

# Literacy Matters

2019 Pre budget submission



Better literacy and numeracy is better for everyone.



Family



Health



Community



Work

#IrelandCanDoBetter

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**NALA**

National Adult Literacy Agency  
Áisíneacht Náisiúnta Litearthachta do Aosaigh

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## Introduction

Unmet adult literacy and numeracy needs have devastating consequences for individuals, communities and the economy<sup>1</sup> and are a factor in social exclusion and inequality. The World Literacy Foundation reported that people with low literacy are

“trapped in a cycle of poverty with limited opportunities for employment or income generation and higher chances of poor health, turning to crime and dependence on social welfare or charity (if available).“<sup>2</sup>

Literacy matters and Ireland can do better to give everyone a fair chance. This requires investing in people who have not benefited from our education system during bust or boom. NALA believes all adults have a right to literacy, numeracy and digital skills so they can:

- take part fully in society;
- continue learning and extending their education; and
- access the same opportunities as everyone else.

## Literacy and numeracy needs in Ireland

Recent research<sup>3</sup> shows that one in six Irish adults (521,550 people aged 16 to 64) find reading and understanding everyday texts difficult: for example, reading a leaflet, bus timetable or medicine instructions.

One in four (754,000 people) has difficulties using maths in everyday life (examples basic addition, subtraction and calculating averages).

Ireland is in 17<sup>th</sup> place in literacy and 18<sup>th</sup> in numeracy out of 24 countries.



Many others find technology difficult to use effectively and safely and face increasing challenges as we move more towards a digital world. Literacy, numeracy and digital skills enable people to reach their full potential, be active participants in society and help address poverty and social exclusion.

<sup>1</sup> OECD (2013) [Skills Outlook 2013](#): First Results from the Survey of Adult Skills

<sup>2</sup> World Literacy Foundation (2015) [The Economic & Social Cost of Illiteracy](#)

<sup>3</sup> CSO (2013) [PIAAC 2012](#) - Programme for the International Assessment of Adult Competencies: Survey Results from Ireland

## Literacy and equality

Equal societies are happier, healthier and wealthier. Adult learning and education (ALE) promotes “sustainable development, healthier societies, better jobs and more active citizenship.”<sup>4</sup> Poverty and low literacy are ‘two sides to the same coin’ – they have similar impacts on people: powerlessness; inequality and injustice; feelings of rejection and inadequacy; a sense of hopelessness and failure; social stigma; marginalisation, low health and low self-esteem.<sup>5</sup>

### Literacy – what is it?

Literacy is not about intelligence, literacy is about opportunity – and having equal access to opportunity is key. There is a widening gap between the “haves” and “have nots”. In addition those who need the most assistance are the least likely to be assisted (Matthew effect).<sup>6</sup>

### Inequality in access services – especially in relation to the labour market

We know that people with literacy and numeracy needs are treated less equally in society with less access to services and opportunities. This occurs most in labour market activation programmes. As a society, we need to accept our responsibility in this area – be it that:

- the schooling system failed some people,
- the public services did not communicate in plain English or
- government did not adequately respond to the issue.

We need to redress the imbalances that occur through wider socio-economic poverty and educational disadvantage.

### UNESCO and literacy

UNESCO says “Literacy is essential for sustainable human development in today’s complex and fast-changing societies.” We know that literacy is a factor in opening up opportunities, enriching life experiences and promoting equality.

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<sup>4</sup> UNESCO (2016) [3<sup>rd</sup> Global Report on Adult Learning and Education](#)

<sup>5</sup> Presentation by Hugh Frazer, Director of Combat Poverty Agency, International Literacy Day, Sept 1987

<sup>6</sup> Kerckhoff, A. and Glennie, E. (1999), The Matthew Effect in American Education. Research in Sociology of Education and Socialization

## The cost of literacy

Low literacy skills are costing our society, economy and environment, both financially and democratically.

### Global cost

The cost of low skills to the global economy is estimated at USD \$1.2 trillion.<sup>7</sup>

### Cost to our State

A **cost benefit analysis** of adult literacy in Ireland<sup>8</sup> concluded that there is a positive and rapid return on investment across the board, for participants, the companies they work for and for the exchequer. The report found that “expenditure on adult literacy training generates high economic returns.” It estimated that the annual income gain per person per level increase on the National Qualifications Framework was €3,810. The gain to the exchequer, in terms of reduced social welfare transfers and increased tax payments, was €1,531 per annum.

### Strong literacy pays

People with good literacy, numeracy and problem solving skills are more likely to be employed, to earn better incomes and to have better health and a longer life.<sup>9</sup> Literacy and numeracy are key factors that shape individual life chances and their impact is critical for the labour market in terms of employment, earnings and training expenditure.<sup>10</sup> Literacy influences our trust in others, our willingness to volunteer and our belief about the contribution we can make to the political process.<sup>11</sup>

## Current situation

### Policy

- [Ireland's National Skills Strategy \(NSS\) 2025](#) has a target of upskilling 165,000 people from PIAAC Level 1 in literacy (from 17.5% to 12%) and 256,000 people from PIAAC Level 1 in numeracy (from 25.6% to 17%), by 2025. This is the same target we had in the NSS 2007 and as we did not meet this target, it was rolled over.
- The National Skills Council spring statement (2018) identifies key priorities, stating that:  
“Soft skills, transversal skills and the mastery of core competencies in numeracy, literacy and digital technologies remain critical for employees in all sectors and opportunities to develop and enhance these skills are vital.”

<sup>7</sup> World Literacy Foundation (2015) [The Economic & Social Cost of Illiteracy](#)

<sup>8</sup> NALA (2009) Dorgan, J. A cost benefit analysis of adult literacy training Research report

<sup>9</sup> OECD (2013) [Skills Outlook 2013: First results from the survey of Adult Skills](#)

<sup>10</sup> Kelly, E., S. McGuinness and P.J. O'Connell (2012b). [Literacy, Numeracy and Activation Among the Unemployed](#). ESRI Research No 25

<sup>11</sup> OECD (2016) [Skills Matter](#): Further Results from the Survey of Adult Skills. OECD Skills Studies

- The current SOLAS [Further Education and Training Strategy](#) outlines 12 elements of the literacy and numeracy strategy. While work on these elements is underway, there has been no significant financial investment to increase the hours of literacy tuition per person.
- The recent European Commission [Upskilling Pathways](#) initiative aims to target adults with low levels of skills **and** without upper secondary education. Ireland will produce a plan for this in 2018.

## Statistics

- [CSO](#) data shows us that currently there are **445,800** people (aged 25-64) who have less than a QQI Level 4 qualification. These include 233,300 (52%) employed; 24,900 (6%) unemployed and 187,600 (42%) inactive
- One in six Irish adults (521,550 people, aged 16 to 64) find reading and understanding everyday texts difficult: for example, reading a leaflet, bus timetable or medicine instructions. One in four (754,000 people) has a difficulty using real world maths, such as working out a bill in a restaurant or taking the correct dose of medicine.

## Adult literacy provision

- **Low number of tuition hours:** Currently adults can receive between 2 and 6 hours adult literacy tuition per week. There are a small number of longer programmes delivered under Intensive Tuition in Adult Basic Education (ITABE) and some through the Back to Education Initiative (BTEI) in the Education and Training Boards (ETBs). There is no financial support or incentive to return to education for QQI levels 1, 2 or 3, for example tax relief. There is no full-time childcare or elder care provision or transport costs.
- **60,000 adults using ETB adult literacy services**<sup>12</sup> in 2017. This includes adult literacy groups (including family literacy), English for speakers of other languages (ESOL), Intensive Tuition in Adult Basic Education (ITABE), Skills for Work and one-to-one tuition.
- **Low spend on adult literacy tuition**  
In 2017 **€31.44** million was spent on adult literacy tuition.<sup>13</sup> This is 0.33% of the total education budget (€9.531 billion) and 5% of the Further Education and Training budget (€638 million).

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<sup>12</sup> SOLAS [FET Provision Summary 2017](#)

<sup>13</sup> SOLAS [FET Services Plan 2017](#)

## Research

- A recent NESC report on Moving from Welfare to Work<sup>14</sup> notes that “Some of the interviewees are very far from the labour market, and contend with problems that are difficult to address, such as serious literacy difficulties.” The report recommends:
  1. Tailored supports to help more vulnerable groups to progress. Vulnerable groups include Travellers, African migrants, lone parents; people with a disability; those with literacy difficulties, poor English, no work experience or contacts, a history of addiction or time in prison.
  2. More **intensive** literacy and numeracy education is required for those with low literacy levels, as well as vocational literacy supports to ensure better access to employment and training.
- ESRI research report on [Literacy, numeracy and activation among the unemployed](#)<sup>15</sup> shows that work specific training for people with literacy and numeracy needs helps enhance employment prospects – up to three times the average.
- ESRI research report on [Literacy and Numeracy Difficulties in the Irish Workplace](#)<sup>16</sup> shows a wage differential for employees with literacy and numeracy needs. It found the negative wage impact from having a numeracy difficulty is confined to those with low earnings, while employees with middle to upper level earnings are most negatively affected by having a literacy difficulty.

## Invest in people, invest in literacy, invest in society

**Literacy benefits everyone** – individuals, society and the economy. The current literacy tuition provision (2 to 6 hours per week), the numbers participating (60,000) and the budget (€31.44 million) is insufficient to address the issue effectively and meet current government targets.

<b>Current provision</b>	<b>Required provision</b>
Currently adults can receive between 2 and 6 hours adult literacy tuition per week. This is the equivalent of 2 weeks full time tuition per year.	Research suggests that more intensive programmes increase the success rate of basic skills learners, and that longer periods of study are necessary for those with the weakest skills.

<sup>14</sup> NESC (20218) [Moving from Welfare to Work](#): Low Work Intensity Households and the Quality of Supportive Services

<sup>15</sup> ESRI (2012) [Literacy, numeracy and activation among the unemployed](#) Research series Number 25

<sup>16</sup> ESRI (2012) [Literacy and Numeracy Difficulties in the Irish Workplace](#) Research series Number 27

<p>There are a small number of longer programmes delivered under Intensive Tuition in Adult Basic Education (ITABE) and some through the Back to Education Initiative (BTEI).</p>	<p>The Moser Report states that “a learner would need many years to get to a threshold basic skills level. In the USA, the research shows that between 550-600 hours of instruction are needed to become fully literate and numerate.<sup>17</sup></p> <p>We must ensure that such opportunities are widely available, in addition to current provision.</p>
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<p><b>Current participation</b></p>	<p><b>Current needs</b></p>
<p>Around 60,000 adults attend the adult literacy services delivered by local Education and Training Boards (ETBs). NALA supports around 1,000 people per year through our Distance Learning Service either online or on the telephone.</p> <p>This means 12% of adults who have literacy needs are getting literacy support.</p>	<p><a href="#">CSO</a> data shows us that currently there are <b>445,800</b> people (aged 25-64) who have less than a QQI Level 4 qualification –</p> <ul style="list-style-type: none"> <li>• 233,300 (52%) are employed</li> <li>• 24,900 (6%) are unemployed</li> <li>• 187,600 (42%) are inactive</li> </ul> <p>Each adult has different learning styles and will take different time to achieve strong literacy, numeracy and digital skills.</p>

<p><b>Current budget</b></p>	<p><b>Proposed budget</b></p>
<p>In 2017 the amount spent on adult literacy was <b>€31.44 million</b> or €524 per person.</p> <p>This is 0.33% of the total education budget (€9.531 billion) and 5% of the Further Education and Training budget (€638 million).</p>	<p>The <b>2006 Adult Literacy report</b> from the Joint Oireachtas Committee on Education and Science proposed a quadrupling of the adult literacy tuition budget from €25 to about €100 million by 2013 with an additional €25 million for improving ancillary and support services.</p> <p>These recommendations were never implemented.</p>

<sup>17</sup> [A Fresh Start: Improving Literacy and Numeracy](#): The Report of the Working Group Chaired by Sir Claus Moser (1999)

**In this pre-budget submission NALA recommends:**

1	<p>All adults with literacy, numeracy and digital needs and or less than a QQI Level 4 qualification should have access to a <b>high quality and relevant learning programme</b> with a local education and training provider that meets the person’s literacy development needs.</p> <p>This would include <b>intensive</b> and flexible tuition options; appropriate supports as required (income, transport, child and elder care), work placement where appropriate and progression opportunities.</p> <p>Increasing the investment in the Skills for Work programme to specifically target employees with literacy and numeracy needs in particular sectors. This could be funded through the proposed increase in the National Training Fund (NTF).</p>
2	<p>Developing <b>new and innovative ways to improve literacy</b> such as:</p> <ul style="list-style-type: none"><li>• blended and distance learning,</li><li>• family literacy, financial literacy, health literacy and media literacy programmes,</li><li>• bridging programmes to prepare people for other training, and</li><li>• integrating literacy into vocational education and training programmes.</li></ul>
3	<p>Introducing a <b>targeted paid learning leave</b> programme for employees in work with literacy, numeracy and digital needs and or less than a level 4 qualification to develop their basic literacy and numeracy skills if they wish to do so.</p> <p>This intervention would be for a maximum time period and funded through our social insurance (PRSI) system.</p>

## Costs

<b>Current target and proposal</b>	<b>Cost for intensive literacy tuition</b>
<p><a href="#">Ireland's National Skills Strategy (NSS) 2025</a> has a target of upskilling 165,000 people from PIAAC Level 1 in literacy (from 17.5% to 12%) and 256,000 people from PIAAC Level 1 in numeracy (from 25.6% to 17%), by 2025.</p> <p>All adults with literacy, numeracy and digital needs and or less than a QQI Level 4 qualification should have access to a <b>high quality and relevant learning programme</b> with a local education and training provider that meets the person's literacy development needs.</p> <p>Intensive model of 200 hours, then can top up with 50 hours if required.</p>	<p><b>Cost for small groups</b></p> <p>200 hours of literacy tuition x hourly rate of €44.84<sup>18</sup> = €8,968 per course for small groups of 6 to 8 people.</p> <p>For a group of 8 adults, that works out at a cost per person of <b>€1,121</b> per person for 200 hours tuition.</p> <p><b>Cost to achieve target</b></p> <p>To achieve our NSS target of 165,000 adults, this would require 20,625 groups of 8 – divided by population and need throughout the 16 ETBs and other local education and training services.</p> <p>The total cost for 200 hours for 165,000 adults is: <b>€185 million</b>.</p> <p>Divide over next 7 years (2019-2025) would require an investment of <b>€26.5 million per year</b> for tuition.</p> <p>[Note: not every adult will need 200 hours]</p>

<p>Introduce a <b>targeted paid learning leave</b> programme for employees in work with with literacy, numeracy and digital needs and or less than a level 4 qualification to develop their basic literacy and numeracy skills if they wish to do so.</p> <p>This intervention would be for a maximum time period and funded through our social insurance (PRSI) system.</p>	<p>We have estimated the costings using an hourly rate based on the minimum wage<sup>19</sup>, the average industrial wage<sup>20</sup> and the mid-point. The costings for 200 hours of paid learning leave per person based on the mean of the minimum and average industrial wage<sup>21</sup> = €3,198.</p> <p>So for 23,600 employees each year to get 200 hours of paid learning leave (based on €15.99 per hour) would cost <b>€75.5 million per year</b>.</p>
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<sup>18</sup> Qualified casual hourly rate €39.46 + €5.38 (Rate + value of accumulated leave)

<sup>19</sup> €9.55 per hour (since January 2018)

<sup>20</sup> €22.43 an hour – source: Central Statistics Office, [Earnings and labour costs](#)

<sup>21</sup> €15.99 per hour

## Conclusion

Every person has a right to literacy, numeracy and digital skills. Having these basic skills enables a person to have a voice and participate fully in society; to continue learning and extend their education; and to access the same opportunities as everyone else. By improving these skills, Ireland can be a better and more equal society.

To improve adult literacy effectively will require intensive literacy tuition which will increase the success rate of basic skills learners and support people with the weakest skills. For employees with basic skills needs, targeted paid learning leave to support improving their basic skills would show real government commitment to upskilling and lead the way in Europe in this area.

**Ireland must invest in people, invest in adult literacy and invest in society.**

## Further information

The **National Adult Literacy Agency (NALA)** is a charity and membership-based organisation. We work to support adults with literacy and numeracy needs to take part fully in society and to have access to learning opportunities that meet their needs. NALA does this by raising awareness of the importance of literacy, doing research and sharing good practice, and by lobbying for further investment to improve adult literacy, numeracy and digital skills. We also work in the areas of [family literacy](#) and [health literacy](#).

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