The 2016 edition of Society at a Glance examines social well-being and its trends across the OECD. The number of young people not in employment, education or training (NEETs) remains elevated in many countries since the crisis; the report therefore focuses on this group of young people examining the characteristics of those at risk of being NEET along with policies to help meet the challenge. This edition also includes many new youth-specific indicators on family formation, self-sufficiency, income and poverty, health and social cohesion.

**EARLY SCHOOL LEAVING IN GERMANY**

In 2014, 13% of all 25-34-year-olds, around 1.3 million young people, in Germany did not have a general or vocational upper-secondary degree. This is nearly the same share as in their parents’ generation. While German early school leaving rates are lower than in the OECD on average (16.7%), countries such as Austria (10%) or Switzerland (9%) but also the United States (9%) perform considerably better (Figure 1).

In a highly developed economy such as Germany, where educational attainment is high overall, those young people who lack skills have trouble succeeding on the labour market. Only two-thirds of male early school leavers between 25 and 34 are working compared to 86% of their peers with upper-secondary education (Figure 2). Female early school leavers are over 20% less likely to be in work than young women with at least upper-secondary education. Early school leavers are also 3 times more likely to be poor than young people with at least an upper-secondary degree (Figure 3).
than on average (17%). This aligns with student performance by region for today’s 25-34 year-olds: in 2000, the year when today’s 30 year-olds were tested in PISA, Bavaria scored highest in both literacy and numeracy, while many of the eastern German Länder recorded low scores. Bavaria and South-Western Germany are also higher-income regions. The low share of young people without upper-secondary education in Berlin likely reflects the fact that as a major city it attracts well-educated young people, and is a student hub (Figure 4).

**Figure 4 - Early school leaving rates vary across regions**
Share of 25-34-year-olds without upper-secondary education, by region, and on the German average (red line)

![Graph showing early school leaving rates across regions](source)

Source: OECD calculations based on the SOEP, DOI: 10.5684/soep.v31

Parents with lower educational attainment may find it more difficult to help their children with schoolwork. Also the parents’ employment status matters: early school leaving is only half as frequent among young people who, at the age of 15, had at least one working parent, compared to those whose parents did not work. This suggests that low educational attainment may also be transmitted from parents to their children through other channels, notably low income.

**Figure 5 - Low socio-economic-status youth at risk**

![Graph showing socio-economic-status youth at risk](source)

Young people from disadvantaged backgrounds face a much greater risk. Early school leaving is linked to educational attainment of parents: 37% of young people whose parents do not have upper-secondary education leave school without this qualification, compared to only 6% of those with a parent with tertiary education (Figure 5).

**Note:** The incidence of missing values among early school leavers is twice as high as among young people without upper-secondary education than among those with upper-secondary (12% vs. 6%), which may bias the results.
This is surprising, since one might expect native-born children of migrant parents – who have grown up and attended school in Germany – to more easily attain an upper-secondary qualification than foreign-born youth who may have come to Germany as adolescents or young adults. The lack of a notable difference in the educational attainment between the two groups may reflect changes in the main sending countries across migrant generations.

**Figure 7 – Young migrants and the children of migrant parents are equally likely to leave school early**


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**OVERVIEW OF OTHER SOCIAL INDICATORS**

**Low, albeit increasing, fertility**

In 2014, fertility was well below the replacement level in most countries, averaging 1.7 across the OECD (Figure 3.4). Germany’s fertility rate was lower still at 1.47 children per woman, although it did increase markedly from its 1995 value, 1.25.

**Ageing population**

The German population is ageing rapidly. In 2015, there were 35 elderly persons (65 and over) for every 100 persons aged 20 to 64. This is almost 50% more than in 1970 (24), and only half the estimated value for 2060 (67, Figure 3.13). These projections, however, do not account for the 2015 inflow of refugees, which may have an impact on Germany’s population age structure.

**High wealth inequality**

With a Gini coefficient of 0.29, Germany takes a mid-range position in the OECD in terms of income inequality (OECD average: 0.32, see Figure 5.1). Household wealth is much more unequally distributed than income, however. In 2012, the richest 10% of German households owned 59% of overall household wealth, the third highest share of the 17 countries studied, and significantly higher than France (50%) and Belgium (44%). High wealth concentration in Germany is driven by two main factors: low levels of wealth taxation and a low share of homeownership – as the share of renters is comparatively high, wealth in the form of homes, the major asset type for private households, is more concentrated (Figure 5.3).

**Inequalities in perceived health**

In almost all OECD countries, a majority of the adult population reports their health as good as or better than good (Figure 6.4) – in Germany it is 65% of the population, compared to the OECD average of 68%. The gap in reported good health between the top and bottom 20% of the income distribution is especially large in Germany. Nearly 80% of all Germans in the top 20% reported good or excellent health, compared to only around half of those in the bottom 20%. At 26%, this gap is significantly higher than on the OECD average (18%). These disparities may be explained by differences in living and working conditions, as well as differences in lifestyles (e.g. smoking, harmful alcohol drinking, physical inactivity and obesity).

**Rising trust in national government**

Trust in public institutions is essential for public support of, and compliance with, government policies and regulations. In Germany, 62% of the population, including youth, reported, having confidence in the national government in 2014/15, compared to 42% on the OECD average. Only Switzerland and Luxembourg achieved significantly higher shares (77% and 68%, respectively). Also, Germany has the second highest share of youth interested in politics: only 7% of the 15-29 year-olds report to be not at all interested (26% in the OECD).

Confidence in the national government increased significantly over the crisis years. While on the OECD average, the share of those who report to trust the national government decreased from 45 to 40% between 2006 and 2014, it almost doubled in Germany. (Figures 7.4 & 7.5)

All figures available at [http://oe.cd/sag2016-deu-fig](http://oe.cd/sag2016-deu-fig)

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