



International
Labour
Organization

Executive summary

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

A focus on private sector workers

June 2026

Introduction

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 Federation of Employees' and Workers' 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.

The work was carried out with co-funding from two ILO programmes: the "Empowering Networks and Activation for Building Long-term Employment" (ENABLE) programme, funded by the European Union (EU), and the "Partnership for Improving Prospects for Forcibly Displaced Persons and Host Communities" (PROSPECTS) programme, funded by the Government of the Netherlands.

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 remains fragile. Many families from South Lebanon and Nabatieh governorates are also still 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 holding 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;

► Executive summary

- 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:

- Adopting 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 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 disabilities, 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, Technical and Vocational Education and Training 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.

