27.9 per cent) of workers employed in establishments with 50 or more workers reported receiving assistance, compared with only 6.3 per cent of those working in establishments with five workers or fewer.

Employer assistance focused primarily on meeting immediate humanitarian and financial needs. Among workers who received support, 39.8 per cent received temporary lodging or shelter and 35.2 per cent received financial assistance or allowances.

Overall, while employers can play a critical role in supporting recovery, comprehensive social protection systems are essential to prevent employers from bearing a disproportionate share of the burden, particularly during times of crisis.

Significant recovery gaps persist amid ongoing labour market challenges

Recovery needs remain substantial amid persistent labour market challenges. Only 9.9 per cent of respondents reported not requiring any form of support, including 10.5 per cent of men and 8.3 per cent of women.

Employment and income recovery were the most urgent priorities. Nearly half of all respondents (45.5 per cent) identified assistance in finding stable employment as their primary need, while 37.7 per cent reported needing support to secure higher or more regular earnings.

Many workers require support to rebuild livelihoods and economic activities. 18.8 per cent of respondents reported needing financial assistance to start or sustain a small business. Around one in ten cited a need for information about job opportunities (11.1 per cent), improved working conditions (9.9 per cent) or access to tools and equipment for work (9.9 per cent).

Support needs differed across nationality groups. While the need for stable employment was consistently high across all groups (45-48 per cent), Palestinian workers reported the highest demand for financial assistance to establish or sustain small businesses (31.3 per cent), suggesting a stronger reliance on self-employment as a pathway to recovery. Syrian workers were comparatively less likely to prioritize training (3.8 per cent), improved working conditions (4.8 per cent), business support (6.0 per cent) or access to work equipment (1.2 per cent).

Migrant workers faced distinct legal and protection challenges. Workers of other nationalities reported the highest demand for legal support (12.7 per cent), reflecting the contractual, legal and protection-related barriers commonly faced by migrant domestic workers specifically.

Policy recommendations

A complete cessation of conflict remains the most critical prerequisite for recovery, creating the conditions necessary for the resumption of economic activity, the return of all displaced populations to their areas of origin, the reopening of businesses, the restoration of infrastructure and public services and the mobilization of investment needed to rebuild livelihoods and support economic recovery.

While both immediate emergency interventions and longer-term structural reforms are required to support a sustained recovery and build forward better, several cross-cutting principles should underpin all policy responses. Recovery efforts should:

- be rights-based and centred on the promotion of decent work;
- ensure the inclusion of all workers - particularly those in the most vulnerable situations; and
- be designed and implemented through effective tripartite social dialogue and the active participation of relevant labour market actors.

These principles are essential to ensuring that labour market recovery is both equitable and sustainable.

Importantly, the support of the international community, together with regional and development partners, will be essential to advancing Lebanon's recovery and reform agenda.

In the short term, priorities include:

- Applying a Humanitarian-Development-Peace Nexus (HDPN) approach that combines immediate humanitarian and labour market interventions with longer-term investments in employment creation, institutional strengthening and resilience-building to support sustainable recovery.

Within this HDPN approach, efforts should further emphasize:

- Investing in employment-intensive infrastructure and recovery programmes (EIIP) to promote immediate and decent job creation, including in the care economy.
- Supporting employment retention through targeted wage subsidy schemes, particularly in sectors severely affected by the conflict and those critical to food security and the delivery of essential services.
- Providing targeted emergency support to women, people with disability, self-employed individuals and micro, small and medium-sized enterprises (MSMEs), including sector-specific assistance where needed.
- Expanding access to social protection, particularly for vulnerable groups and the "missing middle**"** and enhancing the shock-responsiveness of contributory schemes**.**
- Developing public programmes that facilitate the transition from social assistance towards economic inclusion and decent work.
- Introducing measures to prevent migrant domestic workers from falling into irregular status and ensuring their access to legal assistance and support services.
- Strengthening labour market governance and institutions, including building the capacity of the Ministry of Labour and other public institutions responsible for employment; enhancing labour inspection and compliance mechanisms and fostering inter-institutional coordination.

In the medium term, efforts should focus on:

- Strengthening labour market information systems and data collection to support evidence-based policymaking, monitoring and evaluation.
- Promoting decent job creation through Local Economic Development (LED) approaches that build on local economic opportunities and support enterprise recovery.
- Activating the National Employment Office (NEO), including through the appointment of its board of directors, and strengthening its capacity to deliver effective employment services and active labour market policies aimed at facilitating job matching and supporting labour market reintegration.
- Investing in skills development, reskilling and vocational training aligned with current and emerging labour market needs.
- Strengthening wage-setting mechanisms and minimum wage policies to protect workers' purchasing power and support inclusive growth.
- Supporting a gradual transition from the informal to the formal economy through a combination of improved incentives, strengthened enforcement measures, business development support and expanded access to social protection, with particular attention to workers in highly informal sectors and occupations.
- Enhancing the comprehensiveness of the social protection system by building rights-based unemployment protection schemes.
- Improving work permit administration and labour market registration systems to facilitate access to formal employment, particularly for Syrian refugees, to support labour market recovery and strengthen oversight of employment conditions in highly informal sectors.

In the longer term, priorities should increasingly shift toward:

- Developing and implementing a comprehensive and inclusive National Employment Policy aligned with broader economic recovery and development objectives.
- Promoting economic diversification and structural transformation towards higher-productivity sectors, including the digital economy, renewable energy and green jobs.
- Investing in the care economy and promoting a better sharing of unpaid care responsibilities by women and men.
- Investing in education, TVET systems, lifelong learning and skills anticipation systems to prepare workers for future labour market opportunities.
- Advancing macroeconomic, financial and fiscal reforms that support productive investment, enterprise development, job creation and social protection.

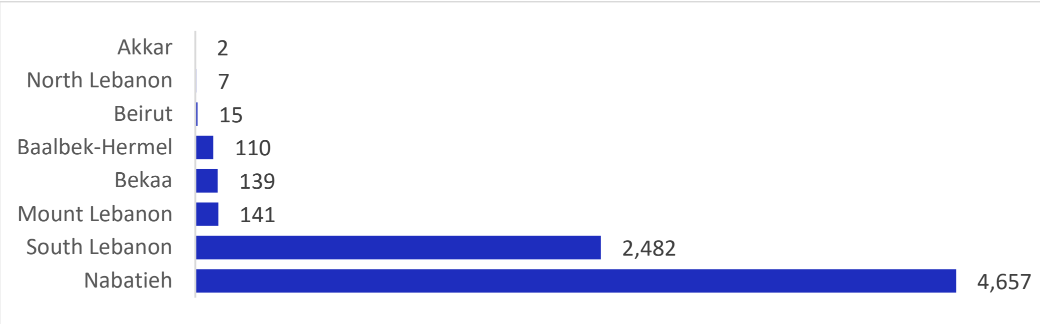
Introduction and background

Lebanon is facing a renewed phase of conflict that is compounding an already fragile economic and labour market situation. Following the 2024 conflict, the country was still grappling with deep economic and employment losses, with only limited and uneven signs of recovery, when a new wave of hostilities erupted on 2 March 2026. This latest escalation has further disrupted economic activity, triggered rapid population displacement and intensified pressure on public services and institutions that were already severely strained.

While ceasefire agreements were reached on 16 April 2026, renewed on 3 June, and followed by a further agreement on 19 June, the security situation remains highly volatile. Israeli forces continue to maintain positions in parts of southern Lebanon, where military operations and airstrikes continue to be reported, preventing the return of displaced populations, particularly to areas designated by Israel as a buffer or security zone.

As of 19 June 2026, Lebanon had experienced 7,553 attacks, according to the Armed Conflict Location & Event Data (ACLED), with 61.7 per cent concentrated in Nabatieh governorate, followed by the South at 32.9 per cent, as illustrated in Figure 1 below.

Figure 1: Events of political violence for Lebanon by governorate - 02.03.2026 to 19.06.2026



Source: ACLED

Israeli attacks across Lebanon have resulted in 4,230 fatalities and 12,179 injuries, as of 25 June 2026, according to the Lebanese Ministry of Public Health.[1] The escalation and related evacuation orders have also triggered large-scale population movements. Population movements have been highly fluid, characterized by repeated cycles of displacement and return. Although more than 1.2 million people were displaced during the conflict, the latest ceasefire agreement enabled many to return to their areas of origin. Nevertheless, according to the IOM Displacement Tracking Matrix, 704,445 internally displaced persons (IDPs) remained displaced across Lebanon as of 24 June 2026, including 80,611 IDPs residing in 584 collective shelters.[2] An estimated 50,000 migrants, including migrant domestic workers, were also reported to be internally displaced,[3] many of whom face particularly precarious conditions due to the absence of family support networks and limited access to assistance. Their situation is further compounded by legal, financial and social vulnerabilities, which constrain their ability to secure safe shelter and basic services.

With entire neighbourhoods, particularly in Nabatieh and South Lebanon, reduced to rubble, the prospects for return in the near future remain remote for many displaced persons, even in the event of a complete cessation of hostilities and guarantees of safe return.

In addition to these internal displacements, the escalation of hostilities has prompted significant cross-border movements. As the conflict intensified, many individuals opted to leave the country, including by crossing into Syria.

[1] Updated Total Toll Of The Aggression: 4230 Martyrs And 12179 Wounded

[2] Lebanon — Mobility Snapshot - Round 105 - 25 June 2026 | Displacement Tracking Matrix

[3] IOM, STORIES – Fragments of Home: Displacement in Lebanon

According to the IOM, there were 326,992 individuals crossing from Lebanon into Syria Between 2 March and 20 April 2026, the majority of whom were Syrian nationals (80 per cent), followed by Lebanese (17 per cent) and other nationalities (3 per cent).[4] These movements reflect both the scale of displacement pressures and the difficult choices faced by affected populations in the absence of viable alternatives within the country.

These pressures are being compounded by broader regional developments. While Lebanon continues to grapple with the consequences of the conflict - including widespread destruction of infrastructure, damage to businesses and workplaces, mass population displacement and severely constrained fiscal space - rising energy and food prices linked to the conflict involving Iran, Israel and the United States are placing additional strain on an already fragile economy.

Although a ceasefire agreement with Iran was announced on 8 April, followed by a further agreement on 17 June between the United States and Iran that brought an end to the conflict involving the two countries and Israel, the regional situation remains fragile, particularly given continued uncertainty surrounding the passage through the Strait of Hormuz. While oil and gas prices have declined since the latest agreement, the increases in commodity and service prices experienced in Lebanon over the past months have already constrained economic activity across sectors, further exacerbating economic and labour market distress, increasing the risk of job loss and income insecurity while accelerating the shift towards more precarious and informal forms of employment.

As a result, these dynamics are likely to deepen poverty and push a growing number of households into hardship and extreme deprivation. This trend is particularly concerning in a country where poverty affected 44 per cent of the population in 2022[5] and where 1.24 million people are expected to face high levels of acute food insecurity between April and August 2026.[6]

[4] IOM, Escalation in the Middle East and Beyond — Mobility Report (19 - 25 May 2026) | Displacement Tracking Matrix.

[5] World Bank. 2024. Lebanon Poverty and Equity Assessment 2024 : Weathering a Protracted Crisis.

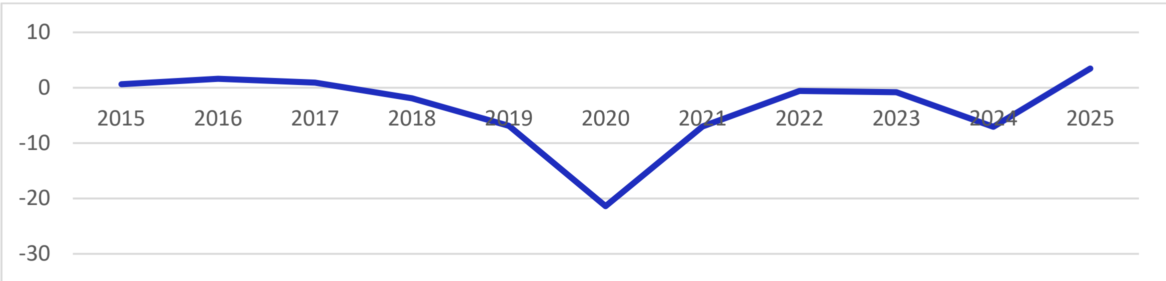
[6] Lebanon: Acute Food Insecurity Projection Update for April - August 2026 | IPC - Integrated Food Security Phase Classification

Lebanon pre-crisis economy and labour market

Even before the current dual crisis, Lebanon was operating within a fragile and deeply strained environment that had been progressively weakened by successive shocks since 2019. The financial crisis, the COVID-19 pandemic, the Beirut Port explosion and, more recently, the 2024 conflict each compounded pre-existing vulnerabilities, further undermining economic performance, labour market outcomes and institutional capacity. As a result, real GDP growth remained persistently negative over several years, recording a 7.1 per cent decline in 2024.

Early signs of stabilization nevertheless began to emerge in 2025, supported by renewed political momentum and the initial implementation of reform measures. According to the World Bank, real GDP was projected to grow by 3.5 per cent in 2025, marking a tentative rebound after a prolonged period of contraction.

Figure 2: Annual real GDP growth rates in Lebanon, 2015-2025, in %



Source: World Bank, Lebanon Economic Monitor – A Fragile Rebound, Winter 2025.

While this projected return to positive growth signalled a degree of economic stabilization, it did not reflect a broad-based or structural recovery. The modest expansion was largely consumption-driven, supported in significant part by a rebound in tourism and remittance inflows,[7] rather than by structural improvements in the economy. As a result, growth remained fragile and difficult to sustain, with limited potential to generate decent and productive employment opportunities.

The financial system in Lebanon has also remained largely dysfunctional since the onset of the crisis in 2019, with profound implications for economic activity and labour market outcomes. The banking sector, once a central pillar of the economy, has effectively ceased performing its core intermediation role. Banks have largely stopped extending new credit to businesses and households, while at the same time imposing strict and prolonged restrictions on access to deposits. These measures have significantly eroded confidence in the financial system and constrained liquidity across the economy, exacerbating poverty and dampening consumption, investment and job creation in an already uncertain environment that remains unconducive to both domestic and foreign investment.

Lebanon's exceptionally high public debt burden has also been a major concern. With a debt-to-GDP ratio reaching 164.1 per cent in 2024, the country remains among the most heavily indebted in the world. Having averaged 168.2 per cent over the period 2000–2024, this persistent indebtedness reflects longstanding fiscal imbalances and a structural reliance on borrowing, further constraining policy space and undermining prospects for sustainable recovery.[8]

As a result, employment and labour market outcomes remained extremely weak. According to the latest available labour force survey data,[9] the unemployment rate in Lebanon stood at 29.6 per cent in 2022, while the broader labour underutilization – which also captures time-related underemployment and individuals in the potential labour

[7] Remittances were estimated at 26 per cent of GDP in 2024, according to the World Bank Economic Monitor.

[8] IMF data available at Public Finances in Modern History - Gross public debt, percent of GDP

[9] ILO and CAS, Follow-up Labour Force and Household Living Conditions Survey, 2022

force -[10] reached 50.1 per cent. Low pay affected a further 23 per cent of total employees. The findings also highlight longstanding concerns regarding the quality of jobs, which appear to have deteriorated over time. This is reflected in the growing prevalence of informality in the labour market. Employment in the informal sector increased by 13.1 percentage points, from 35.2 per cent in 2018-2019 to 48.3 per cent in 2022. Similarly, informal employment increased by 7.5 percentage points, from 54.9 per cent in 2018-2019 to 62.4 per cent in 2022. Women faced significantly greater disadvantages in the labour market than men. As of 2022, only 22.2 per cent of women participated in the labour force, compared with 66.2 per cent of men. Yet even among those who were economically active, women encountered greater difficulties in securing employment, with the unemployment rate reaching 32.7 per cent, compared with 28.4 per cent among men.

Overall, these figures underscore the economy's chronic inability to generate sufficient decent and productive employment, leaving large segments of the working age population either out of employment or exposed to precarious and inadequate work.

While no official labour force survey has been conducted since, multiple sources indicate a further deterioration of conditions, particularly in the aftermath of the 2024 conflict. The conflict inflicted a severe blow on Lebanon's economy and private sector, intensifying labour market distress and further limiting opportunities for stable and sustainable employment. According to an ILO survey conducted post-ceasefire, which targeted both private sector workers and enterprises, the conflict left a significant share of the workforce out of work, with 13.7 per cent of sampled workers out of employment, higher among women (18.3 per cent) than men (11.9 per cent). Similarly, 13.6 per cent of establishments remained closed and 16.5 per cent of them partially operational.[11] For those able to return to work and for enterprises that managed to reopen, conditions remained highly constrained. Workers often faced reduced incomes, irregular and uncertain work arrangements and heightened insecurity. Operating enterprises also struggled to regain pre-conflict levels of activity, hindered by disrupted supply chains, weakened demand and acute financial constraints.

Overall, the entrenched challenges that have shaped Lebanon's economy and labour market for years, further intensified by the 2024 conflict, have created a deeply adverse environment for all labour market actors. These conditions are not easily reversible, particularly in the absence of sustained structural reforms, comprehensive sectoral strategies and significant investment and reconstruction efforts.

[10] The potential labour force is defined as all persons of working age who were neither in employment nor in unemployment, but who were (a) unavailable jobseekers (i.e. carried out activities to seek employment in a recent period but were not currently available to take up employment); or (b) potentially available jobseekers (i.e. did not carry out activities to seek employment in a recent period, but wanted employment and were currently available to take up employment).

[11] ILO, 2025. Rapid assessment of the impact of the war on private-sector workers and enterprises in Lebanon.

▶ Renewed conflict and implications for an ailing economy

While the World Bank had projected Lebanon's 2025 economic recovery to extend into 2026, with real GDP expected to grow by around 4 per cent, contingent on the continuation of reform measures, the gradual inflow of reconstruction-related investments and the maintenance of relative political stability, the reality has diverged sharply from this optimistic outlook. The renewed conflict between Hezbollah and Israel in March 2026, together with the broader economic repercussions of the ongoing conflict involving Iran, Israel and the United States, has placed Lebanon's fragile recovery under severe strain, heightening economic uncertainty and income insecurity for households, workers and enterprises.

Although no comprehensive estimate of the economic cost of the current dual crisis is yet available, the 2024 conflict provides a useful benchmark. That conflict was estimated to have cost around US$14 billion, including US$6.8 billion in damage to physical assets and US$7.2 billion in economic losses resulting from lower productivity, foregone revenues and higher operating costs.[12] Given the scale of destruction, displacement and evacuation orders observed today, the economic and social costs of the current conflict are likely to exceed those recorded in 2024. Compounding this, the current conflict is unfolding against a weaker economic baseline, with Lebanon still grappling with the aftermath of the previous conflict. Regional instability is further amplifying pressures through its impact on trade, investment and energy prices.

According to the IMF, a sustained 10 per cent increase in oil prices could raise global headline inflation by around 40 basis points while reducing global output by between 0.1 and 0.2 per cent.[13] Lebanon's heavy dependence on imported fuel, food and other essential goods leaves it particularly exposed to such shocks.

While the ultimate impact on GDP will depend on the duration and intensity of the conflict, national authorities have already reported significant economic deterioration, estimated at around 7-10 per cent in 2026, according to Finance Minster Yassine Jaber.[14] Although indicative, these estimates reflect the scale of economic distress already evident on the ground. Nearly all major sectors, including agriculture, manufacturing, services and trade, have been affected by widespread disruptions to economic activity, particularly in Nabatieh, South Lebanon and the southern suburbs of Beirut.

The conflict has also intensified inflationary pressures in an economy that was already experiencing rising prices before March 2026. Year-on-year inflation reached 20.02 per cent in April 2026 while monthly inflation stood at 3.04 per cent (April compared to March).[15] The rise was particularly pronounced for "water, electricity, gas and other fuels" recording a yearly increase of 41.39 per cent in April 2026, followed by Education (35.67 per cent) and transportation (33.27 per cent). Food and non-alcoholic beverage prices also increased by 17.97 per cent in April 2026 compared to the previous year. Rising food prices, including for bread and other staple items, are particularly concerning, placing growing pressure on household budgets, particularly among low- and middle-income families.

Overall, the economic outlook remains highly challenging. Lebanon imported approximately US$4 billion in refined petroleum products in 2024, equivalent to 21.7 per cent of total imports,[16] while up to 80 per cent of its food needs are sourced from abroad.[17] Rising global prices, coupled with declining exports and weaker tourism revenues, are therefore likely to widen the trade deficit and increase pressure on foreign currency reserves. At the same time, government revenues are likely to decline as economic activity contracts, reducing income, corporate and value-added tax collections, as well as customs and tariff revenues. This comes at a time when government expenditures

[12] World Bank. 2025. Lebanon Rapid Damage and Needs Assessment (RDNA). March 2025.

[13] IMF. 2026. Press Briefing Transcript: Julie Kozack, Director, Communications Department, March 19, 2026

[14] https://www.reuters.com/world/middle-east/lebanese-economy-projected-contract-by-least-7-due-war-finance-minister-says-2026-05-21/

[15] CAS, CPI-February 2026. Available at: http://cas.gov.lb/index.php/latest-news-en/83-inflation

[16] Lebanon (LBN) Exports, Imports, and Trade Partners | The Observatory of Economic Complexity

[17] Lebanon - Agricultural Sector

are on the rise, with substantial additional resources, estimated at around US $100 million per month,[18] also required to support displaced populations.

To date, the authorities have relied on allocations from the 2026 budget, supplemented by support from UN agencies, development partners and private initiatives. However, these efforts remain insufficient relative to mounting needs. Concerns are also growing regarding remittance inflows. While official data are not yet available, some estimates suggest remittances may have declined by around 5 per cent after one month of conflict.[19]

Taken together, these trends are likely to heighten pressure on the exchange rate. Although the Central Bank appears committed to maintaining the currency peg, its sustainability may come under increasing strain should the conflict persist.

[18] كم خسر اقتصاد لبنان بسبب الحرب؟ وزير الاقتصاد اللبناني يجيب

[19] War Hits Lebanon Dollar Lifeline, Remittances Fall Sharply

▶ Impact on employment: survey of private sector workers

In the absence of comprehensive and up-to-date labour market data, including reliable historical series, assessing the full impact of the crisis becomes highly challenging. A sectoral risk analysis conducted by the ILO indicates that up to 53 per cent of total employment in Lebanon is concentrated in high-risk sectors, namely agriculture, manufacturing, construction, accommodation and food services, wholesale and retail trade, transport and storage, and arts, entertainment and recreation.[20]

While these estimates provide an indication of the potential scale of vulnerability, they do not capture the actual magnitude of job losses or income declines. Being employed in a high-risk sector does not necessarily translate into job loss; rather, it signals a higher likelihood of adverse outcomes, such as reduced working hours, wage cut or employment disruption. As such, risk-based assessments, while useful, are insufficient to fully understand the real impact of the crisis on workers' livelihoods.

This underscores the need for primary data collection to generate direct evidence on employment outcomes, income changes and working conditions at the individual level.

Objective and rationale

This section presents findings from a survey of private sector workers aimed at assessing the impact of the ongoing conflict, compounded by the regional conflict, on employment, income and working conditions in Lebanon. The survey seeks to provide timely, worker-level evidence to inform policy responses and support the design of interventions that address the immediate and longer-term needs of affected populations.

The focus on private sector workers responds to a critical data gap linked to the limited evidence on how this conflict and other similar crises have translated into changes in employment status, job quality and livelihoods at the worker level, particularly within the private sector, which accounts for 81.0 per cent of employment in the country.[21]

Building on the assessments carried out in the aftermath of the 2024 escalation, the present survey offers updated insights into a context that has deteriorated considerably. The continued inaccessibility of certain regions and cities has intensified job losses and further restricted workers' ability to access employment opportunities, deepening the socioeconomic consequences of the crisis and broadening its impact across affected communities.

Methodology

The survey was conducted in partnership with the General Confederation of Lebanese Workers (CGTL) and the National Federation of Workers and Employees Trade Unions in Lebanon (FENASOL), leveraging their networks to facilitate outreach and ensure broad sectoral and geographic coverage.

Data collection was carried out by a team of enumerators recruited and managed by the partner organizations, with a total of 41 enumerators supporting the exercise. This contributed to the timely completion of fieldwork despite operational constraints.

The survey covered a total sample of 2,485 respondents (747 women and 1,738 men) across different sectors and governorates.

Table 1 presents the distribution of the survey sample by sector and governorate. The initial sample design largely followed the distribution used in the 2024 survey, which was originally based on the composition of private sector employment in Lebanon according to the most recent labour force survey available and subsequently adjusted to ensure a sufficiently robust sample capable of producing meaningful results at the governorate and sectoral level.[22]

[20] Global brief on the impact of the ME crisis

[21] ILO and CAS, Follow-up Labour Force and Household Living Conditions Survey, 2022

[22] Details of the original sample distribution are available in the methodology section of the 2024 assessment available at: https://www.ilo.org/sites/default/files/2025-07/Rapid%20assessment%20of%20the%20impact%20of%20the%20war%20on%20private-sector%20workers%20and%20enterprises%20in%20Lebanon.pdf

The final sample distribution of this current survey was further influenced by varying response rates and levels of willingness to participate among workers, resulting in some deviations from the original design. The proportion of female respondents was also increased from 25 per cent to approximately 30 per cent to support more robust analysis by sex across key variables.

As such, the survey is not intended to replace a comprehensive labour force survey, nor should it be considered fully representative of the Lebanese labour market. Rather, it is designed to provide indicative evidence on the evolving impacts of the crisis on workers and employment. Despite its limitations, the sample provides a good basis for analyzing key labour market trends and challenges in the private sector.

Table 1: Sample distribution by sector and governorate

	South Lebanon	Nabatieh	Mount Lebanon	Baalbek-Hermel	Beirut	Akkar	Bekaa	North Lebanon	Total
Agriculture, forestry and fishing	70	45	38	32	10	51	49	23	318
Manufacturing	60	45	74	41	25	27	38	25	335
Construction	35	22	90	27	24	31	20	39	288
Wholesale and retail trade; repair of motor vehicles and motorcycles	60	70	93	20	36	4	22	73	378
Transportation and storage	29	32	82	16	14	10	15	12	210
Accommodation and food service activities	21	10	72	1	20	8	6	31	169
Education	38	50	29	5	19	8	8	10	167
Human health and social work activities	37	46	49	5	21	1	11	8	178
Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use*	4	16	108	2	39	0	7	0	176
Other	35	43	95	7	46	6	12	22	266
Total	389	379	730	156	254	146	188	243	2,485

* This sector consists entirely of workers engaged in domestic work, including Lebanese (7), Syrian (76), Palestinian (1) and workers of other nationalities (92), the latter referred to throughout this report as migrant domestic workers.

The sample only comprised individuals who were employed either as employees or self-employed individuals prior to March 2026.[23] Respondents who reported being out of work before March 2026 were therefore excluded from the analysis.

To ensure representation of different nationality groups, the sample has been divided by nationality. The final distribution is presented in Table 2 below.

[23] *Employees* refer to workers employed for pay, on a formal or informal basis, who do not hold controlling ownership of the economic unit in which they are employed. They are remunerated in cash or in kind in return for time worked or, in some cases, for each task or piece of work done or for services provided including sales. *Self-employed individuals*, on the other hand, are workers without employees, who hold full control of their job or economic unit.

▶ Table 2: Sample distribution by sex and nationality

	Total	Male	Female
Lebanese	1,787	1,312	475
Syrian	500	341	159
Palestinian	96	77	19
Other*	102	8	94
Total	2,485	1,738	747

*Workers of other nationalities consist predominantly of migrant domestic workers (92 out of 102 workers). The remaining 10 workers were employed across a range of sectors, with most engaged in cleaning activities outside private households, including in offices, restaurants and hotels.

Data collection was carried out through telephone-based interviews, reflecting both operational constraints and the need to reach respondents across dispersed and, in some cases, inaccessible locations.

The questionnaire consisted of 70 questions, structured across eight thematic sections:

- General information
- Demographic and educational profile
- Disability status
- Pre-conflict employment status and working conditions
- Current employment status and working conditions
- Employment status during the active period of conflict across all Lebanon
- Challenges faced by individuals out of work
- Coping mechanisms and support needed

The survey instrument was administered using KoBoToolbox and was owned and managed by the ILO, enabling real-time data collection and monitoring. Enumerators received dedicated training prior to the launch of fieldwork to ensure consistency in data collection and adherence to ethical standards. The questionnaire was also pilot-tested and refined before full deployment.

Fieldwork was launched on 9 May 2026 and concluded on 19 May 2026.

The ILO conducted rigorous data cleaning to ensure the quality and consistency of the dataset. Responses were reviewed for missing values, inconsistencies and potential errors. Where necessary, entries were verified by CGTL and FENASOL through follow-up with respondents. Particular attention was given to the classification of sectors of employment, which were reviewed and aligned with the International Standard Industrial Classification of All Economic Activities (ISIC Rev.4) to ensure accuracy and consistency.

Survey findings

Respondent profile and household characteristics

This section presents the key demographic, geographic, educational and household characteristics of survey respondents. Understanding these characteristics provides important context for interpreting labour market outcomes among the surveyed population.

Distribution by sex, age, nationality and disability status

The respondent sample was predominantly male, with men accounting for 69.9 per cent of respondents, compared to 30.1 per cent women.

Given the survey's focus on individuals who were working prior to the outbreak of the conflict, most respondents fell within the prime working-age population. 79.4 per cent were aged 25-54 years, while younger respondents aged 15-24 years represented 6.6 per cent of the sample. Individuals aged 55-64 years accounted for 11.5 per cent and only a small proportion (2.5 per cent) were aged 65 years and above.

▶ Table 3: Distribution of respondents by sex and age group, in %

	Male	Female	Total
15-24	5.2	10.0	6.6
25-54	79.4	79.4	79.4
55-64	12.4	9.2	11.5
65+	3.0	1.3	2.5
Total	100.0	100.0	100.0

The survey intentionally targeted both Lebanese and non-Lebanese respondents. Lebanese nationals represented 71.9 per cent of the sample, while Syrian respondents accounted for 20.1 per cent. Palestinian respondents represented 3.9 per cent and those from other nationalities comprised the remaining 4.1 per cent of the sample.

A small proportion of respondents (3.1 per cent) had a disability, including 2.6 per cent of men and 4.1 per cent of women.

Geographic distribution

In crisis contexts, geographic distribution is particularly relevant as the intensity of conflict, displacement patterns and economic disruption vary considerably across regions and governorates. Respondents residing in heavily conflict-affected areas are at a greater risk of job and income losses, as well as disruptions to economic activity and access to livelihoods.

Among surveyed respondents, 29.5 per cent resided in Mount Lebanon prior to the conflict, followed by 15.6 per cent in South Lebanon and 15.4 per cent in Nabatieh. The sample also captured populations in other severely affected governorates, including Bekaa (7.6 per cent) and Baalbek-Hermel (6.3 per cent).

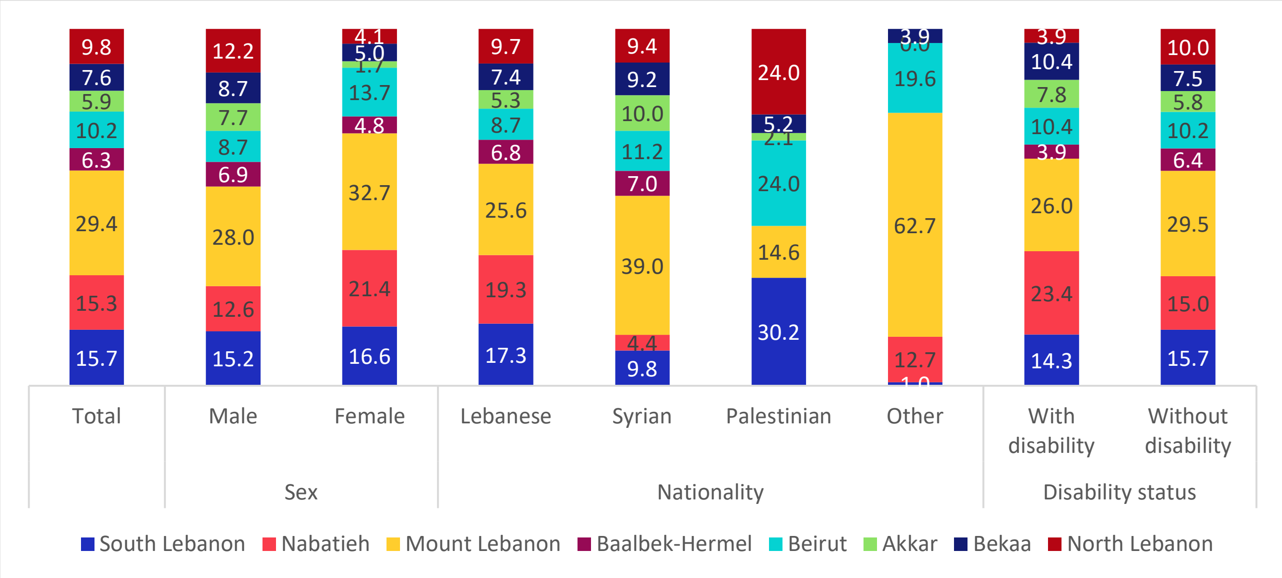
This geographic distribution varied by sex, nationality and disability, as presented in Figure 3, further contributing to the uneven impact of the conflict on different population groups. Notably, none of the Palestinian refugees surveyed were from Nabatieh, the governorate most affected by the conflict. This remains however largely consistent with the broader geographic distribution of the Palestinian population in Lebanon, with recent data suggesting that only around 0.9 per cent reside in Nabatieh Governorate, while the rest live elsewhere, with highest concentration in South Lebanon.[24]

[24] palestinian_population_in_lebanon_div_snapshot_report_2025.pdf

Among women, the markedly lower representation in the governorates of North Lebanon, Akkar, Baalbek-Hermel and Bekaa reflects, at least partly, both limited labour demand in these areas and the greater barriers women face in accessing private sector employment.

Looking at the disability status of respondents, survey findings show that persons with disabilities were more likely than respondents without disabilities to be residing in Nabatieh Governorate, accounting for 23.4 per cent and 15.0 per cent of the respective groups.

Figure 3: Geographic distribution of surveyed workers before the conflict, by sex, nationality and disability status, in %



Educational profile

Educational attainment varied considerably across respondents and also revealed important gender differences. Overall, approximately half of respondents reported educational attainment below the secondary level, while 27.3 per cent had completed secondary or university education. Respondents with technical and vocational education represented 20.2 per cent of the sample.

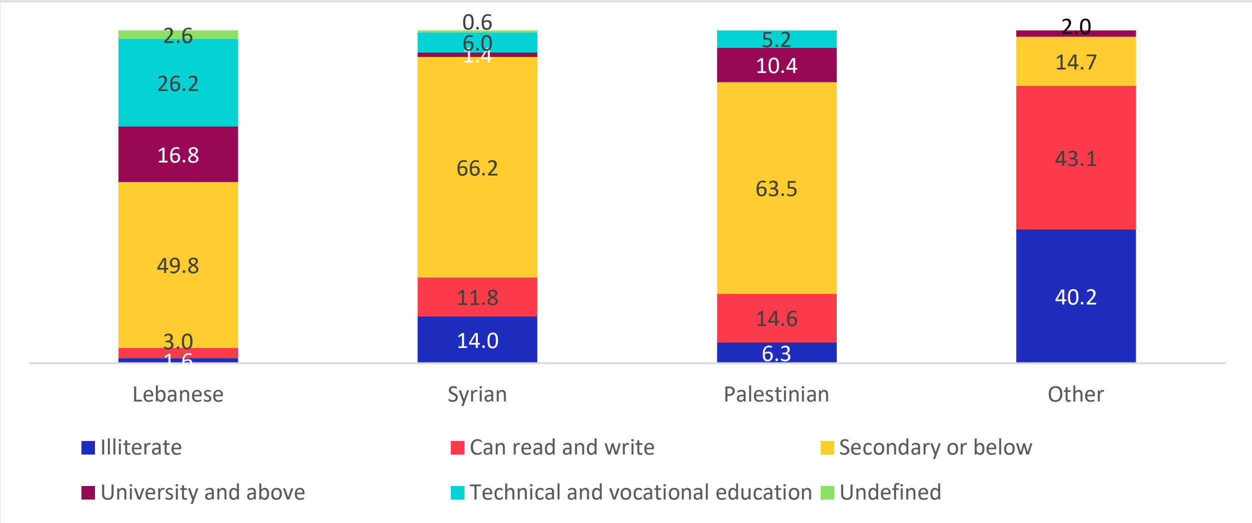
Female respondents exhibited a more polarized educational profile than their male counterparts. They were more likely to have attained a university education or higher (20.1 per cent compared with 9.7 per cent), while also being overrepresented among respondents with the lowest levels of educational attainment, including those who were illiterate or able only to read and write. Male respondents, by contrast, were more concentrated in the intermediate and secondary education categories.

Table 4: Distribution of respondents by sex and highest level of educational attainment, in %

	Male	Female	Total
Illiterate	4.0	10.2	5.8
Can read and write	5.8	9.4	6.9
Elementary and below	13.3	11.6	12.8
Intermediary	29.0	15.3	24.9
Secondary	16.1	10.8	14.5
University and above	9.7	20.1	12.8
Technical and vocational education	19.8	21.3	20.2
Undefined	2.3	1.3	2.0
Total	100	100	100

Educational attainment differed markedly across nationality groups, as shown in Figure 4. Lebanese workers were more likely to have higher levels of education and less likely to be illiterate or able only to read and write. In contrast, workers of other nationalities, the majority of whom are migrant domestic workers, had considerably lower educational attainment, with 40.2 per cent being illiterate and a further 43.1 per cent able only to read and write. Syrian workers also had relatively low levels of education: one quarter had never attended school, 66.2 per cent had attained at most secondary education, and only 1.4 per cent had attained university education.

▶ Figure 4: Distribution of sampled workers before the conflict, by nationality and highest level of educational attainment, in %



Household characteristics

Household-level indicators provide useful insight into economic dependency and income-generation dynamics among surveyed individuals. Prior to the conflict, households comprised an average of 4.9 members, with around two working individuals per household. Larger household sizes combined with relatively few income earners may place considerable financial pressure on economically active household members and increase household vulnerability.

On average, the economic dependency ratio among sampled households stood at 1.9 non-working individuals per working individual, meaning that each working household member supported nearly two non-working individuals in addition to themselves. Regional disparities were also observed, with the highest dependency ratios recorded in Baalbek-Hermel (2.8), followed by Akkar (2.5), indicating comparatively greater economic pressure on income earners in these governorates.

▶ Table 5: Household characteristics, by governorate

	Average HH size	Average number of working individuals per HH	Average economic dependency ratio
Beirut	4.6	2.1	1.7
South Lebanon	4.7	1.8	2.2
Nabatieh	4.3	2.1	1.5
Baalbek-Hermel	5.6	1.9	2.8
Mount Lebanon	4.8	2.0	1.8
North Lebanon	5.1	2.1	1.8
Akkar	5.7	2.0	2.5
Bekaa	5.6	2.4	1.9
Total	4.9	2.0	1.9

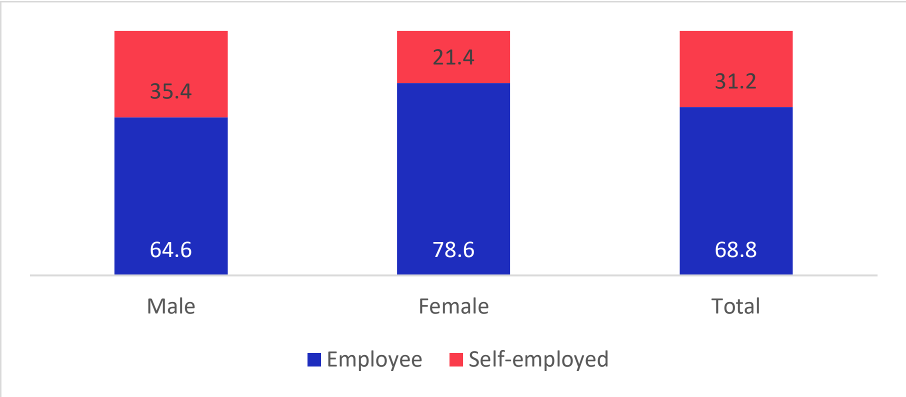
Respondents were also asked whether they considered themselves to be the primary breadwinner in their household. Overall, 85.0 per cent of male respondents identified themselves as the main breadwinner, compared to 55.7 per cent of female respondents. These patterns reflect prevailing gender norms related to income generation and household financial responsibility, while also underscoring the significant economic role played by many women within the surveyed households. The share of women reporting primary breadwinner status points to the central role women play in sustaining household livelihoods, particularly amid ongoing economic hardship and labour market instability.

Pre-conflict employment profile

Beyond demographic characteristics, understanding the pre-conflict employment profile of respondents is essential for assessing how the conflict affected different categories of workers. Variations in employment status, sector of work, formality of employment as well as sectoral distribution shape workers' exposure to economic shocks, income loss and employment insecurity.

Prior to the conflict, the majority of respondents were engaged as employees, representing 68.8 per cent of the sample while 31.2 per cent reported being self-employed. Gender differences were also observed, with men more likely than women to report self-employment.

Figure 5: Distribution of sampled workers before the conflict, by status of employment and sex, in %

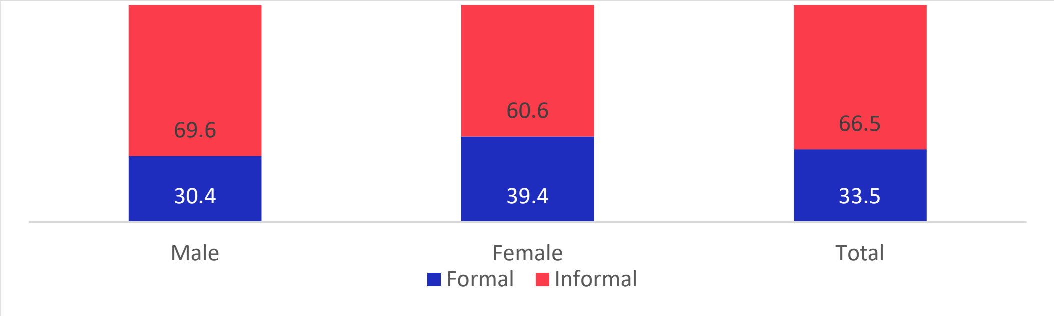


Among respondents who reported being employees, informality was highly prevalent,[25] reflecting broader nationwide labour market realities in Lebanon. Findings indicate that 66.5 per cent of paid employment prior to the conflict was informal, compared to only 33.5 per cent in formal employment. Informality rates were higher among male employees (69.6 per cent) than among female employees (60.6 per cent).

The predominance of informal employment is a critical finding, as employees holding informal jobs are generally more vulnerable to economic shocks due to limited legal protections, unstable and irregular earnings and restricted access to social insurance and compensation mechanisms. As a result, a large proportion of surveyed workers are likely exposed to heightened economic insecurity and reduced livelihood resilience following the onset of the conflict.

[25] Throughout this report, the formality status of employees is defined in terms of social protection and other employment benefits associated with their jobs, particularly access to paid annual leave and paid sick leave, in line with the methodology used in the national labour force survey.

▶ **Figure 6: Share of surveyed employees holding formal and informal jobs before the conflict, by sex, in %**



In terms of sectoral distribution, the largest shares of respondents worked in wholesale and retail trade (15.2 per cent), followed by manufacturing (13.5 per cent) and agriculture, forestry and fishing (12.8 per cent). Construction accounted for 11.6 per cent of employment, followed by transportation and storage (8.5 per cent), human health and social work (7.2 per cent), education (6.7 per cent) and accommodation and food service activities (6.8 per cent).

Important differences emerged across nationality groups. Syrian respondents were disproportionately concentrated in agriculture (24.2 per cent) and construction (17.2 per cent), sectors that are often characterized by high levels of informality and low levels of employment protection. Palestinian respondents were particularly concentrated in construction, where more than one-third (35.4 per cent) reported employment prior to the conflict. Lebanese respondents, by contrast, showed greater representation in wholesale and retail trade, education, health services and transportation. Respondents of other nationalities were in their majority working as domestic workers, hence concentrated in activities of households as employers and household services-related activities (90.2 per cent).

▶ **Table 6: Pre-conflict employment distribution by economic activity and nationality, in %**

	Total	Lebanese	Syrian	Palestinian	Other
Agriculture, forestry and fishing	12.8	10.2	24.2	15.6	0.0
Manufacturing	13.5	14.5	13.0	11.5	0.0
Electricity, gas, water supply, sewerage and waste management	1.2	1.1	1.8	1.0	0.0
Construction	11.6	9.4	17.2	35.4	0.0
Wholesale and retail trade; repair of motor vehicles and motorcycles	15.2	17.5	10.0	15.6	0.0
Transportation and storage	8.5	10.5	3.8	2.1	1.0
Accommodation and food service activities	6.8	7.8	4.4	3.1	3.9
Information, communication and financial and insurance activities	1.3	1.6	0.0	4.2	0.0
Real estate activities	0.5	0.7	0.0	0.0	0.0
Professional, scientific and technical activities	0.4	0.5	0.0	1.0	0.0
Administrative and support service activities	2.6	2.3	3.8	0.0	3.9
Education	6.7	9.1	0.6	1.0	0.0
Human health and social work activities	7.2	9.6	0.6	4.2	0.0
Arts, entertainment and recreation	0.7	0.9	0.4	0.0	0.0
Other service activities	4.0	3.9	5.0	4.2	1.0

Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	7.1	0.4	15.2	1.0	90.2
Total	100.0	100.0	100.0	100.0	100.0

Sectoral distributions also varied considerably by sex and disability status (Table 7). Among surveyed women, employment was concentrated in “Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use” (23.2 per cent), followed by “Education” (15.1 per cent), “Health” (13.0 per cent), “Wholesale and retail trade” (13.0 per cent) and “Agriculture” (11.6 per cent). In contrast, prior to the conflict, surveyed men were primarily employed in “Construction” (16.5 per cent), “Wholesale and retail trade” (16.2 per cent), “Manufacturing” (15.6 per cent), “Agriculture” (13.3 per cent) and “Transportation and storage” (11.4 per cent).

When examining employment by disability status, “Wholesale and retail trade”, followed by “Agriculture” and “Manufacturing”, emerged as the main sectors of employment among respondents with disabilities, mirroring the sectoral distribution observed for the surveyed population as a whole. However, persons with disabilities were more likely to be engaged in domestic work, accounting for 11.7 per cent of respondents with disabilities compared with 6.9 per cent of those without disabilities. Among respondents with disabilities employed in domestic work, difficulties with seeing were the most reported.

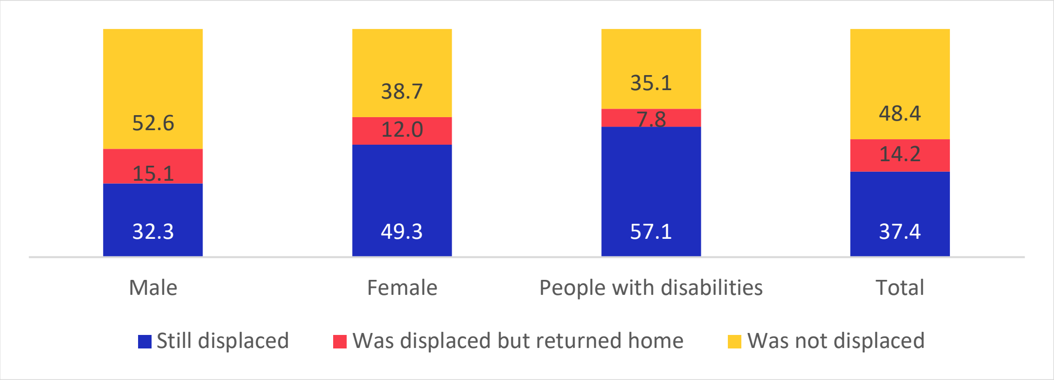
▶ Table 7: Pre-conflict employment distribution by economic activity and sex and disability status, in %

	Male	Female	With disability	Without disability
Agriculture, forestry and fishing	13.3	11.6	15.6	12.7
Manufacturing	15.6	8.6	13.0	13.5
Electricity, gas, water supply, sewerage and waste management	1.7	0.0	0.0	1.2
Construction	16.5	0.1	5.2	11.8
Wholesale and retail trade; repair of motor vehicles and motorcycles	16.2	13.0	16.9	15.2
Transportation and storage	11.4	1.6	7.8	8.5
Accommodation and food service activities	8.5	2.9	3.9	6.9
Information, communication and financial and insurance activities	1.2	1.7	2.6	1.3
Real estate activities	0.6	0.1	0.0	0.5
Professional, scientific and technical activities	0.4	0.4	0.0	0.4
Administrative and support service activities	2.4	3.1	7.8	2.4
Education	3.1	15.1	1.3	6.9
Human health and social work activities	4.7	13.0	7.8	7.1
Arts, entertainment and recreation	0.9	0.3	1.3	0.7
Other service activities	3.5	5.2	5.2	4.0
Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	0.2	23.2	11.7	6.9
Total	100.0	100.0	100.0	100.0

Displacement trends and changes in household characteristics

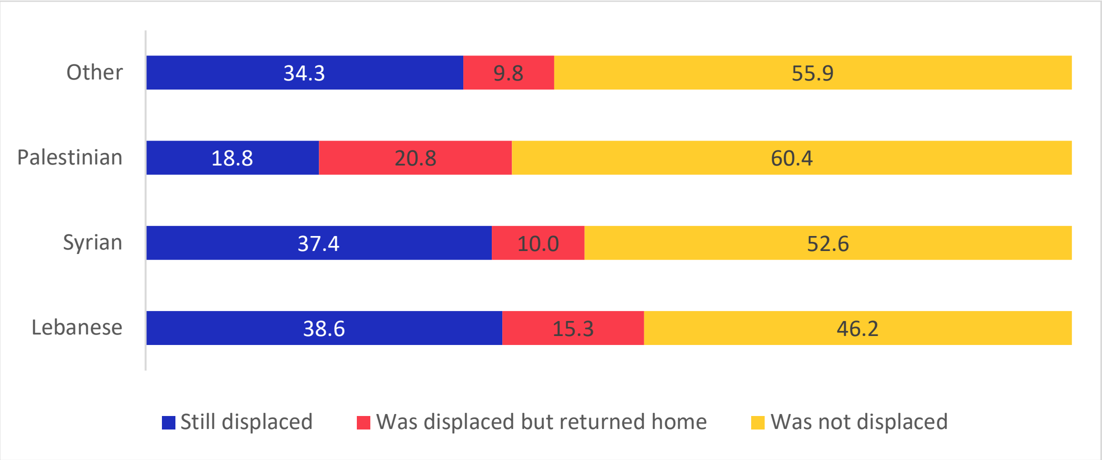
Displacement was widespread among respondents. Overall, 37.4 per cent reported having been displaced and remaining displaced at the time of the survey, while an additional 14.2 per cent had experienced displacement but had since returned to their homes. A higher proportion of women than men reported being displaced at the time of the survey. Displacement rates were especially high among persons with disabilities, with more than half still displaced at the time of data collection (Figure 7)

▶ **Figure 7: Displacement status of surveyed individuals by sex and disability status, in %**



Across nationality groups, Lebanese respondents reported the highest incidence of displacement, with 38.6 per cent remaining displaced at the time of the survey, followed by Syrians (37.4 per cent) and other migrant workers (34.3 per cent) (Figure 8). In contrast, Palestinian workers, given also their geographic distribution, were the least likely to report displacement: 60.4 per cent indicated that they had not been displaced at all, 20.8 per cent had been displaced but subsequently returned home and only 18.8 per cent remained displaced.

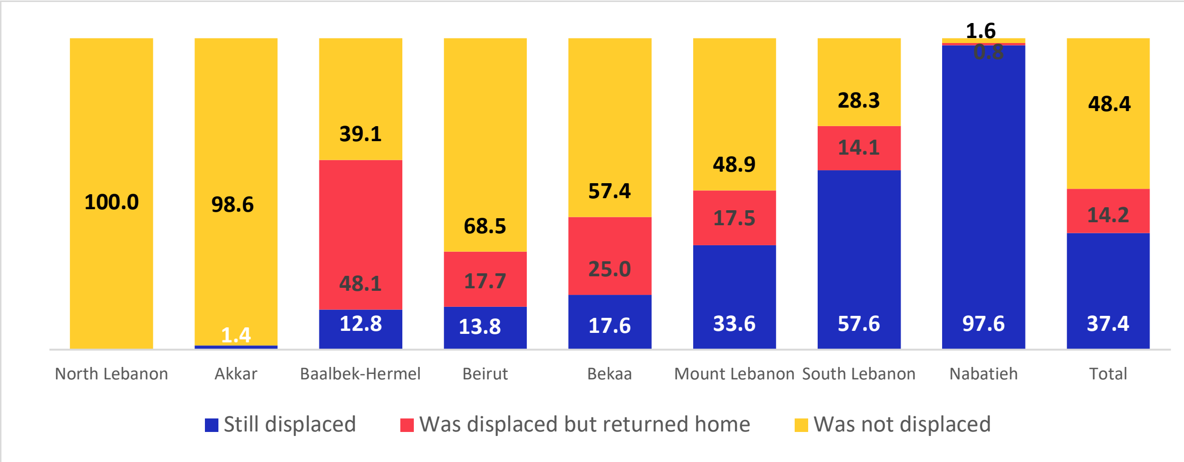
▶ **Figure 8: Displacement status of surveyed individuals by nationality, in %**



As expected, displacement patterns vary considerably across governorates and closely reflect the intensity of conflict exposure. Respondents from Nabatieh were the most affected, with nearly all surveyed individuals (97.6 per cent) reporting displacement and continued displacement at the time of the survey. This was followed by respondents from South Lebanon (57.6 per cent) and Mount Lebanon (33.6 per cent), where displacement levels were also significant. In contrast, respondents from governorates such as Akkar and North Lebanon were almost never displaced and, in the vast majority of cases, remained in their homes throughout the conflict period (Figure 9).

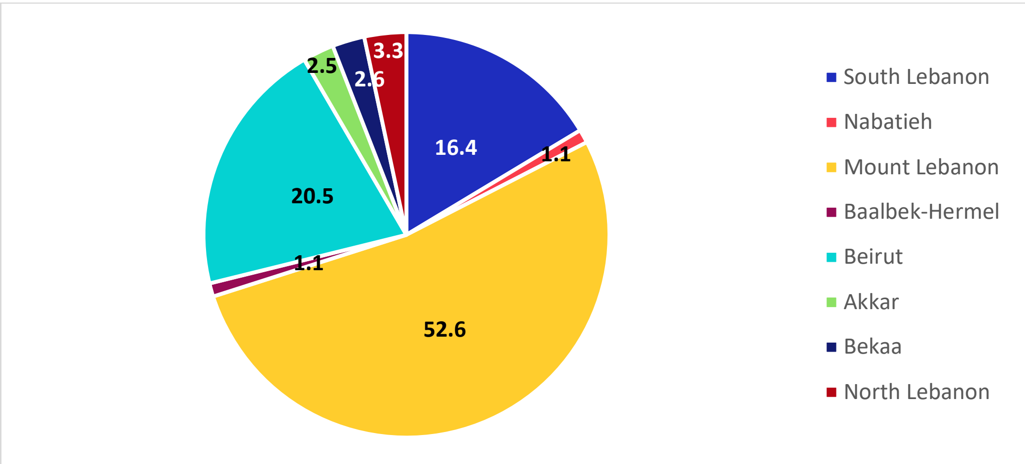
Since the survey was conducted, displacement patterns have remained highly volatile, and further escalations in the conflict, particularly in South Lebanon and Nabatieh, have likely led to additional displacement from these governorates and intensified the challenges faced by affected workers and their households.

Figure 9: Displacement status at the time of the survey, by governorate of residence before the conflict, in %



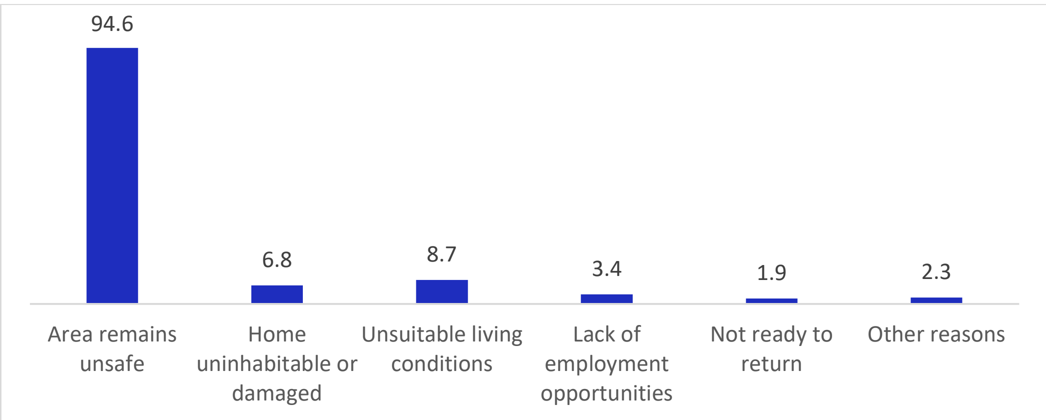
In terms of displacement destinations, more than 52 per cent of displaced respondents relocated to districts in Mount Lebanon, outside the southern suburbs of Beirut. An additional 20.5 per cent were displaced to Beirut, while 16.4 per cent relocated to South Lebanon, primarily to the Saida district.

Figure 10: Distribution of displaced respondents by governorate of displacement, in %



Among respondents who remained displaced, the most commonly cited reason was the continued insecurity in their area of origin (94.6 per cent). Others reported being unable to return because their homes had been damaged or destroyed (6.8 per cent), or because living conditions in their communities remained unsuitable (8.7 per cent).

Figure 11: Main reasons for remaining displaced at the time of the survey, in %



Notably, and while some families relocated independently to safer areas, either by renting accommodation or moving into secondary homes where available, many others sought refuge in collective shelters or moved in with relatives and extended family members. As a result, and as expected in displacement contexts, the average number of individuals living together increased significantly compared to pre-conflict conditions, rising from 4.9 to 6.2.

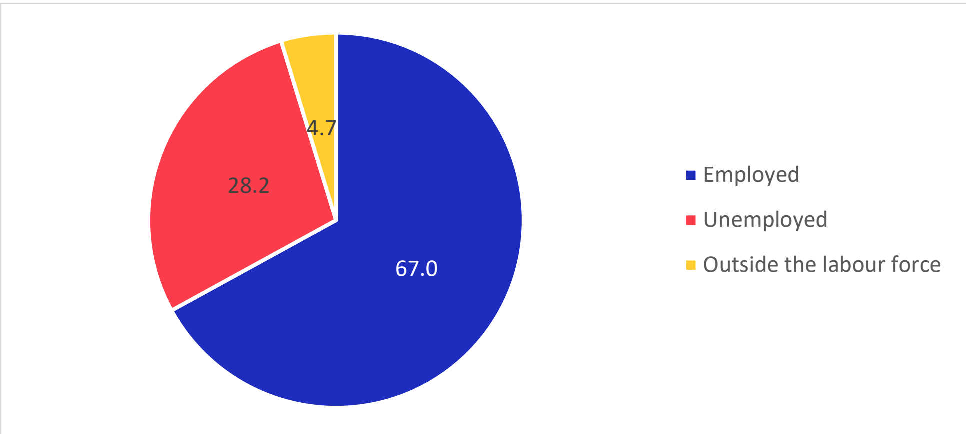
At the same time, rather than seeing a corresponding increase in the number of income earners within households, the average number of working individuals living together declined from 2 prior to the conflict to 1.6 after the onset of the conflict. This could be particularly worrisome in cases where non-working household members lack alternative sources of financial support, savings or social assistance, further increasing the economic burden on working household members.

Job losses and employment disruptions

Coming after years of economic instability and declining living conditions, the conflict further deepened existing labour market challenges and intensified pressures on livelihoods and employment prospects of individuals, including private sector workers specifically.

Overall, among all sampled workers, 33.0 per cent were no longer working at the time of the survey. The majority (28.2 per cent) became unemployed, while an additional 4.7 per cent exited the labour force altogether.

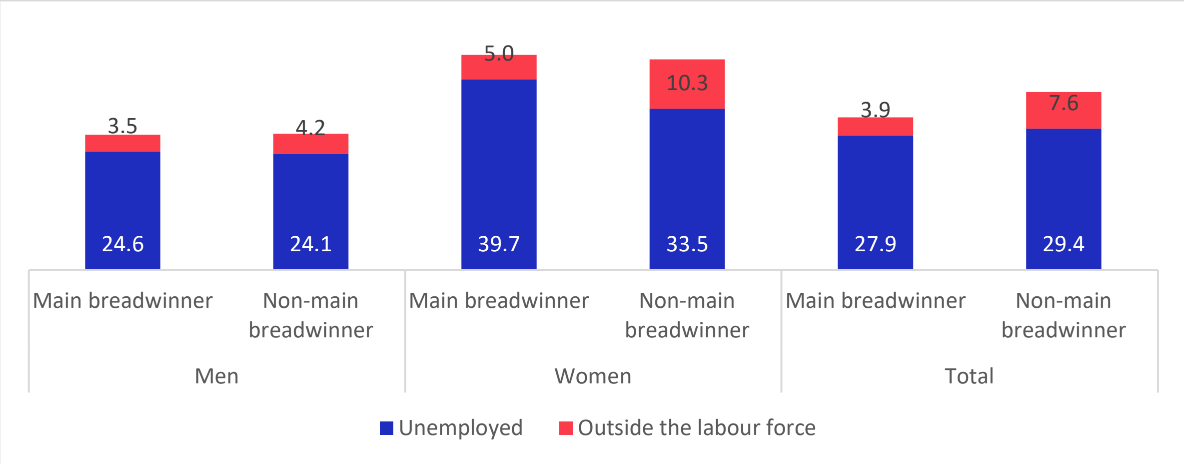
▶ **Figure 12: Employment status of surveyed workers at the time of the survey, in %**



Job losses among individuals who identified themselves as the main breadwinners of their households are of particular concern, given the far-reaching implications for household income, living standards and economic security. The survey found that 31.7 per cent of breadwinners lost their jobs as a result of the conflict (Figure 13). Although this proportion was somewhat lower than the 37.0 per cent recorded among non-main breadwinners, it nevertheless represents a substantial shock to household livelihoods. The consequences of job loss are likely to be especially severe for breadwinners, whose earnings often constitute the primary source of income and support for other household members.

Important gender differences also emerged. Among men, non-main breadwinners were slightly more likely to report job loss than those who identified as the main breadwinner. Among women, however, the opposite pattern was observed: female breadwinners were more likely to lose their jobs than women who were not the primary earners in their households. At the same time, non-main breadwinners were more likely than breadwinners to exit the labour force, both among men and women. This pattern may reflect the stronger economic imperative faced by breadwinners to remain economically active and continue searching for work despite limited employment opportunities and challenging labour market conditions.

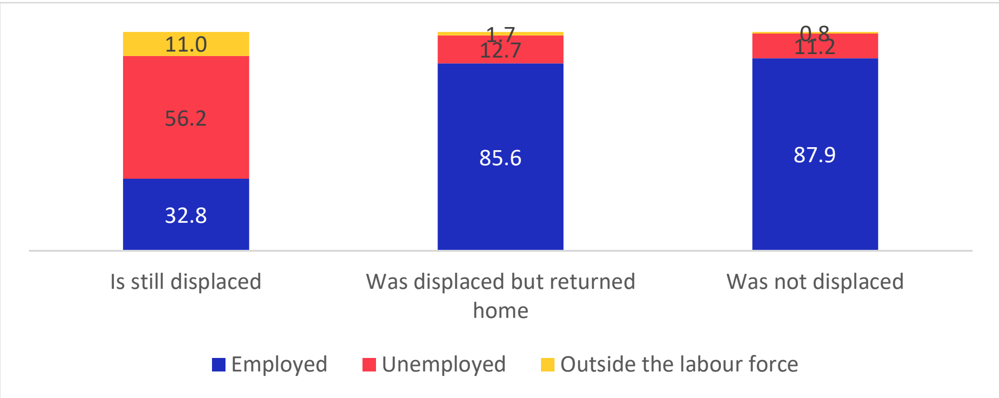
▶ Figure 13: Loss of jobs among surveyed individuals by sex and main breadwinner status, in %



Displacement as a key driver of employment loss

Employment losses were strongly associated with displacement. Among individuals who remained displaced at the time of the survey, 56.2 per cent were unemployed and a further 11.0 per cent were outside the labour force. In contrast, nearly nine in ten individuals who were not displaced remained employed (87.9 per cent). This underscores the central role of displacement in shaping labour market outcomes during periods of conflict. Beyond the immediate loss of housing and community networks, displacement often disrupts access to workplaces, reduces mobility and limits opportunities to seek alternative employment.

▶ Figure 14: Employment status of surveyed workers at the time of the survey, by displacement status, in %

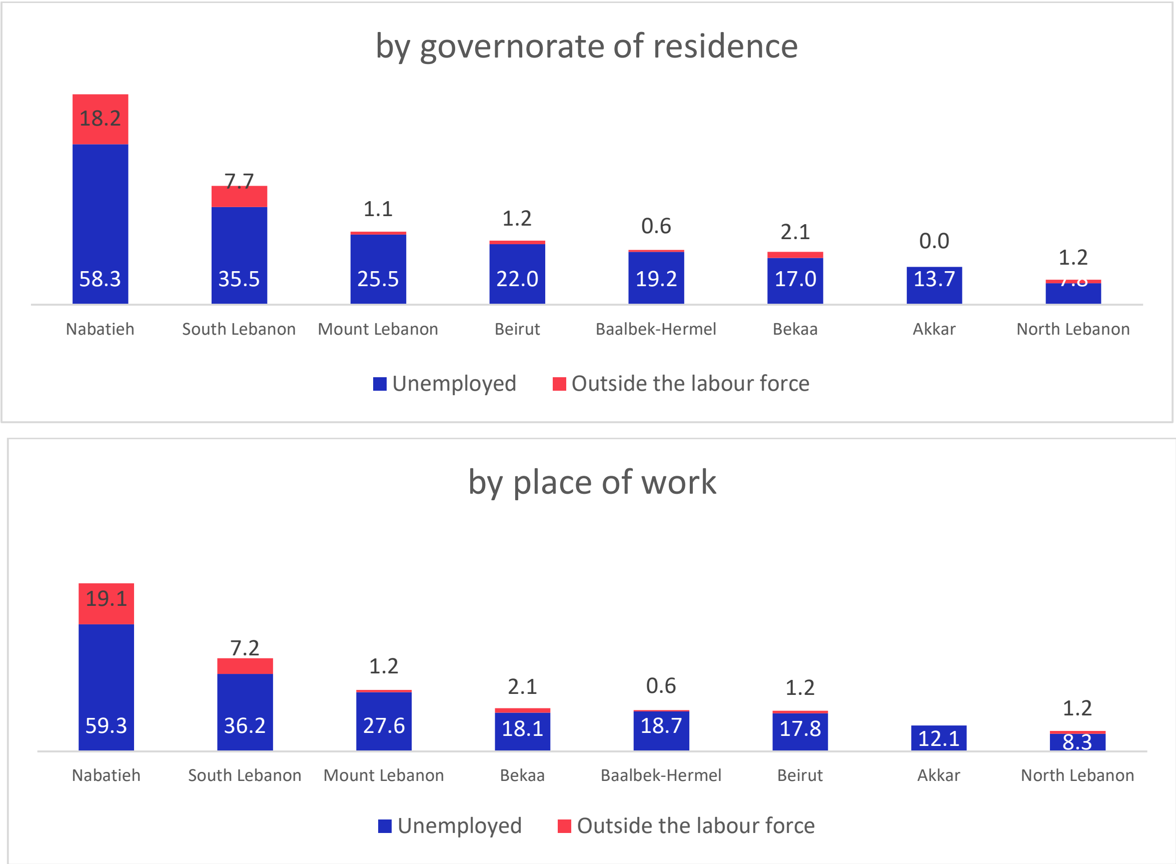


Employment losses across governorates

The labour market impacts of the conflict varied considerably across governorates and closely reflected the geography of the conflict. Residents of Nabatieh experienced by far the highest levels of employment loss, with more than three-quarters (76.5 per cent) either unemployed or outside the labour force at the time of the survey. South Lebanon followed at 43.2 per cent, while significantly lower rates were observed in governorates less directly affected by hostilities.

A similar pattern emerges when employment outcomes are examined by governorate of work prior to the conflict. Workers who had been employed in Nabatieh recorded the highest levels of job loss (78.4 per cent), followed by those employed in South Lebanon (43.4 per cent). This close alignment between residence-based and workplace-based indicators reflects the fact that most survey respondents (90.8 per cent) both lived and worked in the same governorate prior to the conflict.

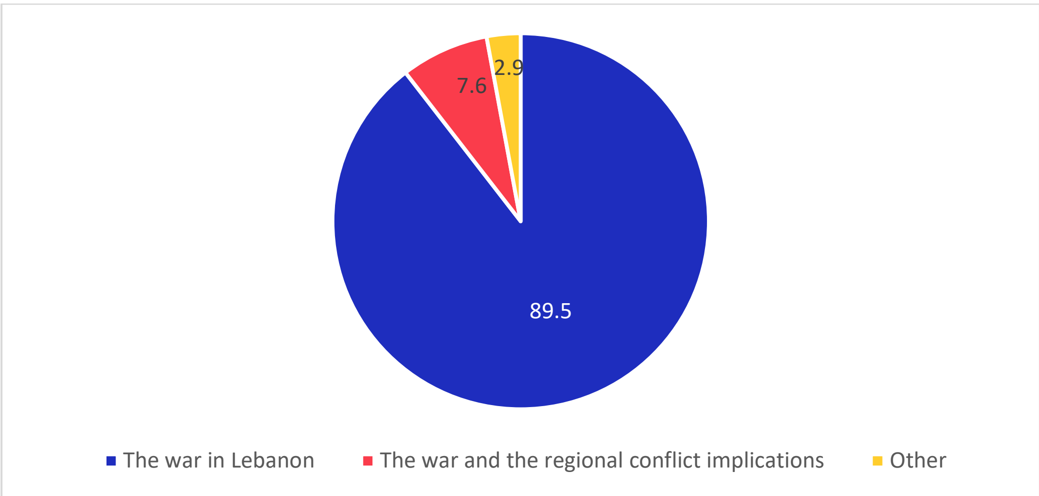
Figure 15: Share of respondents out of work, by pre-conflict governorate of residence and place of work, in %



Importantly, and although employment losses were most severe in conflict-affected governorates, the impacts were not confined to frontline areas. Even in governorates largely spared from direct hostilities, such as Akkar and North Lebanon, around one in ten respondents reported being out of work following the conflict. Whether driven by the direct impact of the conflict or by the broader repercussions of the regional conflict, disruptions to supply chains, rising inflation, declining consumer demand, reduced business activity and weakened economic and trade linkages between governorates have clearly contributed to employment losses throughout the country.

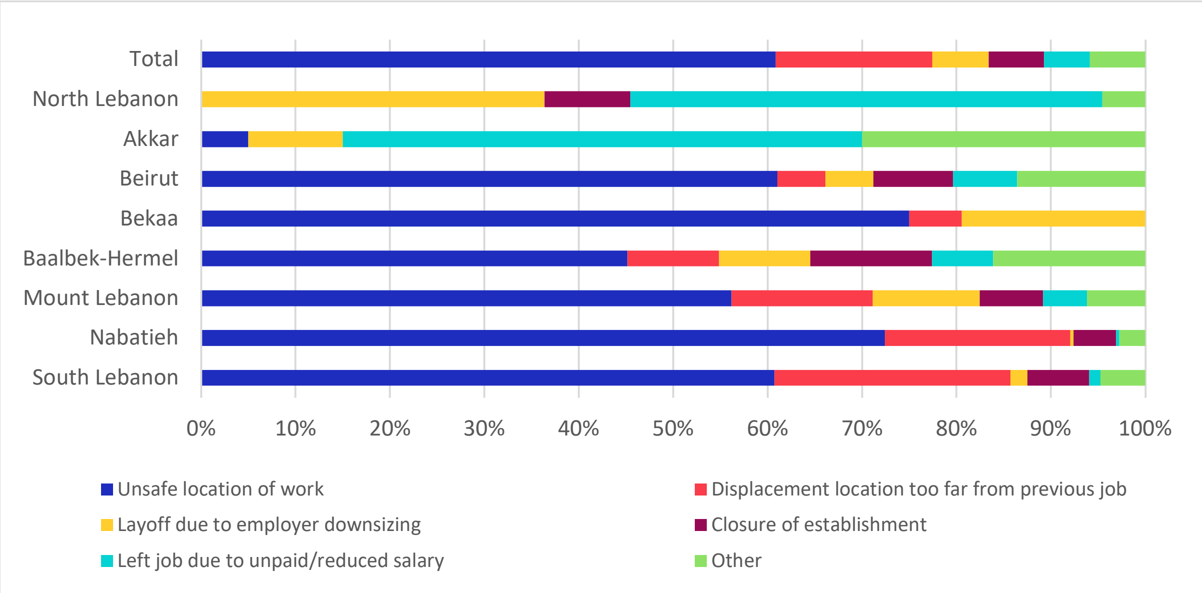
Notably, while the majority (89.5 per cent) reported that the conflict in Lebanon was the main reason behind their job loss, 10.5 per cent also cited other factors, including the impact of the regional conflict on the local economy.

Figure 16: Main reasons for job loss among respondents out of work at the time of the survey, in %



The exact reasons for job loss varied considerably across governorates. While displacement and the insecurity resulting from the conflict were the primary drivers of job loss among residents of governorates directly affected by the hostilities, these factors were far less frequently cited in Akkar and North Lebanon, areas that were largely spared from the direct impacts of the conflict (Figure 17). In these areas, job losses were primarily attributed to weakened economic activity and declining demand, with respondents most commonly reporting that employers were either unable to pay wages in full or at all or had reduced their workforce through downsizing and layoffs.

▶ Figure 17: Reasons for job loss among respondents out of work, by pre-conflict governorate of residence, in %



Job losses by economic activity

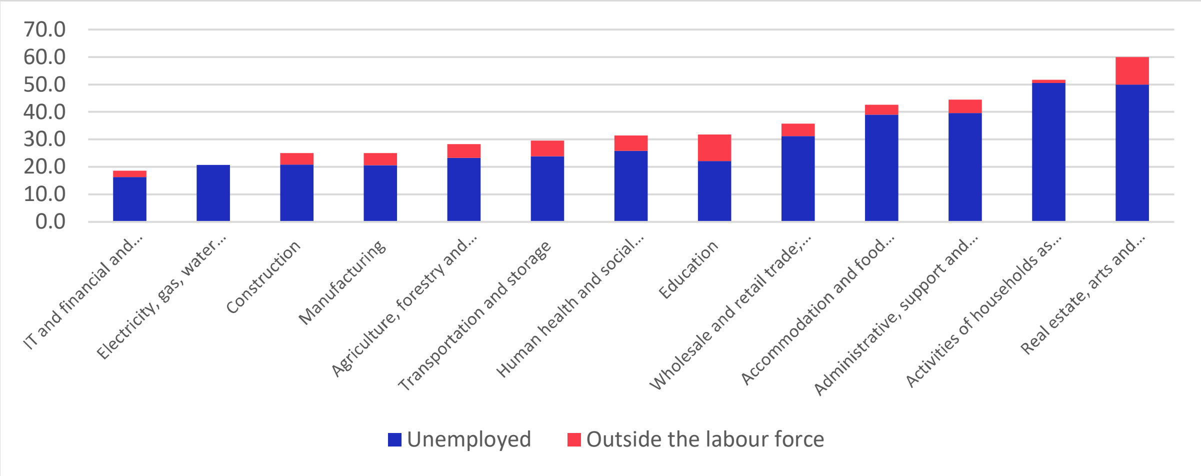
The impact of the conflict varied considerably across economic sectors. Information and communication, financial and professional services, as well as electricity and water supply, were among the least affected sectors, with job losses reaching 18.6 per cent and 20.7 per cent, respectively.

By contrast, job losses reached 60.0 per cent in real estate, arts and entertainment, 51.7 per cent in domestic work activities, 44.5 per cent in administrative, support and other service activities and 42.6 per cent in accommodation and food service activities.

These differences are closely linked to the nature of economic activity and work arrangements in each sector. IT, professional and financial activities tend to rely more on specialized skills, established client networks and business continuity mechanisms that allow operations to continue despite disruptions. These sectors are also generally more adaptable to flexible working arrangements, including remote work, and are less dependent on physical presence or local consumer demand.

By contrast, the more heavily affected sectors are generally seen as less critical during periods of crisis and displacement. Households facing uncertainty and displacement are less likely to spend on non-essential activities such as arts and entertainment or to employ domestic workers. At the same time, the sharp decline in tourism resulting from the conflict and the broader regional crisis has severely affected real estate as well as accommodation and food services, making these sectors hit hard by the crisis.

▶ **Figure 18: Shares of individuals out of employment, by economic activity, in %**



Note: While still very relevant, results for the categories "IT, financial and professional services" and "Real estate, arts and entertainment" should be interpreted with caution due to the relatively small number of observations in the sample (43 and 30 respondents, respectively).

Construction and agriculture appear to have been relatively less affected than the highly impacted sectors discussed above. This is partly because workers in these sectors often have little choice but to continue working whenever and wherever possible, even under highly precarious conditions. When jobs are lost, many seek alternative opportunities to remain economically active, even if this only involves a few hours of work per week. In addition, many self-employed workers in these sectors continue to identify themselves as employed, despite not necessarily being working or generating income. In Akkar and North Lebanon, where these sectors play a central role in job creation, the impact of the conflict has been felt but has been comparatively less severe, allowing them to continue providing livelihoods to a substantial segment of the workforce.

Education and healthcare services, on the other hand, appear to have been more affected than construction and agriculture. However, this is strongly linked to the geographical distribution of surveyed workers in these sectors. A large proportion are concentrated in Nabatieh, the South and Mount Lebanon, where the complete evacuation of cities and villages led even essential workers to lose their jobs. In the education sector specifically, impacts varied considerably by occupation. While teachers were often able to continue working through online teaching, many other employees in schools and universities, including administrative, support and service staff, did not necessarily have the same opportunity and, in many cases, lost their jobs entirely. By contrast, in governorates such as Akkar and North Lebanon, these sectors appear to have remained largely unaffected, with no reported job losses.

Overall, while some sectors, particularly those linked to tourism and non-essential services, appear to have experienced widespread impacts nationwide, the effects on other sectors were more closely tied to local conditions and the intensity of displacement and conflict. It is also important to note that many workers who lost their primary jobs managed to continue working on a limited or irregular basis, especially self-employed workers in sectors such as construction and transportation, as also confirmed by the data on labour income and working time, presented later in the report.

Uneven impact across population groups

The survey findings suggest that the conflict exacerbated pre-existing labour market vulnerabilities, with its impacts falling disproportionately on groups that were already disadvantaged prior to the conflict. Women, young people, older workers, refugees, individuals with lower levels of education, workers in informal employment, employees of smaller enterprises and persons with disabilities experienced particularly adverse labour market outcomes, including higher rates of job loss (Figure 19).

While these findings are influenced by the sectoral and geographic concentration of the affected populations, as well as by differing patterns of displacement, they also reflect the additional barriers faced by vulnerable groups and shed light on differences in job-search behaviour, labour market re-entry prospects and the likelihood that individuals remain economically active or withdraw from the labour force altogether.

Across gender groups, women experienced markedly worse labour market outcomes than men This was partly driven by women’s greater concentration in sectors that were particularly affected by the conflict, including domestic work. However, the gap was not limited to these sectors and was also evident in other economic activities, including “Wholesale and retail trade” (50.5 per cent), “Accommodation and food service activities” (45.5 per cent), and “Manufacturing” (45.3 per cent). At the time of the survey, 36.9 per cent of women were unemployed, compared with 24.5 per cent of men. More concerning, however, was the higher incidence of labour force exit among women, with 7.4 per cent no longer participating in the labour force, compared with 3.6 per cent of men. This finding raises concerns about the longer-term impacts of the conflict, as prolonged detachment from the labour market can make re-entry increasingly difficult, contributing to skills depreciation, reduced employability and lower lifetime earnings. Given already low rates of female labour force participation, such exits risk reinforcing existing gender inequalities and further limiting women's economic opportunities. Hence the need to address all barriers to employment and labour force participation, particularly those that disproportionately affect women, including family care responsibilities and financial constraints (see section below on barriers to employment and labour force participation).

Age-related disparities in labour market outcomes also reveal that both younger and older workers were disproportionately affected by the conflict, albeit in different ways. Young people aged 15-24 experienced the highest unemployment rate, at 39.4 per cent, substantially above that observed among prime-age workers. This reflects, at least partly, the generally more precarious position of youth in the labour market, as they are more likely to be employed in temporary, low-paid or less secure jobs that are particularly vulnerable to economic shocks. Young workers also tend to have less work experience and shorter job tenure, making them more susceptible to employment loss during periods of crisis. Older workers, by contrast, were more likely than both youth and prime-age workers to withdraw from the labour force following job loss. This likely reflects a combination of factors, including retirement decisions, health-related challenges and weaker prospects for re-employment. Notably, older workers who lost their jobs were more likely than youth to report remaining out of the labour force while waiting to be recalled by a previous employer, suggesting lower labour market mobility and fewer perceived opportunities to secure new employment. They were also more likely to cite illness as a reason for leaving the labour force.

Important disparities also emerge by nationality. Syrian workers experienced the highest unemployment rates following the conflict, with 38.8 per cent unemployed, compared to 26.2 per cent among Lebanese workers, 22.5 per cent among workers of other nationalities and 17.7 per cent among Palestinian workers. At the same time, labour force withdrawal among non-Lebanese populations was extremely limited. Only 0.6 per cent of Syrian workers and around 1 per cent of Palestinian workers and workers of other nationalities moved outside the labour force, compared to 6.3 per cent of Lebanese workers. These findings suggest that, despite experiencing substantial job losses, non-Lebanese workers remained strongly attached to the labour market and continued to actively seek employment, largely reflecting greater economic necessity and fewer alternative sources of income, making labour force withdrawal a less viable option even in the face of deteriorating labour market conditions.

The labour market outcomes of workers of other nationalities warrant particular attention, given that this group consists largely of migrant domestic workers. While the sector "Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use", which effectively corresponds in this survey to domestic work, emerged as one of the sectors most affected by the conflict, the impact appears to have differed substantially across categories of workers within the sector. 86.8 per cent of Syrian workers employed in household services lost their jobs compared to 23.9 per cent among other migrant domestic workers. This could be partly explained by differences in employment arrangements. Syrian refugees are often engaged in household services on a part-time or on-demand basis, frequently without a clearly defined employment relationship and often without residing with their employers. As a result, they may be more vulnerable to reductions in demand and job loss during periods of crisis. By contrast, and compared to their Syrian counterparts, migrant domestic workers are more likely to be employed within a clear employer–employee relationship, with some working under live-in arrangements. These characteristics may have provided, at least to some, a degree of employment continuity despite the broader disruptions caused by the conflict. Additionally, migrant domestic workers often have limited financial reserves and few support networks, reducing their ability to withdraw from work even under adverse conditions. This may contribute to higher rates of labour market attachment despite deteriorating employment circumstances.

Importantly, and while the above factors help to explain, at least in part, the differences observed between migrant domestic workers and domestic workers of other nationalities, particularly Syrians, the relatively lower rates of job loss reported among migrant domestic workers should nevertheless be interpreted with caution. Many migrant domestic workers who lost their jobs may have subsequently left the country and therefore would not have been captured by the survey. As a result, the sample is likely to overrepresent those who remained employed or otherwise continued to reside in Lebanon, potentially leading to an underestimation of the true scale of job loss among this population.

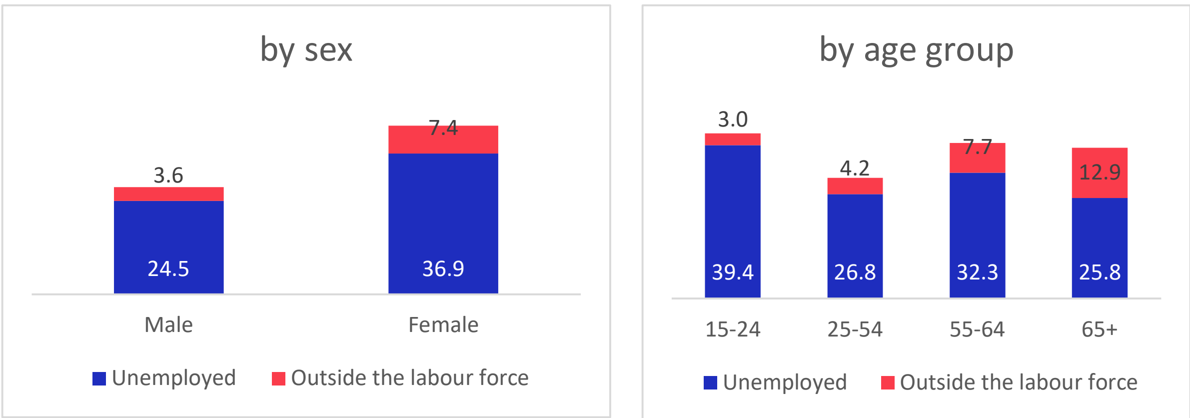
Educational attainment, which also correlates with the sector of work and occupation of the individual, appears to have provided an important degree of protection against employment loss. Shares of unemployment generally declined with increasing levels of education, falling from around one-third among individuals with intermediate and secondary education to 24.9 per cent among graduates of technical and vocational education programmes, 18.5 per cent among holders of a bachelor's degree and 14.3 per cent among individuals with doctoral qualifications. Labour force withdrawal was also relatively limited among highly educated individuals, likely reflecting stronger employment prospects and greater confidence in their ability to secure alternative work despite the crisis.

Looking at the job characteristics of surveyed employees, findings further reveal that those holding informal jobs were far more exposed to employment disruption than those holding formal jobs. Nearly 37.7 per cent of informal employees were out of work at the time of the survey, compared to 16.8 per cent among formal workers. Similarly, workers without formal written contracts experienced substantially higher jobless rates than those with contracts.

Enterprise size also appears to have some correlation with employment disruption. While primarily driven by the location and sector of work, job losses also appeared to be highest among workers employed in smaller establishments, then decline markedly as enterprise size increases, falling to approximately 15-16 per cent among workers employed in enterprises with 30 workers or more. These findings suggest that larger enterprises are likely better positioned to absorb the economic shock and retain workers during the conflict. Larger firms often benefit from greater financial resources, more diversified activities and stronger operational resilience, enabling them to maintain employment relationships during periods of uncertainty. Smaller enterprises, by contrast, are typically more vulnerable to disruptions in demand, supply chains and business activity, increasing the likelihood of layoffs or business closures.

Persons with disabilities also experienced some of the most severe labour market consequences of the conflict. Nearly six in ten persons with disabilities (59.7 per cent) were unemployed at the time of the survey, more than twice the rate observed among persons without disabilities (27.2 per cent). They were also substantially more likely to be outside the labour force, with 11.7 per cent no longer participating in the labour force compared to 4.5 per cent among persons without disabilities. Among those outside the labour force, 6 out of 9 reported injury or illness as one of the key barriers preventing them from joining the labour force.

Figure 19: Share of surveyed individuals who were out of work post-conflict, by worker characteristic, %

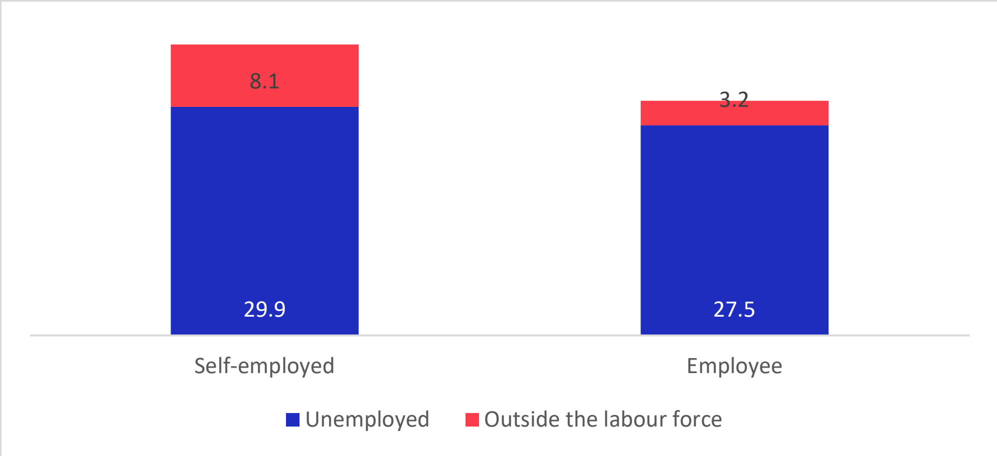


Note: Impact by job formality status, availability of contract and size of enterprise applies to employees only

Employment status prior to the conflict also appears to have some correlation with vulnerability to job loss. In this survey, self-employed workers were found more likely than employees to lose their jobs following the onset of the conflict (38.1 per cent compared to 30.7 per cent). This may reflect the greater exposure of many self-employed workers to economic disruptions, as their livelihoods often depend directly on customer demand, access to markets, mobility and the continued operation of their businesses. During periods of conflict, displacement, insecurity and infrastructure damage can severely disrupt these conditions, forcing many self-employed workers to suspend or cease their activities altogether. By contrast, employees may benefit from the protection afforded by ongoing employer-employee relationships, particularly in less affected sectors, safer areas or larger organizations able to continue operating despite the crisis.

Still however, the relationship between employment status and vulnerability is not straightforward. In some cases, self-employment may provide greater flexibility to adapt to changing circumstances, including by relocating activities, adjusting working arrangements or pursuing alternative income-generating opportunities. As with the other dimensions examined above, the observed outcomes are therefore likely to reflect the interaction of multiple factors, including sector of employment and geographic location.

▶ Figure 20: Share of respondents who lost their jobs by employment status, in %



Barriers to employment and labour force participation

The analysis presented above provides important insights into how the conflict has affected different groups of workers across sectors and governorates. Job losses have been driven not only by displacement and the direct destruction of workplaces, particularly in conflict-affected areas, but also by the broader economic repercussions of the crisis.

While the next section examines the experiences of workers who remained in employment, including those who were able to secure new employment after losing their original jobs, this section focuses on those who remained out of work. It seeks to better understand the factors preventing workers from re-entering employment, whether due to personal circumstances, constraints arising from the conflict and displacement or a lack of available job opportunities, and to identify the main reasons for their continued joblessness.

Among workers who lost their jobs and were unemployed at the time of the survey, the overwhelming majority cited a lack of job opportunities as the main barrier to re-entering employment. More than two-thirds (68.1 per cent) identified the absence of available jobs as a key constraint, highlighting the extent to which weakened economic activity and reduced labour demand have limited opportunities for displaced workers and jobseekers. The challenge was particularly acute among Syrian workers, 86.1 per cent of whom reported a lack of job opportunities as a barrier to employment, compared with 61.8 per cent of Lebanese workers.

Displacement also emerged as a major obstacle to labour market reintegration. More than four in ten unemployed respondents (43.2 per cent) reported that displacement or relocation was preventing them from returning to work. The impact was particularly pronounced among Lebanese workers (52.8 per cent) and workers of other nationalities (87.0 per cent), reflecting the disruption caused by population movements and the loss of access to previous places of employment. Security concerns were also widely reported, affecting 16.2 per cent of unemployed workers overall and more than two in five Palestinian workers (41.2 per cent).

While labour demand constraints dominated overall, some groups faced additional barriers. Palestinian workers reported high levels of concerns across almost all barriers and were considerably more likely than other groups to report concerns related to the quality of available jobs, mismatches between available jobs and their skills, limited access to employment networks and financial constraints associated with taking up work. This suggests that, beyond the shortage of jobs, some workers are also facing challenges related to job accessibility and suitability.

Gender differences were also evident among respondents who remained unemployed. Women were somewhat more likely than men to report concerns related to job quality (3.3 per cent compared with 2.6 per cent) and were nearly twice as likely to cite financial constraints as a barrier (3.6 per cent compared with 1.9 per cent).

▶ Table 8: Reported barriers to employment among unemployed respondents, by sex and nationality, in %

	Total	Male	Female	Lebanese	Syrian	Palestinian	Other
Lack of job opportunities	68.1	69.2	66.3	61.8	86.1	70.6	43.5
Quality of available jobs	2.8	2.6	3.3	2.8	0.0	23.5	13.0
Skills mismatch and lack of experience	7.3	7.7	6.5	10.0	0.0	23.5	0.0
Limited access to job information or networks	3.7	3.8	3.6	5.1	0.0	11.8	0.0
Inability to afford transport or other work-related costs	2.6	1.9	3.6	2.4	0.0	23.5	13.0
Security concerns (unsafe travel or area of work)	16.2	16.4	15.9	21.2	2.1	41.2	17.4
Displacement or relocation	43.2	44.6	40.9	52.8	15.5	35.3	87.0

A smaller but important share of respondents who lost their jobs did not remain unemployed but instead exited the labour force altogether. As discussed earlier, around 4.7 per cent of survey respondents became inactive following job loss, the majority of whom were Lebanese. Among this group, displacement or relocation was the most frequently cited reason for remaining out of work (56.0 per cent), followed by waiting to be recalled by a previous employer (43.1 per cent). Security concerns (30.2 per cent) and the absence of jobs in the area (23.3 per cent) were also significant factors.

The findings indicate that labour force withdrawal was often linked not only to weak labour demand but also to heightened uncertainty and disruption. Many workers appear to view their exit from the labour force as temporary, with a substantial share awaiting recall by former employers. At the same time, displacement and insecurity have created practical barriers that make active job search difficult or impossible. Gender differences are particularly evident among inactive workers, with women substantially more likely to cite household and family responsibilities as a reason for remaining out of work (27.3 per cent, compared with 1.6 per cent among men). 7.3 per cent of women also identified financial constraints - such as the inability to afford transport or work-related expenses - as a key barrier, whereas men did not. This suggests that, compared to men, women face additional challenges related to mobility and the costs of participating in work.

▶ Table 9: Reasons for remaining outside the labour force, by sex, in %

	Total	Male	Female
Displacement or relocation	55.1	54.0	56.4
Awaiting recall from previous job	44.1	46.0	41.8
Security concerns (unsafe travel or area of work)	29.7	31.7	27.3
Lack of job opportunities	22.9	25.4	20.0
Engagement in household or family responsibilities	13.6	1.6	27.3
Injury or illness	7.6	9.5	5.5
Skills mismatch and lack of experience	6.8	6.3	7.3
Tired of looking for jobs	5.9	6.3	5.5
Financial constraints (cannot afford transport, or work-related costs)	3.4	0.0	7.3
Limited access to job information or networks	2.5	4.8	0.0
Waiting to start new job or business	1.7	3.2	0.0

Overall, the findings suggest that continued joblessness is driven by a combination of demand-side, conflict-related factors and personal circumstances. While the lack of available jobs remains the primary obstacle to re-employment, many other factors seem to also prevent workers from reconnecting with employment opportunities. For a smaller group, these barriers have become sufficiently severe to result in withdrawal from the labour force altogether.

Job transitions and employment changes

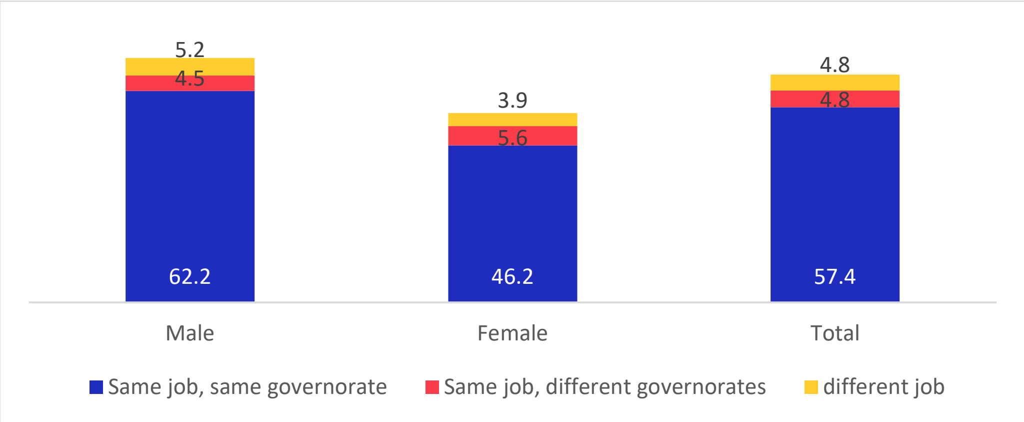
While the conflict had a significant impact on workers, with nearly one-third experiencing employment loss, a majority of respondents (67.0 per cent) remained employed following the onset of the conflict. However, employment continuity often involved some degree of adaptation. While 57.4 per cent of respondents remained in the same job and governorate, a further 4.8 per cent retained their jobs but relocated to another governorate and 4.8 per cent changed jobs altogether (Figure 21).[26]

The relatively modest rate of job change is not surprising in a context of conflict, displacement and economic uncertainty. During periods of conflict and instability, opportunities for new employment are often scarce, meaning that workers who lose their jobs are more likely to become unemployed or leave the labour force altogether rather than transition smoothly into alternative employment.

Notably, none of the surveyed individuals with disabilities who lost their jobs were able to secure new employment. While 71.4 per cent experienced job loss during the crisis, all remained out of work at the time of the survey, highlighting the particularly severe barriers faced by persons with disabilities in re-entering the labour market.

From a gender lens, men were more likely than women to change employment (5.2 per cent compared with 3.9 per cent), reflecting broader gender dynamics during periods of conflict and displacement. Women who lose their jobs, as discussed earlier, are often more likely to withdraw from the labour force or remain unemployed. Men, by contrast, may be more likely to prioritize rapid re-entry into employment following job loss and may accept any available employment opportunities even when these offer lower levels of job security or protection.

▶ Figure 21: Employment continuity, relocation and job change, by sex, in %



Examining the quality of jobs secured by workers who were able to find new employment provides important insights into the labour market adjustments taking place as a result of the conflict. Only 5.9 per cent of respondents who changed jobs reported finding a better job opportunity. The share was lower among men (4.4 per cent) than among women (10.3 per cent).

More specifically, the findings suggest that re-employment often came at the cost of both lower earnings and reduced job quality. On average, workers who changed jobs reported earnings that were 30.7 per cent lower than those received in their previous employment, with the reduction higher among men (-31.7 per cent) than women (-26.7 per cent).

The transition patterns among workers who changed jobs following the conflict by employment status and job characteristics also reveal important insights, including on the quality of jobs. Overall, 13.4 per cent of those who changed employment were, prior to the conflict, employees holding formal jobs, 56.3 per cent were holding informal jobs and 30.3 per cent were self-employed. After changing jobs, the share of those holding formal jobs

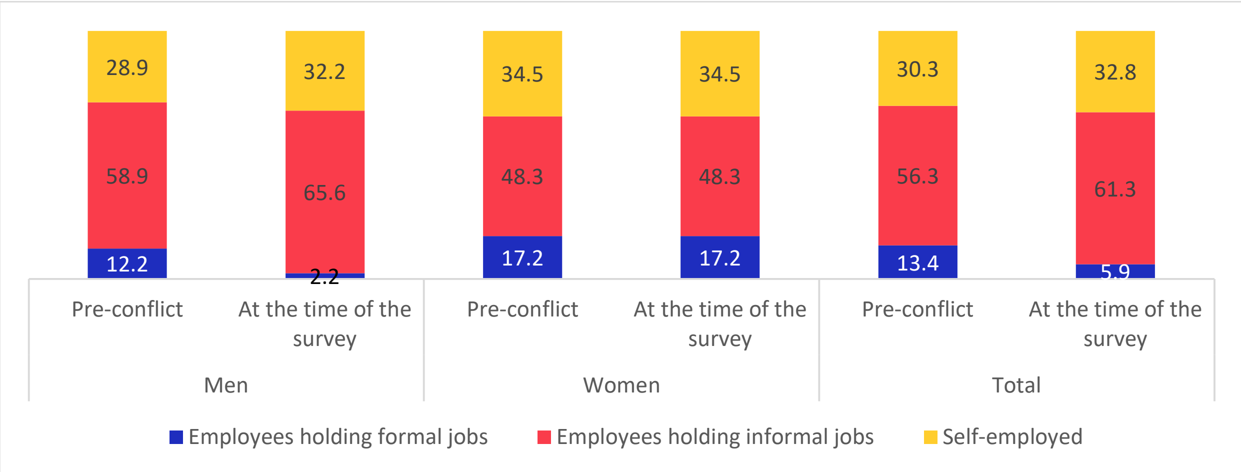
[26] While changes in the governorate of employment provide useful evidence of geographic mobility and displacement-related adjustments, this measure captures only part of the mobility experienced by workers. Individuals may relocate across districts, municipalities or localities while remaining within the same governorate, movements that are not reflected in the governorate-level data. As a result, governorate-level employment transitions are used primarily as an indication of broad geographic mobility rather than a comprehensive measure of worker relocation.

decreased significantly to 5.9 per cent, whereas more individuals shifted to informal employment (61.3 per cent) and self-employment (32.8 per cent). (Figure 22)

These patterns were also observed among men. Prior to the conflict, 12.2 per cent of men who changed jobs were employees holding formal jobs, 58.9 per cent were employees holding informal jobs and 28.9 per cent were self-employed individuals. After changing jobs, only 2.2 per cent remained in formal employment, while the share in informal employment increased sharply to 65.6 per cent and that of self-employment also increased to 32.2 per cent.

Among women, employment transitions followed a somewhat different pattern. Before the conflict, 17.2 per cent of women who changed jobs were employees holding formal jobs, 48.3 per cent were employees holding informal jobs, and 34.5 per cent were self-employed. Following the transition, the respective shares of women in self-employment and those holding formal and informal jobs remained unchanged (Figure 22)

▶ Figure 22: Distribution of respondents who changed jobs by sex and by employment status and job characteristics, pre- and post- conflict, in %



The data presented in Figure 23 give further insights on these transitions and highlight specifically the persistence of informality. None of the employees who were in informal employment before the conflict, whether men or women, managed to transition into formal employment after changing jobs. This pattern is consistent with the concept of an "informality trap", whereby workers who enter informal employment face significant barriers to accessing formal jobs and therefore remain trapped in low-quality, informal and often precarious forms of work.

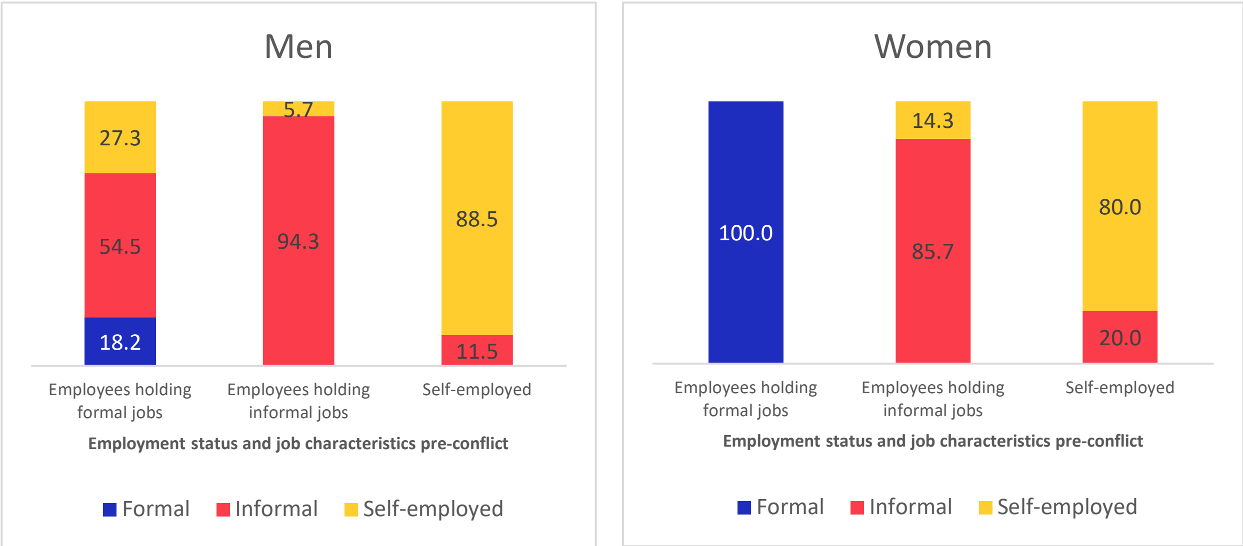
Similarly, while the majority of workers who were self-employed prior to the conflict and subsequently changed jobs remained self-employed, all those who transitioned into wage employment entered informal jobs.

In contrast, workers who held formal jobs before the conflict generally enjoyed better prospects. Among women, all workers who were formally employed before the conflict and subsequently changed jobs remained in formal employment. Among men, however, the deterioration in labour market conditions appears to have been more severe. Only 18.2 per cent of previously formal male workers remained in formal employment, while 54.5 per cent transitioned into informal jobs and 27.3 per cent shifted to self-employment in order to remain in employment, suggesting that even workers with prior access to formal employment were not immune to the pressures created by the conflict, with many failing to retain their formal status.

Overall, the findings point to a deterioration in job quality among workers who changed jobs following the conflict, reflected in a marked shift towards informal employment and, in some cases, a transition into self-employment. In the Lebanese context, such transitions to self-employment are often driven by necessity rather than choice, serving as a coping strategy in the absence of sufficient decent wage employment opportunities.

The findings also highlight the persistence of labour market informality and the constraints it imposes on workers. Those already engaged in informal employment appear to face substantial barriers to transitioning into formal jobs, barriers that become even more difficult to overcome during periods of economic disruption and conflict..

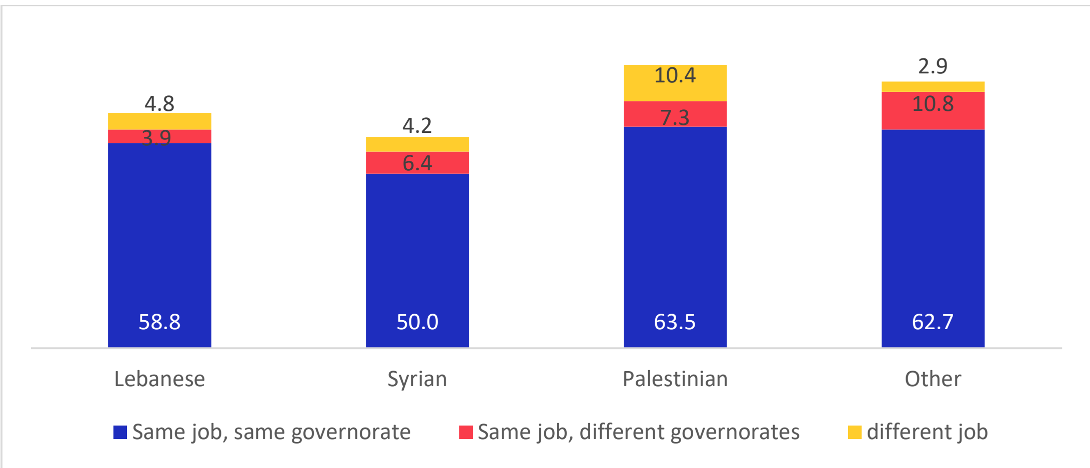
Figure 23: Respondents who changed jobs by employment status and job characteristics, pre- and post-conflict



Similar trends emerge when examining the availability of written contracts. While 12.6 per cent of workers who changed employment were employees with written contracts, including 10.0 per cent of men and 20.7 per cent of women, this share declined to 7.6 per cent following the job transition, falling to 4.4 per cent among men and 17.2 per cent among women.

Beyond gender differences, patterns of employment continuity and job change also varied across nationality groups. Palestinian workers were the most likely to transition into new employment following the conflict, with 10.4 per cent reporting a job change, compared to only 2.9 per cent among workers of other nationalities. This reflects a greater propensity or necessity among Palestinians to transition between jobs in order to maintain employment and income following displacement or job loss. By contrast, workers of other nationalities, a group consisting largely of migrant domestic workers whose employment is concentrated in household and care services, are largely characterized by limited occupational mobility. In addition, legal and administrative arrangements governing migrant workers' employment may constrain movement across employers, occupations or sectors, reducing the likelihood of job transitions.

Figure 24: Employment continuity, relocation and job change, by nationality, in %

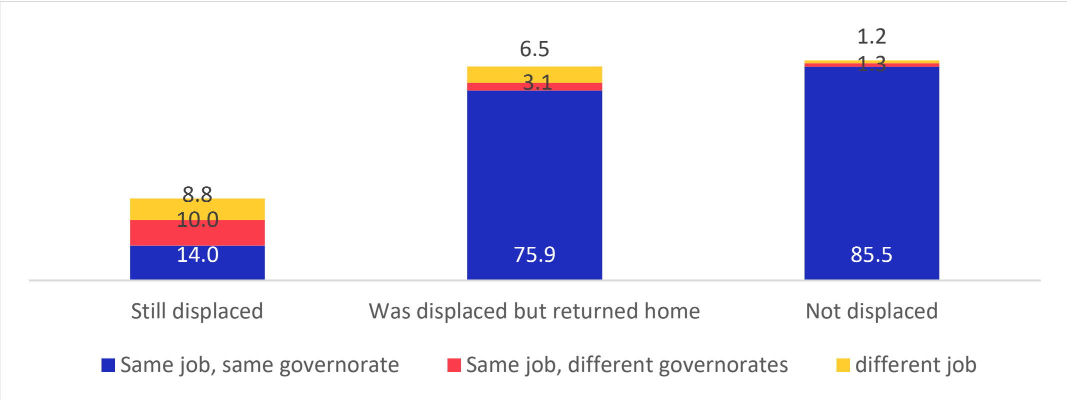


Overall, and as the earlier job loss analysis also suggested, the displacement status and pre-conflict location of work remain the primary drivers of employment disruption. Workers who experienced displacement and those employed in the most conflict-affected areas were significantly more likely to experience changes in their employment situation, whether through job loss, relocation of work or transitions into new employment.

Among respondents who remained displaced at the time of the survey, employment continuity was significantly low. Only 14.0 per cent reported remaining in the same job and working from the same governorate, while 10.0 per cent continued in the same job but from a different governorate. A further 8.8 per cent reported changing jobs altogether. By contrast, non-displaced workers exhibited substantially greater employment stability, with the vast majority remaining in the same job and only 1.2 per cent reporting a job change.

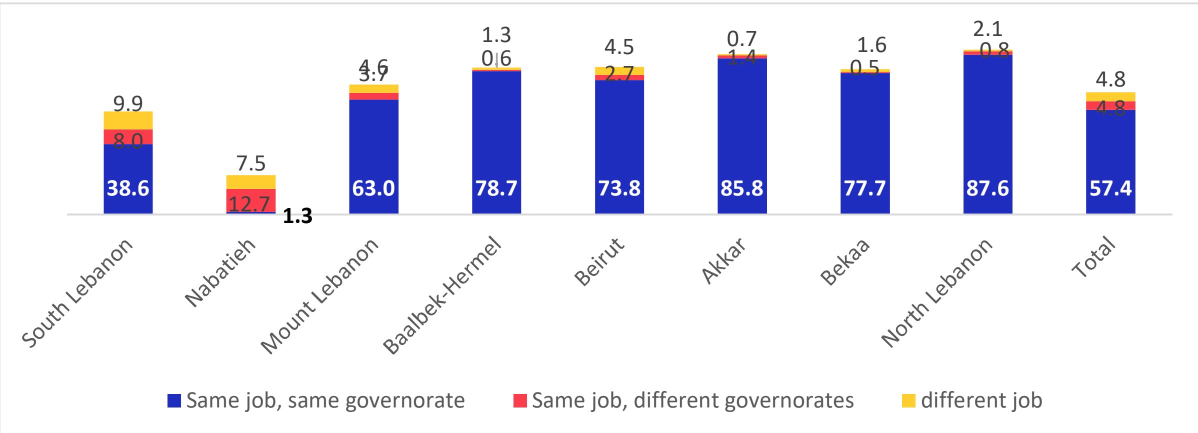
These findings underscore the profound impact of displacement on labour market trajectories. Displacement can disrupt workers' access to their original workplace, affecting the viability of maintaining previous economic activities and often requiring individuals to adapt either through geographic mobility or through transitions into new jobs.

Figure 25: Employment continuity, relocation and job change, by displacement status, in %



Significant differences also emerge by governorate. Workers from governorates most directly affected by the conflict experienced substantially greater employment disruption than those residing elsewhere. Among those who worked in South Lebanon, only 38.6 per cent remained in the same job they had and continued to work from the South, 8 per cent retained the same employment but worked from another governorate while 9.9 per cent changed jobs altogether. The situation was even more pronounced among those who worked in Nabatieh, where only 1.3 of respondents reported still working in Nabatieh and in the same job, 12.7 per cent kept the job they had but had to relocate to a safer governorate while 7.5 per cent changed jobs altogether.

Figure 26: Employment continuity, relocation and job change, by pre-conflict place of work, in %



Looking at the sectoral distribution, data show that sectoral change among job changers was real, but not dominant. Among those who changed employment following the conflict, the majority (76.5 per cent) remained in the same economic sector while 23.5 per cent moved to a different sector. This suggests that even when workers were forced to find new employment, they generally sought opportunities that relied on existing skills, experience and professional networks. Sectoral changes occurred, but they were typically driven by necessity rather than preference, reflecting the limited availability of suitable jobs during the crisis

Impact on working conditions

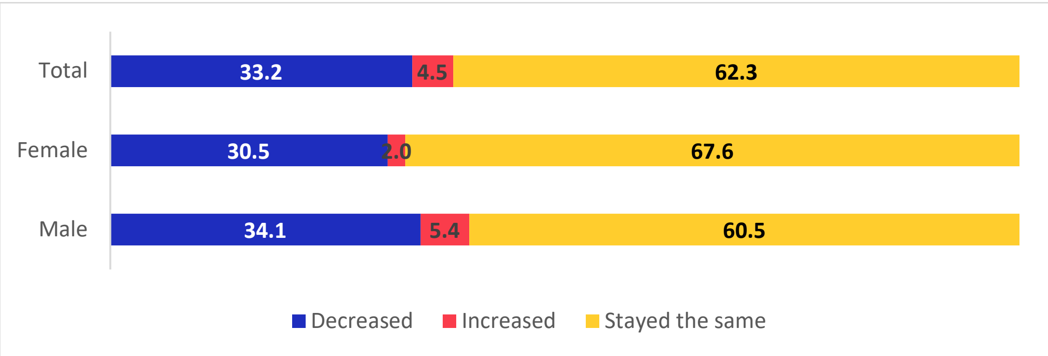
The conflict affected private sector workers not only by disrupting employment itself, but also by reducing incomes, compressing working time and weakening workers' confidence in the stability of their livelihoods. The evidence points to a labour market in which many people, despite remaining in employment, are working under more fragile and less predictable conditions. In other words, the main shock was not limited to outright job loss; it also took the form of income erosion, shorter or more irregular working time and greater uncertainty about future earnings.

Employment losses and earnings decline: the full income cost of the conflict

Among workers who remained employed at the time of the survey, one-third reported a decline in earnings while only 4.5 per cent experienced an increase. Overall, average labour income fell by 14.8 per cent. As noted earlier, income losses were particularly severe among workers who changed jobs, whose earnings declined by an average of 30.7 per cent compared to their previous employment. However, even workers who remained in the same job experienced an average income reduction of around 14 per cent, highlighting the broader deterioration in earnings and job quality associated with the conflict.

Compared to women, men were more likely to experience both an increase and a decrease in their labour income. These changes have resulted in a more pronounced reduction in incomes among men (-15.5 per cent) than among women (-12.4 per cent). While this disproportionate impact contributed to a narrowing of the gender pay gap - from 16.4 per cent before the conflict to 13.3 per cent at the time of survey - it should not be interpreted as an improvement in women's labour market outcomes. Instead, it is largely driven by a sharper decline in men's earnings rather than by gains in women's earnings.

▶ Figure 27: Distribution of employed workers by change in labour income since the onset of the conflict, in %

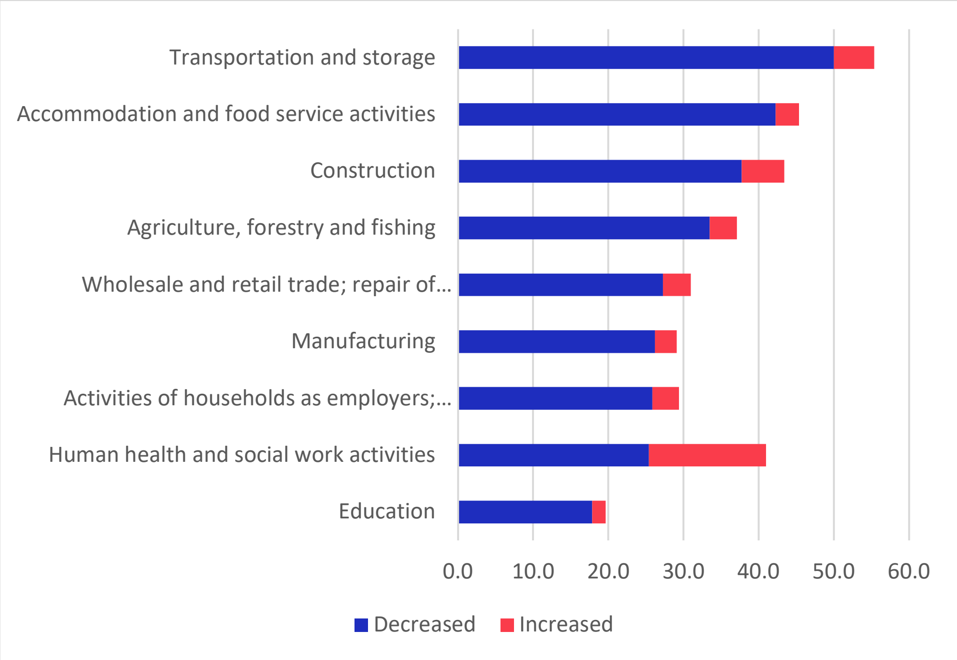


Changes in labour income also varied by sector. Looking at the main sectors of employment, the largest shares of workers reporting declines in labour income were found in "Transportation and storage" (50.0 per cent), "Accommodation and food service activities" (42.3 per cent), "Construction" (37.7 per cent) and "Agriculture, forestry and fishing" (33.5 per cent).

While less widespread than in other sectors, income reductions remained significant in "Wholesale and retail trade" (27.3 per cent), "Manufacturing" (26.2 per cent), "Activities of households as employers and own-use production activities" (25.9 per cent) and "Human health and social work activities" (25.4 per cent). The education sector recorded the lowest share of workers reporting income declines, at 17.9 per cent.

Importantly, while only a small proportion of workers reported increases in labour income, the share was comparatively higher in the health sector, where 15.6 per cent of workers experienced earnings gains. This may reflect the increased demand for health services during periods of conflict, which can lead to longer working hours and greater workloads for health workers. Indeed, the health sector was also among those with a relatively high share of workers reporting an increase in working hours compared to the pre-conflict period (see section on working hours).

▶ Figure 28: Share of employed workers reporting increases and decreases in labour income, by sector, in %



Significant differences also emerged across nationality groups. Lebanese workers experienced the largest decline in earnings among the three main nationality groups, with average incomes falling by 16.2 per cent, compared with declines of 8.2 per cent among Syrian workers and 8.7 per cent among Palestinian workers. However, these differences should be interpreted in light of substantial disparities in pre-conflict earnings. Syrian and Palestinian workers entered the crisis with considerably lower average incomes, meaning that even relatively smaller percentage declines may have had severe consequences for household welfare and economic security. Palestinian workers, for example, earned an average of just USD 416 per month before the conflict, compared with USD 666 among Lebanese workers. As a result, any further erosion of earnings among these groups is likely to have had a disproportionate impact on their living conditions and vulnerability to poverty.

▶ Table 10: Average monthly labour income before and during the conflict, by nationality, in USD and % change

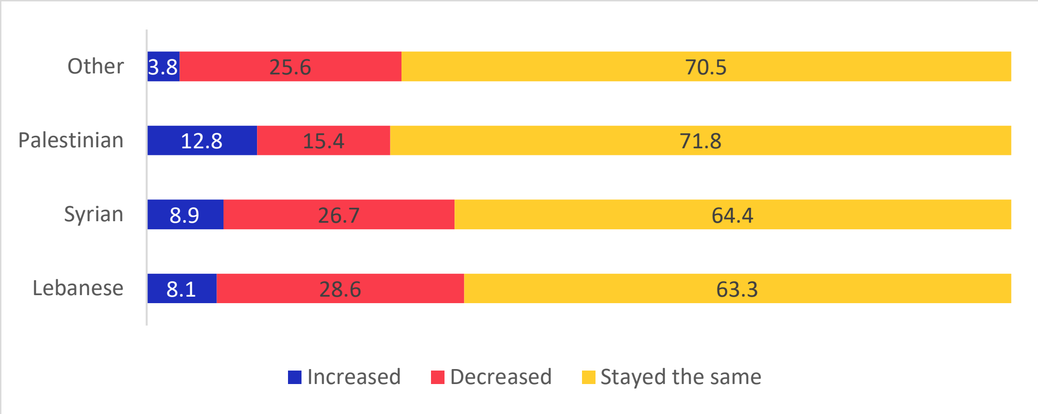
	Lebanese	Syrian	Palestinian	Other
Pre-conflict income	668	517	416	336
Post-conflict income	560	474	380	269
% change	-16.2	-8.2	-8.7	-20.0

Workers of other nationalities experienced the largest decline in average earnings among all population groups. Importantly, however, the share reporting a reduction in income (25.6 per cent) was not substantially higher than that observed among other groups. In fact, it was lower than the corresponding shares among Lebanese and Syrian workers, although higher than among Palestinian workers (Figure 29).

The comparatively larger decline in average earnings appears to be driven by two factors. First, workers of other nationalities, including migrant domestic workers, were the least likely to report an increase in income. Second, among those who experienced a decline in earnings, the reduction was particularly severe, averaging 61.8 per cent. Together, these factors help explain the pronounced deterioration in average earnings observed for this group.

This trend is especially concerning given that workers of other nationalities already reported the lowest earnings levels prior to the conflict. Consequently, any further reduction in income is likely to have particularly severe implications for their economic well-being. The impact is likely to be even more acute given their more limited access to family and social support networks compared with many other workers, as discussed later in the report.

▶ **Figure 29: Share of employed workers by change in labour income and nationality, in %**

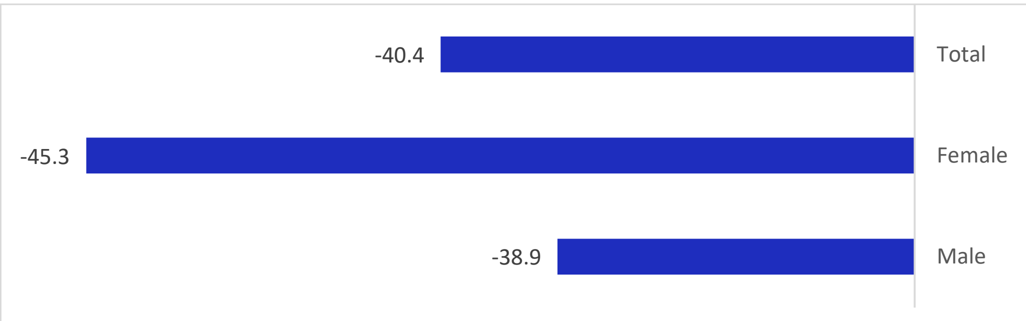


Looking at persons with disabilities, the data suggest that those who remained employed experienced a substantially sharper decline in labour income than workers without disabilities, with average earnings falling by 29.2 per cent compared to 14.7 per cent. This finding is particularly noteworthy given that none of the surveyed persons with disabilities reported changing jobs during the period under analysis. The observed decline in earnings cannot therefore be attributed to transitions into lower-paid employment but rather reflects a significant reduction in earnings among those who remained in their existing jobs. Of particular concern, and as discussed in the section on the fairness of income changes, 70 per cent of persons with disabilities who reported a change in their income considered it to be unfair or disproportionate to the corresponding change in their working time.

Over and above, and while the previous analysis examines changes in earnings among workers who remained employed, it captures only part of the income cost of the conflict. A comprehensive assessment must also account for workers who lost their jobs and, consequently, their entire labour income. When these individuals are included, average earnings across the surveyed population are estimated to have declined by 40.4 per cent relative to pre-conflict levels. This suggests that the combination of declining incomes among those employed coupled with the widespread job destruction generated a huge income shock, pushing many households into situations of heightened economic vulnerability. The resulting decline in purchasing power would in turn have significant repercussions for household welfare, local economic activity and aggregate demand.

Additionally, and unlike the pattern observed among workers who remained employed, women experienced a larger overall decline in labour income once job losses were incorporated into the analysis (Figure 30). This combination of lower pre-conflict earnings, higher employment vulnerability and more limited access to alternative employment opportunities suggests that the conflict may have severely deepened existing gender inequalities in economic security and labour market participation.

▶ **Figure 30: Overall labour income loss resulting from job losses and earnings declines, by sex, in %**

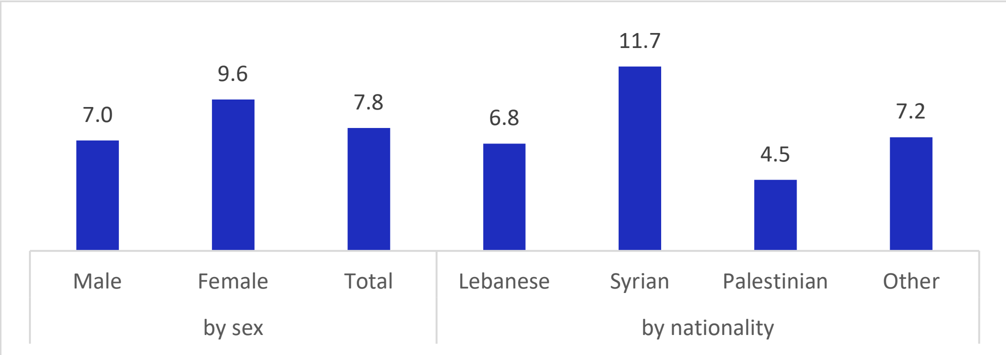


Compounding these effects, and while labour incomes have already shown a downward trend in nominal terms, the impact is even more pronounced when assessed in real terms. Rising inflation has further eroded purchasing power, suggesting that the deterioration in living standards is greater than nominal income figures alone would indicate.

Timeliness of wage payment

The challenges associated with reduced earnings are further compounded when wages are not paid on time. Delays in wage payments can undermine workers' ability to meet basic household needs, manage day-to-day expenses and cope with the broader economic pressures associated with the conflict. While most employees reported receiving their wages on time, 7.8 per cent indicated that they had experienced payment delays (Figure 31). The incidence of delayed wage payments is relatively higher among women (9.6 per cent) and Syrian workers (11.7 per cent), pointing to potential disparities in income security among particularly vulnerable groups.

▶ Figure 31: Share of employees reporting delayed wage payments, by sex and nationality, in %

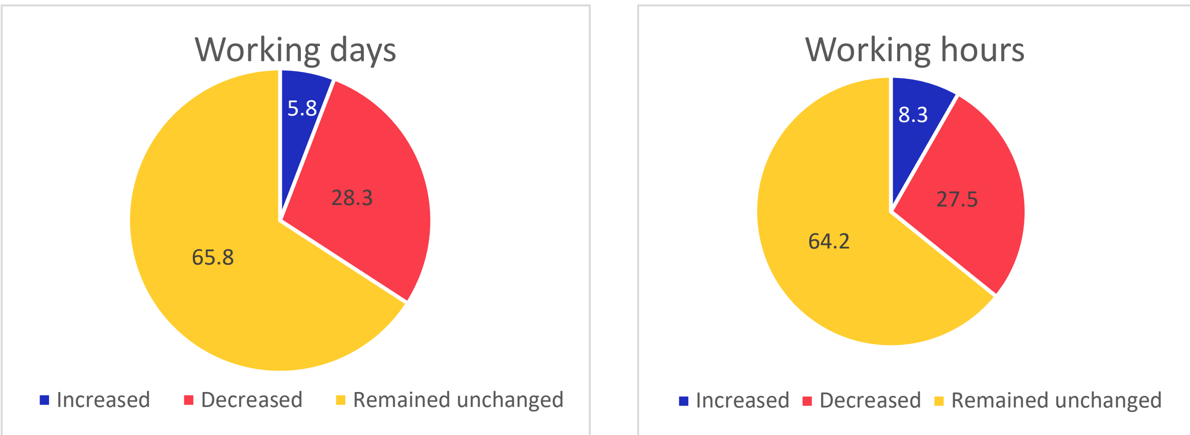


Shrinking working time

The conflict has also altered the intensity of work. Overall, 28.3 per cent of respondents said their working days had decreased, 5.8 per cent said they had increased and 65.8 per cent reported no change. A very similar pattern appears for working hours, with 27.5 per cent of working individuals reporting a decrease in the average number of daily hours worked.

This indicates that for a substantial proportion of the sampled population, the conflict led to some sort of underemployment rather than complete withdrawal from work. In practice, many workers seem to have remained attached to jobs, but with fewer days, shorter shifts or interrupted schedules. That shows how conflicts can erode working conditions without necessarily eliminating employment altogether.

▶ Figure 32: Changes in working days and working hours among workers who remained employed, in %

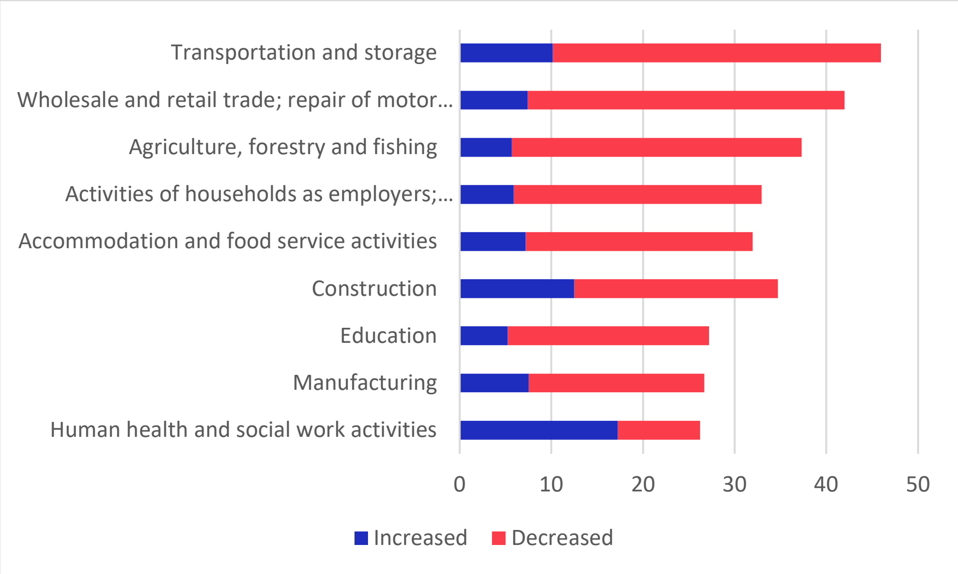


Looking at changes in hours of work by sector, data reveal important insights. Across almost all sectors, a larger share of workers reported reductions rather than increases in working hours, pointing to a widespread contraction in labour demand.

The health sector was the notable exception. It was the only sector in which a larger share of workers reported an increase rather than a decrease in working hours, with 17.2 per cent reporting longer working hours compared with 9.0 per cent reporting shorter hours. This likely reflects the increased demand for healthcare services during and after the conflict, which placed additional pressure on health workers and required longer shifts. The finding is also consistent with evidence showing that a relatively larger share of health workers experienced increases in labour income, suggesting that earnings gains in the sector may have been driven by increased workloads and longer working hours rather than improvements in pay or employment conditions.

By contrast, the largest share of workers reporting reductions in working hours was in “Transportation and storage” (35.8 per cent), reflecting the severe disruption to mobility, logistics and economic activity caused by the conflict. A significant share of workers also reported declines in “Wholesale and retail trade” (34.6 per cent), in “Agriculture, forestry and fishing” (31.6 per cent), “Activities of households as employers” (27.1 per cent) and “Accommodation and food service activities” (24.7 per cent).

▶ Figure 33: Share of employed individuals reporting increases or decreases in hours of work by sector, in %



Fairness of income changes amid working time adjustments

While both earnings and working time were significantly affected by the conflict, the critical issue is not only whether incomes changed, but whether those changes were perceived as proportionate to changes in work intensity. To assess this, respondents were asked whether the change in their income was fair given the change in their working hours or days.

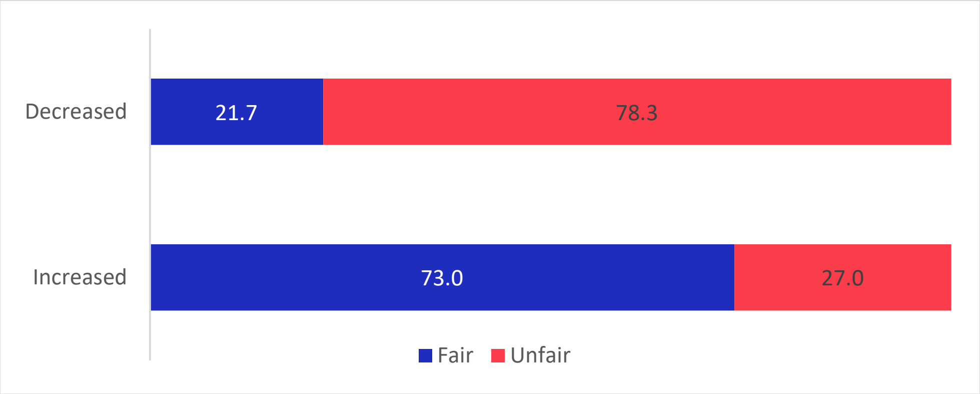
Among workers who experienced a change in income, nearly three-quarters (72.8 per cent) considered the change to be unfair or disproportionate relative to the adjustment in their workload. This perception was more common among men (75.2 per cent) than women (64.0 per cent), suggesting widespread concerns about the adequacy of compensation adjustments during the conflict.

Persons with disabilities also expressed significant concerns regarding the fairness of changes in their labour income. Among those whose income had changed, 70 per cent considered the change to be unfair or disproportionate relative to the corresponding change in their working hours.

The perception of unfairness was also particularly pronounced among workers whose incomes declined. More than three-quarters (78.3 per cent) of respondents reporting lower incomes indicated that the reduction in earnings was not proportionate to the change in their working time, while only 21.5 per cent considered the decline to be broadly consistent with changes in hours or days worked. This finding suggests that many workers experienced income losses that exceeded what they perceived as justified by changes in labour input.

At the same time, perceptions of unfairness were not limited to workers experiencing income losses. Among those whose incomes increased, more than one-quarter (27.0 per cent) still considered the change in earnings to be disproportionate to the corresponding change in working time.

▶ **Figure 34: Respondents' perceptions of the fairness of income changes relative to changes in working time, by income change, in %**



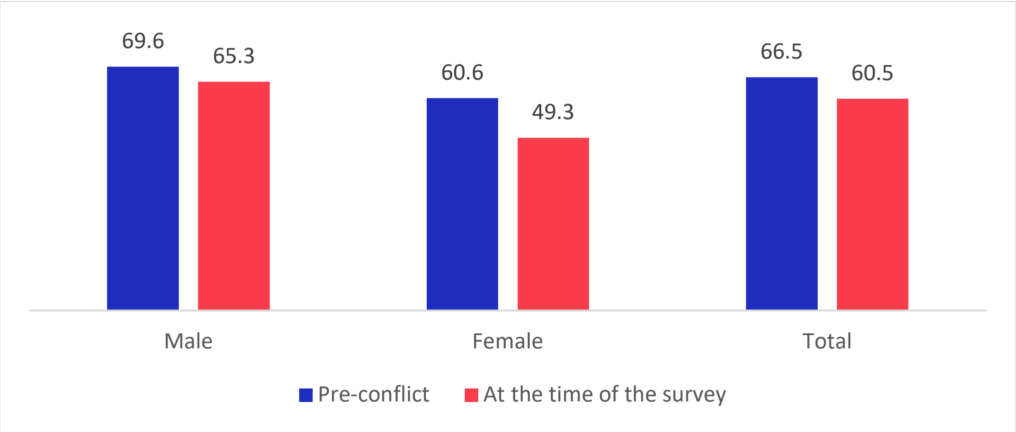
The paradox of declining informality and rising contract coverage

Beyond changes in earnings and working hours, economic shocks can alter employment arrangements, increasing workers' vulnerability and potentially leading to greater informality, weaker employment protections and reduced access to written contracts and social security benefits.

To assess how job formality evolved following the outbreak of the conflict in Lebanon, the survey examined several indicators among employees, including employer provision of social protection, paid annual leave and paid sick leave. Contrary to expectations, the findings suggest a decline in the prevalence of informal employment. At the time of the survey, 60.5 per cent of employees were in informal jobs, representing a decrease of 6 percentage points compared to the period before the crisis.

The decline in informality was observed among both men and women, although it was more pronounced among women, as shown in Figure 35.

▶ **Figure 35: Share of employees holding informal jobs, before the conflict and at the time of the survey, in %**



While, at first glance, the decline in informality may appear to signal an improvement in access to employment-related protections among those who remained employed, this finding should be interpreted with caution. Rather than reflecting a process of formalization, it is largely driven by the disproportionate impact of the crisis on informal jobs. As shown earlier, employees holding informal jobs were significantly more likely to lose their employment than their formal counterparts. Consequently, the share of informal employment among those who remained employed declined, even though the overall quality of employment in the labour market may not have improved.

Earlier findings also suggest that informality became an important coping mechanism for workers seeking to re-enter employment after losing their jobs. Among those who changed employment, the share of employees holding formal jobs declined significantly, while the proportion in informal employment increased markedly. Notably, none of the employees who held informal jobs before job loss managed to transition into formal employment afterwards.

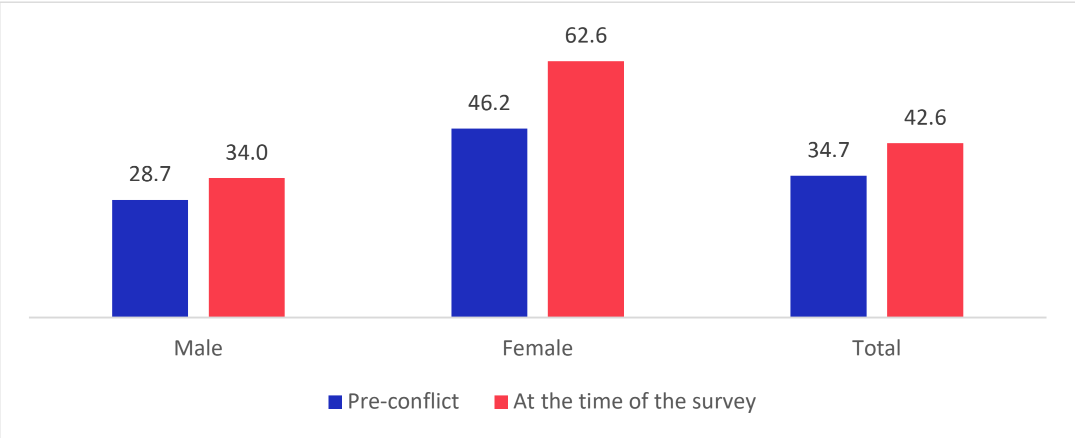
Similarly, among those who had previously been self-employed and subsequently sought wage employment, all entered informal rather than formal jobs.

Together, these findings indicate that while informal jobs were disproportionately destroyed during the conflict, the employment opportunities that emerged or remained accessible in its aftermath were overwhelmingly informal. This is consistent with labour market dynamics commonly observed during periods of conflict and economic crisis. Workers in informal employment are often among the first to be affected by economic shocks due to their concentration in particularly vulnerable sectors and the absence of contractual protections, income security and employment stability. However, as formal employment opportunities contract, many displaced workers are subsequently pushed into informal work as a survival strategy. The result is a dual process whereby informality both absorbs the impact of the crisis through higher job losses and serves as a refuge for workers unable to access formal employment.

A similar pattern emerges when examining the incidence of written employment contracts. While the share of employees reporting the existence of a written contract increased following the conflict, this again largely reflects the disproportionate loss of jobs among workers with no contracts, as also presented earlier in this report. At the same time, the share of employees with written contracts among those who changed employment decreased, suggesting increased reliance on jobs characterized by weaker employment protections and greater insecurity.

The increase in the share of workers with contracts therefore reflects changes in the composition of employment rather than a broad-based strengthening of labour standards. In other words, the crisis eliminated a significant number of the most vulnerable jobs, while simultaneously pushing many workers into new forms of precarious employment.

▶ Figure 36: Share of employees with a written employment contract before the conflict and at the time of the survey, in %

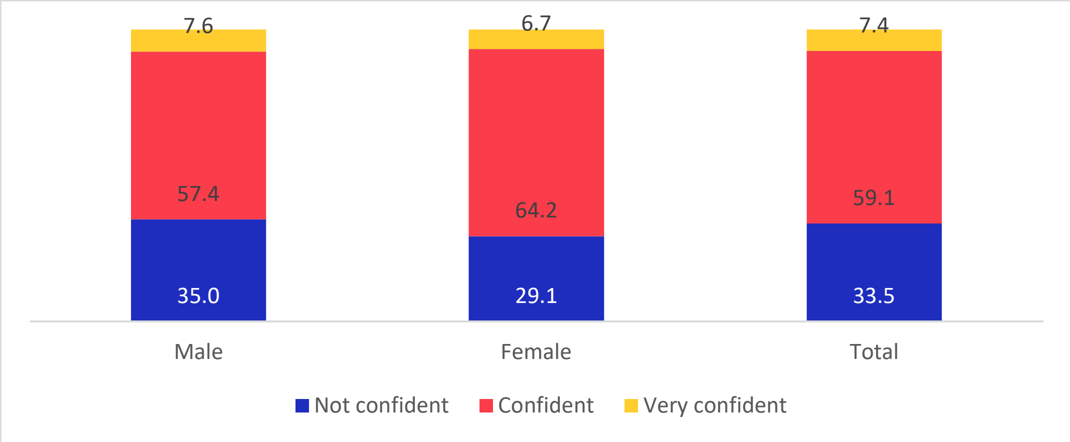


Confidence in employment stability

The effects of the conflict on workers extended beyond job losses and deteriorating job quality to influence perceptions of future employment security. Unfortunately, confidence in job stability among respondents who remained employed was notably low. Only 7.4 per cent reported being very confident that their employment would remain stable, while one-third (33.5 per cent) indicated that they were not confident at all. Although a majority (59.1 per cent) reported being somewhat confident, the very small share expressing strong confidence suggests that employment is often perceived as precarious and uncertain.

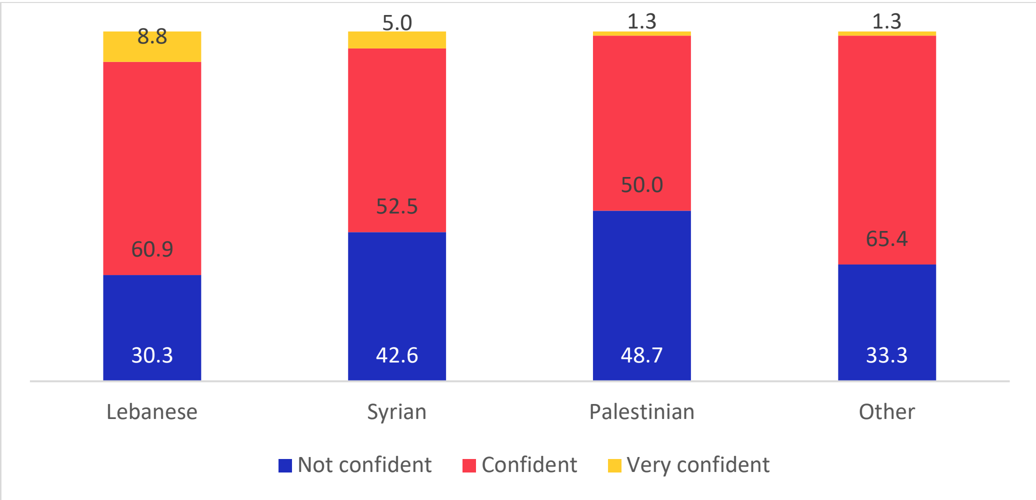
Gender differences in perceptions of employment stability provide further insight into how the conflict affected workers. While men were slightly more likely than women to report being very confident in the stability of their employment (7.6 per cent compared with 6.7 per cent), they were also considerably more likely to report having no confidence at all in their job prospects (35.0 per cent compared with 29.1 per cent). This polarization may reflect differences in the sectors and occupations in which men and women remain employed. It may also point to a selection effect resulting from larger job losses among women, particularly those in more precarious forms of employment. Consequently, women who remain employed may represent a relatively more stable segment of the workforce.

▶ **Figure 37: Confidence in job stability among workers who remained employed, by sex, in %**



Pronounced differences also emerge across nationality groups. Non-Lebanese workers were more likely than their Lebanese counterparts to report having no confidence in the stability of their employment and less likely to express high levels of confidence (Figure 38). This pattern highlights the fragile nature of employment opportunities and the persistent uncertainty facing workers, particularly non-nationals, in an increasingly challenging economic and employment environment.

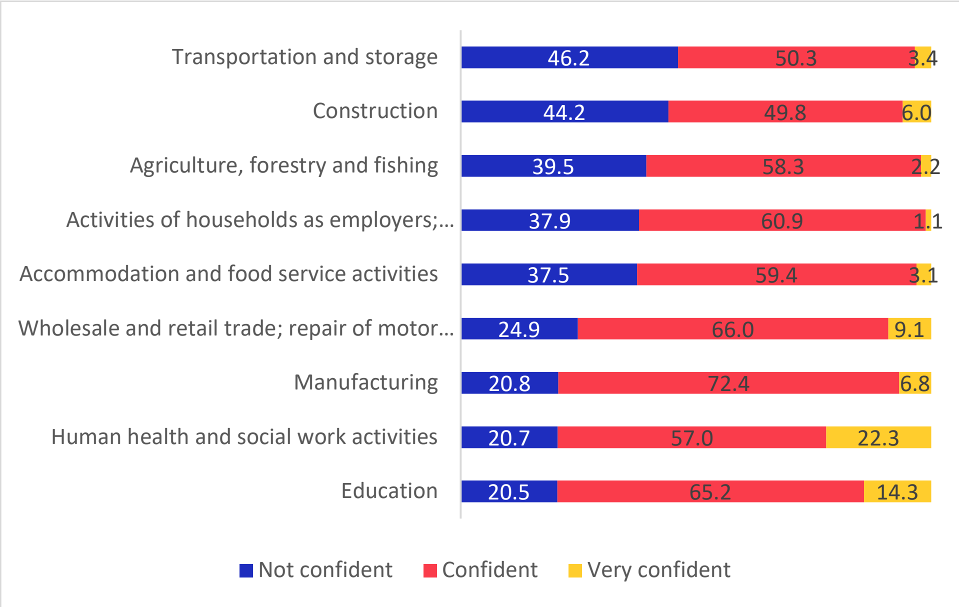
▶ **Figure 38: Confidence in job stability among workers who remained employed, by nationality, in %**



Workers' confidence in their future employment prospects also varied across sectors, revealing important differences in how workers perceive the impact of the conflict on their livelihoods. The highest shares of workers reporting that they were very confident about the future were found in “Human health and social work activities” (22.3 per cent) and “Education” (14.3 per cent). These sectors also recorded the lowest shares of workers reporting that they were not confident. This suggests that workers in these essential service sectors may perceive their jobs as relatively more secure and resilient despite the challenging economic environment.

At the other end of the spectrum, workers in “Transportation and storage” exhibited the highest levels of pessimism, with 46.2 per cent reporting that they were not confident about their future employment prospects, while only 3.4 per cent reported being very confident. Similarly high levels of uncertainty were observed among workers in “Construction” (44.2 per cent not confident),” Agriculture, forestry and fishing” (39.5 per cent not confident) and “Activities of households as employers” (37.9 per cent).

▶ **Figure 39: Confidence in job stability among workers who remained employed, by economic activity, in %**



Worker coping strategies and adaptation measures

As workers continue to face the consequences of conflict, displacement, reduced economic activity and declining employment opportunities, many have adopted various coping mechanisms to manage the resulting loss of income and increased financial pressure. The findings suggest that workers and their households have been relying on a combination of existing resources, social support networks, expenditure reductions and labour-market adjustments to withstand deteriorating economic conditions.

Drawing on savings emerged as the most common financial coping mechanism across all population groups. Lebanese workers were the most likely to rely on savings to cope with the crisis, potentially reflecting the more financial reserves available to this group compared to others.

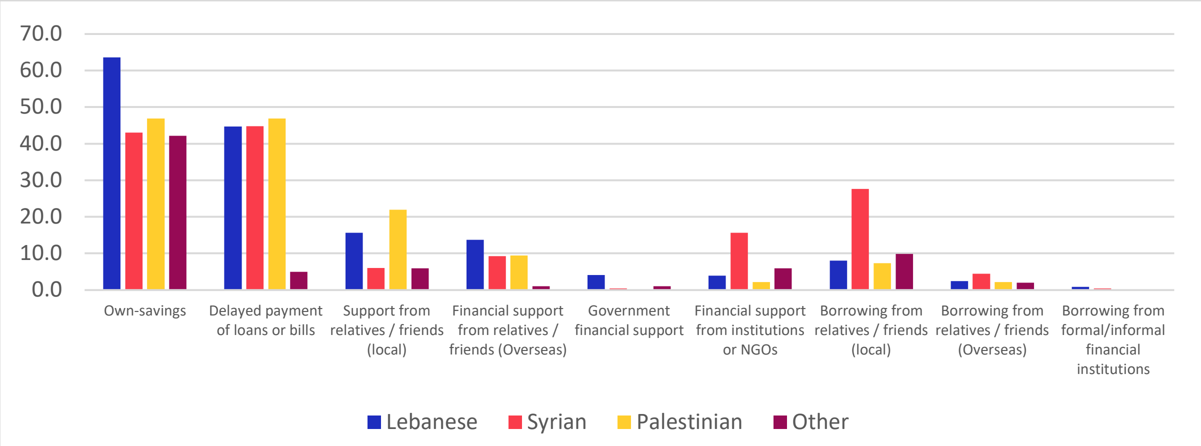
Borrowing and the postponement of financial obligations also emerged as important coping mechanisms. More than four in ten Lebanese, Syrian and Palestinian workers reported delaying the repayment of loans or bills, strategies that can provide short-term relief but may also increase financial vulnerability over time as unpaid obligations accumulate.

The findings also point to a very limited role for formal and informal lending institutions in supporting workers during the crisis. Fewer than 1 per cent of respondents reported borrowing from financial institutions or other formal sources of credit, highlighting the constrained availability and accessibility of such mechanisms in the Lebanese context. Instead, workers relied primarily on informal support systems, either through borrowing or receiving financial assistance from friends and relatives, underscoring the central role of personal and community networks in helping households absorb economic shocks in the absence of effective formal support mechanisms.

Direct support from the Government also appeared to be limited. Only 4.0 per cent of Lebanese respondents reported receiving government financial assistance, compared with 0.4 per cent of Syrian workers, while no respondents from other nationality groups reported benefiting from such support.

In the meantime, Syrian refugee workers were the most likely to report receiving support from NGOs and other institutions (15.6 per cent), reflecting the longstanding presence of humanitarian assistance programmes targeting Syrian refugees in Lebanon and the continued importance of these programmes in supporting household livelihoods.

Figure 40: Financial coping strategies adopted by respondents, by nationality, in %

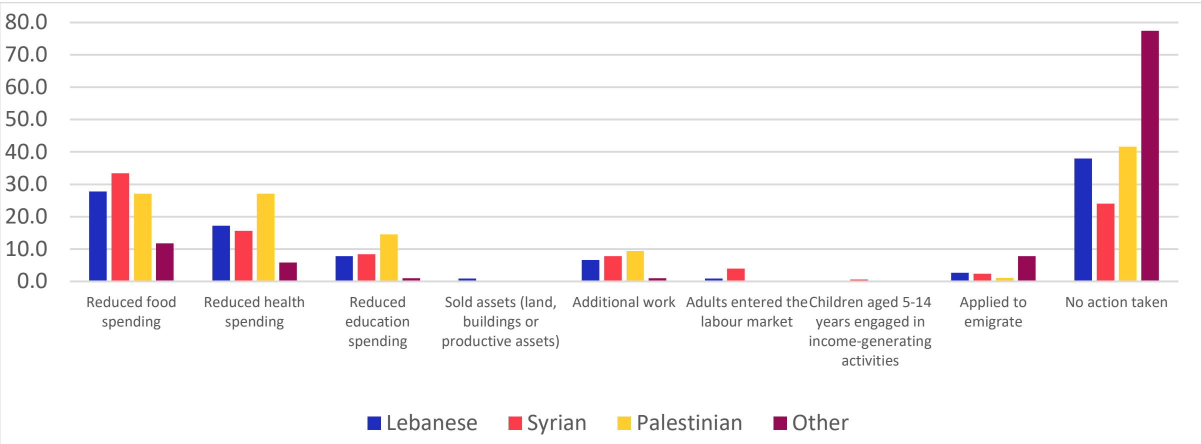


Beyond these financial measures, many workers reported relying on a set of other non-financial measures to cope with the repercussions of the crisis, of which reducing household expenditures was key. Food expenditure was the category most frequently affected, particularly among Syrian workers, one-third of whom (33.4 per cent) reported cutting spending on food. Comparable shares were observed among Lebanese (27.8 per cent) and Palestinians (27.1 per cent) but less so among workers of other nationalities (11.8 per cent).

Some other households also responded by adapting their livelihood strategies, though to a much lesser extent. Around 7 to 9 per cent of Lebanese, Syrian and Palestinian workers reported taking on additional work alongside their primary job, compared with just 1.0 per cent among workers of other nationalities. Applications for emigration remained relatively uncommon overall but were notably higher among workers of other nationalities (7.8 per cent), compared with around 1-3 per cent among other groups. Reports of severe distress coping strategies, such as the sale of productive assets and child labour, were negligible across all population groups.

Overall, the findings point to a progressive pattern of coping whereby households first draw on savings and support networks before resorting to borrowing, delayed payments and expenditure reductions as economic pressures intensify.

Figure 41: Non-financial coping strategies adopted by respondents, by nationality, in %



The findings also reveal important differences in the extent to which workers felt compelled to adopt coping strategies. While around four in ten Palestinian workers (41.7 per cent) and Lebanese workers (37.9 per cent) reported taking no non-financial coping action, the share fell to 24.0 per cent among Syrian workers, suggesting more acute economic pressures. By contrast, more than three-quarters of workers of other nationalities (77.5 per cent) reported taking no non-financial coping measures.

Notably, workers of other nationalities generally reported lower levels of economic disruption and less frequent reliance on coping strategies than other population groups. This pattern is partly explained by the occupational profile of this group, the majority of whom are migrant domestic workers.

For migrant domestic workers residing in their employers' households, where accommodation, food and other basic necessities are typically provided by the employer, exposure to some of the financial pressures captured by the survey may be reduced. Consequently, they may have less need to resort to certain coping strategies reported by other workers.

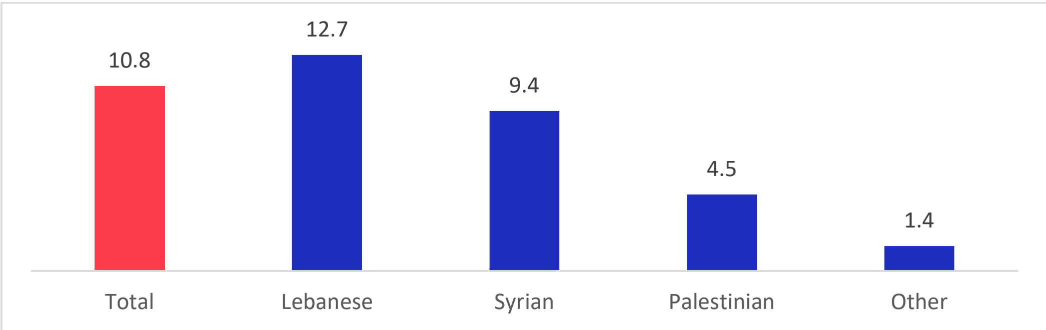
The situation is nevertheless slightly different for migrant domestic workers living outside their employers' households. These workers still earn relatively low wages and possess limited savings or financial buffers. Consequently, they may have less scope to reduce expenditures further in response to economic shocks. At the same time, migrant domestic workers often have more limited access to family and community support networks, borrowing opportunities and formal financial services than other worker groups. As a result, some of the coping mechanisms available to other households may simply not be accessible to them.

The role of employers in supporting workers during the conflict

Despite the significant disruptions caused by the conflict, relatively few workers reported receiving support from their employers. Overall, only 10.8 per cent of respondents indicated that they had benefited from any form of employer assistance during the crisis. Although some employers sought to help workers meet immediate needs, particularly in a context of extremely limited State support, the scale of such support remained modest. As a result, most workers were left to rely on their own resources or support networks to manage the effects of the crisis.

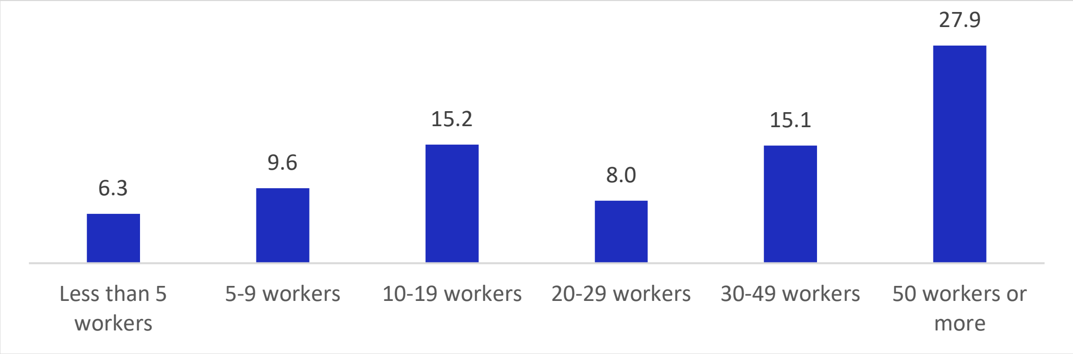
Access to employer support varied significantly across nationality groups. Lebanese workers were the most likely to report receiving assistance, with 12.7 per cent benefiting from some form of support, compared to 9.4 per cent of Syrian workers, 4.5 per cent of Palestinian workers and only 1.4 per cent of workers of other nationalities. These disparities may reflect differences in employment arrangements, sectoral concentration and access to employer-based protection mechanisms, with non-Lebanese workers often concentrated in more precarious forms of employment where support from employers may be less readily available.

Figure 42: Share of employees who received employer support during the conflict, by nationality, in %



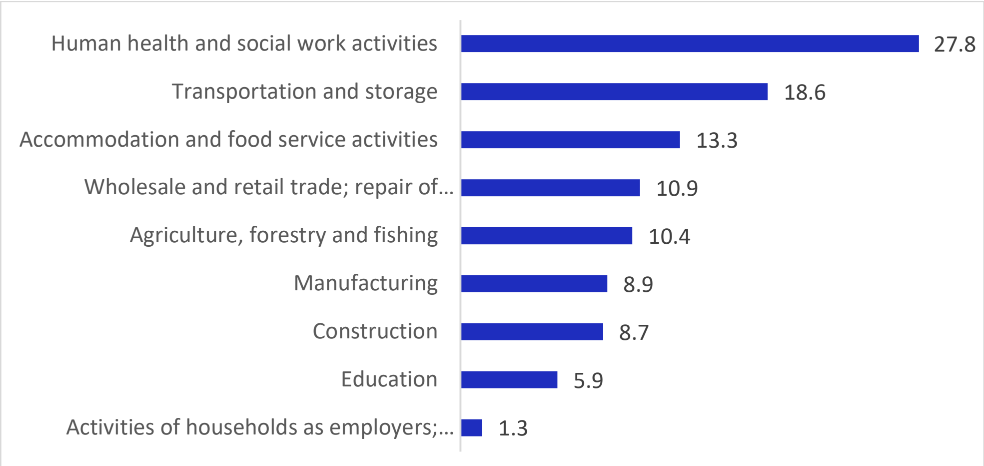
Important differences also emerge according to the size of the enterprise. Workers employed in larger enterprises were substantially more likely to report receiving support from their employers than those working in smaller establishments. More than one-quarter (27.9 per cent) of workers employed in establishments with 50 workers or more reported receiving employer support, compared with just 6.3 per cent of those working in establishments with five workers or fewer. This disparity likely reflects the greater financial and organizational capacity of larger firms to absorb shocks, retain workers and provide assistance during periods of crisis. Larger enterprises are also more likely to operate through formal employment arrangements and established human resource systems, which can facilitate the provision of support to employees.

Figure 43: Share of employees who received employer support during the conflict, by enterprise size, in %



The likelihood of receiving employer support varied considerably across sectors. Workers in the health sector reported the highest levels of employer assistance (27.8 per cent), followed by those in transportation and storage (18.6 per cent) and accommodation and food service activities (13.3 per cent). At the other end of the spectrum, workers engaged in domestic work were by far the least likely to report receiving support from their employer, with only 1.3 per cent doing so (Figure 44).

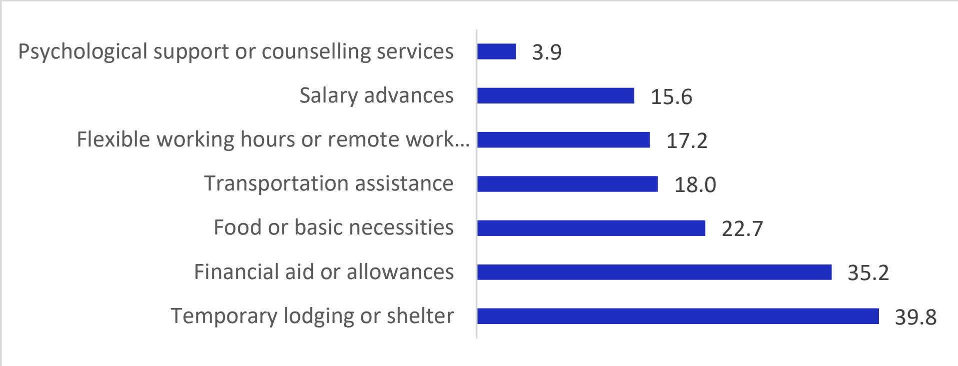
Figure 44: Share of employees who received employer support by economic activity, in %



Among those who received support, temporary lodging or shelter was the most commonly reported form of assistance, benefiting 39.8 per cent of recipients. Financial aid or allowances (35.2 per cent) and food or basic necessities (22.7 per cent) were also relatively common, reflecting the immediate humanitarian and economic needs generated by the conflict. Other forms of support included transportation assistance (18.0 per cent), flexible working arrangements or remote work options (17.2 per cent), salary advances (15.6 per cent) and, to a much lesser extent, psychological support or counselling services (3.9 per cent).

The nature of the assistance provided suggests that employers who were able to support their workers focused primarily on addressing urgent material needs associated with displacement and income insecurity. However, the relatively limited reach of employer support highlights the constraints faced by many enterprises during the conflict and underscores the importance of broader social protection and humanitarian responses in supporting workers during periods of crisis. Overall, while employers can play an important role in supporting workers during crises, they cannot be expected to shoulder the full burden of income protection and social support in the absence of effective and well-functioning social protection systems.

▶ **Figure 45: Support provided by employer, by measure, in %**



Persisting support needs and priorities for livelihood recovery

Although many workers have adopted coping strategies to manage the repercussions of the conflict, and some have benefited from support provided by employers, substantial unmet needs remain. The survey findings indicate that recovery is far from complete for a large share of the workforce, with many workers continuing to face challenges in restoring stable livelihoods and achieving economic security.

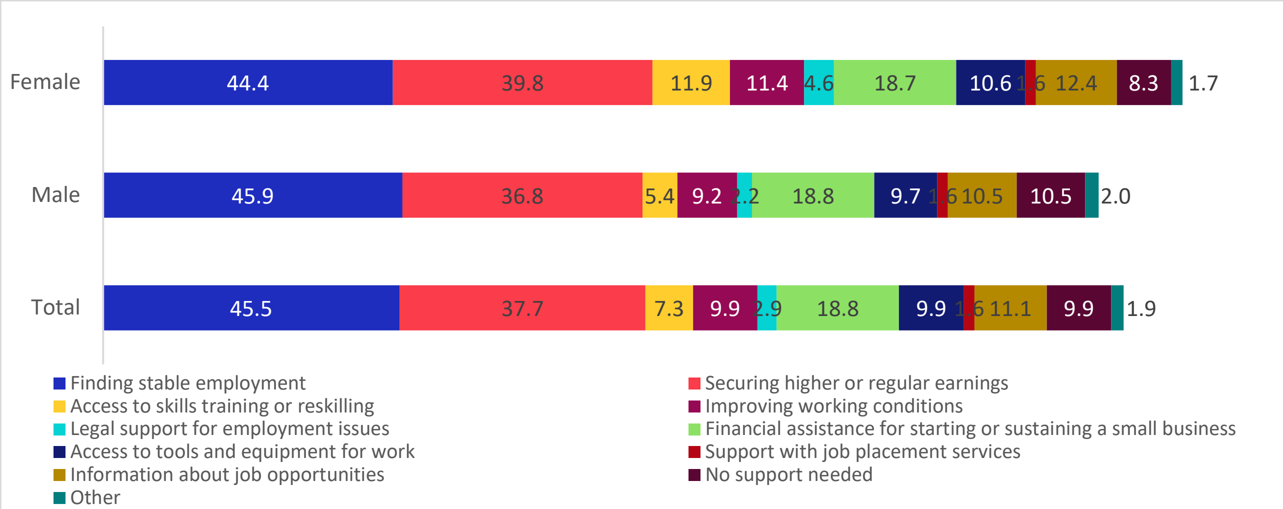
The employment-related needs reported by respondents underscore the depth and persistence of the labour market disruption. Across all surveyed individuals, the most frequently cited need was assistance in finding stable employment (45.5 per cent), followed by support in securing higher or more regular earnings (37.7 per cent). Together, these findings point to a labour market characterized not only by employment losses, but also by widespread concerns over job stability and the adequacy of earnings among those who remain in employment.

A second tier of needs reflects workers' efforts to sustain or rebuild their livelihoods. 18.8 per cent of respondents reported needing financial assistance to start or sustain a small business, while around one in ten cited a need for information about job opportunities (11.1 per cent), improved working conditions (9.9 per cent) or access to tools and equipment for work (9.9 per cent). By contrast, relatively few respondents identified legal support, job placement services or skills training as their primary need, suggesting that immediate economic recovery and income generation take precedence over longer-term labour market interventions.

Only around one in ten respondents (9.9 per cent) reported that they did not require any support, highlighting the widespread and persistent impact of the crisis on workers' livelihoods.

From a gender perspective, while the overall pattern of support needs was broadly similar for men and women, some notable differences emerge. Women were considerably more likely than men to report a need for skills training or reskilling (11.9 per cent compared with 5.4 per cent) and legal support for employment-related issues (4.6 per cent compared with 2.2 per cent). The higher demand for training and reskilling reflects the higher incidence of job loss among women during the crisis while the greater demand for legal support is influenced by the inclusion of migrant domestic workers in the sample, the majority of whom are women and who often face distinct employment-related legal and protection challenges.

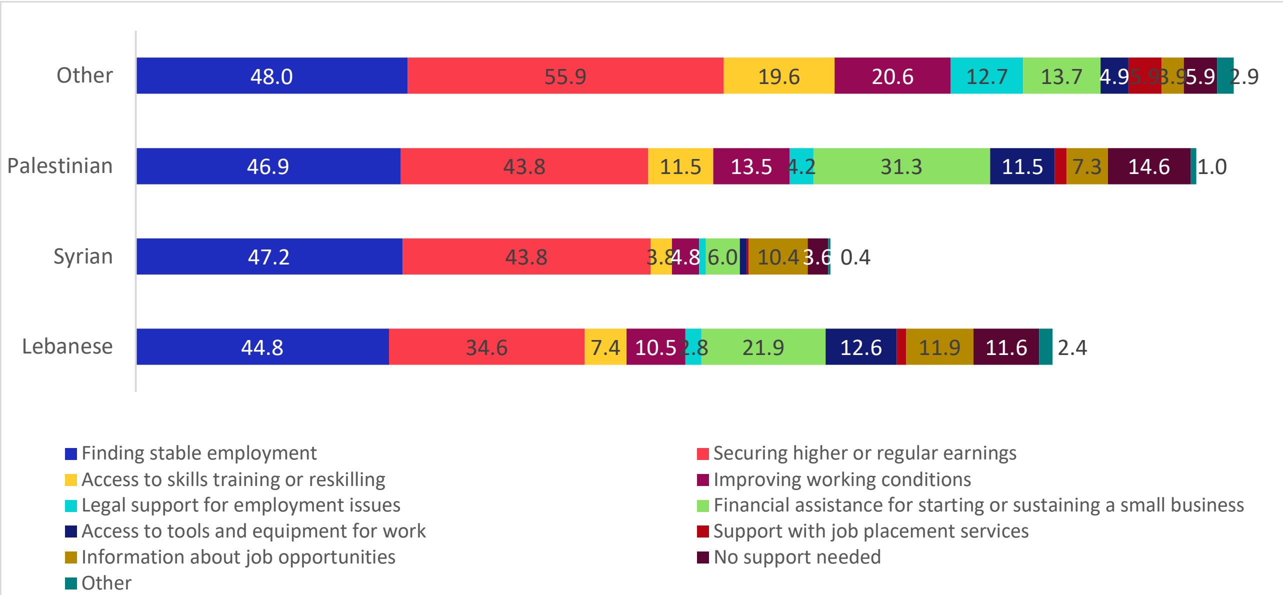
Figure 46: Employment recovery needs among workers, by sex, in %



Differences in support needs were also evident across nationality groups. While finding stable employment emerged as the most frequently cited need across all nationalities, reported by between 45 and 48 per cent of respondents, the types of support required to rebuild livelihoods varied considerably. Compared to other nationality groups, Syrian respondents were significantly less likely to identify “access to skills, training or reskilling” (3.8 percent), “improving working conditions” (4.8 per cent), financial assistance for starting or sustaining a small business (6.0 per cent) or access to tools and equipment for work (1.2 per cent) as priority needs. By contrast, Palestinian respondents reported the highest demand for financial assistance to establish or sustain small businesses (31.3 per cent), suggesting a stronger reliance on self-employment and small-scale entrepreneurial activities as a pathway to economic recovery.

The demand for legal support was particularly pronounced among respondents classified under other nationalities (12.7 per cent), which as discussed above reflects the specific legal, contractual and protection-related challenges often faced by migrant workers in the country.

Figure 47: Employment recovery needs among workers by nationality, in %

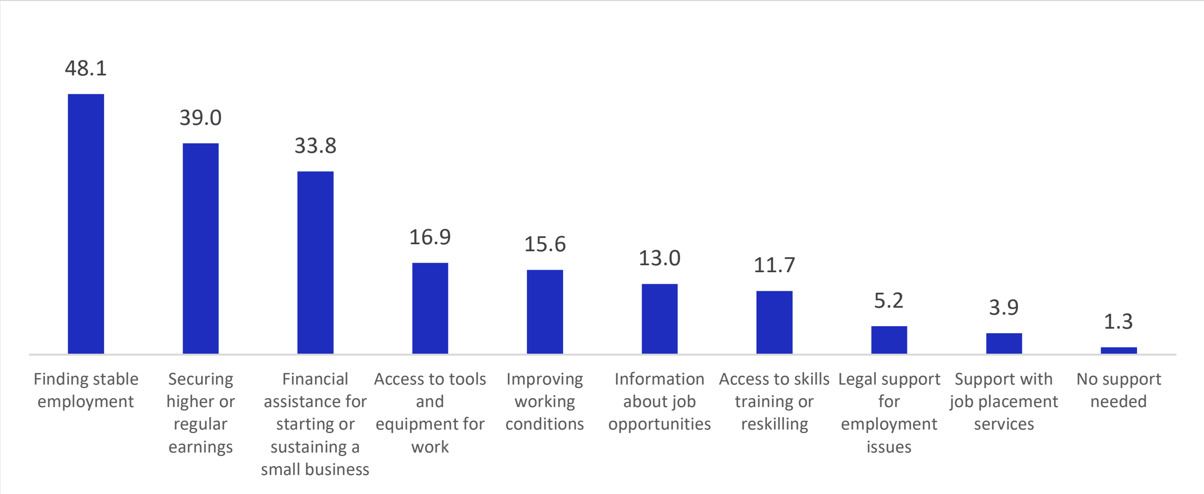


People with disabilities appear to have greater financial assistance needs for starting or sustaining their own business (33.8 per cent) than the broader population (18.8 per cent). This is closely associated with the loss of jobs following the conflict: a substantial share (42.9 per cent) were self-employed before the conflict, 70 per cent of whom subsequently lost their jobs or income-generating activities.

This finding suggests that people with disabilities may have fewer financial buffers and face greater barriers to restoring their livelihoods after displacement and economic disruption. The high reliance on self-employment prior to the conflict may have increased their vulnerability to income loss, as small businesses and informal economic activities are often among the first sources of income to be disrupted during crises. As a result, financial assistance remains a critical need for this group.

With only one respondent reporting no need for support, the findings indicate widespread economic vulnerability within this group and highlight the importance of targeted financial assistance and livelihood recovery measures.

▶ Figure 48: Employment recovery needs reported by people with disabilities, in %



An additional finding has also emerged from respondents who selected "other support needed". Many of these respondents were taxi drivers who specifically called for support to offset rising fuel costs resulting from the regional conflict. This points to the uneven ways in which the conflict and regional crisis in Lebanon have affected different categories of workers. For taxi drivers and other fuel-dependent occupations, increases in fuel prices directly raise operating costs while simultaneously eroding net earnings. In a context of weakened demand and reduced household purchasing power, workers have limited capacity to pass these additional costs on to consumers, leaving them particularly vulnerable despite cases of employment continuation.

At the same time, a number of respondents emphasized the need for employers to maintain wages and working hours, reflecting concerns about income security among workers who had not necessarily lost their jobs but had experienced reductions in earnings or working time.

▶ Conclusion and policy recommendations

Conclusion

The conflict in Lebanon has significantly deepened an already fragile labour market situation. Building on years of economic crisis, currency depreciation and declining living standards, the conflict has generated substantial employment losses, particularly in conflict-affected areas, while also disrupting economic activity across the country through heightened insecurity, rising inflation, weakened consumer demand and reduced tourism. Large-scale internal displacement has also emerged as a major labour market challenge, leaving many internally displaced persons without access not only to their homes but also their jobs, workplaces and sources of livelihood, disruptions that are often difficult to reverse even after displacement ends.

The impact on private sector workers has been severe and multifaceted. Unemployment and inactivity increased considerably, while relatively few workers who lost their jobs were able to secure alternative employment. Notably, the consequences of the crisis extended well beyond employment loss. Many workers who remained employed experienced declining earnings, reduced working hours and growing uncertainty regarding the future stability of their jobs.

The crisis has also exacerbated existing labour market inequalities. Employees holding informal jobs were among the groups most severely affected by job losses, reflecting at least partly the greater vulnerability associated with informal employment arrangements. Still however, the majority of employees who managed to find new jobs during the crisis entered the labour market through informal employment, highlighting a dual challenge, whereby informality increases workers' vulnerability during shocks while simultaneously remaining the primary avenue through which displaced workers regain employment.

IDPs, women, persons with disabilities, refugees and migrant workers, including migrant domestic workers, also faced heightened vulnerabilities. Women experienced substantial job losses and often withdrew from the labour market altogether, while refugee and migrant workers continued to face particularly concerning working conditions and significant barriers to stable and protected employment.

In response to the impact of the current crisis, surveyed workers adopted a range of coping strategies, including reducing expenditures, postponing financial obligations and relying on support from family and friends. Formal support systems played a limited role in helping workers weather the consequences of the crisis. Government assistance reached an extremely small share of respondents, access to formal credit remained extremely limited and employer support was relatively uncommon, particularly among workers employed by small enterprises. Where employer support was provided, it was often linked to displacement-related assistance or short-term financial support rather than measures aimed at preserving employment and earnings.

Importantly, when asked about their most pressing employment-related needs, workers overwhelmingly emphasized access to employment opportunities, stable jobs and adequate and regular earnings. Immediate concerns related to income generation and employment security were prioritized over longer-term interventions such as training and skills development, reflecting the urgent economic pressures facing households.

Overall, the findings demonstrate that the labour market consequences of the conflict extend beyond job destruction alone. The crisis has affected employment levels, job quality, including earnings and working time, job security and workers' ability to cope with economic shocks, underscoring the need for a comprehensive response that addresses both immediate humanitarian and employment needs while laying the foundations for longer-term recovery and resilience.

Policy Recommendations[27]

While efforts are underway to respond to the crisis, a sustained cessation of conflict remains the fundamental prerequisite for recovery. It is essential for the gradual restoration of economic activity, the safe return of displaced populations and the reopening of businesses. It would also enable the restoration of basic services, the repair of damaged infrastructure and productive assets, and the mobilization of investment needed to rebuild livelihoods. Beyond its economic benefits, a cessation of conflict would create the conditions for institutions to function more effectively, for public policies to be implemented, and for international support to be coordinated and delivered at scale.

At the same time, Lebanon's severe fiscal constraints and limited institutional capacity mean that the support of the international community, regional and development partners will remain critical to the recovery process. Until fiscal and financial reforms are implemented and begin to yield results, external assistance will be indispensable for protecting livelihoods, supporting economic activity and promoting a recovery that is job-rich, inclusive and sustainable.

Today, while both immediate emergency interventions and longer-term structural reforms are required, several cross-cutting principles should guide all policy responses. **Recovery and reform efforts should be centred on the promotion of decent work**, ensure the inclusion of all workers, particularly those in vulnerable situations, and be developed and implemented through effective tripartite social dialogue. Such efforts should clearly recognize that women, men and persons with disabilities are not homogeneous groups and that different characteristics and identities, including sex, ethnicity, nationality, disability and migration status, may intersect to create multiple and compounded forms of disadvantage and discrimination.

Recovery and response measures should therefore be guided by the fundamental principles and rights at work and relevant international labour standards. Particular attention should be given to the principles and provisions set out in the Equal Remuneration Convention, 1951 (No. 100); the Social Security (Minimum Standards) Convention, 1952 (No. 102); the Discrimination (Employment and Occupation) Convention, 1958 (No. 111); the Domestic Workers Convention, 2011 (No. 189); the Violence and Harassment Convention, 2019 (No. 190); the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204); and the Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205).

Social dialogue is especially important during periods of crisis, as it helps ensure that policy responses reflect the realities and needs of workers and enterprises, builds consensus around difficult policy decisions and strengthens trust in public institutions. The meaningful participation of representative workers' and employers' organizations can improve the design, implementation and monitoring of employment, social protection and enterprise support measures, thereby enhancing both their effectiveness and legitimacy. Beyond the immediate crisis response, social dialogue will also be essential for advancing the broader economic, labour market and social reforms required for Lebanon's long-term recovery and development.

To play this role effectively, workers' and employers' organizations must have the institutional, technical and organizational capacities needed to engage in policy processes and provide evidence-based inputs. Strengthening these capacities should therefore be an integral part of all recovery efforts. This includes enhancing their ability to represent their constituencies, participate in policy dialogue, analyse labour market developments, contribute to the design of employment-related measures and monitor their implementation. Strong and representative social partners are essential to ensuring that both emergency responses and longer-term reforms are grounded in labour market realities and enjoy broad-based support.

[27] Building on the findings of the workers' survey, this report focuses primarily on policy measures to support employees and self-employed individuals, with limited discussion of enterprises. Further evidence on the challenges facing enterprises will be generated through the ongoing ILO-UNDP survey of micro, small and medium-sized enterprises (MSMEs) in Lebanon and will inform future policy recommendations.

Building on these principles and the results of the survey, the below recommendations propose interventions to support employment recovery and create a conducive environment for sustainable decent and productive job creation:

Responding to the immediate employment impacts of the crisis (short-term)

While the current conflict has had severe consequences for livelihoods, increasing poverty, vulnerability and humanitarian needs, addressing these urgent challenges alone will not be sufficient. The crisis has generated profound labour market disruptions that threaten longer-term recovery and social stability, underscoring the need for **adopting a humanitarian-development-peace (HDP) nexus approach**, whereby humanitarian, development, and peace actors work in a coordinated manner to meet urgent needs while tackling the structural drivers of vulnerability and fragility. In Lebanon, this means complementing emergency livelihood support with investments that strengthen labour market governance and institutions, support enterprise recovery and growth, improve skills development systems and expand pathways to decent work.

Importantly, recovery interventions should prioritize and explicitly target vulnerable groups, including IDPs, women, youth, persons with disabilities and informal workers, among others. These efforts should focus not only on generating employment opportunities, but also on promoting decent work by ensuring adequate earnings, social protection, workers' rights and safe working conditions.

Within this HDPN approach, specific immediate recommendations include:

Investing in employment-intensive infrastructure and recovery programmes (EIIP) to promote immediate and decent job creation. Investments in the rehabilitation of public infrastructure, local services, environmental restoration and community assets can generate immediate employment opportunities while contributing to local economic recovery. Unfortunately, international experience shows that employment-intensive infrastructure rights-related concerns. Too often, especially in crisis context and where no alternative income support is available, EIIP functions as employment and protection of last resort for destitute people who have no option but to accept such employment opportunities. In light of this, such interventions should be designed around decent work principles, provided in conjunction with viable alternatives such as social protection so that labour is not compelled by necessity, and ensure adequate wages, occupational safety and health, and equal access for women, youth, refugees and persons with disabilities. Importantly, the development and expansion of care services, particularly affordable and accessible childcare facilities, should form a key component of recovery, particularly as survey findings indicate that increased care responsibilities constitute a significant barrier to employment for many women, limiting their ability to participate in the labour force.

Supporting employment retention through targeted wage subsidies. Temporary wage subsidy schemes can help enterprises retain workers during periods of reduced demand and financial stress, preventing avoidable layoffs and preserving productive employer-employee relationships. In the context of Lebanon, such schemes should prioritize sectors that have experienced significant disruptions due to the conflict, while also safeguarding employment in activities that are critical to food security and the delivery of essential services. These include agriculture, food production and distribution, wholesale and retail trade, transportation and storage, and other key community services.

To maximize effectiveness, wage subsidies should be time-bound, targeted and linked to employment retention commitments, ensuring that support reaches viable enterprises facing temporary shocks while protecting workers from income losses and job displacement. Where feasible, such measures should be complemented by broader business support, social protection and skills development interventions to strengthen resilience, sustain livelihoods and support a more inclusive recovery.

Provide targeted emergency support to women, people with disabilities, self-employed individuals and micro, small and medium-sized enterprises (MSMEs). Results show that women and people with disabilities experienced particularly high rates of job loss following the conflict. Women identified financial constraints, particularly transport costs, as a key barrier to accessing employment opportunities; while people with disabilities faced severe labour market exclusion and economic vulnerability, with many losing self-employment activities and livelihoods, resulting in particularly high levels of need for financial assistance.

Targeted financial support is therefore needed to help women and people with disabilities meet their basic needs, sustain their livelihoods and prevent further economic marginalization. For people with disabilities, more specifically, support should combine immediate income assistance with accessible livelihood and employment programmes, including support to rebuild self-employment activities and small businesses.

Broader support for affected self-employed individuals and MSMEs is also critical, as many lack the financial reserves needed to withstand prolonged economic shocks. Measures may include grants, concessional loans, subsidized credit, tax relief, temporary reductions in social security contributions and business continuity support, tailored to the needs of different sectors and groups.

Expanding access to social protection, particularly for vulnerable groups and the "missing middle." The results indicate that there has been limited support to the population through national social protection schemes and programmes, illustrating coverage gaps. This demonstrates the urgent need to further extend social protection coverage, in particular for vulnerable groups (women, persons with disabilities, populations who are directly affected by the conflict and displaced and older persons) and the so-called "missing middle" - workers in informal employment who have neither access to non-contributory programmes, nor are they covered by contributory schemes. In addition, and in line with the vision of the National Social Protection Strategy, options should be explored to enhancing the shock-responsiveness of contributory schemes, such as prioritising or enhancing benefit packages, easing access, deferring contribution payments and channelling additional resources during shocks.

Developing public programmes that facilitate transition from social assistance towards economic inclusion and decent work. Public programmes should be designed to move beyond income support alone and promote pathways to decent employment, particularly for vulnerable groups and recipients of social assistance, including IDPs. This requires strengthening the linkages between social protection, social services, public employment services and active labour market policies, so that beneficiaries are systematically connected to activation measures and employment opportunities. Eligibility for social assistance programmes can serve as an entry point for tailored support, including skills development, employment counselling, job-search assistance, apprenticeships, wage subsidies, entrepreneurship support and other labour market interventions. Such an integrated approach can help enhance employability, increase labour market participation, facilitate transitions into decent work and contribute to greater economic inclusion while ensuring adequate protection for those unable to work.

Ensuring access to legal services especially for migrant domestic workers. Among all worker groups, migrant domestic workers were the most likely to report a need for legal support in relation to employment issues, including labour rights violations, contract disputes, and work permit-related concerns. They also experienced the largest decline in average earnings, which may point to heightened risks of exploitation during the crisis. The vulnerability of migrant domestic workers is compounded by restrictions on labour mobility, as their legal residence and work status are often tied to a specific employer. This can limit their ability to leave abusive or exploitative employment situations and may increase their exposure to labour rights violations during periods of conflict and economic hardship. Strengthening access to legal assistance and establishing accessible, safe and effective mechanisms for reporting abuse and seeking redress should therefore be a priority. Such mechanisms should be available to migrant domestic workers as well as to other workers facing violations of their rights.

Strengthening labour market governance and institutions. A sustainable recovery from Lebanon's crisis requires not only addressing immediate humanitarian and livelihood needs but also strengthening the institutions and governance systems that underpin labour market performance. While governance efforts should begin in the short term, they will need to be sustained over time to build effective labour market institutions. This includes reinforcing the capacity of the Ministry of Labour and other relevant institutions to design, implement, monitor and evaluate evidence-based employment policies, while strengthening administrative systems, labour market services and institutional capacity. Enhanced labour administration, inspection and compliance mechanisms are also essential to protect workers' rights, address rising informality and precarious employment and ensure that recovery efforts contribute to decent work and improved livelihoods. Enhancing inter-institutional coordination is equally critical. Greater coordination across ministries, local authorities, social partners and humanitarian and development actors can improve policy coherence, reduce fragmentation and align short-term livelihood support with longer-term employment and institutional development objectives, contributing to a more resilient and inclusive recovery.

Promoting job creation and labour market recovery (medium-term)

Beyond addressing immediate employment and income losses, recovery efforts should focus on restoring labour market functioning and laying the foundations for sustainable and inclusive job creation. This requires coordinated interventions that stimulate local economic activity, strengthen labour market institutions, improve workers' access to productive employment and facilitate a gradual transition towards a more resilient and formal economy. Importantly, these efforts should be underpinned by robust and timely labour market data and information systems to inform policy design, implementation and monitoring. More specifically, medium-term efforts should focus on the below:

Establishing a strong labour market information system and investing in regular data collection to support evidence-based policymaking. Timely, reliable and disaggregated labour market data will be essential for monitoring recovery, identifying emerging labour market trends and informing evidence-based policymaking. Investments should support the establishment of a comprehensive labour market information system that builds on a well-established network of data sources, including regular labour force surveys, establishment surveys and administrative records, among others. Based on the data and information collected, the LMIS, through its analytical capacity identifies and interprets labour market developments and trends and relates these trends to policies or other factors influencing labour market outcomes. Advances in digital technologies and artificial intelligence (AI) can further enhance these functions by enabling the processing and analysis of large and diverse datasets, improving labour market forecasting, identifying emerging skills needs and generating more timely insights on labour demand and supply dynamics. AI-enabled tools can also support the integration of information from multiple data sources, helping policymakers detect labour market shifts more rapidly and target interventions more effectively. Improved labour market intelligence helps eventually guide employment, education and training policies, facilitate better matching between labour supply and demand, and support more effective targeting of recovery interventions.

Promoting decent job creation through a Local Economic Development (LED) approach. While EIIP can play a critical role in creating immediate employment and income opportunities, these interventions should not only be carefully designed, as outlined above, but also integrated into a broader strategy that supports sustainable economic recovery and the promotion of decent work. As such, a LED approach becomes key to identify local economic opportunities and constraints, mobilize local resources and actors and design interventions tailored to the specific needs and comparative advantages of different regions. Given the highly uneven impacts of the crisis across Lebanon, recovery strategies should reflect local realities and build on existing economic potential, whether in agriculture, manufacturing, tourism services or emerging sectors.

By bringing together local authorities, employers' and workers' organizations, community groups and development partners, LED approaches can help strengthen local value chains, support enterprise development, improve access to skills and employment opportunities, and stimulate private investment. This can contribute not only to job creation, but also to the creation of more productive, resilient and decent employment opportunities.

Activating the National Employment Office and strengthening its capacity to implement effective employment services. Public employment services can play a critical role in facilitating labour market recovery by connecting jobseekers with available opportunities and supporting workers' transition back into employment. Activating the NEO and appointing its board of directors should therefore be a priority. Equally important is strengthening the institution's capacity to design and deliver effective public employment services and active labour market policies, such as wage subsidies, hiring incentives, apprenticeships, job-search assistance and targeted employment programmes, which can help reduce barriers to employment and encourage labour demand. These measures should be designed to support both job creation and labour market participation, particularly among women, youth, people with disabilities and other groups facing heightened obstacles to employment. Investments in the digitalization and modernization of employment services could significantly improve the NEO's effectiveness and reach, while at the same time, appropriate safeguards should be in place to ensure transparency, data protection and non-discrimination in the use of such technologies.

Investing in skills development, reskilling and vocational training linked to labour market demand. Recovery efforts should invest in skills development programmes that respond to current and emerging labour market needs, helping workers transition into sectors with greater employment potential. Given that the present assessment found comparatively lower rates of job loss among workers in information and communication technology (ICT), financial services, and professional services, it may be worthwhile to explore targeted skills development initiatives aligned with the needs of these sectors. Overall, skills development and training initiatives should be informed by regular labour market assessments and developed in close collaboration with employers' and workers' organizations to ensure their relevance and effectiveness. Particular attention should be given to displaced workers, youth, women and workers who have lost their jobs as a result of the crisis. In addition to technical and vocational skills, programmes should strengthen digital, entrepreneurial and transferable skills that enhance workers' adaptability in a rapidly changing economic environment.

Strengthening wage-setting mechanisms and wage governance. Given the high share of workers in Lebanon earning low wages, strengthening wage-setting mechanisms should be an important component of recovery efforts. Many workers in Lebanon already earn wages that are insufficient to meet basic living costs, while recent inflationary pressures have further eroded the real value of earnings and reduced workers' purchasing power. Low-paid workers and their households are particularly vulnerable to increases in the cost of living, as a larger share of their income is spent on essential goods and services.

Recovery efforts should therefore include a review of wage-setting mechanisms to ensure that wages are better able to respond to changing economic conditions and provide workers and their families with an adequate standard of living. Strengthening minimum wage policies through regular, evidence-based adjustments informed by social dialogue can help preserve purchasing power, prevent further declines in real wages, and support household resilience during the recovery period. Such measures should be complemented by efforts to improve wage compliance and promote decent work, particularly in sectors characterized by low pay and precarious employment.

Promoting a gradual transition from the informal to the formal economy. Given the high prevalence of informal employment in Lebanon, recovery efforts should support a gradual transition towards greater formalization, in line with ILO Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy. This is particularly relevant given the disproportionate impact of the conflict on informal workers, who often lack access to social protection and other forms of support, and face heightened risk of becoming trapped in informal employment. Measures could include expanding social protection coverage to workers in informal employment, supporting the formalization of micro and small enterprises, strengthening labour market intermediation services and creating incentives for employers to formalize employment relationships. Targeted skills development and employment programmes can also help workers transition into more productive and secure jobs. By strengthening links between employment opportunities, formalization and social protection, these measures can reduce vulnerability to future shocks while supporting a more resilient and inclusive labour market recovery. Efforts should also reinforce labour inspection and compliance mechanisms while ensuring that formalization strategies remain supportive, progressive and adapted to the realities faced by informal workers and micro and small enterprises. At the end, formalization can contribute to improved job quality, higher productivity, stronger workers' rights and more sustainable financing of social protection systems.

Enhancing the comprehensiveness of the social protection system by building rights-based unemployment protection schemes. Such schemes can play a crucial role in the aftermath of crises. They have proven effective in ensuring income security for workers and their families, as well as in preventing unemployed workers from falling into poverty or resorting to harmful coping mechanisms, such as engaging in informal employment. Given their complexity, ILO Recommendation No. 176 advises introducing unemployment protection schemes once a country has established a free public employment service, developed sufficient administrative capacity and achieved a reasonable level of coverage in the administration of other branches of social security. Guidance on the design and implementation of these schemes is provided by the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102), and the ILO Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168), together with its accompanying Recommendation No. 176.

Improving work permit administration and labour market registration systems. Strengthening work permit administration and labour market registration systems should form part of broader efforts to improve labour market governance and support Lebanon's recovery. This is particularly important given the significant role that Syrian workers have historically played in sectors such as agriculture and construction, and the uncertainty surrounding future labour supply following recent developments and the return of large numbers of Syrians from Lebanon. Facilitating access to work permits for Syrian refugees who remain in Lebanon, through simplified, transparent and affordable procedures, can help address labour market needs while improving oversight of employment conditions and access to labour protections. By reducing administrative barriers and encouraging compliance, improved work permit systems can support more orderly labour market participation and help address decent work deficits in sectors that rely heavily on Syrian labour. Enhanced registration and permit systems would also provide policymakers with better information on workforce availability, labour market participation and sectoral labour needs, supporting more effective workforce planning and recovery interventions. As Lebanon advances its recovery efforts, reforms in this area can help address labour shortages in key sectors, strengthen labour market governance, and support a more inclusive and resilient labour market.

Addressing the more structural labour market challenges (long-term)

While responding to immediate needs is essential, a long-term and sustainable recovery will require addressing the structural weaknesses that have characterized the Lebanese labour market for many years.

A comprehensive and inclusive National Employment Policy should be developed and implemented to guide employment creation, skills development and labour market reforms. Such a policy should be grounded in robust labour market data and aligned with broader economic recovery and development strategies. The policy should also include comprehensive aspects to promote inclusive employment, free from discrimination and violence and harassment, particularly for women, persons with disabilities and workers of different nationalities.

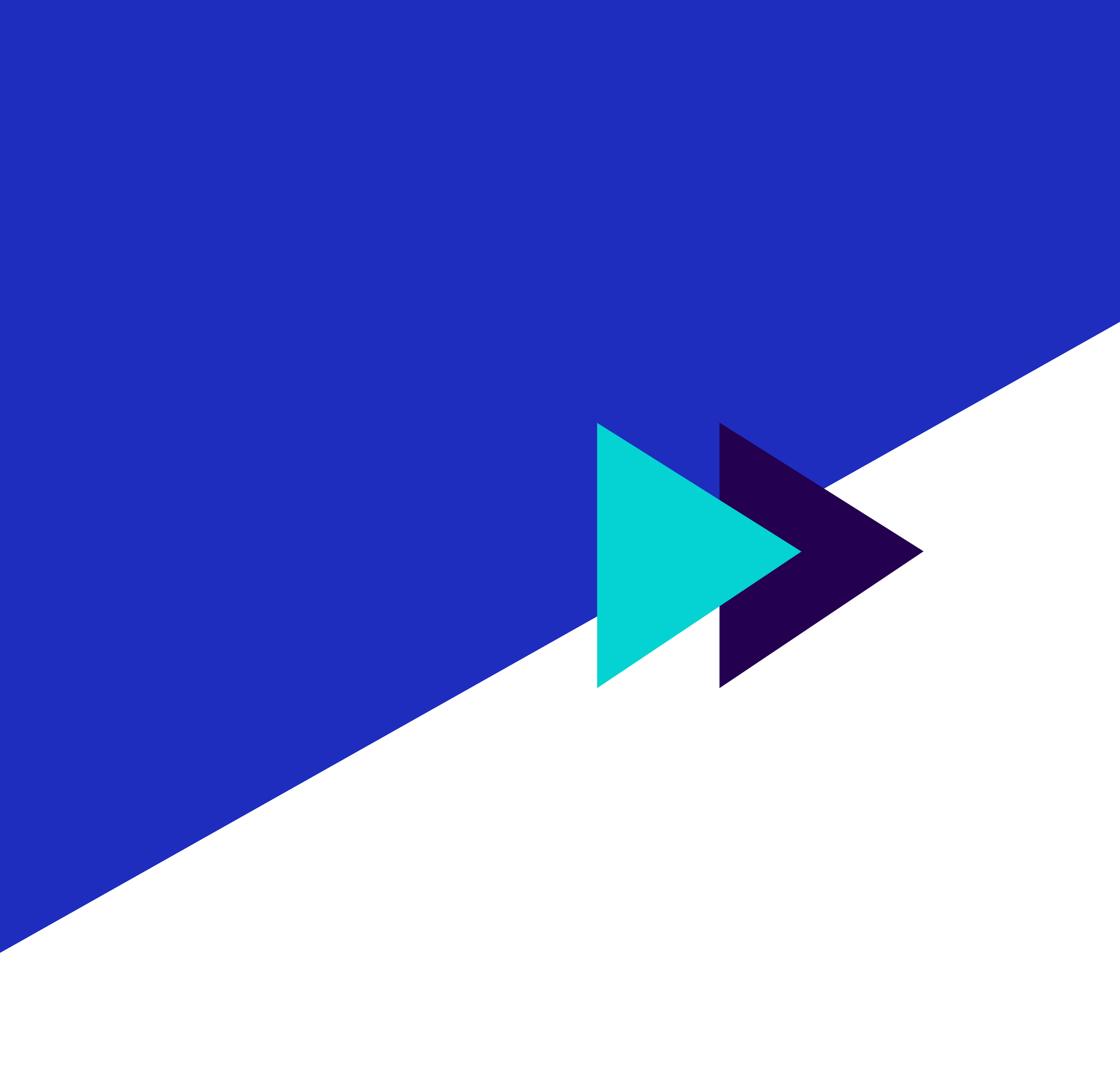
Economic diversification and structural transformation will also be critical to creating sustainable and productive employment opportunities. Investments should focus on sectors with strong employment potential, including the digital economy, information technology, artificial intelligence, renewable energy and green jobs. Supporting innovation, entrepreneurship and productivity growth will be essential to reducing dependence on low-productivity and informal employment.

Investment in the care economy and the promotion of a better sharing of unpaid care responsibilities by women and men should be particularly considered. The findings show that substantially more women than men reported increased care responsibilities as a barrier to accessing employment. This reflects a broader structural challenge: even outside periods of conflict, the disproportionate burden of unpaid care work borne by women remains a major obstacle to their labour market participation, skills development, and career progression. In line with SDG 5, Target 5.4, sustained efforts are needed to recognize, reduce, and redistribute unpaid care and domestic work. This includes investing in the care economy to expand the availability, accessibility, and quality of care services and facilities, including childcare, long-term care for older persons, and care for persons with disabilities. It also requires strengthening care-related policies, such as maternity, paternity, and parental leave, as well as flexible working arrangements that enable workers with care responsibilities to remain in and progress within the labour market.

Importantly, post-conflict recovery presents an opportunity to build forward better by **investing in education, skills development and lifelong learning** and preparing the workforce for employment opportunities in emerging and growth-oriented sectors such as renewable energy, the digital economy and higher value-added services.

Strengthening technical and vocational education and training (TVET) systems, fostering closer partnerships between training institutions and the private sector and integrating skills anticipation and forecasting mechanisms can help ensure that skills development programmes remain responsive to evolving labour market demands.

Over and above, these efforts must be underpinned by **comprehensive pro-employment macroeconomic, financial and fiscal reforms** that help ensure sustained investment in the national social protection system, support job creation, help restore confidence in the banking system, revive lending and support productive investment. Access to credit will be crucial for self-employed individuals, investors and all enterprises in general, to expand and create jobs.



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