Lebanese Households Caught Between Low Wages and Soaring Living Costs: A Detailed Look

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Lebanese households continue to face mounting financial pressures as the gap between wages and the cost of living remains substantial, raising concerns over purchasing power and the ability of families to meet their basic needs. An article by Haitham Raslan, published in An-Nahar newspaper on October 12, 2026, under the title "*Lebanese Households and the Cost of Living: Between Salaries Starting at $300 and Monthly Expenses Exceeding $3000*," examines the growing financial burden facing Lebanese families. Through a breakdown of essential household expenditures, the article illustrates how the cost of housing, food, education, healthcare, transportation, and utilities has increasingly outpaced income levels. It also highlights the reliance of many households on additional employment, family assistance, remittances, and savings to maintain their standard of living.

As of August 2025, Lebanon's minimum monthly wage in the private sector stood at LBP 28 million, equivalent to approximately $312 at an exchange rate of LBP 89,700 per dollar, as reported in the article. However, this amount falls considerably short of the income required to support an entire household. To illustrate this disparity, the article presents a hypothetical family consisting of two parents and two children, renting a home, owning one car, and enrolling both children in a moderately priced private school. Under these assumptions, the family's estimated monthly expenses reach $3,010, despite excluding several additional costs that households may face. The example also assumes a monthly family income of $1,500, potentially generated through employment and supplementary earnings, leaving a monthly deficit of $1,510. Consequently, even a household earning substantially more than the statutory minimum wage would struggle to cover its basic expenses without relying on alternative sources of income.

Housing represents one of the largest components of household expenditure, with the article allocating approximately $600 per month for rent. Although some families may find accommodation for around $500, rental prices can easily exceed $700, particularly in more expensive areas or for larger properties. These variations depend on location, housing conditions, and property size, making accommodation a significant determinant of the overall household budget. Food and essential groceries constitute an even larger expense, estimated at $650 per month for a family of four. The article highlights the persistently elevated prices of basic food products, noting that in early October 2026, a kilogram of whole chicken cost approximately LBP 360,000, while 30 eggs reached around LBP 430,000. Meanwhile, half a kilogram of "labneh" was priced at approximately LBP 345,000, and a kilogram of meat exceeded LBP 1 million. Various fruits and vegetables also cost tens of thousands of Lebanese pounds per kilogram, further illustrating the financial strain associated with everyday consumption.

Energy and transportation expenses impose an additional burden on Lebanese households. Despite the availability of electricity supplied by Électricité du Liban, families continue to depend on private generators, resulting in multiple electricity-related payments. The article refers to the Ministry of Energy's April 2026 generator tariff, which set the price of electricity at LBP 8,241 per kilowatt/hour, alongside fixed subscription charges that vary according to amperage. Based on the household model, electricity and generator expenses are estimated at $220 per month, although actual payments may fluctuate depending on consumption, particularly during periods of increased air-conditioning usage. Transportation represents another substantial expense, with $250 allocated monthly for gasoline alone. The article notes that in February 2026, the price of 95-octane gasoline stood at approximately $27.40, equivalent to around LBP 2.5 million, before rising to $30 or more in April. These figures demonstrate how fuel price fluctuations directly affect household spending, especially for families dependent on private vehicles for work, education, and other daily activities.

Education is another major source of financial pressure, particularly given the widespread reliance on private schools in Lebanon. The article emphasizes that private school tuition varies considerably depending on the institution, location, curriculum, and services offered, with some schools charging part of their fees in US dollars. In certain moderately priced private schools, annual tuition may exceed several thousand dollars per child, while international schools and institutions offering foreign curricula can charge considerably higher amounts. For the hypothetical household, annual tuition is estimated at $3,500 per child, bringing the total to $7,000 for two children. Distributed over

12 months, the tuition amounts to approximately US$583 per month. Including an additional allowance for transportation brings the total estimated monthly education budget to US$700. Importantly, this amount does not necessarily cover registration fees, textbooks, uniforms, extracurricular activities, and other school-related expenses, suggesting that actual educational costs could be higher.

Healthcare costs further complicate the financial position of Lebanese families. Raslan argues that Lebanon's Consumer Price Index for July 2026 showed that healthcare recorded the largest monthly price increase among the sectors, rising by 5.1% in a single month, partly driven by higher hospitalization costs. Against this backdrop, the household model allocates $100 per month for healthcare and medication as a precautionary provision, excluding individual private health insurance premiums. This distinction is important, as unexpected medical treatment or hospitalization could place additional pressure on an already constrained household budget. Beyond healthcare, the article accounts for $60 in monthly internet and telecommunications expenses, covering mobile phones, home internet, and communication packages. Household necessities, including cleaning products, basic maintenance, and miscellaneous domestic supplies, are estimated at $150 per month. A further $150 is reserved for emergencies, while clothing and personal care account for $80, and water-related expenses, including subscriptions and occasional water purchases, add another $50.

Estimated Monthly Expenditure for a Lebanese Family of Four		
Education	$700	23.30%
Food and groceries	$650	21.50%
Housing	$600	19.90%
Transportation and gasoline	$250	8.30%
Electricity and generator	$220	7.30%
Household expenses	$150	5.00%
Emergency provision	$150	5.00%
Healthcare and medication	$100	3.30%
Clothing and personal care	$80	2.70%
Internet and telecommunications	$60	2.00%
Water	$50	1.70%
Total monthly expenditure	**$3,010**	**100%**

Source: An-Nahar, October 12, 2026.

The breakdown reveals that education, food, and housing alone account for approximately 64.8% of the household's estimated monthly expenses, leaving limited financial flexibility for other necessities or unexpected costs. Nevertheless, the article stresses that the $3,010 figure should not be interpreted as a fixed amount required by every Lebanese household. Families that own their homes would avoid rental expenses, while those enrolling their children in public schools may face substantially lower education costs. Conversely, households paying higher rents, enrolling their children in more expensive schools or universities, maintaining multiple vehicles, requiring continuous medical treatment, or paying childcare expenses could incur monthly expenditures considerably above $3,000. The estimated budget therefore serves as an illustrative example rather than a nationally representative measure of household spending.

Beyond rising prices, the article draws attention to the deterioration of employment conditions and labor income. Citing an International Labour Organization wage survey conducted in March 2026, which covered 2,485 individuals from the private sector across different Lebanese governorates, industries, and demographic groups, it notes that approximately one in three people covered by the survey was out of work at the time of the study. The report also estimated a 40.4% decline in average labor income when accounting for job losses and reduced earnings. These findings highlight

how weakening employment opportunities and declining real income have intensified the difficulties associated with meeting household expenses. As a result, the article argues that discussions surrounding Lebanon's cost of living cannot be separated from the broader question of how families can generate sufficient income to sustain themselves.

The widening discrepancy between wages and expenditure has consequently forced households to adopt various financial coping mechanisms. According to the article, families may depend on additional jobs, contributions from spouses, assistance from relatives, remittances from abroad, borrowing, drawing down accumulated savings, or reducing discretionary and essential expenditures. While these measures may temporarily ease financial pressures, they also highlight the fragility of household finances, particularly when income is insufficient to cover recurring obligations. The illustrative monthly deficit of $1,510 underscores the extent of this imbalance, as the model's estimated expenses are slightly more than double its assumed monthly income. Moreover, the financial shortfall could become even more pronounced for households relying on a single low paying job or experiencing unemployment.

In a related commentary titled "The Lebanese People and High Prices: The Struggle to Survive," published alongside the article, Ghadi Haddad further examines the social consequences of Lebanon's elevated living costs. The commentary emphasizes that rising prices have affected virtually every aspect of daily life, including food, healthcare, education, transportation, and housing, forcing many families to sacrifice necessities that were previously considered affordable. It also highlights how financial difficulties extend beyond lower income households to include employees, retirees, and individuals with limited earnings who increasingly struggle to maintain an acceptable standard of living. According to Haddad, addressing the problem requires more than containing price increases. It calls for broader economic and social policies that improve wages, strengthen purchasing power, expand social protection, and provide employment opportunities. The commentary also stresses the importance of reinforcing social safety nets to ease the financial burden facing vulnerable households.

Overall, the article illustrates that Lebanon's cost of living challenge reflects a deeper structural imbalance between household earnings and the expenses required to maintain a reasonable standard of living. While the $3,010 monthly budget is hypothetical and varies according to each family's circumstances, it demonstrates how essential expenditures can substantially exceed available

income, even when a household earns considerably more than the legal minimum wage. With housing, education, food, healthcare, and energy absorbing a significant share of household resources, the capacity to save or absorb unexpected financial shocks remains limited. The combination of high living costs, insufficient wages, and fragile employment conditions continues to place pressure on purchasing power and household financial stability, reinforcing the importance of policies aimed at improving incomes, supporting employment, and reducing the financial vulnerability of Lebanese families.

Lastly, it is important also to emphasize that these policies can only succeed in an environment of economic and political stability and sound governance. In fact, one could argue that the low wages prevailing in the Lebanese economy are an outcome of these instabilities and poor governance[1]. That is why a sufficient condition for restoring purchasing power to Lebanese households is a reformed economy coupled with sovereign politics and security, which not only would increase income and wages but would also regulate much better prices and the cost of living.

[1] Tobailey, W. "When Wages are determined by Low Local Productivity and Prices by High International Import Prices: A Case of Lebanese Purchasing Power Quandary", *Blominvest Blog, 13 October, 2026*

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