

Matching skills and jobs in Lebanon: Main features of the labour market – challenges, opportunities and recommendations



International
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A POLICY BRIEF¹

Background

The Lebanese labour market is encountering significant challenges. In 2012, the national unemployment rate was estimated at 11 per cent, with jobseekers often unemployed for periods of up to one year. Unemployment rates are particularly high for women (18 per cent) and youth (34 per cent).²

The labour market is also characterized by:

- low levels of job creation, particularly in value-added sectors, resulting in a shortage of available jobs;
- significant numbers of workers engaged in the informal sector;
- important in-migration and forced displacement from other parts of the Arab region, particularly from Syria;
- out-migration of young Lebanese skilled workers; and
- strong occupational segregation and skills mismatch.

There are currently serious data gaps at both national and regional levels, for both the supply and demand sides.

Lebanon does not have a Labour Market Information System and labour market data is not systematically collected. Labour market data and figures are outdated, the most recent being the Household Expenditure Survey (CAS 2012), the Multiple Indicator Cluster Survey (CAS 2009), and the Household Living Conditions Survey (CAS 2007).

The present policy note uses the most recent data available at the time of publication and aims to highlight the importance of improved skills anticipation for job matching.

It examines the key factors that influence the evolution of skills supply and demand and provides general guidance on labour market trends and job opportunities in various economic sectors, with a particular focus on North Lebanon. It also identifies why skills anticipation is important and offers insights into possible ways of avoiding potential gaps between skills demand and supply.

Main features of the labour market – supply side

Participation, employment and unemployment.

The economically active population (Table 1) was estimated to be 1.23 million in 2009, constituting 47.6 per cent of the overall population aged 15 years and older. Breakdown of the economically active population shows (a) that women are much less active than men, (b) a significant number of youth, women and men, enter the market at an early age, and (c) tertiary graduates are more likely to be active than others.

In 2009, 6.4 per cent of the workforce was unemployed in Lebanon (see estimates in Table 3). The more recent estimates from the World Bank³ indicate that the unemployment rate is 11 per cent, often with durations of up to one year – the internationally accepted definition of long-term unemployment. These estimates, however, do not take the impact of the Syrian refugee crisis into account as they were made in 2012 at the onset of the Syria crisis, and therefore the impact of the influx of Syrian refugees on employment was not yet visible.

Women, Youth and North

Women, youth and the population in North Lebanon are more likely to be unemployed.

Reviewing unemployment by age and gender it is clear that the highest rates of unemployment are found in the age group 15–24, and women (10.4 per cent against 5 per cent for men). As in many countries, youth are much more likely to be unemployed compared to the general population, with the age group 15–29 representing 72 per cent of the total unemployed (Table 4). The women-men unemployment difference is reflected at all age levels with women experiencing double, and sometimes triple, the unemployment rates of men. The unemployment rate is much higher in North Lebanon and the difference between men and women is even greater.

1. Based on the findings of the 'Labour Market Information Review and Analysis: In-focus on Northern Lebanon' by the Knowledge Development Company (2014-2015).

2. Robalino, D. & Sayyed, H. 2012. Republic of Lebanon – Good jobs needed: The role of macro, investment, education, labor and social protection policies ("MILES") – A multi-year technical cooperation program (Lebanon, World Bank, Middle East and North Africa Human Development Group (MNSHD)).

3. Ibid.

Table 1: Economic activity rates by age categories, education, regions and sex (Lebanon, 2009)

Age groups	Female	Male	Total
15–19	7.4	27.9	18.4
20–24	34.9	63.4	49.6
25–29	47.0	94.4	70.5
30–34	32.8	96.7	63.2
35–39	26.7	97.1	59.5
40–44	23.3	95.8	57.2
45–49	24.9	94.4	60.4
50–54	18.7	92.4	51.1
55–59	15.3	90.0	52.2
60–64	9.2	72.0	40.7
65–69	5.7	49.3	28.8
70 and above	1.7	24.7	13.7
Attained education level			
Illiterate	7.6	52.0	22.1
Preschool and read and write	11.2	53.5	35.2
Elementary	13.1	84.9	53.8
Intermediate	14.2	83.1	50.0
Secondary	19.3	60.8	39.2
University	47.0	68.9	58.0
Regions			
North Lebanon Governorate			
Akkar and Minieh-Danniyeh districts	15.2	70.3	43.4
Remaining North Lebanon districts	24.5	72.9	48.3
Lebanon			
	22.8	72.8	47.6

Source: CAS, Multiple Indicators Cluster survey, 2009.

Women

Across Lebanon, there is a stark difference between women and men's labour force participation rates, with a low activity rate among women. At the national level men represented 77 per cent and women 23 per cent of the total employed population (Table 2), with an even wider discrepancy in North Lebanon where in one governorate women only represented 15.9 per cent of the total employed. The highest rate of woman employment was found in the Beirut Governorate with women representing 31.4 per cent of the total employed population in that area. In terms of age, employed women are younger than employed men, with more than a third of the women in the labour market between the ages of 20 and 29; in this same age bracket lie less than a quarter of employed men.

Youth

18.4 per cent of the active population fell within the age range 15–19 years, signalling that many youth enter the labour market at an early age. When activity rates are compared according to educational level, the highest rates are for university graduates (58 per cent), and those who attained elementary level (53.8 per cent) and intermediate level (50 per cent). University graduates exhibit the highest activity rate for women (47 per cent), while activity rates for all other educational levels are below 20 per cent.

Table 2: Percentage distribution of employed (aged 15+) by sex and region, 2009

Region	Female	Male	Total
Beirut Governorate	31.4	68.6	100
Mount Lebanon Governorate			
Beirut suburbs	22.6	77.4	100
Remaining Mount Lebanon	25.5	74.5	100
North Lebanon Governorate			
Akkar and Minieh-Danniyeh districts	15.9	84.1	100
Remaning North Lebanon districts	24.6	75.4	100
Bekaa Governorate			
Baalbek and Hermel districts	16.1	83.9	100
Remaning Bekaa districts	19.6	80.4	100
South Governorate			
Nabatiyeh Governorate	26.7	73.3	100
Lebanon			
	23.0	77.0	100

Source: CAS, Multiple Indicators Cluster survey, 2009.

Table 3: Percentage distribution of unemployed by age (15–64) and gender, Lebanon, 2009

Age group	Female	Male	Total
15–19	12.3	21.2	17.6
20–24	36.3	30.4	32.8
25–29	27.3	17.7	21.6
30–34	(8.6)	8.1	8.3
35–39	(6.6)	(4.9)	5.6
40–44	(4.9)	(*)	(3.9)
45–49	(*)	(*)	(3.7)
50–54	(*)	(*)	(2.6)
55–59	(*)	(*)	(*)
60–64	(*)	(*)	(*)
Total	100	100	100

(*): Number less than 25 cases (of sample population)

Source: CAS, Multiple Indicators Cluster survey, 2009

As is the case in most economies the greatest source of labour supply within Lebanon is comprised of new entrants to the labour market, such as recent graduates from universities, vocational and technical institutions. Table 5a summarizes the number of new vocational and technical education graduates completing six different levels of certification, licenses or diplomas in eight of the major fields of study. Table 5b provides information related to the number of university graduates in related fields of study.

North

The situation in the northern regions of Lebanon is not dissimilar from the rest of the country, however it suffers from higher rates of poverty and unemployment. Unemployment rates are higher compared with other governorates, and are coupled with higher school dropout rates (50 per cent), women's illiteracy, child mortality and weak social security presence. Based on a 2011 survey on living and

economic conditions conducted by the UNDP, 67 per cent of the population live below the upper poverty line (US\$ 4 per capita per day) and 33 per cent below the lower poverty line (US\$ 2.40 per capita per day), which further aggravates the economic situation in the North. The Household Budget Survey 2011–2012, conducted by CAS, found that 27 per cent of the population were poor, with poverty rates highest in North Lebanon (36 per cent) and Bekaa (38 per cent).

Table 4: Unemployment rate in Lebanon and the North

	Female	Male	Total
North Lebanon			
Akkar and Minieh-Danniyeh Districts	13.2	5.6	7.0
Remaining North Lebanon Districts	12.5	6.6	8.2
Lebanon	10.4	5.0	6.4

Source: CAS, Multiple Indicators Cluster survey, 2009.

Table 5a: Distribution of graduates by major field of study and certificate/diploma type, 2013

Major Field of Study	CAP	BP	SP	BT	TS	LT	Total by field of study
Electrical	139	793	54	181	9	-	1 226
Mechanics	-	206	169	192	72	44	683
Health	-	89	-	774	509	237	1 609
Computer & Electronics	-	53	-	505	299	102	959
Business & Services	71	1 396	47	3 673	544	168	5 899
Engineering	-	-	-	217	330	202	749
Educational Sciences	-	178	-	534	349	72	1 133
Industry	50	85	-	46	4	-	185
Total	260	2 800	270	6 122	2 166	825	12 443

CAP = Certificat d'Aptitude Professionnelle; BP = Brevet Professionnel; SP = Secondaire Professionnel; BT = Baccalaureat Technique; TS = Technicien Supérieur; LT = Licence Technique - Source: CERD, 2012–2013. Studies and statistics. Available at: www.crdp.org.

The number of university graduates has been increasing over the past decade.

In 2012–2013, the number of university students was significantly greater than in 2008, totalling 191,788, of which 54 per cent were female, and 12 per cent were foreign students. Around 37 per cent of the total were enrolled in the Lebanese University, with the remainder in private universities. High enrolment rates were observed in the following fields: engineering, business administration and management, IT, science and education, marketing and sales, finance, graphic design, interior design, healthcare, and media.

Informality

A large share of the employment is informal. According to a 2015 ILO report the overall informality ratio for Lebanon is 44.1 per cent, yielding an estimated 614,000 people. Informality in the labour market is characterised by the absence of explicit and registered work contracts and/or the social security coverage for workers on the job. About 30.6 per cent of workers were registered as self-employed in 2010, which is an unusually high rate for a middle income country and usually entails engagement in low-productivity activities.⁴

Table 5b: Distribution of university students among the various fields of study, 2008

Field of Study	Number	Percentage
Engineering	11 291	7
Medical and health sciences	11 712	7
Sciences	19 340	12
Computer sciences	7 477	5
Humanities	31 957	20
Social sciences and law	29 053	18
Business and services	36 783	23
Communication and fine arts	7 353	5
Education	4 066	3
Agriculture	362	0.23
Other	970	1
Total	160 364	100

Source: CERD, 2008. Studies and statistics. Available at: www.crdp.org.

4. ILO: Towards Decent Work in Lebanon: Issues and Challenges in light of the Syrian Refugee Crisis. 2015.

Main features of the labour market – demand side

Analysis of job vacancies

Only few vacancies are advertised and the supply of available workers far exceeds the number of advertised job vacancies, as is evident in reviewing Table 6. In the different sectors and among the different types of organizations, each actor uses a unique means of posting job vacancies, making it necessary for jobseekers to regularly search a number of sources in order to be assured of covering all possible job opportunities. As part of the ILO survey to analyse the current labour market situation in Lebanon, with a particular focus on North Lebanon, the Knowledge Development Company collected and reviewed over 2,700 job vacancies listed for all parts of Lebanon and posted in newspapers and websites for the period December 2014 to February 2015 (table 6). All job vacancies found in local newspapers were for jobs in the private sector, which also posted vacancies online using various websites. Public sector jobs were posted on a specific website, and vacancies for NGOs and international organizations were posted online using a different website. Many enterprises recruit from direct referrals of existing workers, family and friends. Jobseekers make direct contacts with enterprises and rely heavily on personal and family connections in order to find employment. The alternative is to seek work outside Lebanon.

For the vacancies that are advertised, the choice of the media depends on the post. Within the private sector, the majority of vacancies (58.6 per cent) listed on websites were related to demand for professionals compared with 17.7 per cent of vacancies announced in newspapers. Of the latter, almost 38 per cent were related to jobs for sales and service workers. The demand for professionals (websites and newspapers) was mainly for business and administration professionals, particularly accountants. Professional vacancies listed on the websites were related primarily to opportunities in information and communication technology (11.3 per cent of total vacancies). In the newspapers,

demand for services and sales workers was related mainly to demand for personal service workers, particularly waiters (restaurants) and sales workers (shops). Under the category “technicians and associate professionals”, there was also relatively high demand for chefs (restaurants) and business and administration associate professionals. Almost 10 per cent of the vacancies were related to demand for drivers and mobile plant operators. It was observed that vacancy notices do not in all cases indicate the economic sector of employment, therefore rendering searches and information gathering more difficult. A total of 188 vacancies in NGOs and international organizations were recorded online. Most of these vacancies (75 per cent) were related to demand for professionals, particularly in business and administration, and legal, social and cultural professionals. North Lebanon accounted for a significant part of the demand – 44.1 per cent of the total vacancies – most probably due to the focus of these organizations and agencies in this area of Lebanon. While job opportunities with these agencies tend to provide excellent opportunities in the short term (in terms of employment and the ability to gain expertise and experience), most of these positions are temporary in nature, often for two or three years and, therefore, do not necessarily provide sustainable employment.

Analysis of economic sectors and skills needs

The construction sector (construction of homes and buildings, hospitals, schools, and public buildings) experienced a significant decline in 2012 in the North, particularly in the rural areas of Akkar where construction shrank by 72 per cent compared with 2010.⁵ To compensate for a decline in revenues, contractors began to replace Lebanese workers with Syrians who accepted lower wages. Before the Syrian crisis in 2010, Syrians represented 55 per cent of unskilled workers and 30 per cent of skilled workers. By 2012, Syrian workers comprised 70 per cent of both unskilled and skilled

Table 6: Job vacancies listed in various media and by different organizations based on ISCO major groups

ISCO major group	Beirut and Mount Lebanon					North Lebanon					Total
	NGO	Inter. org.	Private sector		Public Sector	NGO	Inter. org.	Private sector		Public Sector	
			Web	News				Web	News		
1. Managers	8	0	38	30	0	3	0	1	0	0	80
2. Professionals	67	16	337	201	610	55	3	10	5	233	1 537
3. Technicians & associate professionals	9	2	67	119	3	9	2	1	3	0	215
4. Clerical support workers	0	0	41	110	0	0	0	0	0	0	151
5. Service & sales workers	2	0	67	422	0	1	0	2	7	0	501
6. Skilled agricultural, forestry & fishery workers	0	0	1	0	0	0	0	0	0	0	1
7. Craft & related trades	0	0	11	110	2	3	0	0	1	0	127
8. Plant & machinery operators & assemblers	1	0	0	113	0	4	0	3	0	0	121
9. Elementary occupations	0	0	13	42	0	2	1	0	0	0	58
Total	87	18	575	1 147	615	77	6	17	16	233	2 791

workers. However, almost all professional level positions (e.g. engineers and architects) continue to be filled by Lebanese workers (95 per cent in 2010 and 93 per cent in 2012). The skills in highest demand are in plumbing and electrical work.

The agricultural sector has always been heavily reliant on Syrian workers. Unattractive working conditions combined with low wages renders agriculture an unpopular option for Lebanese workers,⁶ except for higher-skilled jobs such as tree pruning. The willingness of Syrian refugees to accept lower wages and the difficulties facing farmers in using traditional export routes due to security conditions have resulted in lower employment rates for Lebanese workers in this sector. While the number of Lebanese workers has remained largely unchanged since the Syrian crisis began, job opportunities in this sector appear to be quite limited under the current conditions, unless mixed diversifications within value chains are matched to create a range of new options. Nonetheless, recent initiatives undertaken by the ILO and the agro-food industry have identified potential for increased employment in combination with entrepreneurial opportunities within this sector, particularly in North Lebanon.⁷ The value chain analysis for potatoes and leafy greens revealed high potential for export to the EU market and traditional Arab countries, as well as potential within domestic market niches. It also revealed the potential for product diversifications (i.e. processed food – frozen, canned, juiced, freshly cut, etc.). The ILO has worked with the Embassy of the Netherlands and

cooperatives in the North to create conditions for the export of Lebanese potatoes into Europe.

The services sector, particularly hospitality and restaurants, and their suppliers, is the largest employment generator in North Lebanon. Prior to the Syrian crisis this sector was employing predominantly Lebanese workers, mostly men (81.9 per cent) and youth, with women mainly employed in managerial or administrative positions.⁸ While the **tourism sector** was, in the past, thought to offer high potential for job growth both in enterprises directly related to the sector as well as in the many micro and small enterprises who supply this sector, this potential has not yet been realized in Lebanon. Currently this sector faces a number of challenges, including a shortage of skilled workers, and a decrease in tourist arrivals due to security concerns resulting from the crisis in Syria and regional instability. Further development of the sector will depend on higher levels of technical and professional qualifications and, particularly in the North, an improved security situation.

The industrial sector also has the potential to employ large numbers of workers⁹ in a variety of skilled and non-skilled occupations. However, increased job creation in this sector will be largely dependent on investment and an improved business environment, which requires significant and concerted actions addressing institutional, regulatory and infrastructure bottlenecks.

Box 1: Identified skills shortage – skills and jobs in demand¹⁰

Agriculture sector

There is a shortage of agribusiness and farm management skills, mostly in the Akkar area. Compared with Bekaa and other rural areas, Akkar farmers do not possess farm management and integrated pest management skills, while cooperatives, particularly women's cooperatives, lack business and enterprise management skills that would allow them to expand. The ILO value chain analysis for potato and leafy greens sectors (ILO 2015) highlighted the need for highly skilled labourers, particularly in the area of quality control and production supervision in food processing companies.

Service sector

Community managers, compliance officers, enterprise resource managers and tax managers are among the new jobs created in medium and large enterprises. Community management is mostly related to the management of social media, where an online presence for companies has become essential, especially for service-oriented businesses such as in fashion retail. Compliance officers are more specialized within the financial sector and in positions created to ensure that banks comply with international agreements and Banque du Liban circulars. The same applies for tax managers, who are required to ensure that companies comply with tax requirements. Enterprise resource planning relates to the need to develop business platforms for business analytics.

Trade sector

This sector enjoys the second highest demand after the services sector in terms of employment. However, many companies are currently in decline due to a variety of challenges facing the northern Lebanese economy, including poor security situations and the ongoing Syria crisis, which has resulted in key trade routes to and through Syria being rendered inaccessible. While these factors will need to be addressed and resolved prior to any upswing in employment opportunities in this sector, young people who are at a point where they are planning for a long-term future may want to seriously consider training in occupations within this sector.

Industry sector

Quality control is in demand in the food industries. There is high demand in many industrial companies for electrical and mechanical engineers, as well as technicians. There is increased demand for these skills within industries related to plastic, furniture, paper and carton, and food; plumbing and electrician opportunities often remain unfilled due to a lack of available workers with the necessary technical qualifications. There is a shortage in computer-aided design (graphic design) and technology, maintenance and machine operators, technicians for industries such as agro-food, clothing, shoes, electrical equipment, cabling, carpentry and wood works, tiles and ceramics, electronics, agriculture machinery, soap and detergents, and construction materials.



5. International Rescue Committee, Save the Children, Danish Refugee Council, Oxfam and UKAid. 2013. Emergency market mapping and analysis (EMMA) of the construction labor market system in North and Bekaa, Lebanon: Constructing market-based livelihood opportunities for refugees and host community families, April 2013.

6. A recent European Training Foundation (ETF) report estimates that 20–25 per cent of the active population is involved in the agricultural sector. (European Training Foundation, 2015. Labour market and employment policies in Lebanon.)

7. Potato and leafy greens: Value chain analysis (Akkar, Lebanon). Available at http://www.ilo.org/beirut/publications/WCMS_449868/lang--en/index.htm.

8. NEO, 2010. "Employment needs assessment for the hospitality service sector in Lebanon".

9. A recent European Training Foundation report indicates that in 2013 an estimated 5000 enterprises employed approximated 90,000 workers. (European Training Foundation, 2015. Labour market and employment policies in Lebanon.)

10. Excerpts from the desk review and interviews with key stakeholders (labour market information review and analysis, Knowledge Development Company, ILO 2015).

Box 1: Identified skills shortage – skills and jobs in demand (continued)**Demand for specific labour and vocational skills**

- Managerial skills, including those related to human resource management, as well as specific technical skills required for the food industry, namely those of quality assurance as well as chefs and waiters in the hospitality industry.
- There is demand for artisan skills in the furniture sector, particularly carving – a trade that is rapidly becoming in danger of extinction.
- Mechanics and electro-mechanical skills, mainly at the level of technician, are in high demand, especially in the oil and gas industries, including gas stations and within the construction sector.
- There is an emerging need for welders at various skills level to meet the demand of the ships that need maintenance, as well as the demand in Tripoli in other sectors and for sailors that work on commercial ships as well as on small boats for tourism purposes as opportunities for the creation of new jobs in the ports arise because the port in Tripoli has expanded.
- In the healthcare sector, there is a current shortage of qualified nurses for intensive care units with hospitals constantly seeking workers with the necessary qualifications to fill vacancies.
- The demand for technical skills in information technology and electro-mechanics is high, especially with rapid advances in technology. Some of these jobs, such as IT, electrical and administrative jobs can be successfully filled but others that require advanced technical skills (electro-mechanical, advanced car mechanics) are in demand.
- There is a continuing demand for a wide range of professional skills, including business and administration professionals, legal, social and cultural professionals, and professionals in the health and ICT fields.
- There is also a need for hiring suitable workers to carry out simple jobs, such as low-skilled plumbing tasks or truck driving to meet the expanding commercial needs of the port.

Challenges: Key issues affecting skills and job matching**The demand for jobs is characterised by the predominance of MSME's in the Lebanese economy.**

In addition to low labour market participation and employment rates, particularly among women, the labour market is distinguished by a large informal economy. This is fuelled by a high influx of foreign workers due, in large part, to regional conflicts in recent years, as well as significant numbers of skilled Lebanese workers emigrating to other areas of the region or the world. The combination of these factors makes it difficult to attract multinational business investors, resulting in a predominance (90 per cent) of small to medium-sized enterprises. Many of these micro, small and medium-sized enterprises (MSMEs) fit within the category of micro enterprises, which are retail-driven and focus on the local market. While self-employment appears to be a favoured option in Lebanon, the resulting low level of additional job creation has not been able to keep pace with new entries to the labour market.

Migration and emigration of workers both have certain unfavourable impacts on the Lebanese economy.

While the emigration of Lebanese skilled workers is generally viewed positively economically due to the remittances sent back to Lebanon by these workers, the loss of these skilled workers within the local economy has an impact on the ability of enterprises to find the skilled workers needed in order to maintain and expand their businesses, resulting in a need to hire foreign workers to fill the gap. The outflow of relatively well-educated and skilled Lebanese means that those remaining comprise a relatively less-educated domestic workforce, encouraging the expansion of low productivity economic activities in the country.¹¹ The influx of foreign and refugee workers from other parts of the region has had a significant impact on the Lebanese economy, particularly in certain geographic areas such as North Lebanon and within particular occupational sectors, such as the construction, agriculture and service sectors. Many refugee workers accept lower

wages (even below the Lebanese minimum wage) and less favourable working conditions in order to gain employment. Enterprises that struggle to survive in a depressed economy are often willing to use this to their advantage. While this practice may provide a short-term solution in meeting the demand for labour, potentially this may lead to longer-term problems related to the future supply of qualified Lebanese workers and constitutes a challenge to preventing downward spiralling working conditions for all.¹²

Table 7: Distribution of unemployed (aged 15+) according to means of search, Lebanon, 2009

Means of search	Percentage
Acquaintance, friends or relatives	36.1
Presenting directly at employers offices	31.8
Advertising, newspapers or internet	30.1
Hiring offices (public or private)	1.6
Total	100

Source: CAS, Multiple Indicators Cluster survey, 2009.

Employment service providers are unable to gather meaningful labour market data on skills and job matching because the recruitment practices of enterprises impact the methods chosen by jobseekers to search for work, both rejecting employment service providers.

Enterprises generally recruit staff through word-of-mouth referrals from existing employees, friends and family, through advertisements in local and/or national newspapers, and increasingly through web-based job portals. Lebanon has a national employment service operated through the National Employment Office (NEO), as well as numerous non-governmental organizations and donor-funded agencies that also provide employment services, however the enterprises are reluctant to use the public employment offices and services. Certain

11. ILO: Towards Decent Work in Lebanon: Issues and Challenges in light of the Syrian Refugee Crisis. 2015.

12. Ibid.

enterprises have justified their choice to avoid public employment offices due to their inability to send them sufficiently qualified staff and the related concern that allegedly when qualified jobseekers are not available employment centres will often send less qualified jobseekers, which is time-consuming for the enterprises. As enterprises tend to prioritise going through contacts and posting advertisements in newspapers or online over using employment service providers, thus the jobseekers also respond to this and use these same mediums to look for work.

Such practices by enterprises and jobseekers impede the collection and analysis of valuable information on supply and demand within the Lebanese labour market and prevent employment services from responding efficiently and in a timely manner to the demand and providing accurate employment guidance on labour trends.

These recruitment practices also have other impacts on the smooth functioning of the labour market. As is the case in many other countries, particularly in the region, enterprises often put unrealistic constraints on job vacancies that can result in discriminatory practices, such as excluding women, members of certain communities and other disadvantaged jobseekers, including persons with disabilities, from obtaining work.

The imbalance between data related to the supply and demand sides of the labour market, with little information available on specific job opportunities throughout the country, affects decisions for improving overall employment gaps. While attempts have been made to collect, analyse and disseminate timely, robust and credible labour market information, there are currently serious gaps at both national and regional levels, for both supply and demand sides. Labour market data and figures are outdated, the most recent being the Household Expenditure Survey (CAS 2012), the Multiple Indicator Cluster Survey published by CAS in 2009, and the Household Living Conditions Survey carried out in 2007.

The lack of sufficient labour market information can create a situation where perceived skill shortages and future

Box 2: Why is labour market information important?

Labour market information assists us in analysing the past, understanding the present, and planning for the future.

A comprehensive labour market information analysis can:

- document the current strengths and weaknesses of the labour market;
- quantify labour supply and quality;
- identify unmet training needs;
- define emerging employment trends and economic opportunities;
- assist existing businesses in finding qualified workers;
- match workers with jobs and training programs;
- guide training providers in preparing the workforce for existing and emerging employment opportunities.
- enable effective employment policy formation and the monitoring of programmes and policies

skills opportunities may be inaccurately projected and based more on anecdotal information provided by an unrepresentative number of enterprises or from some, but not all, occupational sectors within the country. As one example, statistics summarized in table 6 do not reflect opportunities within the agricultural sector. However, this could be due more to the methods of recruiting workers within the industry than the number of vacancies the sector offers. Information on current vacancies is disseminated in a variety of segregated channels requiring those who wish to access this information to conduct a large number of non-related searches, a process rendered more difficult by the frequent absence of economic sector related to each vacancy. This segregation of information also creates a situation where it is not possible to determine the degree of cross-postings of the same vacancies across multiple channels. This leaves policy-makers, training institutions, enterprises and jobseekers with only half of the statistical picture required to make informed decisions. Information on the supply side, while more readily available, is also suspect in terms of accuracy due to the lack of coordination between the many different employment service providers (both public and private) that operate throughout the country.

Conclusions

On the supply side, there is a high rate of unemployment across the board, especially among women, youth and residents of the North. Findings show that women are less active than men, tertiary graduates are more active compared to others, and youth enter the labour market at an early age. It is important to note that early departure from the educational system has an impact on the skill levels of many young jobseekers. By leaving early, they will be limited in the level of skill they attain and therefore will be limited in their access to certain types of work. Therefore the future employability of the labour force is limited by the current early departure of many youth.

On the demand side, few vacancies are advertised and there the supply of workers exceeds the number of job vacancies currently being advertised. Following the analysis of

economic sectors and skills needed in the Lebanese economy, the identified sectors with the highest potential for growth in Lebanon include media (specifically in occupations related to production, post-production, and broadcasting), information technology (primarily related to software development and telecommunications, particularly call centres), business and administration (accounting and management), and the service sector. The skills shortages by sector, as well as the kind of skills and jobs currently perceived to be in demand in Lebanon are summarised in Box 1. While this should not be accepted as an absolute skills/job forecast it provides some insight into the Lebanese labour market at the present time and may assist young jobseekers develop a more informed plan of action for their career preparations.

The key challenges that are faced are due to the predomi-

nance of MSMEs and informality in the Lebanese economy; extensive migration and emigration of workers; inadequate recruitment services being provided; recruitment practices restricting information gathering on the labour market; and the dearth of reliable data being a hindrance to forming accurate projections on occupational sectors as well as to reducing employment gaps. In particular, it is important to note that the practice of relying on direct referral of jobseekers from friends, family and existing workers rather than using the services available from the variety of employment service centres such as the NEO, NGOs and private employment agencies may appear to be effective in the short term. However, the lack of collaboration with these employment offices can, over time, have a significant impact on the quantity and quality of labour market information available. This will also impact the ability of training institutions to respond accurately to current and future skill needs in the cur-

ricula they offer, and will impede quality career guidance for youth embarking on career paths, as well as for jobseekers of all ages who wish to make labour market transitions.

The time lag in terms of collection of labour market data is problematic since it is unlikely to fully represent the overall impact of the global financial crisis and subsequent jobs crisis and also does not reflect the impact of the Syrian refugee crisis in Lebanon. Some contradictions also exist between data produced by various organizations, particularly data on unemployment. To date, little focus has been placed on collecting labour demand data more effectively. While it is possible to gather important demand-side data, currently there is no consistent method to do so on a regular basis and many organizations conduct their own assessments to identify labour needs relevant to their work.

Recommendations

Labour Market Information in Lebanon

1. Provide regular, consistent, and accurate labour market data through a well-established labour market information system (LMIS). Labour market information should be collected, analysed and disseminated on a regular basis in order to better assess market needs and understand trends. This improves career guidance services and addresses skills mismatch, thus increasing the employability of jobseekers. Skills anticipation is one component of a broader LMIS. The systematic anticipation of skills needs is necessary in order to inform the education and training system far enough in advance to create appropriate training programmes. By anticipating skills needs, strategic responses can be developed to meet the various skills challenges and prevent skills mismatch.¹³

2. Skills mismatch needs to be tackled through enhanced data collection as it exacts high economic and social costs at all levels – individual, business and government – and is both a result and a contributory cause of structural unemployment. While some statistics are available, certain labour market studies are not conducted on a regular basis and thus impede an accurate analysis of the labour market status. Such studies include labour force surveys, establishment or enterprise skills surveys, sector studies, tracer studies among graduates of training programmes, and school-to-work transition surveys, among others. These studies should be applied at or disaggregated to sectoral, regional, and national levels. In order to achieve reliable and meaningful results, various institutions in the labour market information system should be involved and have the capacity to collect, disseminate, and analyse data. Their functions should be complementary and better coordinated. Box 3 elaborates on the importance of anticipating skills and methods that can be used.

Supply and Demand in Lebanon

3. A number of factors influencing the evolution of skills demand and supply, such as technology and demograph-

Box 3: Anticipating skills needs: what for?

Skills needs anticipation aims to provide information to all labour market actors about potential future skills needs and imbalances, so that they can make decisions, develop measures and take actions, with a view to meeting skills needs and avoiding imbalances. It is focused on preparedness and flexibility, providing guidance, and supporting a more effective labour market.

A combination of methods can be used to identify trends and potential future outcomes. These may include:

- quantitative employment projections by sector and occupation (model-based forecasts);
- focus groups, roundtables, expert interviews, foresights and scenario development;
- employer surveys;
- tracer studies and school-to-work transition surveys.

ic changes, need to be addressed to avoid increased skills mismatch in the future. These factors should be considered while looking at labour needs and designing and delivering competency standards, as well as training curricula to meet them – ultimately to improve the use of skills and human capital development. Factors such as demographic changes, whereby youth comprise a large proportion of new entrants, require that young people have appropriate skills that will attract investment (creating jobs), while workers continue to learn and upgrade their skills. While educational attainment is increasing and more talent is available for employers, lower-skilled workers will face difficulties to find jobs in an increasingly competitive labour market. Globalization increases the demand for portable skills, such as intercultural communication and foreign languages and an ability to adapt and maintain new technologies, as well as in marketing and quality assurance. Work organization is changing and, with it, the demand for teamwork, initiative, leadership, management skills, and interpersonal and intercultural communication skills is increasing. Technological innovation raises the demand for

13. ILO: Anticipating and matching skills and jobs, Guidance note, 2015.

high-level skills in science, technology, engineering, mathematics, and ICT among highly-skilled and skilled workers. These issues also stretch beyond high-tech industries and affect other sectors such as services and customer care. Climate change and the transition to a green economy also influences skills demand, giving rise to new occupations and skills needs, while increasing the need for retaining and upgrading existing skills¹⁴.

Skills Matching in Lebanon

4. Efforts should focus on sectors with potential growth and demand for labour, and on creating opportunities for business development. Close linkages between the business sector and the vocational and technical education (VTE) sector are needed in order to stem the outflow of qualified Lebanese workers and lessen the need to recruit workers from other countries to fill the unmet demand for qualified technicians. Synergies between the various key ministries should be built as a means to supporting the overall needs of the labour

market and ensuring that new businesses can rely on the kind of skilled labour required to grow their businesses. Investment in economic sectors should look to those most viable on national, regional, and local levels. There is also a need to build the capacities of jobseekers to facilitate their access to jobs in the sectors with the highest potential for growth and to absorb new jobs.

5. Effective labour market strategies are needed in order to serve all categories of jobseekers, particularly vulnerable groups. Emphasis of these strategies should be on school drop-outs, recent graduates, communities with high poverty rates, women, people with disabilities, and other vulnerable groups. Additionally, gender mainstreaming strategies should be considered in the delivery of employment services, career counselling and guidance, and active labour market programmes. Ideally, these strategies should be jointly developed with key ministries, social partners and educational institutions, as well as employment service providers and non-governmental organizations.

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14. ILO: Anticipating and matching skills and jobs, Guidance note, 2015.