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Too Many Left Behind: Canada's Adult Education and Training System

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Executive Summary

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The social and economic importance of encouraging adults to engage in continuous learning throughout their working lives is undisputed. Better-educated individuals earn higher wages, have greater earnings growth over their lifetimes, and experience less unemployment. Better-educated nations have higher long run economic growth and higher standards of living.

But all too often, lifelong learning simply means those who are already highly educated are getting even more education and training (the exemplar *par excellence* of the “rich getting richer”). New evidence suggests that adult learning and raising literacy skills have the potential to significantly improve the economic well-being of those with relatively low initial education and skills. When learning is diffused throughout the less educated members of the workforce, national prosperity is significantly enhanced.

Canada is generally recognized as having, on average, a high level of educational attainment. However, the adult learning participation rate of the least educated Canadian adults is quite low by international standards and has scarcely improved in five years. Many observers have pinned the problem on adult learning systems that are complex, incoherent and incomplete.

This report documents the availability of formal learning opportunities for adults, and identifies the factors that influence participation of less educated/less skilled adults in these opportunities. In addition, it identifies gaps in our adult learning systems and recommends measures to fill these gaps.

While a truly comprehensive study would examine all provinces, this report examines the situation primarily in five provinces: Alberta, British Columbia, Nova Scotia, Ontario and Quebec.

A statistical portrait of the least educated

A large proportion of Canada’s adult population is not equipped to participate in a knowledge-based society:

- 5.8 million Canadians aged 25 years and over do not have a high school diploma or higher credentials;
- there is still too high a flow of young people dropping out of high school: about 200,000 young adults have not completed high school – this is more frequent among young men than young women and varies significantly by province;
- 9 million Canadians aged 16 to 65 years have literacy skills below the level considered as necessary to live and work in today’s society.

Less educated individuals are likely to experience relatively poor labour market outcomes over the entire course of their career, in the form of lower wages, a higher likelihood of unemployment, and lower-status jobs. Differences in labour market outcomes based on education take effect early in a workers’ career, and persist throughout their lives. In fact, the least-educated will likely fall farther behind their more-educated counterparts over the course of their careers, as ‘learning begets learning’ – those with high initial levels of education are more likely to take advantage of future educational and training opportunities, and

reap the rewards in the form of better, higher-paying jobs. The difference in labour market outcomes between the least-educated and their more educated counterparts has become larger in the past 20 years.

The benefits of adult learning

Evidence is emerging that, although the less-educated are less likely to participate in formal learning, when they do participate they are no less likely than their more educated counterparts to benefit. Starting from a position of relative educational disadvantage, less educated learners may be more likely to gain from additional well-targeted learning.

The Canadian evidence in particular suggests that there is a pool of individuals who missed out on obtaining post secondary education in their youth, but have benefited significantly from job related training or ‘second chance’ education as an adult. For these ‘high potential return’ individuals a policy designed to increase educational attainment would have a substantial payoff.

Earning a high school diploma as an adult

An examination of the possible routes to obtaining a high school diploma in five Canadian provinces suggests the following key points:

- Adults without a high school diploma have several options for upgrading their credentials. These include: pursuing a regular secondary school diploma or a special diploma modified to meet the specific needs of adult learners; writing the General Educational Development (GED) test; taking upgrading courses in a college setting; or writing the Test of Workplace Essential Skills (TOWES). Literacy and basic skills programs are

also an option for adults whose skills are below a certain level.

- While it is well-established that returning to school later in life pays off, little is known, especially in Canada, about whether the type of credential obtained makes a difference.
- Each of the five high school-related pathways offers different advantages and disadvantages. For potential learners, the best option depends on their current circumstances, past academic performance, and future goals.
- Few provinces are able to report accurate adult participation counts by type of program. But what seems clear is that only a very small fraction of adults without a high school diploma engage in high school-related learning.
- A number of complex and interrelated factors may affect participation rates: economic growth, lack of interest, lack of confidence, lack of awareness, unresponsive learning environment, cost and time – the last two being the most important self-reported barriers to participation. While lack of interest is often cited as a reason for low participation rates, it is worth noting that the latest survey data suggest that there is considerable unmet demand among the least educated. If this demand were met, participation for those without a high school diploma would have doubled.

Participating in “second chance” post-secondary education

Despite considerable rhetoric around the importance of life long learning, the average age of Canadian college and university students has remained remarkably constant over the past 40 years. Most post-secondary institutions have policies such as flexible

admission and prior learning assessment and recognition to encourage the participation of older adults. Some institutions have innovative programs for adult learners without high school diplomas or other prerequisites. But there is little evidence on the implementation and effectiveness of these policies.

One of the most significant disincentives to participation in post-secondary education for potential mature students may be Canada's financial aid system, which is designed for learners following a traditional path from secondary to post-secondary. One of the key problems is that older students, especially those with dependents, may be unwilling to give up the savings and assets that they worked hard to accumulate in order to be eligible for government loans, making them too vulnerable to economic misfortune. Moreover, in most provinces, contribution requirements for spouses mean that individuals with spouses making more than \$14,000 are not even eligible for student loans. The proportion of older students with private bank loans and lines of credit suggests that the current system is not meeting their needs.

Employers' support for learning opportunities to low-skilled

Canada has lower rates of participation in job-related training than several other advanced nations including the United States. Employer support for training is largely concentrated on their higher skilled workforce. How to encourage employers to provide more training, especially to the less-skilled employees, is a complex issue. Through case studies and evaluation research, the Conference Board of Canada has developed a business case for the provision of employer supported training which highlights a number of benefits

including increased productivity, reduced error rates, a better health and safety record, and increased customer and employee retention.

Few Canadian jurisdictions have used any of the available policy levers for encouraging employers to train their employees. While a few provinces provide training grants, Quebec is the only province with a train-or-pay scheme. The federal government has provided substantial financial support for the development of a sectoral approach to defining and dealing with skill requirements. Although there is evidence of significant training-related activity through the sector councils, there is none in terms of their effectiveness in improving access to learning opportunities for the less-educated.

Some Canadian firms have launched initiatives to provide training to low-skilled workers with impressive results. But these firms remain in the minority. The Conference Board's research suggests that some barriers to training low-skilled workers are particularly deep-rooted. One of the most troubling aspects of Canada's economy is that the competitive human resource strategy of too many Canadian firms is based on a low cost/low added value approach. This approach perpetuates a low skill/low wage equilibrium in which neither employees nor employers demand higher levels of skills. Firms that gain their competitive edge from low-cost, low-skilled work have little incentive to invest in labour force development.

The rise of workforce intermediaries in the United States appears to be a promising response to the problem of the low skill/low wage equilibrium. In some regions, workforce intermediaries have significantly improved the prospects of low-wage workers in local labour markets.

Adult learning scenarios

A review of five fictive, real-life scenarios suggests that returning to school, whether to complete a high school diploma or obtain a post-secondary credential involves a tremendous commitment of time, money and effort. Despite substantial rhetoric around the importance of lifelong learning, there are few programs and policies to support less educated adults who wish to upgrade their skills. Few workplaces offer skills upgrading opportunities to less educated adults. No province (except Alberta under certain circumstances) provides income support to adults who are already working, even if they are working in the low wage labour market. As a result, most adult learners must rely on family and friends and/or juggle work and school and/or incur significant financial debt. These adults must rely on costly private loans. While most adults who return to school will enjoy significant economic benefits and improved labour market prospects, these benefits are not guaranteed up front. In most cases, returning to school requires great sacrifice and a profound leap of faith.

Gap identification and policy implications

In recent years, most provinces have launched important initiatives that have improved their adult education systems. While these initiatives represent major investments and should be praised, this report suggests that provincial adult learning systems remain complex, fragmented, and incomplete. There are significant gaps in coordination, information and counselling, financial aid, employer support and government investments.

In Canada, there is a strong consensus that a publicly funded education is the cornerstone

of a fair, productive, and socially cohesive society. Investments in our provincial ‘first chance’ education systems reflect this consensus. There is growing reason to believe that the social and economic benefits of publicly funded *adult* education would be equally profound. For this reason, we argue that adults should be extended a ‘right to learn’ that is similar to the ‘right to learn’ that is already established for children and youths. We put forward a vision for the adult learning system characterized by the following principles.

- No one will leave school without an appropriate minimum set of employability skills.
- All adults will have access to learning opportunities to enhance their basic skills as well as continuing opportunities to maintain, enhance or transform more advanced skills.
- All adults will have access to easy-to-follow information about learning opportunities and counselling will be readily available. Supports will be coordinated, and the system will be easy to navigate.
- All adults who are willing to upgrade their skills will get appropriate assistance.
- The skills development of all workers will be considered important and worthwhile investments.

Recent research has shown that increasing the skills of the least educated is an important route to increased productivity. For this reason, skills development of the least educated should be as much on the economic agenda as it is on the social agenda.

While a vision of an adult learning system that guarantees the ‘right to learn’ seems to be broadly accepted by most stakeholders, it is far from being realized in practice. How can we translate this vision of an adult learning system into a reality? We suggest the following five steps as essential elements of an effective adult learning system that works for less-educated/less-skilled adults.

1. Implement a public policy framework that acknowledges the ‘right to learn’

In June 2004, Canada signed a recommendation of the International Labour Organization on Human Resources Development with an explicit reference to the right of adults to learn. Federal and provincial governments need to work together to build on this momentum and move towards the development of concrete plans.

2. Develop financial support programs appropriate to the needs of adult learners

The contrast between how secondary education is offered to those under 18 compared to how it is provided to those who have not managed to obtain a high school diploma by the age of 18 is striking. Given the foundational benefits of secondary education, it is hard to see why we would treat its provision to adults differently. At a minimum, high school related skills upgrading programs should be free to all individuals regardless of age. This is currently not the case in all provinces. In addition, we argue that the special circumstances of adult learners should be recognized and appropriate support should be provided.

More research needs to be done to determine which incentives and policy levers would be most effective in the Canadian context.

With respect to accessing educational institutions beyond high school, the rules of federal and provincial financial aid systems do not work well for adult learners. Most colleges and some universities have flexible admission policies for mature students, as well as a commitment to recognizing prior learning. While these policies are steps in the right direction, for many individuals, the financial barriers to participation are simply too high. The post-secondary student aid systems should be reviewed to ensure that all adults have access to a reasonable combination of student loans and grants.

3. Provide incentives for employers to support training of their less-skilled employees

The problem of how to encourage firms to provide more training is extremely complex. Part of the problem is that Canada’s economy is dominated by small to medium sized firms that simply do not have the economies of scale to implement custom-designed employee training programs. Other problems include structural and institutional issues such as lack of information and the difficulty of calculating return on investment.

On a positive note, a number of Canadian firms are leaders in providing workplace literacy and skills upgrading programs to less educated workers. A handful of initiatives at both the federal level (e.g. the Sector Council Program) and the provincial level (both Nova Scotia and Alberta have workplace skills development programs and Quebec has a sectoral approach as well) bring together labour market partners to work on solutions to skills upgrading problems.

Canada can also benefit from a careful examination of the policy levers employed in other countries.

On a more pessimistic note, some barriers to training may be much more persistent. The perpetuation of a low skill/low wage equilibrium in significant parts of the Canadian economy needs to be addressed through further research.

4. Increase governments' investment in training for basic skills

None of the provinces included in this study has a coherent incentive framework designed to encourage individuals, employers, community organizations, and educational institutions to engage in learning activities. Making a 'right to learn' framework a reality will require increased investments in a number of areas. Perhaps most importantly, it will require increased investments in the form of direct financial support for learners. It will also require ensuring that existing investments are directed towards individuals who are most in need. The evaluation framework for all government investments should provide detailed information on program beneficiaries.

A 'right to learn' framework will also require further investments in new and existing innovative programs. Governments have authority over the delivery of educational services in a wide range of institutions. Many educational institutions have already adopted flexible, holistic approaches to meeting the needs of adult learners. However there is very little evidence on what works specifically for adult learners. One practice that certainly needs more research is the assessment and recognition of prior learning (PLAR), a potentially important tool for encouraging the participation of adult learners.

5. Develop a coordinated approach to respond to adult learners' needs

Provincial adult learning environments tend to be extremely complex. Provincial governments need to ensure that there is an appropriate entity to co-ordinate the further development and implementation of an adult education policy framework. This entity would be responsible for ensuring the effectiveness of government-funded adult education programs and services and providing information to support management planning and decision making. The significant efforts made by some provinces (in Nova Scotia and Alberta, for example) should be closely watched.

At a minimum, governments should ensure that potential learners have the information they need to make informed decisions about their learning options: easy-to-digest information about the range of available learning options; step-by-step guides on how to access the learning opportunity that is best for them; and enough information about the costs and benefits of skills upgrading to make an informed decision in their best interest. While the Internet is an important support for information, we should acknowledge that it may not be the most appropriate one for many less educated individuals who may have limited access or may not have the necessary technical skills to navigate. Face-to-face contacts with well-trained and equipped skills development counsellors are likely essential.

More work is required to create the kind of well-defined learner pathways that spell out the shortest and most effective routes to a wide range of economic, social and personal goals.