CO3.5 Young people not in education or employment

Definitions and methodology

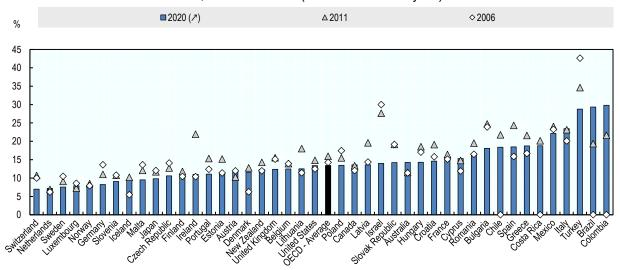
This indicator presents data on young people who are 'NEET' – those who are not in employment, education or training. Young people are defined as those between 15 and 29 years of age, while an individual is classified as 'NEET' as long as they were neither enrolled in formal education or a training programme nor in paid employment (for at least one hour per week) during the relevant survey reference period. Data on NEETs are taken from *OECD Education at a Glance* and from Eurostat Education and Training Statistics for non-OECD EU countries, and are presented using three measures:

- i) The NEET rate, which is calculated as the proportion of 15-29 year olds that are classified as NEET
- ii) NEET rates by five-year age groups, for 15-19 year-olds, 20-24 year-olds, and 25-29 year-olds
- iii) Gender differences in NEET rates, which disaggregates the overall NEET rate for men and women
- iv) Native-born and foreign-born NEET rates

Key findings

NEET rates vary considerably across the OECD (Chart CO3.5.A). On average across OECD countries, the number of young people (15-29 year-olds) neither in employment nor in education or training stands at just over 13%, but rates range from 7% in Switzerland to as high as 30% in Colombia. Southern European countries (such as Greece, Italy and Spain) along with Mexico and Turkey have the highest NEET rates. In all these countries, around one-in-five or more young people are NEET. A mixture of northern and central European countries have the lowest NEET rates.

Chart CO3.5.A. **NEET rates for 15-29 year-olds**Proportion (%) of 15-29 year olds not in employment, education or training (NEET), 2006, 2011 and 2020 (or latest available year)



Note: For 2020, data for Germany, Denmark and Turkey refer to 2019, for Chile to 2017 and for Japan to 2014. For 2011, data for Colombia and Costa Rica refer to 2013, for Lithuania to 2010 and for Switzerland to 2009. For 2006, data for Lithuania refer to 2005. The OECD average excludes Korea.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Note by Turkey: The information in this document with reference to « Cyprus » relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognizes the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of United Nations, Turkey shall preserve its position concerning the "Cyprus issue";

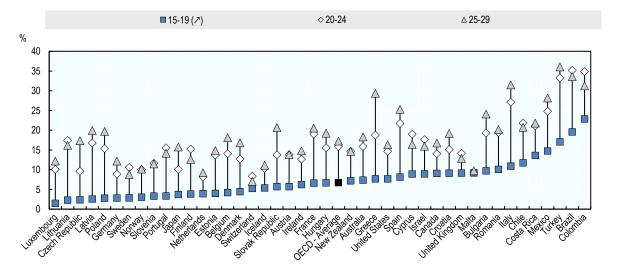
Note by all the European Union Member States of the OECD and the European Commission: The Republic of Cyprus is recognized by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus. Source: OECD Education at a Glance; For Bulgaria, Croatia, Cyprus, Malta and Romania: Eurostat Education and Training Statistics

Other relevant indicators: Public spending on education (PF1.2); Educational attainment by gender and expected years in full-time education (CO3.1); Gender differences in university graduates by fields of study (CO3.2); and, Literacy scores by gender at age 15 (CO3.4)...

The COVID-19 pandemic impacted global economic conditions in 2020 and 2021 and further complicated the transition from education to work. Nevertheless, NEET rates across the OECD did not increase significantly from 2019 to 2020, rising from an average of 12.9% to 13.4%. This development can be partially explained by changes to the educational paths of many young adults who chose to extend their studies rather than enter the labour market. Despite the small change in the OECD average, some countries experienced large increases in their NEET rates from 2019 to 2020, especially Colombia, Australia and Latvia, where NEET rates increased by 6.2%, 3.8% and 3.6%, respectively (OECD Education at a Glance, 2021).

NEET rates are generally higher for young people in their 20s than for those in their teens (Chart CO3.5.B). In many OECD countries, rates are highest for 25-29 year-olds. This is especially the case in Greece, Italy and Turkey, where NEET rates for 25-29 year-olds (29%, 32% and 36%, respectively) are around 19-22 percentage points higher than rates for 15-19 year-olds. On average, 17% of 25-29 year-olds are NEET, compared to around 7% of 15-19 year-olds. In large part, lower NEET rates among younger age groups reflect the expansion of upper-secondary and tertiary education in most OECD countries (*OECD Education at a Glance 2014*: 365). Yet, the risks associated with younger NEETs should not be downplayed – teenage NEETs often lack qualifications and relevant employment experience and tend to remain NEET for a relatively long period of time (OECD Society at a Glance, 2016).

Chart CO3.5.B. **NEET rates across age groups**Proportion (%) of 15-29 year olds not in employment, education or training (NEET), by age group, 2020 (or latest available year)



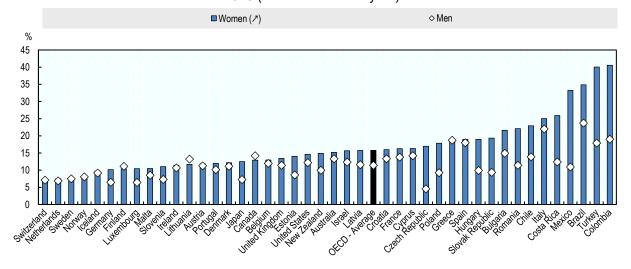
Note: Data for Germany, Denmark and Turkey refer to 2019, for Luxembourg to 2018, for Chile to 2017 and for Japan to 2014.

Source: OECD Education at a Glance; for Bulgaria, Croatia, Cyprus, Malta and Romania: Eurostat Education and Training Statistics

NEETs are also more likely to be female than male (CO 3.5.C). In almost all OECD countries, NEET rates are higher for women than for men – indeed, the OECD average NEET rate for young women is around 4 percentage points higher than the rate for young men. Only in Canada, Finland, Lithuania, Norway and Switzerland are young men more likely to be NEET than young women but these differences are small. Gender gaps in NEET rates are largest in Colombia, Mexico and Turkey, where female NEET rates are around 22 percentage points higher than male NEET rates.

Chart CO3.5.C. Gender differences in NEET rates

Proportion of 15-29 year olds not in employment, education or training (NEET), by sex, 2020 (or latest available year)

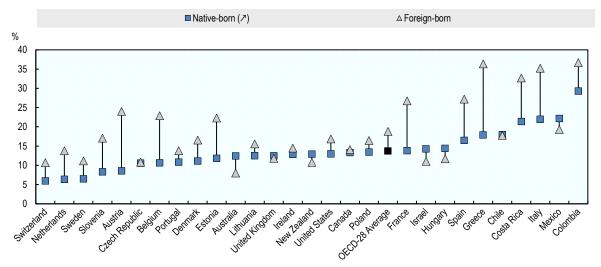


Note: Data for Luxembourg refer to 2018, for Germany refer to 2019, for Japan refer to 2014, for Chile to 2017, for Denmark in 2019 and for Turkey in 2019. Source: OECD Education at a Glance; for Bulgaria, Croatia, Cyprus, Malta and Romania: Eurostat Education and Training Statistics

In many OECD countries, the NEET rate is higher for foreign-born young adults than for those who are native-born. For the 28 OECD countries where data is available, the average native-born NEET rate is around 14% while the average rate for the foreign-born is around 19%, a difference of 5 percentage points. This disparity is larger in Belgium, France, Italy, Austria and Greece, where the difference between the native- and foreign-born ranges between 9 and 12 percentage points. However, in other countries, the opposite holds, and foreign-born young adults have a lower NEET rate than those who are native-born. In Australia, Hungary, Israel, New Zealand and Mexico, native-born NEET rates are higher than those of the foreign-born by 2 to 4 percentage points.

Chart CO3.5.D. Native-born and foreign-born NEET rates

Proportion (%) of native-born and foreign-born 15-29 year olds not in employment, education or training (NEET), 2020 (or latest available year)



Note: Data for Australia refer to 2019, for Denmark and Ireland to 2017 and for Chile to 2015. Source: OECD Education at a Glance

Comparability and data issues

Cross-country comparisons of NEET rates are hampered by institutional differences. For instance, the length of educational programmes differs between countries, which affects age at graduation from secondary and tertiary levels of education. NEET rates tend to be higher in countries where average graduation ages are lower, at least in part because a smaller proportion of young people are enrolled in education.

Additionally, some OECD countries oblige young men (and in some cases, young women) to enter military (or national) service. In some countries, labour force statistics only consider the civilian population so any young persons on military service would not be included in the NEET figures. In others, military personnel living at home are considered part of the labour force but conscripts living in barracks are not, while in certain countries even conscripts are counted as part of the labour force. It is possible that the presence of national service may influence crossnational variations in the proportion of young people neither in education nor employment, although the figures shown above suggest there is no systematic difference in NEET rates between countries with or without national service

Sources and further reading:

OECD (2016) Society at A Glance 2016: OECD Indicators: A Spotlight on Youth. http://www.oecd.org/social/society-at-a-glance-19991290.htm;

OECD Education Database, https://www.oecd.org/education/database.htm;

OECD Education at a Glance 2021, https://www.oecd.org/education/education-at-a-glance/; Indicator A2.