

***Submission to Employment, Workplace Relations and Education References***

***Committee***

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*April 2003*

**Lifelong learning**

This submission concerns lifelong learning. The case for increased access to learning over a lifetime is based on the needs of the economy for a more skilled workforce, the ageing of the population and the need to reduce inequalities in educational attainment and in earned incomes to maintain social cohesion in a democratic society.

The expansion of lifelong learning should be financed partly by increased efficiency in the provision of education and training and mainly by a combination of public, employer and individual finance. Governments have a prime responsibility for the less advantaged and those not employed.

A more detailed paper is attached: Burke, G 2002, Financing lifelong learning for all: an international perspective, CEET WORKING PAPER No. 46

**Needs of the economy,**

- There has been a relative shift to jobs requiring more education and training, changes in the types of skills needed and hence a need for high quality learning among workers.
- Emerging industries and technologies and work organisation are changing the nature of work and skills *within* occupations.
- An increased range of labour force analysis is required within government and in research organisations to identify labour force needs: projections of growth and of labour turnover, discussions with leading-edge employers and employer groups, analysis of advertisements, information from training boards and from training providers.
- Changes in work are increasing the value of generic skills (communication, working in teams) and basic knowledge – and point to the importance of sound basic education for all, from pre-school on.
- Not surprisingly, the relationship of earnings with levels of education remains positive and private rates of return are fairly high for most types of education and training.
- New growth theory in economics is attesting to the importance of more and better quality education and training.
- Countries which do not ensure increased skill levels face the danger of a ‘low skills, low wage outcome’ with the difficulty of maintaining social cohesion if inequality widens.

## Ageing

- The projected growth in Australia's population is nearly all among persons over 40 as shown below:

0 to 19	20 to 39	40 to 59	60 to 79	80 and over	Total
-0.2	0.3	1.4	2.8	3.4	0.9

- Older persons with more education are much more likely to be in full-time employment – the effect is greater for women.
- Increased access to education and training may help to sustain employment among older persons.

## Inequalities and social cohesion

- Australia has a good average level of participation in education and training and good outcomes, but considerable inequalities, as illustrated below:

Sweden	Norway	Nether lands	Germany	Canada	Australia	United States	United Kingdom	New Zealand	Ireland
6	9	10	9	18	17	24	23	21	25

Source: OECD (2000) *Literacy in the Information Age*.

Note: Literacy data in the International Adult Literacy Study (IALS) is reported for three domains: Prose, Document and Quantitative. The data here are for document literacy. Level 1 is the lowest level - level 3 is considered the minimum for a modern society.

- Those with the lowest levels of literacy and of educational attainment also have the lowest levels of employment. They have very low levels of workplace training compared with those with high levels of literacy, as shown below.

	Australia	Canada	Switzerland	United States	United Kingdom	New Zealand
<i>level 1</i>	9	9	10	15	18	20
<i>level 4/5</i>	54	51	44	58	65	57

OECD 1998 *Education at a Glance* Table C5.4

- Australia has a relatively wide distribution of earned income and a considerable number of workless households.
- About 17 per cent of all children in Australia are in families with no adult at work – the effects on the next generation could be considerable.
- Analysis of data on inequalities of education and income link them to lower levels of social cohesion as measured e.g. by levels of trust and crime.

- Some groups but especially the Indigenous have very high rates of imprisonment.
- Recent studies are demonstrating the importance of the non-monetary benefits and externalities of education and training (including reduced crime, benefits for health and for the next generation), suggesting that conventional measures of the social rates of return to education and training may be underestimates.

### **Finding the funds**

- Some funds can be found through efficiencies in the provision of education though there have already been severe cuts to the level of resources per student in VET and higher education. There can be reallocation in the provision of education and training towards adult workers and new forms and places of learning including the increased use of ICT.
- Employers can be stimulated to enhance learning in the workplace:
  - schemes that help firms to capture a greater share of the benefits of training
  - legislative requirement to undertake a minimum level of expenditure
  - further tax relief and subsidies linked to the level of employer contributions to training
  - infrastructure support such as information on 'best practice', the 'quality training framework' and assistance with establishing training programs
  - social partnerships and exhortation to train; and
  - schemes to help firms awareness of the value of training including its contribution to intellectual capital and profits.
- Individual expenditure can be stimulated by improving access to funds, by demonstrating the benefits and by reducing the costs. Issues discussed in the attached paper are:
  - various forms of entitlements
  - student assistance
  - personal taxation concessions
  - income contingent loans and fees
  - improving student and trainee knowledge of benefits
- Governments have the major role in providing increased funds for education and training for the less advantaged and those not employed. They have an increasing role in supporting the framework in which learning takes place. This includes
  - providing incentives to individuals to support their own participation in a variety of formal and informal settings
  - information on education and careers
  - information on and support for workplace environments supportive of learning
  - establishing or recognizing of learning and qualification structures
  - supporting with funds and legislation cooperative arrangements among employers and workers.