Germany: Statistical profile

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GERMANY

Statistical Profile

Cornelia Sproß, Heike Schröder & Dirk Hofäcker

INTRODUCTION TO GERMANY

About this Statistical Profile

Organizations striving to be employers-of-choice in different countries around the world need access to current information about the economic, social, political, and demographic characteristics of the countries where their employees live and work.

The Country Profile Series focuses on statistics that can guide decision-making at the workplace: workforce highlights, economic highlights, and population highlights. This Country Profile is part of a set of resources about Germany available on the website of the Global Perspectives Institute: *www.bc.edu/agingandwork.*

Modern day Germany was first created through the unification of the German Empire in 1871, resulting in the inception of the Germanic nation state. Germany's involvement in both World Wars led to the country being occupied by Allied Forces at the end of World War II in 1945. Through the Allied Occupation, Germany was divided into two in 1949, thus creating the Federal Republic of Germany (F.R.G) and the German Democratic Republic (G.D.R). (known informally as "West Germany" and "East Germany" respectively).[1] The F.R.G was influenced by the Allied Forces of USA, Britain and France and subsequently adopted similar Western economic issues and practices, while G.D.R came under the influence of the USSR, which resulted in the adoption of Communism in East Germany.[2] With the decline of the USSR and the subsequent end of the Cold War, reunification was finally made possible in 1990. However, the former East Germany lagged behind West Germany's economy and infrastructure, in part due to mismanagement and poor infrastructure development as a result of former communist rule.[2] Thus, Germany has had to invest a substantial amount of effort and funds in order to improve Eastern Germany's economic standards.

Germany's political system is a parliamentary democracy, with a bicameral legislature. It comprises a central Federal Government, and 16 federal states.[3] The Federal Government holds executive power, and is led by the Federal Chancellor, while the constitutional head of state is the Federal President. Each state has the power to pass legislation on matters of education, internal security (policing) as well as the organization of the local government.[3] All other matters are controlled by the Federal Government.

The German economy is currently one of the largest in the world, with it being the world's largest economy in terms of nominal GDP, and the fifth largest in terms of purchasing power parity.[2] Previously the world's largest exporter, this position has been overtaken by China recently. Germany remains the second largest importer of goods in the world. The formation of a common European exchange currency, the Euro, was established in 1999 through the collaboration of Germany and 10 other EU countries.[1] The German economy started to contract in 2008 as a result of a strong Euro, tighter credit markets, increasing oil prices as well as slow growth, which impacted Germany's export oriented economy. GDP growth was 1.3% in 2008, and is projected to reach negative growth in 2009.[1]

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LABOR FORCE HIGHLIGHTS[4]

- 🌐 In 2007, 75.9% of the total population was in the labor force.

- 🌐 The economically active population in Germany is projected to decrease from 41.7 million in 2007 to 41.1 million in 2020. The "economically active population" comprises all persons of either gender who furnish the supply of labor for the production of goods and services during a specified time reference period.

- 🌐 The unemployment rate was 8.6% in 2007.

- 🌐 In 2007, the average hours worked in the main job by German employees (working either full- or part-time) was 34.4 hours, compared to 36.6 hours in Great Britain, and 36.3 hours in France.

- 🌐 In 2007, 22.2% of the employed labor force worked part-time.

- 🌐 12% of the total civilian employed labor force reported being self-employed in 2007.
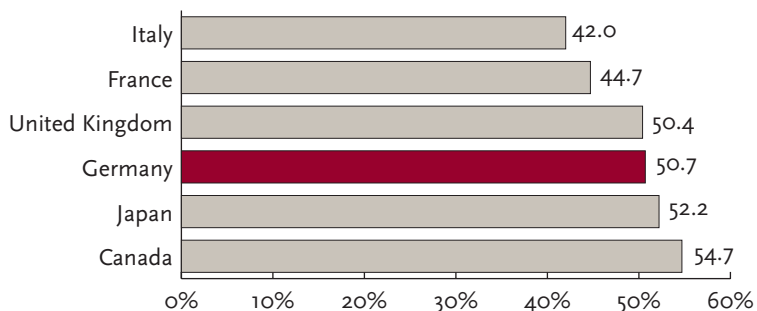

Figure 1a. Employed as Percentage of Total Population - Selected Regional Countries, 2007
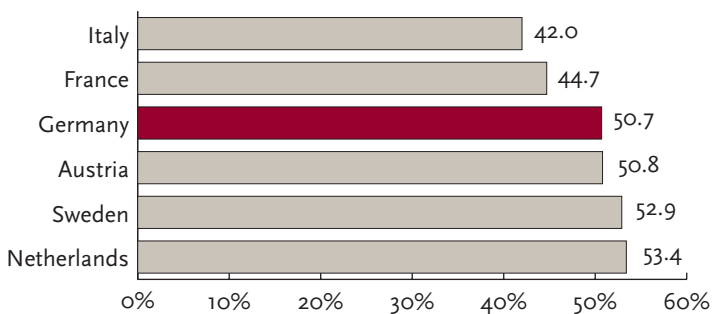
The Netherlands is the country with the highest overall employment rate, in contrast to Italy with the lowest. Germany takes an intermediate position.
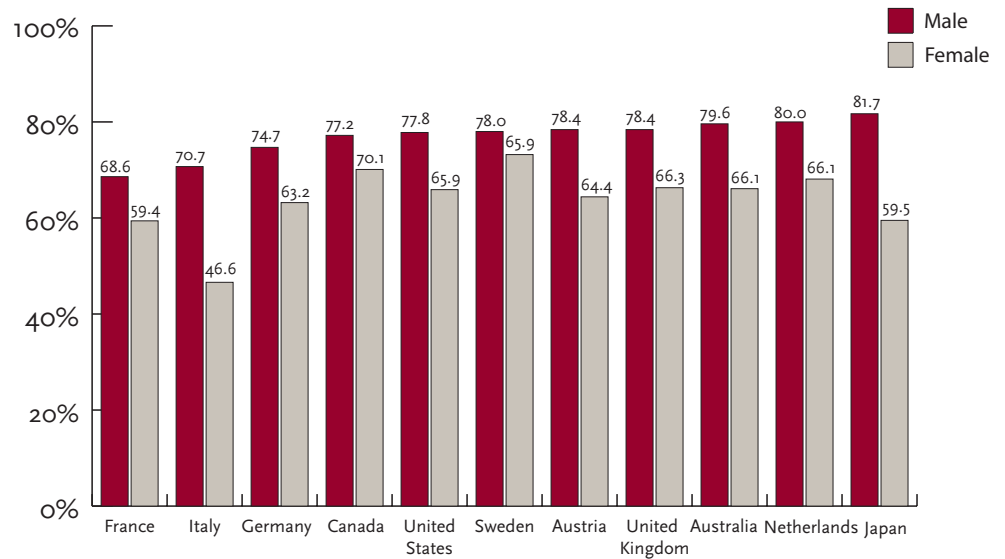
Source: OECD, (2009)[4]

Figure 1b. Employed as Percentage of Total Population - Selected GNI Countries, 2007
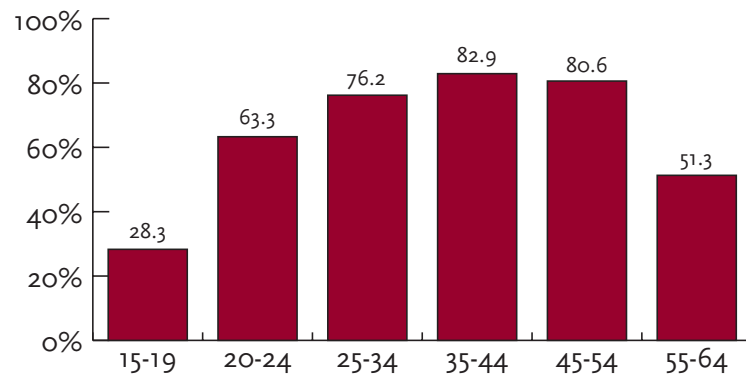

Source: OECD, (2009)[4]

In Germany, 74.7% of the male population and 63.2% of the female population is employed. Across all countries, more men than women are currently employed, with the smallest gender-employment gap in Sweden and the largest in Italy.

Figure 2.   Employment Rate, Ages 15-64, by Gender, Germany and Selected Countries, 2007

Source: OECD, (2009)[4]

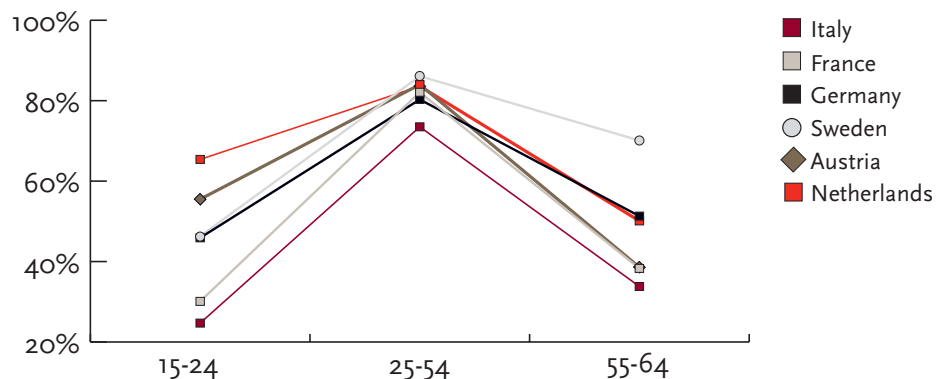Figure 3.   Employment Rates in Germany, within age group, 2007

Most people employed are aged between 25 to 54 years, with the highest percentages in the 35 to 44 (82.9%) and 45 to 54 age groups (80.6%). There are fewer younger people (aged 15-24) working in Germany than older employees (54-64 years).

Source: OECD, (2009)[4]

Figure 4.   Employment Rates in Germany Compared to Selected Regional Countries, within age group, 2007
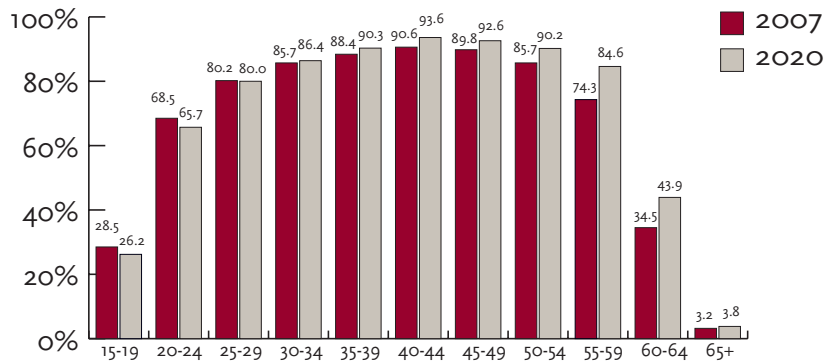
Most people who are currently working are between 25 and 54 years old, however there are clear differences between the oldest and youngest age groups. The employment rate of people aged 55 to 64 years working is highest in Sweden (70.1%), and lowest in Italy (33.8%). The Netherlands has the highest employment rate of people aged 18 to 25 years (65.4%), with the lowest in Italy (24.7%). Again, Germany's position appears to be intermediate.

Source: OECD, (2009)[4]

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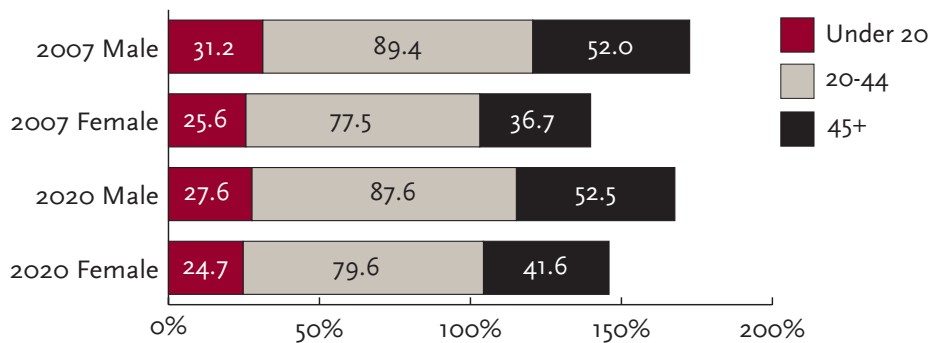
Figure 5a. Current and Projected Economically Active Population Rates in Germany, within age group, 2007 and 2020

Bar chart legend:
- 2007
- 2020

| Age group	2007	2020
15-19	28.5	26.2
20-24	68.5	65.7
25-29	80.2	80.0
30-34	85.7	86.4
35-39	88.4	90.3
40-44	90.6	93.6
45-49	89.8	92.6
50-54	85.7	90.2
55-59	74.3	84.6
60-64	34.5	43.9
65+	3.2	3.8

Source: International Labour Organisation, (2009)[5]

Figure 5b. Current & Projected Percentage of Total Population Economically Active in Germany, 2007 and 2020

Bar chart legend:
- Under 20
- 20-44
- 45+

	Under 20	20-44	45+
2007 Male	31.2	89.4	52.0
2007 Female	25.6	77.5	36.7
2020 Male	27.6	87.6	52.5
2020 Female	24.7	79.6	41.6

Source: International Labour Organisation, (2009)[5]

Figure 5c. Unemployment Rate in Germany Compared to Selected Regional Countries

| Country	Rate
Japan	3.9
Austria	4.4
Netherlands	4.5
Italy	5.9
Sweden	6.1
France	8.0
Germany	8.6
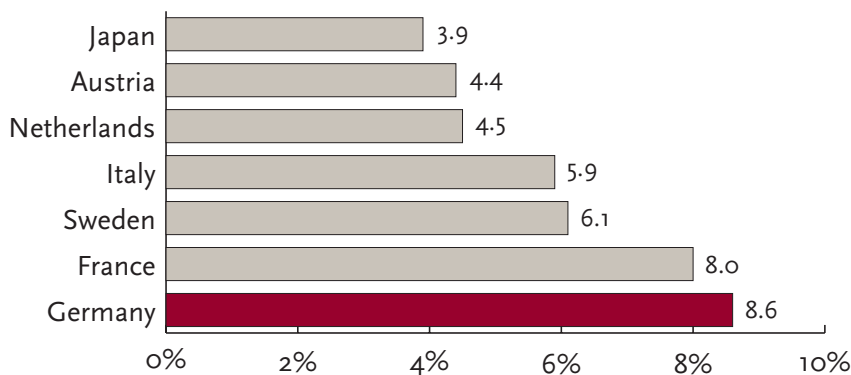
Figure 5c presents the unemployment situation in Germany compared to other countries. As already indicated, the persistence of unemployment is high in Germany. Japan has the lowest rate (3.9 %).

Source: OECD, (2009)[4]

ECONOMIC HIGHLIGHTS

🌐 The Gross Domestic Product (GDP) per capita was €30,342 ($41,340.49) in 2008,[6] up from €19,186 ($26,071) in 1991.[7]

🌐 The German GDP grew by 4.4% in 2007 and by 2.9% in 2008.[6] The estimate for GDP growth by Eurostat, the statistical office of the European communities, however, points to a GDP decline of 1.6% in the fourth quarter of 2008 in the EURO area in comparison to the same period in 2007.[8] The German GDP growth rate declined in the second, third and fourth quarter of 2008, after seasonal and price adjustments.[6]

Figure 6. GDP Growth, Regional Comparisons, 1990-2007
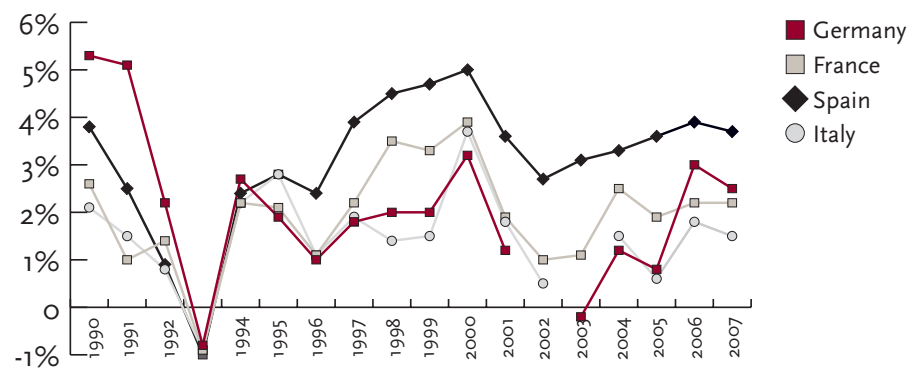

*GDP growth figures for Germany and Italy is missing from OECD for 2002 and 2003 respectively

Source: OECD, (2009)[4]

Figure 7. Total National Debt as Percentage of GDP, Selected Regional Countries, 1992-2008

German debt increased quite steadily from 1992 to 2008, partly because of the German reunification costs. The national debt of France has seen a similar development, while Italy's ratio of national debt to GDP has remained consistently high.
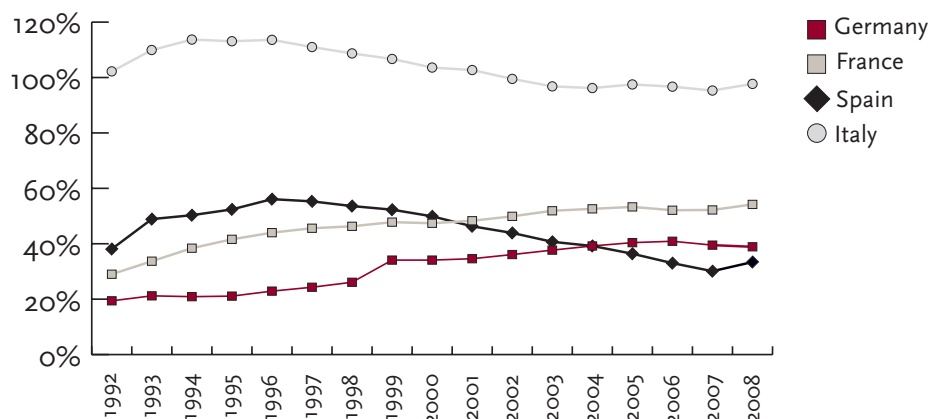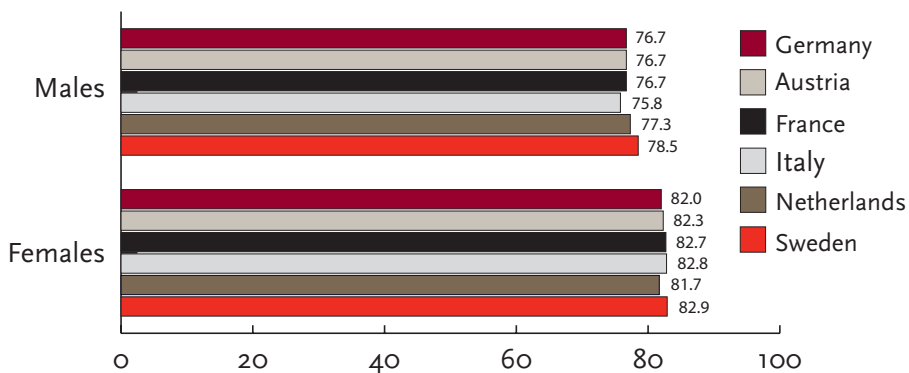

Source: OECD, (2009)[4]

DEMOGRAPHIC HIGHLIGHTS

🌐 In 2008, the German population was 82,772,000, compared to 61,840,000 for France and 58,851,000 for Italy.[4]

🌐 In 2006, 8.2% of the population was of non-German descent.[4]

🌐 Total fertility rate indicates the number of children to be born to a woman during the reproductive span of her life. In 2007, the fertility rate in Germany was 1.370. East German rates have only recently converged to the West German level after a pronounced fall to less than 0.8 in the years following the German reunification. As a consequence, demographers expect an overall population decline by more than 10% in the time period from 2008 to 2060, while the overall population in the EU-27 is expected to remain largely stable.[9]

🌐 In 2007, the ratio of the population aged 65 and over to the total population was 19.9. In comparison, the ratio was 20.3 in Italy and 16.5 in France.[4]

Figure 8.   Median Age, by Gender, Regional Comparisons, 2009
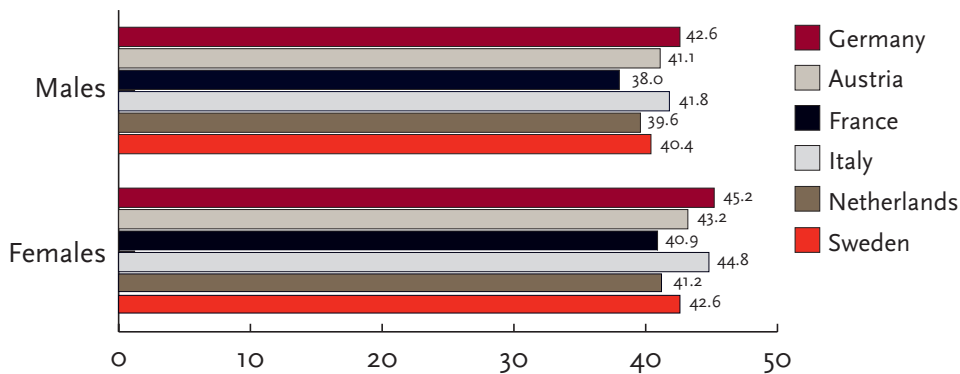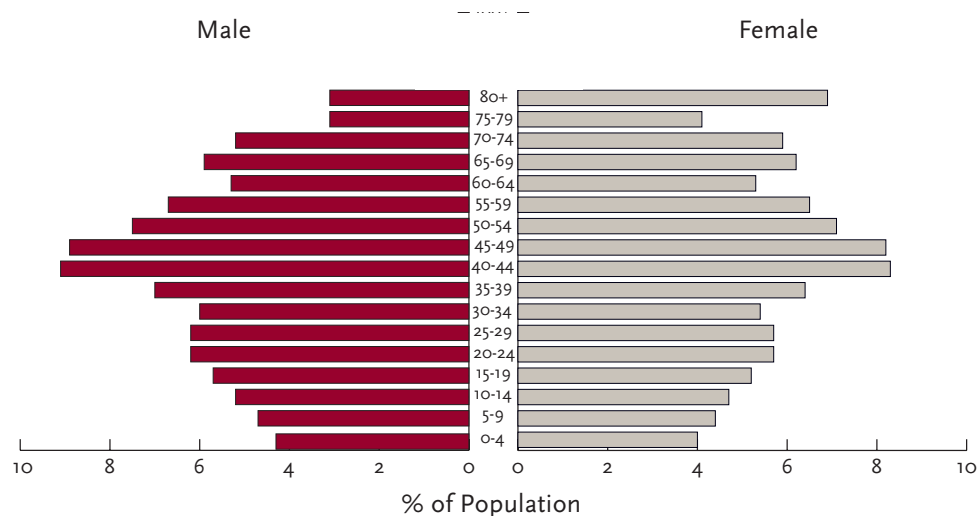

Source: CIA, (2009)[1]

Figure 9.   Life Expectancy at Birth, 2008

Life expectancy at birth in Germany was 82.0 for women and 76.7 for men, which is one to two years above the European average.

Source: Eurostat, (2009)[8]

🌐 In Germany, 18.9% of the male population and 23.1% of the female population are 65 or older.[10] In comparison:

- In Austria, 15.3% of the male population and 20.6% of the female population are 65 or older.
- In France, 13.9% of the male population and 18.7% of the female population are 65 or older.
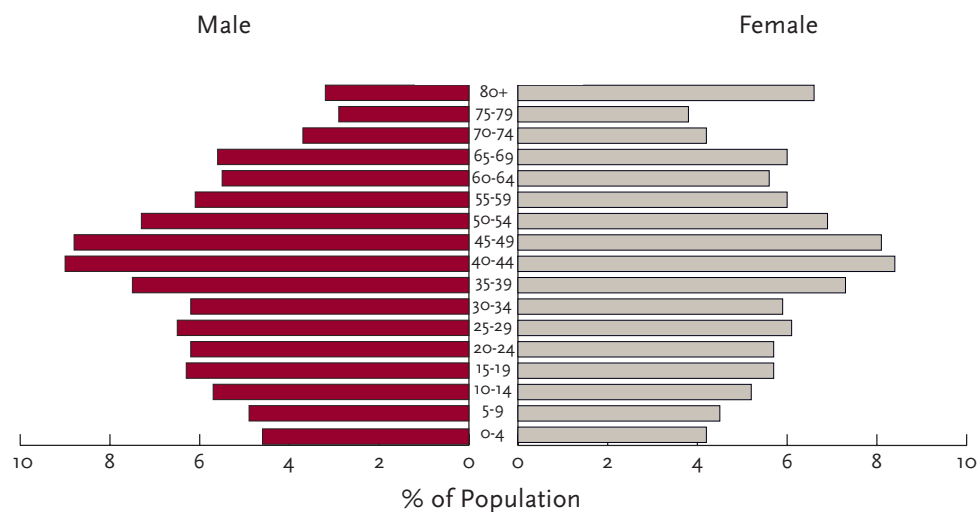
🌐 In Germany, the highest percentage of people, both male and female, are in the 40 to 49 year old age range. In contrast, there are greater percentages of women in each distribution group aged 60 and older, compared with men. Austria and France show a similar trend (see Figures 10a–10c).[10]
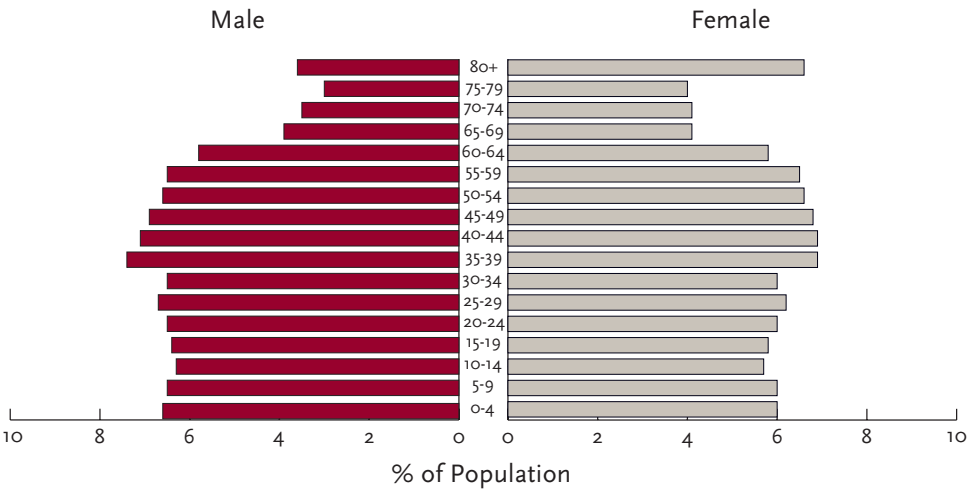
Figure 10a. Population Distribution, Germany, 2009

Source: US Census Bureau, (2009)[10]

Figure 10b. Population Distribution, Austria, 2009

Source: US Census Bureau, (2009)[10]

Figure 10c. Population Distribution, France, 2009

Male   Female

Age groups (top to bottom): 80+, 75-79, 70-74, 65-69, 60-64, 55-59, 50-54, 45-49, 40-44, 35-39, 30-34, 25-29, 20-24, 15-19, 10-14, 5-9, 0-4

Male axis: 10, 8, 6, 4, 2, 0
Female axis: 0, 2, 4, 6, 8, 10

% of Population

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ABOUT THE INSTITUTE

Established in 2007 by the Sloan Center on Aging & Work at Boston College, the Global Perspectives Institute is an international collaboration of scholars and employers committed to the expansion of the quality of employment available to the 21st century multi-generational workforce in countries around the world.

The Global Perspectives Institute focuses on innovative and promising practices that might be adopted by employers and policy-makers.

The Institute's research, publications, and international forums contribute to:

- 🌐 a deeper understanding of the employment experiences and career aspirations of employees of different ages who work in countries around the world;

- 🌐 informed decision making by employers who want to be employers-of-choice in different countries; and

- 🌐 innovative thinking about private-public partnerships that promote sustainable, high-quality employment.

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The Sloan Center on Aging & Work at Boston College promotes quality of employment as an imperative for the 21st century multi-generational workforce. We integrate evidence from research with insights from workplace experiences to inform innovative organizational decision making. Collaborating with business leaders and scholars in a multi-disciplinary dialogue, the Center develops the next generation of knowledge and talent management.

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