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Lebanon Follow-up Labour Force Survey – January 2022

Fact Sheet

- The International Labour Organization (ILO) partnered with the Central Administration of Statistics (CAS) in Lebanon, to implement the follow-up Labour Force Survey (LFS) 2022. The follow-up LFS was conducted by CAS in January 2022 and both financial and technical assistance were provided by the ILO Regional Office for Arab States.
- The follow-up LFS provides up to date estimates at the national and governorate levels, covering a broad array of indicators of the labour market and demographic characteristics of residents in Lebanon. In light of the challenging and dire socio-economic situation in Lebanon, reliable survey results are of critical importance to be able to quantify and therefore understand the real impact of the crises on the labour market, but also to inform evidence-based policies and response strategies.¹
- The survey adopted a methodology aligned with the latest statistical standards established by the International Conference of Labour Statisticians (ICLS) at its 19th Session and following the recommendations provided at its 20th Session.
- The effective sample size of the follow-up LFS 2022 was 5,444 households, with a total of 22,046 household members (representing an average household size of about 4.07 persons), covering Lebanese and non-Lebanese residents.
- The overall objective of this survey is to provide a rapid and reliable assessment of the changes in the employment situation in Lebanon in light of the recent financial and economic crisis faced by the country, in addition to the COVID-19 pandemic. The results of the follow-up LFS allow to quantify the impact of the crises and provide up-to-date nationally representative statistics on selected key labour market indicators of particular interest, that had previously been captured under the Labour Force and Household Living Conditions Survey (LFHLCS) in 2018-2019. Thus, the survey provides current data on the size and characteristics of the labour force, employment, unemployment and other labour market characteristics of the population, including working time, income from employment of employees at their main job and informality of employment, with particular attention to the changes in these key labour force indicators with respect to the earlier survey conducted in 2018-2019. The survey was also designed to measure different components of labour underutilization, including time-related underemployment and the potential labour force, in line with the latest international standards adopted by the 19th ICLS.

¹ Data presented in this fact sheet are further elaborated in the full “Lebanon Follow-up Labour Force Survey – January 2022” report (forthcoming).



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- The survey presents estimates by geographical distribution, disaggregated by governorate level, covering the 8 governorates (Beirut, Mount Lebanon, North Lebanon, Akkar, Bekaa, Baalbek-Hermel, South Lebanon, and Nabatieh). The main findings are presented below.

Main Survey Results:

Table 1: Main labour force and labour underutilization indicators, Lebanon LFS 2022² (%)

	Sex		Youth (15-24 years old)	Adults (25+ years old)	
	Total	Male			Female
Labour force participation rate	43.4	66.2	22.2	34.3	46.0
Employment-to-population ratio	30.6	47.4	15.0	17.9	34.2
LU1: Unemployment rate	29.6	28.4	32.7	47.8	25.6
LU2: Combined rate of time-related underemployment and unemployment	43.2	42.5	45.0	57.6	40.1
LU3: Combined rate of unemployment and potential labour force	38.1	34.1	47.5	55.9	34.1
LU4: Composite measure of labour underutilization	50.1	47.1	57.1	64.2	46.9

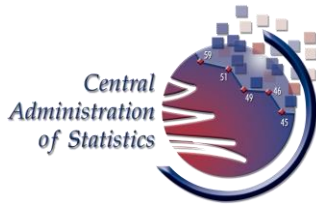
Labour Force Participation Rate

- In January 2022, the Labour Force Participation Rate (LFPR) was 43.4% in Lebanon, indicating that less than half of the working-age population were either working for pay or profit, or seeking employment.
- The male labour force participation rate was 66.2%, significantly higher than the female rate of 22.2%.
- The youth labour force participation rate was 34.3%, considerably lower than the rate for adults at 46%, as young people are often in education.

Employment to Population ratio:

- The ratio stood at 30.6% in January 2022, lower than the labour force participation rate, as expected. It was higher for men (47.4%) than for women (15%), and lower for youth (17.9%) relative to adults (34.2%).

² The reference month for all 2022 data is January.



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Unemployment rate:

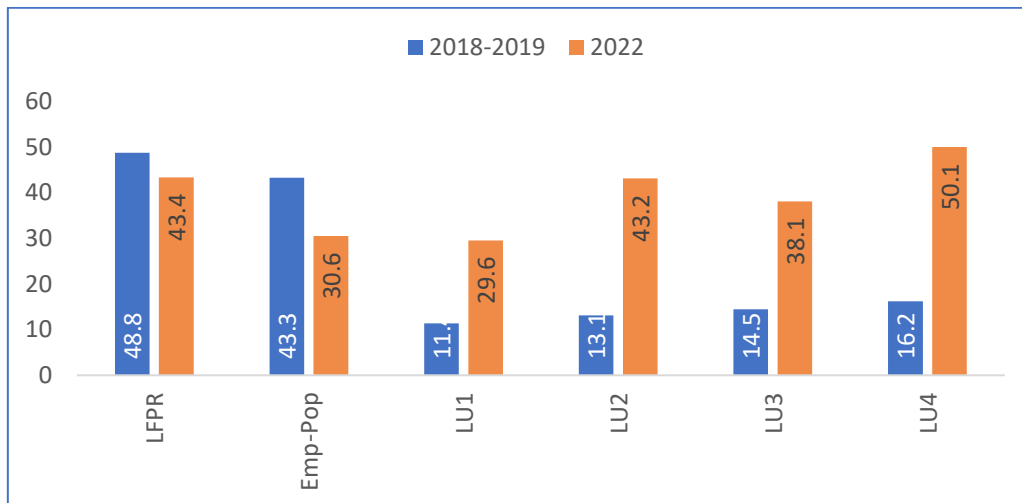
- The unemployment rate stood at 29.6%, indicating that almost one-third of the labour force was unemployed in January 2022.
- The female unemployment rate (32.7%) was somewhat higher than the male rate (28.4%) while the youth rate (47.8%) was almost twice the adult rate (25.6%).

Broader labour underutilization:

- The combined rate of time-related underemployment and unemployment (LU2) reached 43.2%, indicating that for every five persons in the labour force, more than two were either unemployed or in time-related underemployment.
- The combined rate of unemployment and potential labour force (LU3) was 38.1%, and the composite measure of labour underutilization, taking into account unemployment, underemployment, and the potential labour force, (LU4) was 50.1%, indicating that about half of the labour force and the potential labour force in Lebanon was underutilized in some form in January 2022.
- The highest degree of labour underutilization was among the youth population (15-24 years old) for whom the composite measure of labour underutilization (LU4) was 64.2%, and among women, for whom LU4 was 57.1%.

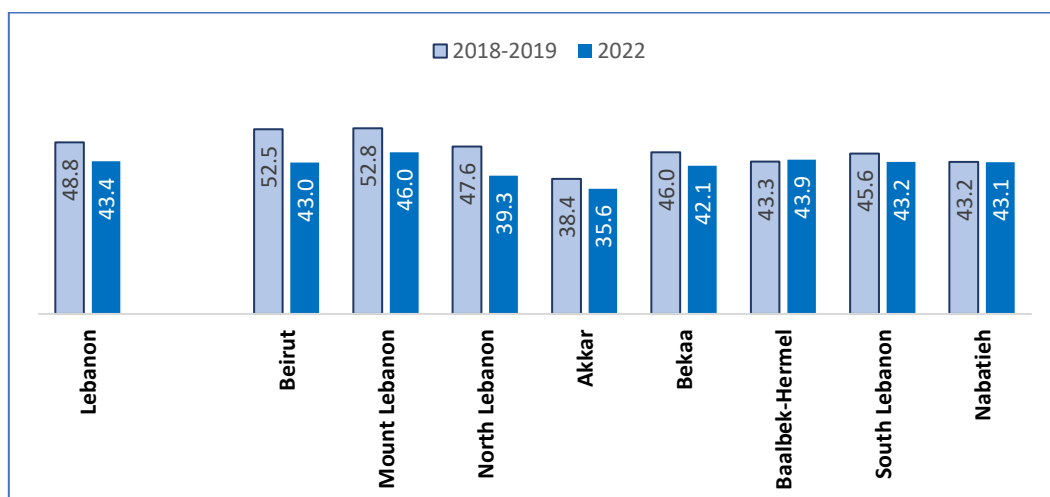
Comparison with LFHCLS 2018-2019

Figure 1: Comparison of main labour force and labour underutilization indicators: LFHCLS 2018-2019 vs LFS 2022



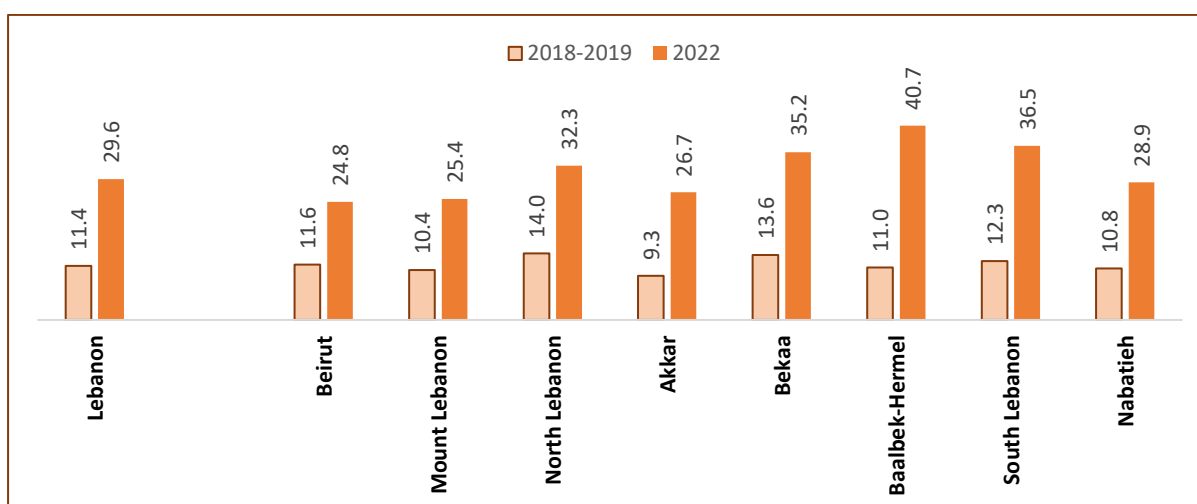
- The LFPR has declined by more than five percentage points from 48.8% in 2018-2019 to 43.4% in 2022. The LFPR for both men and women has decreased for all age groups between 2018-2019 and January 2022.
- The employment-to-population ratio, decreased by more than ten percentage points from 43.3% in 2018-2019 to 30.6% in January 2022.

Figure 2: Labour force participation rate by governorate, Lebanon LFHCLS 2018-2019 vs LFS 2022 (%)



- The largest decrease in the labour force participation rate has been in the Beirut governorate where it has decreased by 10 percentage points, from 53% in 2018-2019 to 43% in January 2022.
- The unemployment rate has substantially increased from 11.4 percent in 2018-2019 to 29.6 percent in January 2022 and the youth unemployment rate (15–24 years old) increased from 23.3% in 2018-2019 to 47.8% in January 2022. At the governorate level, the unemployment rate has increased in all governorates without exception. The largest increase has been in Baalbek-Hermel, where the unemployment rate increased by a staggering 30 percentage points, from 11 percent in 2018-2019 to 40.7 percent in January 2022. This was followed by South-Lebanon, where the rate has increased by 24 percentage points, from 12.3 percent in 2018-2019 to 36.5 percent in January 2022.

Figure 3: Unemployment rate by governorate, Lebanon LFHLCs 2018-2019 vs LFS 2022 (%)



- Considering time-related underemployment and the potential labour force, including discouragement from job-search, the composite measure of labour underutilization recorded a more than threefold increase from the 2018-2019 value of 16.2% to 50.1% in January 2022. The highest degree of labour underutilization was among the youth population (15-24 years old) for whom it was 64.2% in January 2022, compared to 29.4% in 2018-2019, and among women, for whom it was 57.1% compared to 21.3% in 2018-2019.
- Some 29.6% of the unemployed had been seeking employment for two years or more in January 2022, and another 19.2% had been seeking employment for between one and two years. Thus, in total, 48.8% of the unemployed were in long-term unemployment in January 2022.

Composition of employment

- The basic structure of employment has remained essentially unchanged from 2018-2019 to January 2022. The branch of economic activity with the highest share of employment remains wholesale and retail trade (about 19% to 20%), followed by public administration and defence (about 10% to 12%) and manufacturing (also, about 10% to 12%).

Figure 4: Employment by branch of economic activity at main job, Lebanon LFHLCs 2018-2019 vs LFS 2022 (%)

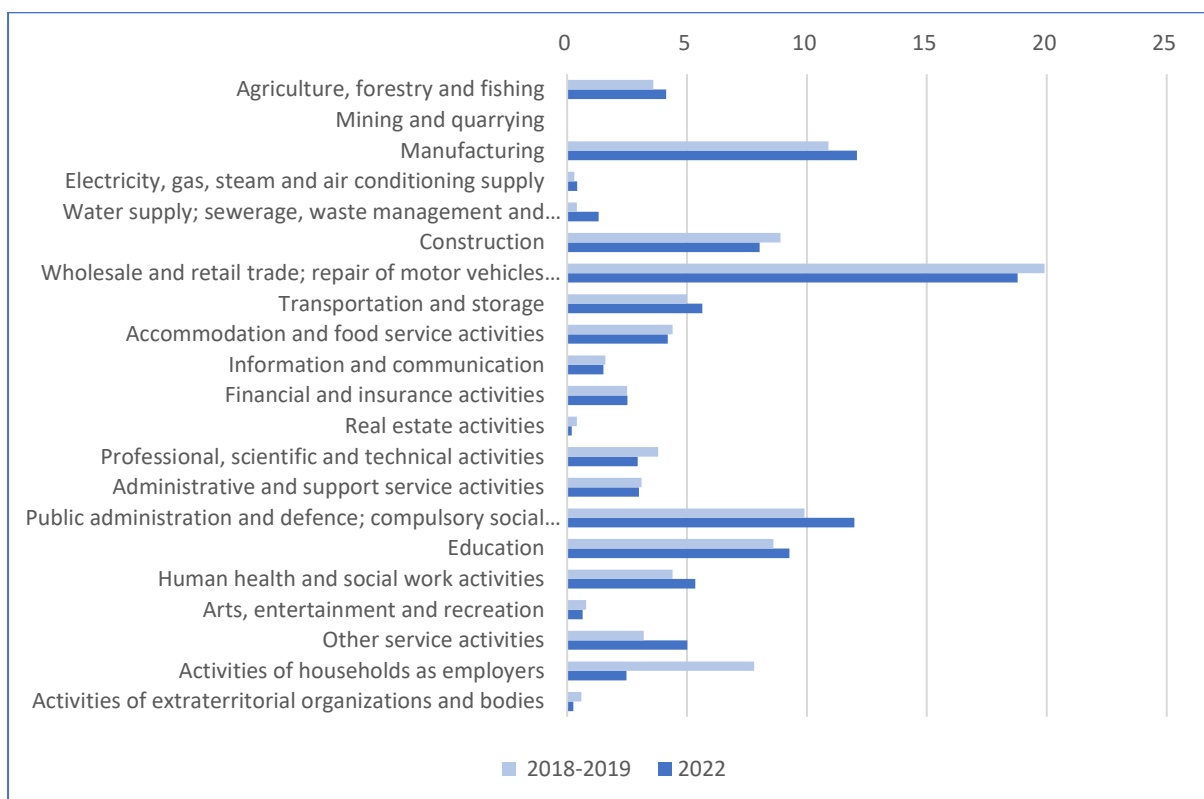
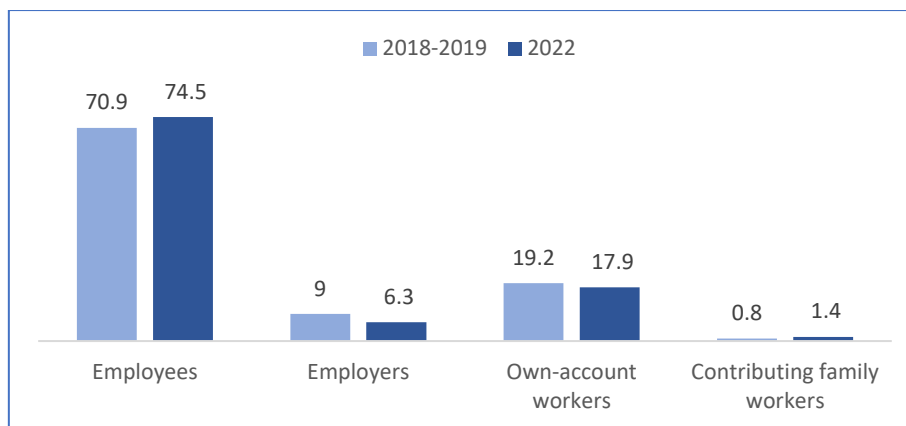


Figure 5: Employment by status in employment at main job, Lebanon LFHLCs 2018-2019 vs LFS 2022 (%)



- Some 74.5% of the employed population were employees, some 6.3% were employers, 17.9% were own-account workers and 1.4% were contributing family workers.
- The basic structure of employment by sector of employment has remained essentially unchanged with more than 90% of the employed population engaged at their main job in either the public sector or the private sector. The share of employment in the public sector, which was 12.4% in 2018-2019 has grown to reach 16.1% of total employment in January 2022. This is due to the fact that the private sector has contracted, and its share of total employment has declined from 86.3% in 2018-2019 to 81% in January 2022.

Figure 6: Employment by sector of employment at main job, Lebanon LFHLCs 2018-2019 vs LFS 2022 (%)

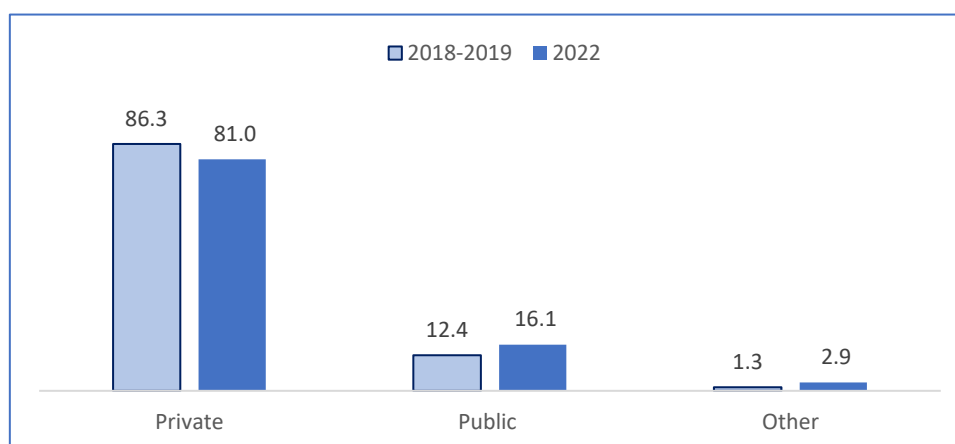


Table 2: Employment by informality of jobs and production units, Lebanon LFHLCs 2018-2019 vs LFS 2022

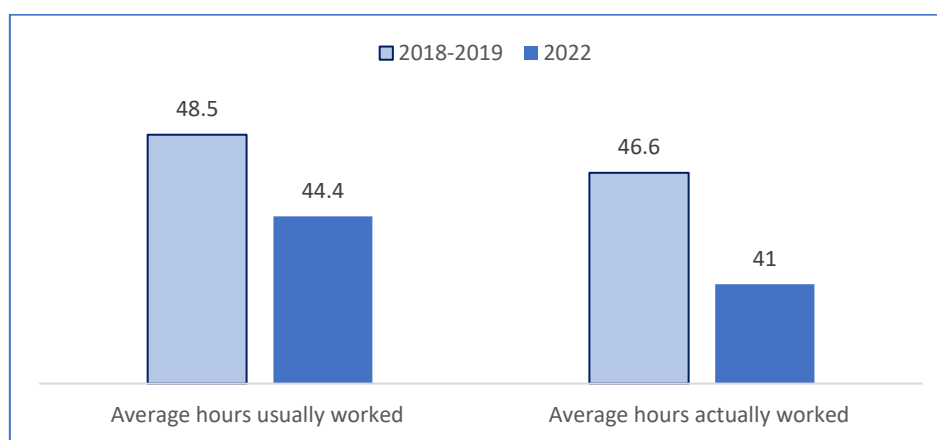
Production units	2018-2019 (%)			Production units	2022 (%)		
	Informal jobs	Formal jobs	Total		Informal jobs	Formal jobs	Total
Informal sector	35.1	0.0	35.2	Informal sector	45.8	2.5	48.3
Outside informal sector	19.8	45.0	64.8	Formal sector	15.2	35.1	50.3
Total	54.9	45.1	100.0	Households	1.4	0.0	1.4
				Total	62.4	37.6	100.0

- Employment in the informal sector has increased by 13.1 percentage points, from 35.2% in 2018-2019 to 48.3% in January 2022.
- Informal employment has increased by 7.5 percentage points, from 54.9% in 2018-2019 to 62.4% in January 2022.
- In January 2022, an estimated 1.7% of the employed population was engaged in more than one job or activity, down from the survey estimate of 3.5% in 2018-2019.

Hours of work and income from employment

- The average number of hours usually worked per week at the main job of the employed population was 44.4 hours in January 2022, considerably lower than the corresponding number of 48.5 hours in 2018-2019.

Figure 7: Hours usually worked and hours actually worked at main job, Lebanon LFHLCs 2018-2019 vs LFS 2022 (%)



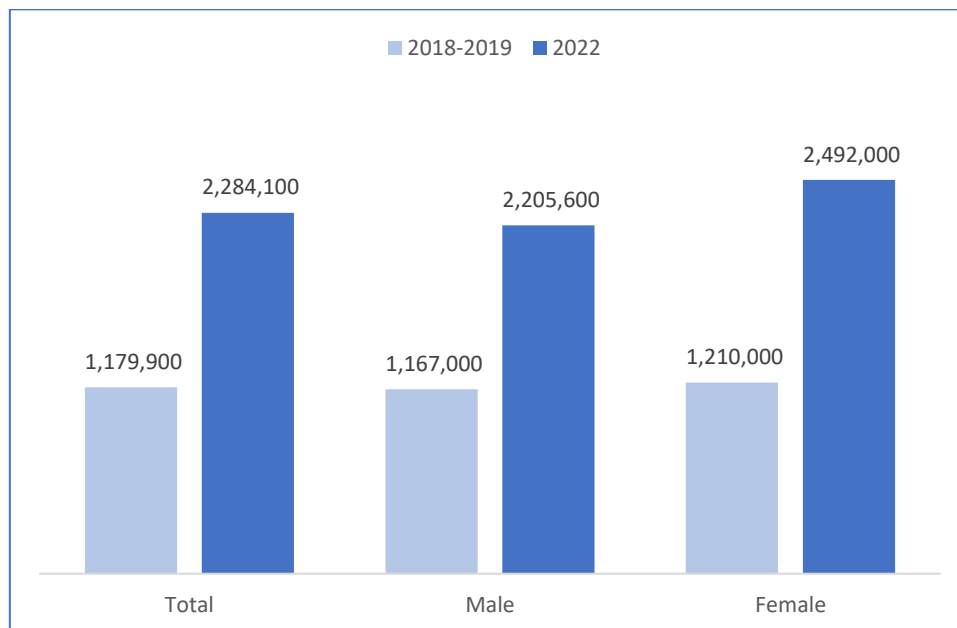
- Most employed persons usually worked between 30 and 59 hours per week at their jobs in January 2022 (58.4%), only slightly lower than the corresponding percentage in 2018-2019 (60%).
- The number of persons usually working short hours (less than 30 hours per week) remained relatively low (11% in 2018-2019 and 16.8% in January 2022), but significantly higher among women (20% in 2018-2019 and 25.5% in January 2022), in comparison with men (7.9% in 2018-2019 and 13.9% in January 2022).
- The proportion of persons usually working long hours, more than 60 hours per week, has dropped from 29% in 2018-2019 to 18.7% in January 2022. The drop in the proportion of persons working long hours of work is observed both for men (from 35.1% in 2018-2019 to 22.5% in January 2022) and for women (from 11.4% in 2018-2019 to 7.6% in January 2022).

Table 3: Employed persons by number of hours usually worked at all jobs by sex, Lebanon LFHCLS 2018-2019 vs LFS 2022 (%)

Number of hours	2018-2019			2022		
	Total	Male	Female	Total	Male	Female
Total	100.0	100.0	100.0	100.0	100.0	100.0
Less than 30 hours	11.0	7.9	20.0	16.8	13.9	25.5
30 – 39 hours	13.0	10.5	20.3	15.9	14.9	19.0
40 – 49 hours	31.9	30.1	37.3	28.3	28.4	27.8
50 – 59 hours	15.1	16.4	11.1	14.2	15.6	9.9
60+ hours	29.0	35.1	11.4	18.7	22.5	7.6
Non-response or don't know	0.02	0.02	0.0	6.1	4.7	10.2

- With reference to the category of employees, the average monthly earnings of employees at their main job were about 2,284,100 LBP in January 2022, slightly lower among male employees (about 2,205,600 LBP) than female employees (about 2,492,000 LBP).

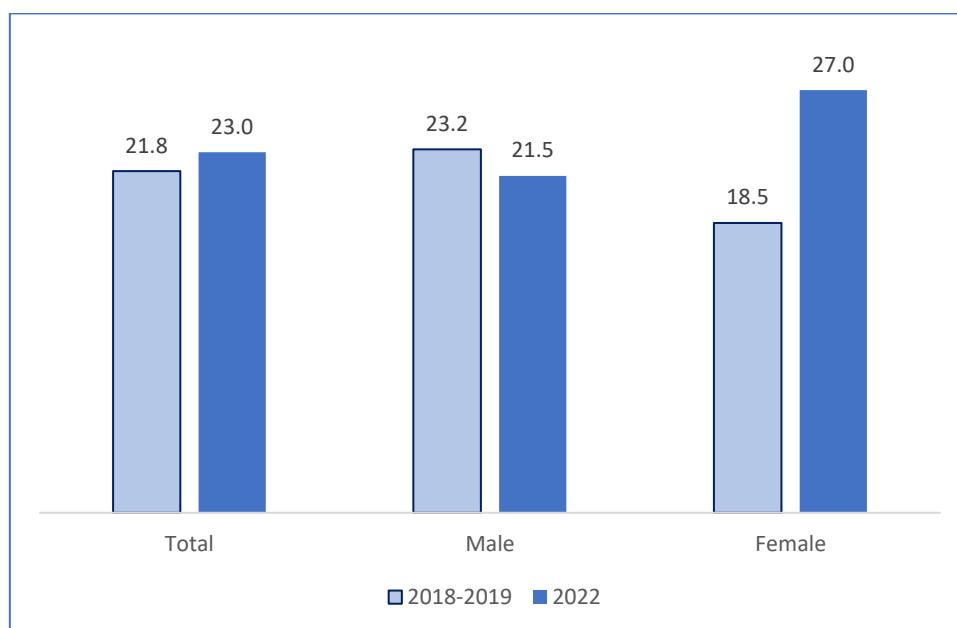
Figure 8: Average monthly earnings of employees at main job by sex*, Lebanon LFHCLS 2018-2019 vs LFS 2022 (LBP)



* Earnings received in USD were converted at the market exchange rate of 1USD=25,000LBP at the time of data collection.

- The analysis of the data on earnings is complicated by the fact that during the period between the two surveys, Lebanon experienced a very high rate of inflation and a large drop of the value of its currency in relation to the United States Dollar (USD). The complication is compounded by the fact that some people received their earnings in USD, while most received it in the local currency, Lebanese Pounds (LBP).
- The soaring inflation rate led to a more than five-fold increase of consumer prices between the two surveys. At the same time, the movement of the market exchange rate of the USD to the LBP during the same period resulted in a decline of more than 90% of the value of the LBP to the USD. The survey results clearly indicate that one major impact of the compounded crises affecting Lebanon since 2019 was a substantial loss of the purchasing power of employees.

Figure 9: Employees with low pay rate in total employment by sex, Lebanon LFHLCs 2018-2019 vs LFS 2022 (%)



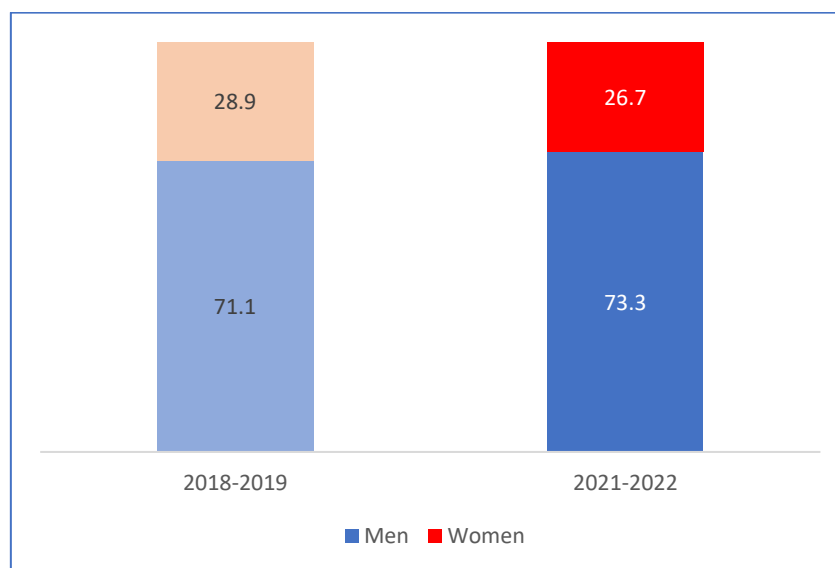
- In January 2022, 23% of the employees were earning less than 1,066,700 LBP (which corresponds to two-thirds of the 1,600,000 LBP median monthly earnings of employees at their main job) and were thus considered to be low pay workers, as compared to 21.8% in 2018-2019.³ For women, this rate reached 27% in January 2022, up from 18.5% in 2018-2019.

³ In 2018-2019, two-thirds of the median wage amounted to 633,300 LBP, which at the time was the equivalent of 422.2 USD, based on the prevailing exchange rate of 1,500 LBP/USD. In 2022, the low pay threshold was 1,066,700 LBP, which is the equivalent of 42.67 USD, based on the market exchange rate of 25,000 LBP/USD.

Women in managerial positions

- The overall share of women in managerial positions recorded a drop of about 2 percentage points to 26.7% in January 2022, down from 28.9% in 2018-2019.

Figure 10: Share of women and men in managerial positions, Lebanon LFHLCs 2018-2019 vs LFS 2022 (%)



Youth not in employment, education, or training (NEET)

- Almost one-third of the female youth population was not in employment, education, or in training in January 2022 (32.1%), a net increase from 2018-2019, when the NEET rate for young women was 26.8%. A similar change may be observed in the case of the male youth population for whom the NEET rate increased from 16.7% in 2018-2019 to 26.1% in January 2022.
- The female NEET rate was higher than the corresponding male rate in all governorates except in Beirut and Bekaa. The highest female NEET rate was recorded in Akkar (48.6%) followed by North Lebanon (37.7%). The highest male NEET rate was recorded in Beirut (35.2%) followed by Bekaa (32.5%).

Figure 11: Youth (15-24 years old) not in education, employment, or training (NEET) by sex and governorates, Lebanon LFHLCs 2018-2019 vs LFS 2022 (%)

