

Karl Brenke, Research Associate and Scientific Advisor to the Executive Board at DIW Berlin

SEVEN QUESTIONS TO KARL BRENKE

»Lack of Training for Young People Continues to be a Cause for Concern«

- Mr. Brenke, how has youth unemployment in Germany developed in recent years, and what's the situation today? Youth unemployment has fallen considerably. According to statistics from the Federal Employment Agency (Bundesagentur für Arbeit), youth unemployment is currently at six percent, and according to statistics from Eurostat it is at eight percent.
- 2. What has happened to alleviate this situation? There are basically two reasons. On the one hand, employment in Germany has generally developed favorably in recent years. This has contributed significantly to a drop in youth unemployment, too. The second key reason is that the number of young people is simply decreasing for demographic reasons and if there are fewer young people on the labor market, fewer can become unemployed.
- 3. In what regions of Germany is youth unemployment most prevalent? We have regions where we still have youth unemployment of around 15 percent, and then there are areas where we have completely insignificant levels of youth unemployment, around two percent, for instance, in regions of southern Germany. The highest levels are found in the old industrial regions of the Ruhr valley, and also primarily in eastern Germany.
- 4. How many unemployed young people have no vocational training? Over half of young unemployed people have no formal vocational training. Youth unemployment in Germany is therefore primarily linked to a lack of qualifications because young people who have not completed their training or education have relatively poor prospects of finding a job. If they are qualified, however, young people are in no worse a position than

adults. Here, we have relatively low unemployment rates.

- 5. Is there still a shortage of trainee placements? There is still a considerable shortage on the trainee placement market in some areas, including some large cities. Right at the bottom of the league for providing trainee placements is Berlin, where we still have a considerable deficit of traineeships. On the other hand, there are regions in southern Germany where it is the trainees who are in short supply.
- 6. What does the situation look like in other countries in Europe? Youth unemployment is considerably higher in other European countries. In comparison, we can almost refer to a luxury problem here in Germany. Other countries also have the difficulty that even if they have completed vocational training, young people are at a disadvantage compared to adults. We do not have this phenomenon here in Germany. But even in Germany, there is still plenty of room for improvement.
- 7. What needs to be done to further reduce youth unemployment in Germany? I am skeptical as far as the various programs for reducing youth unemployment are concerned. We have 40 years of experience of these programs in Germany but with somewhat dubious success. In my view, it is essential for companies to provide a sufficient number of trainee placements. So far, the state or employment agencies have had to become involved in offering training because companies do not provide enough placements. An attempt must also be made to reduce the number of young people who leave school without even the most basic school-leaving qualification. And another question to be addressed is why many young people fail to complete their training.

Interview by Erich Wittenberg.

14 DIW Economic Bulletin 72013



DIW Berlin—Deutsches Institut für Wirtschaftsforschung e.V. Mohrenstraße 58, 10117 Berlin T +49 30 897 89 -0 F +49 30 897 89 -200

Volume 3, No 7 12 July, 2013 ISSN 2192-7219

Publishers

Prof. Dr. Pio Baake
Prof. Dr. Tomaso Duso
Dr. Ferdinand Fichtner
Prof. Marcel Fratzscher, Ph. D.
Prof. Dr. Peter Haan
Prof. Dr. Claudia Kemfert
Karsten Neuhoff, Ph. D.
Prof. Dr. Jürgen Schupp

Prof. Dr. Cort C. Wagner

Prof. Dr. Gert G. Wagner

Editors in chief

Sabine Fiedler Dr. Kurt Geppert

Editorial staff

Renate Bogdanovic Sebastian Kollmann Dr. Richard Ochmann Dr. Wolf-Peter Schill

Editorial managers

Alfred Gutzler Christiane Zschech

Press office

Renate Bogdanovic Tel. +49-30-89789-249 presse @ diw.de

Sales and distribution

DIW Berlin

Reprint and further distribution—including extracts—with complete reference and consignment of a specimen copy to DIW Berlin's Communications Department (kundenservice@diw.berlin) only. Printed on 100% recycled paper.