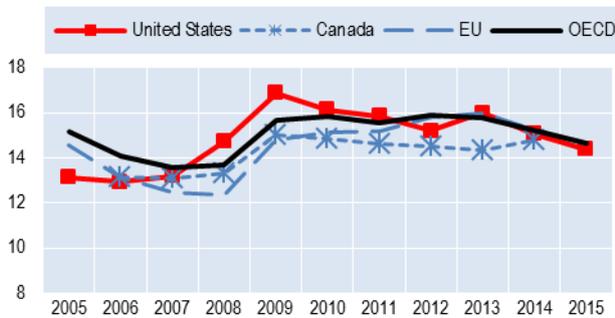


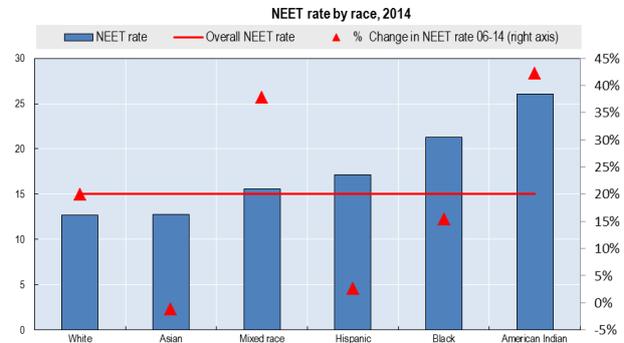
The 2016 edition of *Society at a Glance* examines social well-being and its trends across the OECD. The number of young people not in employment, education or training (NEETs) remains elevated in many countries since the crisis; the report therefore focusses on this group of young people examining the 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.

The NEET rate increased during the crisis

NEET rate, 2005-2015



NEET rates by race, United States



Notes: The NEET rate is the share of 15-29-year-olds who are not in employment, education or training [Figure 1.5]

THE NEET SITUATION

The NEET rate, the proportion of young people who are not in employment, education or training, rose sharply in the United States during the Great Recession. **Between 2006 and 2009 the NEET rate rose from under 13% to over 16%.** Since 2009 the NEET has been declining and in 2015 it stood at over 14%, higher than before the crisis. This equates to 9.3 million young people neither in work or education, 1.3 million more than in 2006. The rise in the NEET rate in the United States was driven for the most part by a **rise in youth unemployment** while the number of inactive youth has remained fairly constant. **NEET rates differ by region** and at 16.6% are highest in the South; 16.2% in the West; 13.2% in the Northeast and are lowest in the Midwest (12.7%).

As across the OECD, NEET rates in the United States **vary by education**. Those who have not completed high school have a NEET rate of 44% compared to just 12% for those with a third level education. The majority, three-fifths, of NEETs have completed high school but have gone no further. This group have a NEET rate of 23% [Figure 1.9]

NEET rates for women are around 40% higher than for men, in line with the OECD average and young women are significantly more likely to be inactive than young men [Figure 1.11]. The **cost of childcare** is high in the United States, particularly for a low earning lone parent for whom childcare costs around half of net income, the most expensive rate across the OECD [Figure 1.14]. NEET rates for migrant youth are around one quarter higher than for American born youth, a better performance than the OECD average where NEET rates for migrant youth are nearly 50% higher [Figure 1.16].

NEET rates also differ significantly by race. They are lowest amongst White and Asian Americans. Hispanic NEET rates are one third higher and Black NEET rates are two-thirds higher than for White youth while American Indian NEET rates are more than double those of White American youth. This disadvantage is closely related to the educational attainment gap across these groups. However, over the recession the NEET rate for White youth increased more sharply than for Black or Hispanic youth, therefore the gap in NEET rates of these groups relative to White youth has closed in recent years.

In 2014 the United States had a very low rate of receipt of unemployment and disability benefits at any point over a 12-month period amongst youth, the second lowest in the OECD [Figure 1.21]. But **receipt of social assistance** at any point over a 12-month period (mainly the Earned Income Tax Credit and Food Stamps) is higher only in Switzerland [Figure 1.22]. However, the **system of social benefits is not very effective at fighting poverty amongst youth**. Only 12% of youth who would be poor before any transfers are lifted out of poverty by these transfers compared to 41% across the OECD [Figure 1.24]. The **youth poverty rate in the United States is the highest across the OECD** with one quarter of youth living in poverty compared to less than 14% across the OECD [Figure 1.25].

OVERVIEW OF OTHER SOCIAL INDICATORS

More youth now live with their parents

There was an **increase of 6% in the proportion of youth living with their parents** over the recession (compared to just +1.2% across the OECD). This change was mainly offset mainly by a **reduction in the proportion of youth living with partners** [Figure 3.10], therefore the recession appears to have hindered the ability of young people to form their own, independent, households.

The U.S. has the lowest age at first birth for mothers

At 26, the United States has the lowest **average age of women at first birth** across the 31 OECD for which data is available, 3 years below the average [Figure 3.6]. This is in line with the United States having the fifth lowest average age of women at first marriage [Figure 3.11]. Age at first birth has risen since 1995 for all OECD countries - in 1995 the United States had the 7th youngest age at first birth across the OECD but has experienced a smaller rise than other countries. This is partially explained by the fact that the teenage fertility rate, despite being cut in half since 1995, still remains 80% higher than the OECD average. The **divorce rate** in the United States has **declined** from 4.8 divorces per 1 000 people in 1992 to 3.2 per 1 000 in 2014, but it still has one of the highest across the OECD [Figure 3.12].

Voter turnout is low but volunteering is high

The United States tends to have a **low voter turnout** with around just over half of the voting age population exercising that right in the last election, compared to two-thirds across the OECD [Figure 7.7]. The sense of giving back to the community and social responsibility is, however, high in the United States. The United

States has a high rate of **volunteering** at over 40%, one of the highest rates across the OECD [Figure 7.15].

Unemployment has fallen but literacy and numeracy problems exist

The United States has succeeded in reducing overall **unemployment** from a peak of 10% during the Great Recession to 5% in 2016 [Figure 4.4]. The United States continues to perform poorly, however, regarding the **literacy and numeracy skills** of adults – close to one-fifth of adults have poor literacy skills compared to 15% across the OECD [Figure 4.7] while close to 30% of adults have poor numeracy skills, almost double the OECD average [Figure 4.8].

Incomes are high but so too is inequality

Median incomes tend to be high in the U.S., with only Australia, Norway, Switzerland and Luxembourg performing better [Figure 3.1]. However, **income inequality** in the United States is also high with only Mexico and Chile performing worse [Figure 5.1] and income inequality rose during the recession [Figure 5.2]. The United States has the **highest concentration of income and wealth amongst the top 10%** of households across the OECD [Figure 5.3].

Health levels are good, private health spending is high

The **majority of adults** in the United States **report being in good health** with nearly 90% doing so [Figure 6.4], only New Zealand and Canada have higher rates. This varies by income level with 75% of the poorest one-fifth of the population reporting good health compared to 96% of the richest one-fifth in line with the average gap across the OECD [Figure 6.5]. The United States has the **highest level of health spending per person across the OECD**, of which more than half is funded privately [Figure 6.9], the highest level or private health expenditure across the OECD.

Incarceration rates are high

The United States has the highest **incarceration rates** in the OECD, nearly 5 times the OECD average [Figure 7.11]. **Crime rates** have fallen in recent years, however, with a drop of one-fifth between 2007 and 2013, one of the best performances across the OECD [Figure 7.10].

Contact:

OECD Social Policy Division, Directorate for Employment, Labour and Social Affairs

Stéphane Carcillo +33 (0)1 45 24 80 31
stephane.carcillo@oecd.org