



Small Great Nation

The young generation: from school, screens, and stress to the hope of the future

May 2023



Preface

Although most young people in Denmark are still thriving, more and more of them are suffering from low wellbeing. Reports, measurements and studies from recent years confirm that the problem is both real and growing. It is a complex issue, and several factors contribute to this trend. This report maps the lack of wellbeing among young people in today's Denmark and examines what may be the causes of their increasing low wellbeing. In continuation of this, we suggest a number of areas for improvement as well as concrete solutions to how to reverse the trend of declining wellbeing reported by children and young people.

Increasing levels of low wellbeing among young people is a societal problem for at least two reasons: Firstly, experiencing low wellbeing is bad as it is. The very idea underpinning a rich society is that it gives as many people as possible the opportunity to thrive. And secondly, low wellbeing may lead to higher public spending in future in terms of increased treatment costs and reduced labour supply. At a time when the welfare state is already under massive expenditure pressure, this is going in the wrong direction.

When more and more young people are suffering low wellbeing, it is natural to start exploring which changes in today's society may be to blame. Our analyses suggest that young people are very concerned about future temperature rises and climate change. The analyses also indicate that social media may contribute to giving young people a distorted picture of what normal life looks like. We have also examined whether increasing pressure to perform in the education system contributes to young people's growing feeling of low wellbeing. And it actually turns out that it has become more important to them to be among the top students at higher secondary level, which may be contributing to a sense of performance pressure.

In this report, we take the wellbeing crisis and its consequences seriously. But there are also glimpses of good news. The education level among young people has risen dramatically in recent decades. And one analysis in the report shows that children of immigrant descendants are now doing just as well in primary and lower secondary school as children of ethnic Danes, when factoring in differences in socioeconomic background.

Based on the report's analyses, our review of the literature and a new expert panel with a number of Denmark's leading experts specialising in youth and wellbeing, we have drawn up an action plan setting out a number of concrete proposals that have the potential to improve the wellbeing of young people. The action plan has been signed by the Small Great Nation team and five other experts who have contributed crucial knowledge that lies outside the traditional field of economics.

We hope that the Danish Government and Parliament will use the analyses in the report, and not least the action plan, to launch the political discussions and initiatives that are necessary to reverse this worrying trend.

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Enjoy our report!

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1. Executive summary

Low wellbeing among young people is on the increase

Over the past ten years, an increasing number of reports and studies have revealed that more and more young people are struggling. Low wellbeing is a problem that affects young people's quality of life, and which may also cause socio-economic costs to rise in the long term due to, for example, increased treatment costs or reduced labour supply. In this report, we examine the development in young people's wellbeing through a series of analyses using a data-driven approach and looking through a socio-economic lens. We investigate both the causes of increasing low wellbeing and which solutions may help reverse the trend and increase the wellbeing of young people.

Young people in Denmark are not the happiest in the world

It is often said that Denmark is one of the happiest countries in the world, but this is not necessarily reflected in the lives of its young people. An analysis in this report indicates that young people in this country are increasingly struggling more than young people in the rest of Europe. Low wellbeing in the adolescent years affects young people's quality of life, and we show how it may be something that will follow them for the rest of their lives. For example, in an analysis in this report, we show that low wellbeing in primary and lower secondary school affects young people's likelihood of completing a higher secondary programme, which would help them move on in life.

New structures may be part of the explanation

The increasing low wellbeing among young people reflects that our society has undergone structural changes that have affected young people's wellbeing. We examine several societal changes that have a major impact on young people today and that have emerged over the past 30 years: social pressure for more education, the digitalisation of society and climate change. In a questionnaire survey of Danish young people, we find that both high online consumption and concerns about climate change are linked to their sense of low wellbeing.

Reforms have increased pressure on young people

For the past twenty years, Danish society has been characterised by reforms focusing on boosting growth and labour supply in society, among other things to finance the public sector. There have been good reasons for these reforms, as we described in the previous Small Great Nation report, as public sector funding is under pressure for a variety of reasons.¹ But efforts to increase labour supply and productivity may also have contributed to putting more pressure on young people and, in turn, to negatively affecting their wellbeing. Added pressure on young people is just one of several potential reasons why low wellbeing is a growing problem.

Primary and lower secondary school is an important building block in young people's wellbeing and future...

The foundation for life satisfaction is formed early on. In the Small Great Nation collaboration, we often focus on the state of our primary and lower secondary school system, and with good reason. Most young people spend a large part of their lives in school, and wellbeing at school is therefore crucial for their general wellbeing. The early school years help lay the foundation for young people's lives and futures, and there are a myriad of parameters that may affect their wellbeing at school. For example, the likelihood of low wellbeing in the later school years is higher for children born in the last months of the year who are the youngest among their peers of the same year at school. Similarly, classmates, and not least teachers, are an important positive or negative contributing factor to a person's wellbeing. Wellbeing in primary and lower secondary school is important both for young people's future wellbeing and also, for example, for their propensity to complete an education. Overall, these findings indicate that there are many issues to be targeted in primary and lower secondary schools to improve the wellbeing of young people.

¹ Small Great Nation report no. 11: *The public sector – the welfare state's jewel?*

Problems in primary and lower secondary schools despite reforms

The Danish primary and lower secondary school system has indeed been reformed several times within the last 10 to 15 years, but our analyses indicate that we are not quite there yet. Attracting and retaining talented teachers is an ever increasing challenge. At the same time, teachers' professional authority is under pressure from both parents' rising expectations and politicians' detailed management targets that dictate what teachers should be teaching. The challenges in primary and lower secondary school are thus complex, and it would be naïve to think that there are easy solutions to all problems. The problem of excessive political control can be remedied if there is political will to loosen the grip. But the mission to attract and retain the best teachers requires a long-term plan for restoring the teaching profession's reputation.

School system reforms to improve quality and wellbeing

Children and young people's wellbeing at school is inextricably linked to the quality of primary and lower secondary education in general. For that reason, it is crucial that politicians keep a focus on schoolchildren's wellbeing when devising the school system of the future. Here they may be aided by some of the insights elaborated in this report extracted in close collaboration with an expert panel.

... however, increasing focus on education puts pressure on many young people

After primary and lower secondary school, most young people move on to upper secondary education. Here, too, structures are important for wellbeing, and at both vocational schools and the general upper secondary schools we observe trends that may have contributed to declining wellbeing. Vocational schools are increasingly finding it hard to recruit professionally strong teachers. At the same time, more and more young people opt for the general upper secondary schools, which has widened the gap between the academically strongest and weakest of the students. In this report, we show that upper secondary school grades have become a more important indicator of how young people do later in life. We also show that for some young people, it is not necessarily an upper secondary education that will provide the highest income later in life. Personal finance can also put pressure on young people, but despite various reforms, students are working about as much today as they did in the 90s. However, as more and more students are completing their studies in the prescribed time, their overall work and study load has most likely increased.

We have drawn up an action plan to reverse the trend

In the report, we find evidence that many aspects of life have changed for young people today compared to previous generations. At the same time, we highlight a wide range of factors that affect young people's wellbeing. In the last chapter, we present a number of suggestions on how to reverse the negative trend and how young people's wellbeing can be improved based on the report's findings and with the input of an expert panel.

This report analyses young people and their wellbeing

In this report, we analyse the extent of low wellbeing among young people and how changes in the social fabric may have affected young people's wellbeing. In this first chapter, we summarise findings and discussions from the other chapters of the report.

1.1 Young people's wellbeing

What is wellbeing, and why is it deteriorating?

For many years, the number of young people in Denmark who report low wellbeing has been on the incline, e.g. in the form of increased stress, anxiety, depression, loneliness etc., and this poses a challenge to our society. Low wellbeing has both serious consequences for young people's quality of life and may also have a negative impact on their future. Wellbeing is a complex phenomenon that can be measured and assessed in many different ways. In this chapter, we look both at indicators of young people's self-reported wellbeing and at the development in the number of mental health diagnoses and suicides.

There are many possible explanations for this trend

In the report, we look at different aspects of what could potentially be the cause of the increasing low wellbeing among young people. The rising self-reported low wellbeing may be affected by heightened media attention to poor wellbeing, mental disorders and loneliness etc. The upward trend observed in the number of young people with mental health diagnoses may also be partly due to improved diagnostic tools. But whatever the reason for this development, society will have to deal with the fact that more and more young people are struggling.

We shed light on the phenomenon in Denmark

In chapter 2, we try to uncover which young people are having a hard time, and what the reasons for the increasing low wellbeing may be. At the same time, we investigate whether this is exclusively a Danish phenomenon, or whether the same picture is observed abroad. In addition, we look at the consequences that low wellbeing in the adolescent years may have on a person's future prospects.

Low wellbeing has been on the increase among young people for several years

Increasing low wellbeing among young people

The vast majority of children and young people in Denmark are thriving. However, many studies indicate that more young people are feeling low than before. This applies, for example, to self-reported low wellbeing in primary and secondary schools, expressed as, for example, loneliness, which has increased over the past decade. In addition, the proportion of people under the age of 30 who have a moderate mental illness such as depression has more than tripled since 2002.

Girls experience lower wellbeing than boys

Not all young people have the same probability of experiencing low wellbeing. Girls are, for example, significantly more likely to experience low wellbeing than boys. In addition, descendants from non-Western countries have less of a probability of low wellbeing compared to young people of ethnic Danish origin when a number of relevant factors are taken into account. We also show that socio-economic factors have a major impact on young people's wellbeing. For example, children from high-income families are less likely not to thrive than children from low-income families.

**Wellbeing has declined more in Denmark than the rest of Europe
A country's economy has an impact on the wellbeing of its young people**

Young people in Denmark are experiencing low wellbeing more than young people in the rest of Europe

From 2013 to 2018, young people's wellbeing has declined more in Denmark than in the rest of Europe. In fact, Denmark is the country in Europe with the second largest decline in young people's wellbeing during the period, surpassed only by Lithuania.

A number of economic fundamentals, such as a country's level of prosperity, unemployment and inequality, appear to be closely linked to the wellbeing of its young people. However, as Denmark is performing relatively well on these fundamentals, they cannot be said to explain young people's deteriorating wellbeing in this country.

Wellbeing in Denmark is furthest below what you would expect

In fact, our analysis shows that when we control for the relevant economic fundamentals in an estimation model, Denmark is the country in Europe where wellbeing is furthest below the level that may be expected when considering the economic fundamentals.

Young people's low wellbeing has both short-term and long-term consequences

Low wellbeing in lower secondary school may keep young people from further education

Low wellbeing in primary and lower secondary school not only affects young people's quality of life in the short term, but can also have long-term consequences. Thus, we find that people who struggle in the last year of lower secondary school have approximately 5.3 percentage points lower probability of completing an upper secondary education within five years compared to people who do not. When controlling for a wide range of background characteristics such as grades, gender, ethnicity, psychiatric diagnoses and family situation, the results are the same.

Great potential in improving wellbeing in primary and lower secondary school

Previous Kraka-Deloitte analyses have shown that upper secondary education is an important parameter for future life situation, including income. Our analysis suggests that initiatives that increase wellbeing in primary and lower secondary school not only benefit young people in the short term, but also benefit both them and society in the long term.

1.2 The life of young people is changing

Something in adolescent life has changed for the worse

Being young has always had its difficult moments, but the increasing levels of low wellbeing among young people tells us that something must have changed for the worse. There are several aspects of society that have changed over the past 30 years. Three of these are a higher level of education, increased digitalisation of society and climate change. In chapter 3, we uncover how society has changed in these areas and look into how this may affect the young generation.

Young people study for longer	<p>Difference between the current and previous generations of young people</p> <p>A significant development in society over the past 30 years is that the level of education in society and among young people has increased significantly. Society is demanding skilled labour, which means that there are now fewer jobs for unskilled workers. At the same time, young people have better opportunities to choose what they want to study and where their career should take them. This has given them greater educational freedom, but may also have contributed to a feeling of educational pressure. In 1991, 16 per cent of 25-29-year-olds had a higher education degree. The corresponding figure for 2021 is 49 per cent.</p>
Society has been digitised since the 90s	<p>Another aspect that has changed drastically over the past 30 years is access to the Internet, computers and mobile phones. The proportion of families who have a PC and a mobile phone at home has evolved from being relatively small in the early 1990s to virtually all families today.</p>
Young people have to live with the consequences of climate change	<p>Although previous generations were also aware of the challenges of climate change, it takes up more focus in society today than it ever has before. The seven warmest years ever recorded in Denmark have all occurred within the past 16 years. According to the Danish Meteorological Institute, rising temperatures lead to more extreme weather in the form of, among other things, more heat waves and cloudbursts. The young people of today are also the first generation that may live long enough to really feel the consequences of climate change.</p>
Young people spending long hours online have the lowest life satisfaction	<p>Many young people long to see their friends in person rather than digitally</p> <p>Young people today are among the first generations to live in a digital world that did not exist 30 years ago. Experts are divided on whether digitalisation, which involves, among other things, increased use of screens, digital platforms and social media, is good or bad for young people's wellbeing. For example, researchers have found different correlations between extensive screen time and young people's wellbeing, where screen time may benefit some and harm others. However, some studies have found causal negative effects of specifically social media on young people's mental health. In a questionnaire survey conducted by Epinion of 1,500 Danish young people between the ages of 12 and 30, we find that there is a negative correlation between time spent online outside school and young people's life satisfaction. The young people with the lowest average life satisfaction are those who are online for more than eight hours a day.</p>
Large group of young people yearn for more physical contact	<p>Part of the explanation for the declining wellbeing among young people may be that the digitalisation of society and addictive digital platforms are increasingly replacing physical contact, which may not be something that they actually want. As a result, many young people miss out on the positive social and physical elements associated with spending time together in person. In our analysis, we find that two out of three young people meet with their friends after school once a week at most. In addition, we find that a large proportion of young people would prefer to spend time with their friends physically rather than online. In total, 34 per cent of young people said that they agree or strongly agree that they would prefer more physical contact. At the same time, 47 per cent think they spend too much time on social media.</p>
Social media comparisons are linked to low self-esteem	<p>Social media may also be one of the culprits. Social media may set up an unrealistic standard of comparison, which may affect some young people's self-esteem. Our analysis shows that young people underestimate their own popularity on social media, while they do not underestimate themselves on other selected parameters.</p>
Climate change is young people's main concern...	<p>Climate concerns make young people question whether to have children</p> <p>The past few years have seen a large number of historic crises in Denmark and Europe, with the COVID-19 pandemic, the war in Ukraine and economic crises as the most prominent examples. Nevertheless, the responses to our questionnaire survey showed that climate change is still the number one concern for young people.</p>

... which may contribute to declining fertility rates

The analysis shows that the effect of concerns about climate change on some young people is so dramatic that it may have measurable consequences for the young generation as well as society as a whole. We find that 18 per cent of young people between the ages of 12 and 30 have considered to some or a high extent not to have children out of concern for climate change. The share is particularly high for women between the ages of 20 and 30, one in four of whom are considering not having children. The results are backed up by the fact that Denmark's fertility rate has been declining for a number of years. In 2022, the fertility rate was calculated at 1.55 children per woman in Denmark, which is the lowest level since 1987. The analysis does not say anything about how many of those contemplating not having children actually end up having them anyway. But the analysis suggests that young people's concerns about climate change may be a factor contributing to the declining fertility rates.

Climate concerns affect young people's quality of life

Climate change will not only affect the weather and the economy in the future. Climate change is currently a source of great concern for young people and is as such something that is already causing a loss of welfare for many of them. This makes it all the more important to take action against climate change now.

A large proportion of young people say that they are contributing actively ... but that does not show in their climate impact

Young people's climate concerns do not feed through to consumption

Our survey shows that just over half of 18-30-year-olds say that they are actively combatting climate change. Especially climate-intensive consumer goods and car transport are highlighted as ways to reduce the climate footprint.

However, when we examine the climate impact of young people per DKK 1,000 of consumption, we find no significant difference between young people and the rest of the population. At the same time, we do not find evidence that young people are spending less on climate-intensive consumer goods such as beef, dairy products and air travel when we compare them with the rest of the population.

So the green transition requires policy changes

The analysis indicates that young people's climate concerns are not reflected in the ways they spend their money. This illustrates that the green transition is unlikely to happen automatically driven by individual consumption choices. This suggests that regulation and taxes play a crucial role when it comes to helping production and consumption in society onto a more sustainable path.

1.3 Primary and lower secondary school

Wellbeing in primary and lower secondary school is of great importance for the future

Children and young people spend a large part of their lives in primary and lower secondary school, which is also a cornerstone of many young people's social lives. The time spent in school also lays the foundation for where a person's life will go in the future. That is why it is a source of great concern that the proportion of schoolchildren reporting low wellbeing in years 4 to 9 has been on the rise. In this chapter, we will take a closer look at the factors influencing children and young people's wellbeing in primary and lower secondary school.

The number of children allowed to start school late has dropped

Should more children start school later?

One way to promote wellbeing in primary and lower secondary school is to let some children delay their school start. Despite this fact, the rules have been tightened, and the number of children allowed to start a year later has fallen significantly over the last 15 years. This can have particular consequences for children born at the end of the year, who will typically be among the youngest in their year if they are not allowed to delay their school start.

Birth month affects wellbeing in primary and lower secondary school

Our analysis shows that a child's birth month affects the likelihood of them having a hard time in school, and that it is especially children born late in the year who are at greater risk of low wellbeing. This suggests that there may be something to gain by allowing more children to start a year later. If enough children were allowed to delay their school start, a correlation between birth month and wellbeing would no longer be expected.

Delaying school start does have a modest impact

Our analysis shows that delayed school start has the potential to prevent up to 239 children per year group from struggling through school. This is a small number considering how many experience low wellbeing, and in practice it may be difficult to identify the children who will benefit from delayed school start.

Wellbeing and grades are linked

Socio-economic factors, ethnicity and gender have a major impact on grades

Schoolchildren's academic performance and wellbeing in primary and lower secondary school are closely linked. Schoolchildren's academic performance in class may affect their overall wellbeing, while wellbeing may affect their learning and, in turn, academic performance. In an analysis, we find that schoolchildren's socio-economic background, ethnicity and gender play an important part in their academic performance in primary and lower secondary school. We also look at the development over time, and here we find two interesting results:

Girls get higher grades, but also report lower wellbeing

The first finding is that boys are increasingly lagging behind girls. The average grade difference between boys and girls has widened from approx. 0.7 grade points in the 2012/2013 school year to approx. 0.9 grade points in the 2020/2021 school year. At the same time, low wellbeing has increased more among girls, despite the fact that girls are increasingly doing better in school than boys. This may be an indication that girls feel greater educational pressure than boys, which affects both grades and wellbeing.

Non-Western descendants get better grades

The second finding is that, for the first time, descendants from non-Western countries have achieved higher grades than schoolchildren of Danish ethnicity when controlling for background factors such as parents' education, income and employment. The result shows that a simple comparison between descendants and schoolchildren of Danish ethnicity underestimates how well descendants are actually doing when considering their background.

Classmates are important for wellbeing and grades

The importance of the teacher for grades and wellbeing

A schoolchild's classmates can have a major impact on how they are thriving and performing academically in school. The wellbeing and performance of schoolchildren depend both on their relationships with the other children in their class and on their teachers. In an analysis, we have taken a closer look at the effect teachers have on the wellbeing of schoolchildren.

A good teacher can significantly improve their students' wellbeing

We find that there is a big difference in how much individual teachers contribute to the wellbeing of their students. A schoolchild's likelihood of experiencing low wellbeing is reduced by 10 percentage points if they have a teacher with one of the 10 per cent highest contributions to wellbeing instead of a teacher with one of the 10 per cent lowest contributions to wellbeing. This is a major effect, as the total share of schoolchildren who report low wellbeing in primary and lower secondary school in 2022 was approximately 12 per cent.

Untrained teachers affect wellbeing

We also find that one thing that characterises the teachers who make positive contributions to wellbeing is that the majority of them have a teaching degree. With the exception of teachers with vocational qualifications, we find that teachers who do not have a teaching degree reduce the wellbeing of schoolchildren on average compared to trained teachers. The result indicates that it is important for the schoolchildren's wellbeing that teachers in primary and lower secondary school are qualified for their job.

Teachers are of great importance to society ...

Teachers' qualifications still lag behind despite reform

The quality of the education system, and in particular primary and lower secondary education, is crucial for the long-term efficiency and equity of society. A prerequisite for a well-functioning school system is skilled teachers. There has long been a political focus on teacher training and the recruitment of skilled teachers. A reform of the teaching programme in 2013 was intended to raise student teachers' professional competences, make the programme more attractive and reduce drop-out rates.

... but the development of the teaching profession is worrying

We show that the number of teachers in primary and lower secondary schools without teacher training has been rising since 1995. At the same time, an increasing proportion of teachers have a grade point average at the lower end of the scale from upper secondary school. In addition, we show that there is a high drop-out rate on the teaching programme, and only half of the newly qualified teachers stay in the primary and lower secondary school system.

Small positive effect of the reform, but still a long way to go

There are small signs that the 2013 reform has reduced drop-out rates from the teaching programme and attracted more of the best graduates from the upper secondary schools. However, major challenges remain in recruiting, training and retaining talented teachers in primary and lower secondary schools. More efforts are therefore needed to improve the quality of teachers, bring down drop-out rates and retain teachers in primary and lower secondary school.

1.4 Upper secondary education

Young people feel an increasing pressure to educate themselves ...

Both experts and the young people themselves mention an increasing expectation pressure in the education system as part of the explanation for the increasing levels of low wellbeing among young people. Pressures in the education system can come from several sides, including pressure for rapid completion, performance pressure and financial pressure. Young people are expected to get a degree as fast as possible, while also achieving excellent results and having a good student job or exciting hobbies.

... which may be due to factors such as ongoing reforms

For the past 30 years, there has been a continuous focus in society on getting young people to study more, longer and faster, which they have done. During the 2000s and 2010s, for example, a number of reforms were introduced aimed at getting young people through the education system faster, such as the so-called 'quick start bonus' and the 'study progress reform'. The education level among young people has indeed risen dramatically in the past 30 years. This is a positive thing, but at the same time it can also be one of the reasons why some young people feel pressure to study.

We examine whether the pressure on young people has increased

In this chapter, we have looked at whether the pressures in the education system experienced by some young people can also be traced in the data. Among other things, we look at whether upper secondary grades have become more important for young people's future prospects, both in terms of income and further education, but also in relation to, for example, marital status. We also examine how it affects young people when more and more of them choose to move on to general upper secondary education, especially young people with relatively low grades from primary and lower secondary school.

Fewer young people apply to vocational education programmes

Fewer academically strong graduates choose to become teachers at vocational schools

In 2022, the number of schoolchildren who opted for a vocational education programme was at a record low, and the number of applicants to vocational schools has been decreasing over the past several years.² This has revived the debate on how to make the vocational education programmes more attractive.

Fewer academically strong graduates choose to become teachers at vocational schools

One piece of the puzzle may be teacher qualifications. Teachers play a key role in motivating schoolchildren. In an analysis, we find that fewer academically strong students become teachers on the vocational education programmes. There has been a marked increase in the proportion of newly recruited vocational school teachers with a medium-term or long-term higher educational background who have a grade point average at the lower end of the grading scale. The same period has seen a decrease in the proportion of vocational school teachers with a medium-term or long-term higher education at the top percentile of their year.

Less attractive to be a vocational school teacher

You can be a skilled and motivating teacher without having achieved the highest grades in upper secondary school. But trends seem to suggest that it has become less attractive to be a vocational school teacher.

²Source: <https://www.dst.dk/da/Statistik/nyheder-analyser-publ/nyt/NytHtml?cid=40260> and <https://www.uvm.dk/aktuelt/nyheder/uvm/2023/april/230417aarets-soegetal-til-ungdomsuddannelserne-er-nu-opgjort>.

<p>Clear correlation between grades and success in life ...</p>	<p>Grades from upper secondary education have become more important for young people's future Increasing pressure to get good grades through to upper secondary school may be contributing to the increasing low wellbeing among young people. In this analysis, we show that the pressure to perform in the education system that young people feel is not far removed from reality. We find that there is a clear correlation between the students' grades in upper secondary school and how they do later in life measured by, for example, income, education and likelihood of being married or cohabiting.</p>
<p>... which has become stronger over time</p>	<p>And the correlation has grown stronger over time, meaning that the grades achieved in upper secondary school seem to have become more important for how a person does later in life than they were in the past. This may have contributed to increasing performance pressure for upper secondary students.</p>
<p>Grades have become more important for girls than for boys</p>	<p>The analysis also shows that in the past, the correlation between grades and income was more pronounced for boys than for girls, but that the opposite is the case today, so the correlation is now stronger for girls than for boys. The reason for this may be that girls are now using their good grades to get into knowledge-intensive programmes to a greater extent than before.</p>
<p>Low grades open the doors to fewer study programmes than before</p>	<p>Do you need better grades than before to get accepted into higher education programmes? One explanation for the correlation between grades and income later in life may be that grades have now become more important if you want to be sure to be admitted to the higher education programme of your choice. In this analysis, we show that the proportion of places available for applicants with grades at the lower end of the grading scale decreased significantly from 2009 to 2021.</p>
<p>But your options with a high grade point average have not changed</p>	<p>However, the analysis also shows that this is not the case if your grades are high, where the proportion of places open to you has remained approximately unchanged over the same period. Nor has it become more difficult to get into the 50 most popular programmes.</p>
<p>More and more young people are opting for general upper secondary education ...</p>	<p>An increasing number of young people choose to move on to general upper secondary school, but it will not pay off for everyone Over the past several years, an increasing share of young people opt for general upper secondary education, and in 2021, 64 per cent of young people aged between 25 and 29 had completed an upper secondary education. The increasing number of students at upper secondary schools means that they admit more students with relatively low primary and lower secondary school grades than before.</p>
<p>... although it does not equate to higher incomes for those with low grades</p>	<p>But historically, students with relatively low grades from primary and lower secondary school have ended up earning the same or even more later in life with a vocational education. We show that among the group of schoolchildren with the 40 per cent lowest primary and lower secondary school grades, those with a vocational education have, on average, the same or a higher expected income than those with a general higher secondary education. People with the 20 per cent lowest grades who went on to a vocational education have an additional expected income at the age of 33-35 of approx. DKK 2,400 per month.</p>
<p>The choice of education is up to the individual</p>	<p>However, there are many other factors than just your grade point average in primary and lower secondary school that affect your income later in life. Our analysis does not say anything about whether one form of education is necessarily better for any given person than another. Good grades in primary and lower secondary school generally translate into higher income later in life, regardless of your education. For both vocational and general upper secondary graduates, the students with good grades from primary and lower secondary school also have a higher expected income at the age of 33-35.</p>

We investigate whether academic pressure affects wellbeing

Academic pressure in upper secondary school does not have any particular effect on the wellbeing of young people with low grades from primary and lower secondary school

As described above, it can be a disadvantage for young people's future income to choose a general upper secondary programme rather than a vocational education if they had a hard time with the academic subjects in their early school years. In this analysis, we examine whether it also reduces the wellbeing for the same group of young people to choose general upper secondary school over vocational training.

Low grades are associated with low wellbeing

In the analysis, we do not find that there is a particularly negative effect on young people's wellbeing if they choose general upper secondary education rather than vocational education if they had relatively low primary and lower secondary school grades. However, we find that there is generally a correlation between low grades and low wellbeing across the different upper secondary programmes.

Poor personal finances can put pressure on students

Students are not poorer than before

The pressure to get good grades and academic challenges are not the only things that can put pressure on young people in the education system. One factor that adds to the pressure weighing on young students is their personal finances. Over the past twenty years, continuous reforms have reduced study grants (SU) in Denmark, giving students a greater financial incentive to work more hours alongside their studies. And on top of this, students are also expected to finish their studies faster.

Since the late 90s, students have earned about DKK 60,000 a year

Despite various reforms, students' wage income has not changed relative to the general wage development since the late 90s. Since 1998, the average annual wage income has remained stable at around DKK 60,000 per year or DKK 5,000 per month before tax at 2023 prices. Young people have also worked about the same number of hours since 2008, namely around eight hours per week on average.

Financial situation has not changed, but more are studying full-time

The analysis also shows that despite the lower study grants, students have not shifted much in the general income distribution since 1995. Students income is around the 15th percentile in the total income distribution in society. The analysis indicates that young people's situation has not changed to any significant extent in terms of income and work. However, the share of students who complete their studies in the prescribed time has increased from 55 per cent in 2011 to 69 per cent in 2021. The shorter completion time combined with an unchanged workload may have contributed to putting pressure on some young people.

1.5 Action plan for better wellbeing

We have invited a panel of experts to help

As a supplement to our data analyses, we have collected perspectives on young people's low wellbeing from a number of people and organisations that work professionally with young people's wellbeing or who have gained experience in this area through their work. They are all part of what we call Kraka-Deloitte's expert panel on young people's wellbeing. We have discussed the wellbeing challenges through interviews, and all participants have answered a panel survey. The panel survey consisted of a questionnaire survey in which we asked the panellists what they believe the causes of young people's low wellbeing to be and which specific actions would improve young people's wellbeing.

Action plan uses consolidated knowledge in the area

In the report, we present a comprehensive action plan that contains specific measures to reverse the increasing levels of low wellbeing among young people. The action plan is based on the analyses in this report, a review of the existing literature and input from the expert panel. The final content has been developed at professional workshops with five leading experts in the field, who are also co-signatories to the action plan. It contains a total of 27 specific recommendations, which are based on five general recommendations:

- Slow down the pace in the education system
- Focus on building relations and create a better balance between mastery and achievement in academic communities
- Better regulation of and training in social and digital media
- Allocate more resources to a number of existing initiatives
- Create a better framework for analogue communities.

Most of the actions require resources

Many of the recommended measures either require resources to implement and/or reduce the labour supply due to, for example, increased time spent in the education system. Increased public spending requires that other spending areas are downgraded or that taxes are increased. Increasing the tax burden could in itself also reduce labour supply, slowing down overall economic growth. Conversely, there may also be gains to be made from improved wellbeing, among other things because it can result in lower costs for treatment of mental illness, and because better wellbeing may increase people's likelihood of completing their studies.

Wellbeing is a matter of setting priorities

Improving the wellbeing of young people thus requires reprioritisation of public spending. Therefore, the individual points in the action plan should be supported by thorough analyses that uncover the need for resources and give an indication of how effectively it will contribute to improving wellbeing. We also propose to introduce several of the measures on a trial basis for a small group, so that the effects can be evaluated before they are possibly scaled up to the whole country. In this way, it will be possible to identify the relevant target group further and better determine whether the expected benefits in terms of better wellbeing justify the costs.

Five proposals in an emergency package

The action plan contains proposals of different scales and with different time frames. We have selected five proposals that we believe have the potential to significantly impact young people's wellbeing and that can be implemented here and now. These proposals could be implemented as part of an 'emergency package' to address the growing levels of low wellbeing among young people. The five proposals are:

- Expand trials with fewer hours in primary and lower secondary schools, gather experience from schools that have already shortened their school days, and, at the same time, allocate more resources to, for example, tuition and longer opening hours in after-school programmes.
- Rewrite the descriptions of each grade on the 7-point grading scale so that they focus on knowledge, skills and mastery rather than shortcomings.
- Abolish parts of the 2013 study progress reform, such as annual exams, progress requirements and maximum period of study, in all higher education programmes.
- Ban certain types of addictive algorithms, such as automatic 'play next' functions on social media, streaming services etc.
- Introduce requirements for no behavioural marketing targeting minors.



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