

LEBANON

The ILO Work4Youth project worked with the Consultation and Research Institute of Lebanon to implement the School-to-work transition survey (SWTS) from November 2014 to January 2015. The results of the survey were not published in a national report, however, they are included in the regional synthesis report, R. Dimova, S. Elder and K. Stephan (2016): *Labour market transitions of young women and men in the Middle East and North Africa*, Work4Youth Publication Series No. 44 (Geneva, ILO). Results cover national Lebanese youth only. The objective of this country note is to offer a general summary of youth labour market trends in Lebanon based on the SWTS. Youth is defined as 15–29.

Main findings of the ILO SWTS

Human capital and mismatch

- Almost all surveyed youth had attended school or a training programme at some point in their lives; as of 2014, only 0.3 per cent of youth never attended school. Just under one-fifth (18.5 per cent) of the youth population had completed their schooling, while more than one-half (54 per cent) was still attending school in 2014. Young women in Lebanon have equal opportunities to young men in terms of access to education.
- SWTS results show a correlation between the levels of education and a young person's labour market transition: a young person with tertiary education was able to complete the transition from school to a first stable/satisfactory job in 5.9 months, as compared to 9.2 months for youth with general secondary education and 20 months for those who finished school at the primary level.
- With still 31 per cent of youth in Lebanon finishing school below the secondary level, it is not surprising to find a large share employed youth insufficiently educated for the job they were doing; in 2014, the share of undereducated young workers was 42.4 per cent. Almost one in two young people (47.6 per cent) were classified with matching qualifications and only 10 per cent were overeducated for their jobs.
- Nearly two in five (38.4 per cent) current students in Lebanon showed a preference for future work in the government/public sector. While the attraction of public sector employment is understandable given concerns with job security, the ability of the sector to absorb a significant number of young workers is limited.

The ILO **School-to-work transitions surveys (SWTS)** are implemented as an outcome of the Work4Youth (W4Y) project, a partnership between the ILO and The MasterCard Foundation. The project has a budget of US\$14.6 million and will run for five years to mid-2016. Its aim is to “promote decent work opportunities for young men and women through knowledge and action”. The immediate objective of the partnership is to produce more and better labour market information specific to youth in developing countries, focusing in particular on transition paths to the labour market.

See the website www.ilo.org/w4y for more information.

Underutilization of the youth labour potential remains a top concern

- The youth labour underutilization rate in Lebanon was relatively low at 26 per cent in 2014, consisting of 8.6 per cent of the youth population in irregular employment (either in self-employment or paid employment with contract of less than 12 months), 7.8 per cent unemployed and 9.5 per cent inactive non-students.
- The youth unemployment rate stood at 13.3 per cent in 2014, well below the regional average for the Arab States of 30.6 per cent.¹ The unemployment rate of young women in Lebanon was higher than that of young men (19 per cent compared to 10.5 per cent).
- The unemployment rate of young Lebanese increased with the level of education. Young university graduates had an unemployment rate of 14.9 per cent in 2014 compared to 6.2 per cent for general secondary-level graduates and 8.6 per cent for youth with primary education.
- The duration of unemployment is often long. Almost one-half (46.4 per cent) of unemployed youth had been looking for work for longer than one year in 2014.
- The share of youth neither in employment nor in education or training (NEETs) in Lebanon was relatively low in 2014 at 14.2 per cent. The share among young women was more than triple that of young men at 22.8 and 6.1 per cent, respectively, most likely explained by traditional gender roles in the country.

Low employment rates for youth, especially young women, remain a strong hindrance to the country's productive transformation

- More than one-third (39.3 per cent) youth in Lebanon were employed in 2014. Young men were twice as likely to work as young women with employment ratios of 52.3 and 25.6 per cent, respectively.
- Three-quarters (73.7 per cent) of young workers were in paid employment, but a significant share remained in vulnerable employment as own-account workers (13.7 per cent) or unpaid family workers (5.5 per cent). At the same time, more than one-third (36.4 per cent) of youth in paid employment were engaged without a written contract.
- The services sector absorbed the majority of Lebanon's young workers (80.7 per cent of young male workers and 91.5 per cent of young female workers), followed by industry (16.5 and 6.7 per cent, respectively) and agriculture (2.4 and 1.8 per cent, respectively).
- Informal employment affected six in ten young workers in Lebanon (59.7 per cent in 2014).
- Only a small segment (8.7 per cent) of employed youth worked less than 20 hours during the reference week in 2014, while as many as 40.6 per cent worked excessively long hours (more than 50 hours per week).

Selection of data tables

Table 1. Youth population by educational status, 2014 (%)

Educational status	Total	Male	Female
Never attended school	0.3	0.3	0.3
Dropped out before graduation or completion of school	27.2	33.1	21.0
Currently attending school	54.0	49.8	58.4
Education completed	18.5	16.8	20.4
Total	100	100	100

¹ ILO, *World Employment and Social Outlook: Trends for Youth 2016* (Geneva). Note, the regional figure covers youth aged 15–24 while the data on the SWTS refer to youth aged 15–29. The youth unemployment rate in Lebanon for the age range 15–24 was 18.5 per cent in 2014 based on the SWTS.

Table 2. Key youth labour market indicators – traditional distribution, 2014 (%)

	Total	Male	Female
Employed	39.3	52.3	25.6
Unemployed (strict definition)	6.1	6.1	6.0
Inactive	54.6	41.6	68.4
Total	100	100	100
Youth labour force participation rate	45.4	58.4	31.6
Youth unemployment rate (strict definition)	13.3	10.5	19.0

Note: The "strict" definition of unemployment refers to persons without work, available to work and actively engaged in a job search. The "broad" definition excludes the job search criteria. The youth unemployment rate is the number of unemployed persons divided by the youth labour force (employed plus unemployed).

Table 3. Key youth labour market indicators – alternative distribution, 2014 (%)

	Total	Male	Female
In regular employment	30.4	41.2	19.1
In irregular employment	8.6	10.6	6.4
Unemployed (broad definition)	7.8	7.6	8.0
Inactive students	43.6	39.4	48.1
Inactive non-students	9.5	1.1	18.4
Total	100	100	100
Youth labour force participation rate (broad definition)	46.8	59.5	33.5
Youth unemployment rate (broad definition)	7.8	7.6	8.0
Youth labour underutilization rate	26.0	19.4	32.8

Table 4. Distribution of NEET youth by composition, 2014 (%)

Sex	NEET rate	of which:	
		Inactive non-students	Unemployed non-students
Total	14.2	10.2	4.0
Male	6.1	1.5	4.6
Female	22.8	19.3	3.4

Table 5. Employed youth by status in employment, 2014 (%)

Status in employment	Total	Male	Female
Wage and salaried workers (employees)	73.7	72.5	76.6
Employers	6.6	8.5	2.7
Own-account workers	13.7	13.5	14.0
Contributing (unpaid) family workers	5.5	4.9	6.4
Not classified	0.5	0.6	0.3
Total	100	100	100

Table 6. Distribution of youth employment by sector at the 1-digit level, 2014 (%)

Sector	Total	Male	Female
Agriculture	2.3	2.4	1.8
Industry	13.4	16.5	6.7
Services	84.1	80.7	91.5
Agriculture, forestry and fishing	2.2	2.4	1.8
Mining	0.3	0.4	0.0
Manufacturing	8.7	10.0	5.8
Electricity, gas, steam	0.7	1.0	0.0
Water supply	0.4	0.4	0.3
Construction	3.5	4.8	0.6
Wholesale and retail trade	26.0	25.1	28.0
Transport	2.2	3.0	0.6
Accommodation	6.6	8.5	2.4
Information and communications	3.4	3.7	2.7
Financial activities	2.9	2.5	3.7
Real estate	0.5	0.6	0.3
Professional scientific activities	2.4	2.0	3.4
Administrative and support activities	4.0	5.1	1.8
Public administration	10.5	15.2	0.3
Education	10.2	3.4	25.0
Health and social work	8.6	5.6	14.9
Arts and entertainment	1.5	1.8	0.9
Other services	5.1	4.6	6.1
Activities of extraterritorial organizations	0.4	0.0	1.2

Table 7. Young wage and salaried workers by type of contract, 2014 (%)

Type of contract	Total	Male	Female
Written agreement	63.6	63.6	63.5
Oral agreement	36.4	36.4	36.5
Unlimited duration	88.6	91.3	83.2
Limited duration	11.4	8.7	16.8
<i>Of which:</i>			
– Less than 12 months	33.7	29.7	37.6
– 12 months to less than 36 months	53.0	45.3	60.4
– 36 months or more	13.3	25.0	1.9
Total	100	100	100

Table 8. Youth informal employment by composition, 2014 (%)

	Total	Male	Female
Youth formal employment rate	40.3	42.4	35.9
Youth informal employment rate	59.7	57.6	64.1
<i>Of which:</i>			
– Informal employment outside the informal sector (share in informal employment)	53.0	49.5	60.0
– Employment in the informal sector (share in informal employment)	47.0	50.5	40.0
Total	100	100	100

Table 9. Employed youth by overeducation, undereducation or matching qualifications, 2014 (%)

Qualifications match	Total	Male	Female
Undereducated	42.4	50.2	26.5
Overeducated	10.0	8.6	13.0
Matching qualifications	47.6	41.2	60.5
Total	100	100	100

Table 10. Youth unemployment rates by level of completed educational attainment, 2014 (%)

Educational attainment	Total	Male	Female
Less than primary (including no schooling)	0.0	0.0	0.0
Primary	8.6	7.6	16.4
Secondary vocational	11.6	14.0	4.2
Secondary general	6.2	4.7	12.0
Post-secondary vocational	15.4	6.9	23.6
University and postgraduate studies	14.9	14.1	15.6

Table 11. Unemployed youth by duration of job search, 2014 (%)

Duration of job search	Total	Male	Female
Less than a week	0.0	0.0	0.0
1 week to less than 1 month	1.8	0.0	3.7
1 month to less than 3 months	14.5	11.8	17.2
3 months to less than 6 months	19.8	22.0	17.2
6 months to less than 1 year	17.6	16.2	18.9
More than a year	46.4	50.1	43.0
Total	100	100	100

Table 12. Youth population by stages and subcategories of transition, 2014 (%)

Stage of transition	Total	Male	Female
Total transited	28.0	38.8	16.6
Transited to stable employment	20.8	28.3	12.8
Transited to satisfactory temporary employment	1.4	1.6	1.3
Transited to satisfactory self-employment	5.8	8.9	2.5
In transition	21.9	21.6	22.3
Unemployed (broad definition)	4.7	5.0	4.5
In non-satisfactory temporary employment	1.8	2.4	1.3
In non-satisfactory self-employment	1.8	2.7	0.9
Active students	10.6	10.8	10.4
Inactive non-students with aim to work in the future	3.0	0.8	5.2
Transition not yet started	50.1	39.6	61.2
Inactive students	43.6	39.3	48.1
Inactive non-students with no plans to work in the future	6.5	0.2	13.0
Total	100	100	100

Note: Unless otherwise specified, the categories exclude current students.