



**Adult Learning Australia**  
*Lifelong and lifewide learning for all Australians*

## **Pre-Budget Submission**

**Recommendations for the 2014/15 Federal Budget**

January 2014  
© Adult Learning Australia

<b>Executive summary</b>	<b>3</b>
<b>ALA recommendations</b>	<b>5</b>
<b>Adults not in the labour force</b>	<b>7</b>
<b>Family literacy</b>	<b>9</b>
<b>Later life learning</b>	<b>10</b>
<b>Learning in support settings</b>	<b>12</b>
<b>Digital literacy</b>	<b>13</b>
<b>Learning centres in remote communities</b>	<b>14</b>

Adult Learning Australia is the national peak body for adult and community education in Australia. Our mission is for equitable access to lifelong and lifewide learning for all Australians.

By “lifelong” we mean learning across the lifespan including into the senior years. By “lifewide” we mean learning that assists adults to gain and keep employment, participate as citizens in our democracy, manage homes and families and manage their health and wellbeing including ageing positively.

Our members consist of community-based providers of adult education including neighbourhood houses, community colleges, community learning centres, literacy networks and individuals who share our mission.

ALA has been in operation for 53 years. It is funded by the Commonwealth Department of Industry to provide professional support to the diverse group of organisations that make up the ACE sector and advice to government on strategies to engage with and build on their work.

# Executive summary

In this submission, Adult Learning Australia outlines policy recommendations for consideration by the Federal Government in its 2014-15 Budget related to adult education and community-based learning.

It should be noted that the Adult and Community Education (ACE) sector is not a product of government, but rather a network of independent, locally based organisations. Relatively small amounts of government investment combined with volunteer support and user fees provide significant social and economic outcomes for the Commonwealth through the ACE sector. ALA is committed to helping to optimise and increase the efficiency of these outcomes. ALA recognises the Coalition Government's commitment to fiscal responsibility and sees these recommendations as delivering on government policy in an innovative, resilient and fiscally responsible way.

Adult and Community Education is widely recognised for reaching adults with low skills who may experience barriers to participation in the formal education system. It provides an accessible point of entry to VET and Higher Education for these learners.

Adult and Community Education is an important strategy for ensuring that our ageing population remains well and productive, able to continue longer in the paid workforce and to contribute as volunteers, carers and community members after retirement.

A commitment to lifelong and lifewide and intergenerational learning is integral to closing the gap between the educational, economic and health status of First Australians and the rest of the Australian community. The school, VET and Higher Education sectors alone cannot fill the gap between the current educational state of Indigenous Australians and the level of skills required for full economic, civic and social participation.

A renewed commitment to local community-based education is also required to ensure that regional and rural communities can take advantage of new technologies to reach VET and Higher Education opportunities based in the major cities.

There are some communities in Australia that have been struggling for a very long time with complex sets of inter-related barriers to social and economic participation. Community-based learning should be at the heart of government investment in these communities.

# ALA recommendations

Within the Vocational Education and Training system, ALA would like to see greater prioritisation of generic skills and literacies that allow adults to succeed across a lifetime of work in an increasingly challenging labour market. Beyond the VET system, we want to see a greater investment in the skills and multiple literacies that allow Australians to manage their own health and wellbeing, raise healthy and literate children, participate as active citizens in a vibrant democracy and age positively.

Many of our recommendations are cost neutral. They involve a willingness to work with the community sector to deliver services from the 'bottom up' and to reprioritise current programs.

Those recommendations that require funding offer significant returns on investment through higher skills, better health and wellbeing, improved social cohesion and by reducing the need for income support. We propose a modest investment of \$22 million. The focus of the funding should be on Indigenous and other socially and economically marginalised Australians as well as senior Australians.

Proposed expenditures include new and continuing projects, and would collectively cost approximately \$22 million in the 2014 / 15 budget period. ALA's priorities are:

Item	Policy Area	Cost
A school-based intergenerational (family) literacy program in low SES communities and in Indigenous communities.	Industry (Foundation Skills)	\$8 million
Extension of the Productive Ageing Through Community Engagement program	Industry (Foundation Skills)	\$2 million
Trialing a Learning in the 4th Age Program for Australians in supported care with related research.	Health	\$2 million
Continuing the Broadband for Seniors Initiative	Community Services	\$6 million
Providing Higher Education Access Points in 50 towns more than 80 km from a TAFE or Higher Education campus	Industry (Foundation Skills)	\$5.5 million
Providing ongoing support to Adult Learning Australia to provide leadership and professional development to the approximately 940 adult and community education organisations across Australia.	Industry (Foundation Skills)	\$500,000
<b>Total:</b>		<b>\$22 million</b>

## Cost offsets

The *Apprenticeships for the 21st century*' report (2011) found that Australia is the only country that pays government incentives on a broad scale to employers as well as to apprentices and trainees. The report questioned the economic benefits of these incentives, which exceed \$1 billion per year. Further research by NCVET has suggested that these incentives have limited impact on employer hiring intentions. (Nechvoglod, Karmel & Saunders, 2009).

The argument commonly given for large-scale employer subsidies, even to highly profitable multi-national companies, is that individuals need their training to be conducted through the national training system in order for the individual worker's skills to be recognised through a qualification. Further, while there is an incentive for employers to train staff if they want to remain profitable in the long term, there is no incentive for an employer to provide nationally accredited training as national recognition doesn't directly contribute to the employers profitability and effectively assists the employee in seeking work elsewhere.

ALA has identified significant savings that could be made by making a distinction in policy and funding terms between the development of skills and knowledge and the recognition of those skills. This would see employers responsible for training staff in skills that directly relate to their own profitability and the state responsible for the recognition of these skills.

An enhanced Recognition of Prior Learning system would allow individuals to gain maximum credit for their on the job training and would help to maintain Australia's already high levels of labour mobility. An independent Recognition of Prior Learning system would also allow for the integration of independent career advice. If labour market subsidies were required for other purposes, such as ensuring the employment of particular co-horts, than this should be developed separately and in a more targeted way.

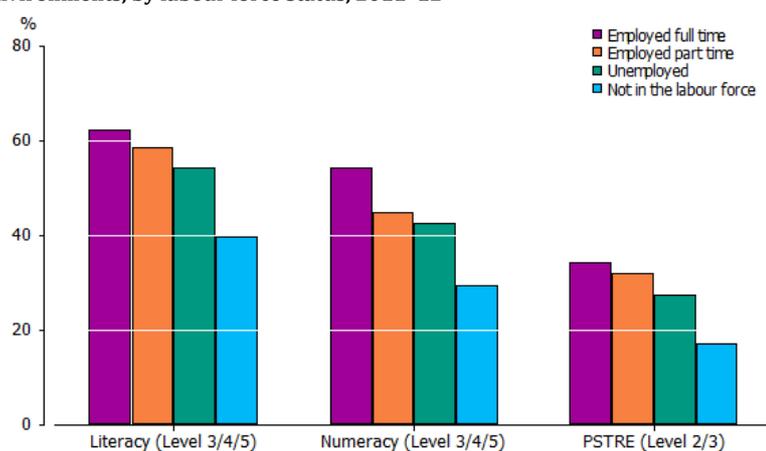
# Adults not in the labour force

The recent Programme for International Assessment of Adult Competencies (PIAAC) survey indicated that around 1 in 7 Australians (14%) have very poor literacy skills (ABS, 2013). An additional 1 in 3 (30%) of Australians have literacy skills, which are at a level that makes them vulnerable to unemployment and social exclusion in a modern knowledge-based economy and society.

ALA recommends continued support for workers with low literacy and those unemployed via the Workplace English Language and Literacy (WELL) Program for workers and the Skills for Education and Employment (SEE) program for the unemployed.

However, there is currently no national policy, strategy and limited Commonwealth education programs available for the millions of Australian adults who are not in the labour market, despite this group having the lowest literacy skills (see Table 1).

**Table 1: Proportion of adults at each skill level, literacy, numeracy and problem solving in technology rich environments, by labour force status, 2011-12**



Source: ABS 4228.0 – Programme for the International Assessment of Adult Competencies, Australia, 2011-12

Most Australians who are not working and not looking for work are either in ill health, pre-occupied with caring responsibilities, permanently retired or have given up all hope of being accepted into the labour market. For this group, Vocational Education and

Training is not enough because they have no short-term goal to re-enter the workforce to motivate their learning and no soft point of re-entry to the education system. However, these Australians cannot simply be left behind.

There are three significant economic imperatives to invest in adults with low literacy skills who are not in the labour market.

Firstly, the Australian Workforce and Productivity Agency has recommended a national goal of 69 per cent workforce participation in order to facilitate continued economic growth (AWPA, 2012, p. 174). This is 4 per cent higher than the current level of approximately 65 per cent (ABS, 2013). Further, this goal cannot be met through immigration or through matching the skills of the unemployed with those required by employers alone. Those outside the labour market will need to be actively included (AWPA, 2012, p, 71).

Secondly, literacy skills are intergenerational. Parents and grandparent's experiences of and achievement in education have the most profound effect on their children's success of all other factors.

Thirdly, literacy (including digital literacy) serves a social and civic purpose by contributing to greater social cohesion and inclusion. Increased literacy reduces costs in the health, welfare and criminal justice systems and reduces the costs of delivering government services.

**Recommendation 1:** That VET policy be recalibrated to increase its focus on literacy, numeracy and generic skills.

**Recommendation 2:** The government develop a policy and strategy for supporting adults not in the labour force to encourage re-entry to the workforce where possible and to ensure health, wellbeing and social inclusion, where it is not.

# Family literacy

Family Literacy programs are common across the OECD, particularly for Indigenous communities. However, with a few notable exceptions, family literacy programs have been remarkably absent from Australian approaches to education.

ALA acknowledges the Coalition Government's pre-election commitment to improving school attendance and outcomes for Indigenous children as outlined in its *Policy for Indigenous Affairs*. The OECD recommends family literacy programs as an important strategy for supporting children with their schooling and VET studies, and normalising education and training in communities that don't currently have a lifelong learning culture.

Some successful international models are the *Whānau Ara Mua* (Families Moving Forward) program in New Zealand and the *Toyota Family Literacy Program* in the United States. These models include the explicit aim of building up the skills of the adult participants to the point where they are able to pursue paid work or further education and training. They also have strong social capital aims of connecting adults to their children's schools and their broader families and communities. For example, the *Whānau Ara Mua* program takes into account the specific learning needs of Indigenous families and communities.

**Recommendation 3:** The Government fund a major adult literacy program focused on school-based family literacy in low SES communities and in Indigenous communities.

**Estimated cost:** \$6 million

# Later life learning

The Adult and Community Education sector in Australia has already provided an important means of ensuring that adults can maintain their skills, knowledge and wellbeing into the senior years. The sector's role in ensuring that Australians remain productive and well over their lifetimes will become more important as the population ages.

Later life learning is an area of significant policy lag in Australia. The vast majority of Commonwealth government programs in the adult education and VET areas are still targeted at the 15 – 64 age bracket, despite repeated government reports indicating the need for adults to remain in the workforce beyond this age, and to make career shifts later in life. Adults aged over 40 have lower levels of surveyed literacy, numeracy and technology problem-solving skills than their younger counterparts (ABS, 2013), making it much harder for those who wish to remain in the workplace to do so.

Health and wellbeing are significant factors in an adult's ability to remain working. It is estimated that illness, injury and disability are preventing one fifth of the total population of 45 – 75 year olds from working or looking for work (National Seniors, 2013). Ill health can also be exacerbated by early exit from the workplace. The Australian Human Rights Commission has made the observation that:

'Underemployment is often symptomatic of other forms of exclusion including participation in the community. Social exclusion and isolation, in turn, have significant impacts on physical and emotional wellbeing' (Australian Human Rights Commission, 2013 p. 18).

There has been no comprehensive analysis of how Australia's post compulsory education funding is spread across the lifecycle. However, the UK *Inquiry into the Future of Lifelong Learning* found that the lion's share of its total adult education budget was spent on a very narrow age range: 86% on age 18-24, 11% on adults 25-49, 2.5% on age 50-74 and 0.5% on age 75+ (p.103). It would be safe to assume that Australia's spending patterns would be similarly 'front-ended' and oriented to initial education.

While it is appropriate to invest heavily in a young person's transition from preschool through school to work, lack of investment across the lifecycle is unsustainable, inefficient and unproductive for an ageing population.

The Productive Ageing Through Community Engagement program as recommended by the *Potential of Senior Australians: Turning Grey into Gold* report is a modest but effective program for keeping older Australians learning. ALA recommends extending the PAtCE program in the 2014/15 budget.

ALA also strongly supports men's sheds as an appropriate and effective later life learning intervention coordinated through AMSA (Australian Men's Sheds Association).

**Recommendation 4:** The Government continue funding for the Productive Ageing Through Community Engagement program.

**Estimated cost:** \$2 million

# Learning in support settings

ALA acknowledges the Coalition Government's pre-election commitment to supporting older Australians through the negotiation of a Healthy Life, Better Ageing Agreement (*The Coalition's Policy for Better Life, Healthy Ageing*). There is solid, empirical evidence from Europe and the UK that adult learning prolongs active life, delays dependency, and sustains independent living (Gladdish, 2006; Aldridge, 2009).

A great deal of learning is informal. A simple strategy such as ensuring that high speed internet is available in aged care facilities could significantly increase learning opportunities and social connection for senior Australians.

There is a role for the Commonwealth Government in raising awareness of the benefits of learning in care settings. Also in encouraging and supporting public, private and voluntary sector care providers to extend and enhance learning opportunities for older people in care settings.

**Recommendation 5:** The Government ensure that access to learning opportunities is one of the components of the Better Life, Healthy Ageing Agreement.

**Estimated cost:** neutral

**Recommendation 6:** The Government fund a pilot program for Learning in the 4th Age, i.e. Learning for dependent Australians including in supported care environments, and provide research into its efficacy.

**Estimated cost:** \$2 million

# Digital literacy

The Adult and Community Education sector makes a significant contribution to reducing the digital divide by providing entry-level computer programs and access to affordable Internet for older Australians and for marginalised groups.

ALA concurs with *The Coalition's Policy for E-Government and the Digital Economy*, that access to high speed broadband alone is neither enough to drive the digital economy, nor reduce issues of access. The Broadband for Seniors Project, lead by NEC Australia with three community partners including ALA has been an efficient and effective program, which builds on the efforts of volunteers and community-based organisations to provide Internet access points and digital literacy training for senior Australians. Over 405,000 senior Australians have used kiosks since their inception 5 years ago.

The Coalition Government's goal to designate the Internet as the default way to interact with users, other than for defined exceptions will be enhanced by the continuation of both the Broadband for Senior's initiative and the PAAtCE programs.

Recommendation 7: The Australian Government continue the successful Broadband for Seniors' initiative to provide Internet access and training for seniors.

**Estimated cost:** \$6 million

# Learning centres in remote communities

Australians' experiences of education are different in rural and regional Australia than in urban areas. Young people and adults outside the major cities are less likely to finish high school or to attend university (NRHA & ACOSS, 2013, p. 17).

Adult and Community Education (ACE) plays a particular role in regional and rural Australia. In many small rural communities ACE organisations are the only on-the-ground providers of post-compulsory education, particularly in foundation skills. They exist in towns whose populations couldn't justify the existence of a fully operational TAFE or University campus and where the education market is too small to attract private for profit operators. Many work collaboratively with VET and Higher Education providers to offer local programs.

Research mapping the Accessibility / Remoteness Index of Australia with TAFE and University campuses identified 92 Australian communities with populations over 200 who live more than 80 kms from a TAFE or University campus. Further, that Indigenous Australians are 11 times less likely to be living in a community with geographic access to TAFE or Higher Education (Haberhorn & Bamford, 2000). Since this research was conducted, a number of TAFE campuses in regional Victoria and Queensland have been marked for closure due to state government funding cuts, making this figure much larger.

New technologies are allowing adults outside the major cities to access Higher Education and VET. However, learners, particularly those with low skills will need on-the-ground support to engage with learning. Learning providers will need local intelligence to effectively reach adults in these communities. Community development will be required to build a culture of learning and to stimulate demand amongst groups who won't automatically seek out VET and Higher Education. Non-formal and informal learning opportunities will be necessary to underpin formal study.

Victorian modelling has indicated a range of market and private non-market benefits attributable to the presence of even a very small Adult and Community Education provider in town, including increased incomes, increased labour market participation and more efficient household management (The Allan Consulting Group, 2008).

The provision of community learning in geographically isolated communities would provide access points for VET and Higher Education provision. ALA recommends that the Government make a long-term goal of ensuring that a community learning centre exists in every Australian community more than 80 km from a University or TAFE campus, with the highest priority being Indigenous communities. Community learning centres / access points could be housed within existing services such as neighbourhood houses, local government buildings or sporting and recreation clubs. Priority should be given here to low SES communities.

**Recommendation 8:** The Government fund an initial 50 Community Learning Centres as access points for tertiary education in communities more than 80 km from a University or TAFE campus.

**Estimated cost:** \$5.5 million

## References

- Adair, T, Jeromy T, Ortega, L and Williams, R, (2013) *Age Discrimination in the Labour Market: Experiences and Perceptions of Mature Age Australians Research Report*, National Seniors Productive Ageing Centre (NSPAC).
- Aldridge, F. (2009). *Enhancing informal adult learning for older people in care settings: Interim report and consultation document*. Leicester: NIACE.
- A shared responsibility: Apprenticeships for the 21st Century*. Final report of the Expert Panel. January 2011.
- Australian Bureau of Statistics. (2013). *Labour force, Australia, Dec 2013*. Retrieved from <http://www.abs.gov.au>
- Australian Bureau of Statistics. (2013) *Programme for the International Assessment of Adult Competencies, Australia, 2011–2012*. Cat. No. 4228.0.
- Australian Workforce and Productivity Agency. (2012) *Future focus: Australia's skills and workforce development needs*. Discussion Paper. July.
- Australian Human Rights Commission, (2013) *Fact or Fiction, Stereotypes of Older Australians Research Report*
- Foresight Report October 2008 Government Office for Science, UK.
- Gladdish, L. (2006) *The benefits of learning on the health and well-being of older people: evaluation report*. Leicester: NIACE.
- Haberkorn, G. & Bamford, E. (2000) *A GIS study of accessibility to services in non-metropolitan Australia*. Bureau of Rural Sciences and National Key Centre for Social Applications of GIS. Adelaide: University of Adelaide.
- Hammond, C. & Feinstein, L. (2006) *Research report 17*. London: Centre for Research on the Wider Benefits of Learning.
- National Rural Health Alliance Inc and Australian Council of Social Services, (2013) *A snapshot of poverty in rural and regional Australia*
- Nechvoglod, L., Karmel, T., & Saunders, J. (2009) *The cost of training apprentices*. Adelaide: NCVET.
- OECD. (2000). *Literacy in the Information Age: Final report of the International Adult Literacy Survey*. Paris: OECD Publications Service.
- Shomos, A. (2010) *Links between literacy and numeracy skills and labour market outcomes*. Melbourne: Productivity Commission.
- The Allan Consulting Group. (2008). *The economic benefit of investment in Adult Community Education in Victoria: Report to the Adult Community and Further Education Board*. Retrieved from <http://www.education.vic.gov.au/about/research/pages/ace.aspx>
- The Coalition's Policy for E-Government and the Digital Economy, September 2013. In *Our plan: Real solutions for all Australians*.
- The Coalition's Policy for Healthy Life, Better Ageing, September 2013. In *Our plan: Real solutions for all Australians*.
- The Coalition's Policy for Indigenous Affairs, September 2013. In *Our plan: Real solutions for all Australians*.