

The Role of Education and Training in Building International Competitiveness

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National Skills Conference, The Skills Needs of the Irish Economy to 2020,
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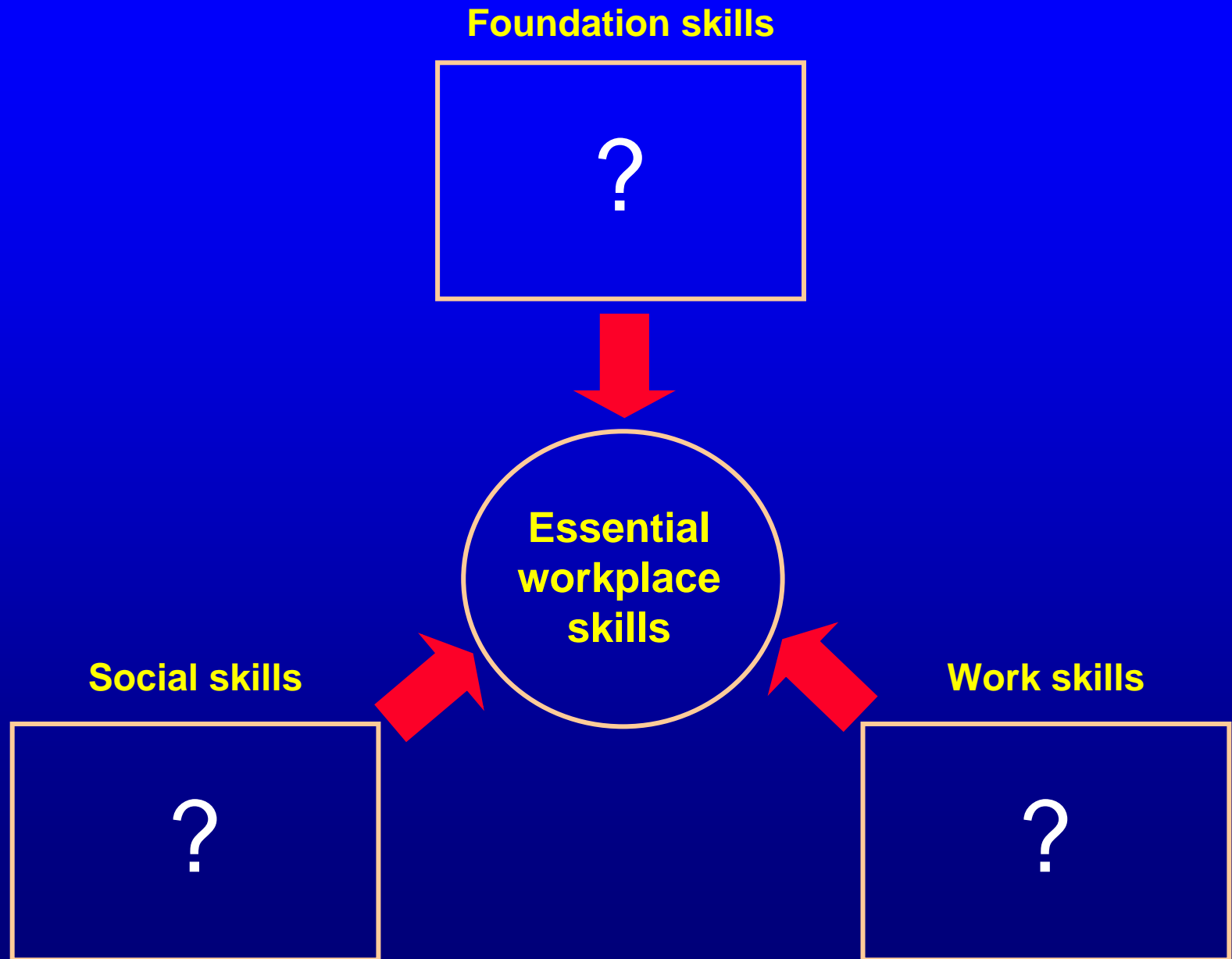
Outline

1. Why do we care about skills? Do some matter more than others?
2. Assessing generic skills: the OECD's work to date
3. How do countries measure up?
4. Future OECD work: PIAAC

1. *Why are skills important?*

- ❑ Technological change and globalisation are placing a premium on higher-level skills.
- ❑ This has partly driven increases in earnings inequality.
- ❑ Evidence of strong link between economic growth and educational attainment and literacy.
- ❑ Labour market outcomes are also tied to educational attainment.
- ❑ But which skills are important? Here the answer is less clear.

Identifying key workplace skills



Skill typologies need to be evidence-based

- ❑ Need to go beyond defining skill typologies.
- ❑ Need to understand better how skills are acquired, maintained and lost.
- ❑ Need to improve the evidence base on the link between skills and labour market outcomes and the role of socio-economic and institutional factors.
- ❑ Need to draw out better the implications for education and training policies.

2. OECD work on skill assessment

- Large-scale international surveys of students and the adult population.
 - Provide empirical evidence on level and distribution of literacy skills among students and the adult population.
 - Provide useful benchmark of country performance.
 - Provide evidence on links between skills, socio-economic background and labour market outcomes.
- Reports on adult learning and acquisition of skills
 - Assessment of provision of training across OECD countries and role of institutions and policies
 - Identify good practice

PISA

(Programme for International Student Assessment)

- ❑ Assessment of literacy skills of 15 year olds in 3 key dimensions:
 - Literacy in mathematics - ability to recognise and formulate mathematical problems in various situations.
 - Literacy in science - understanding of scientific concepts, ability to apply a scientific perspective and to think scientifically about evidence.
 - Literacy in reading - understanding and reflection, ability to use reading to fulfil one's goals in life.

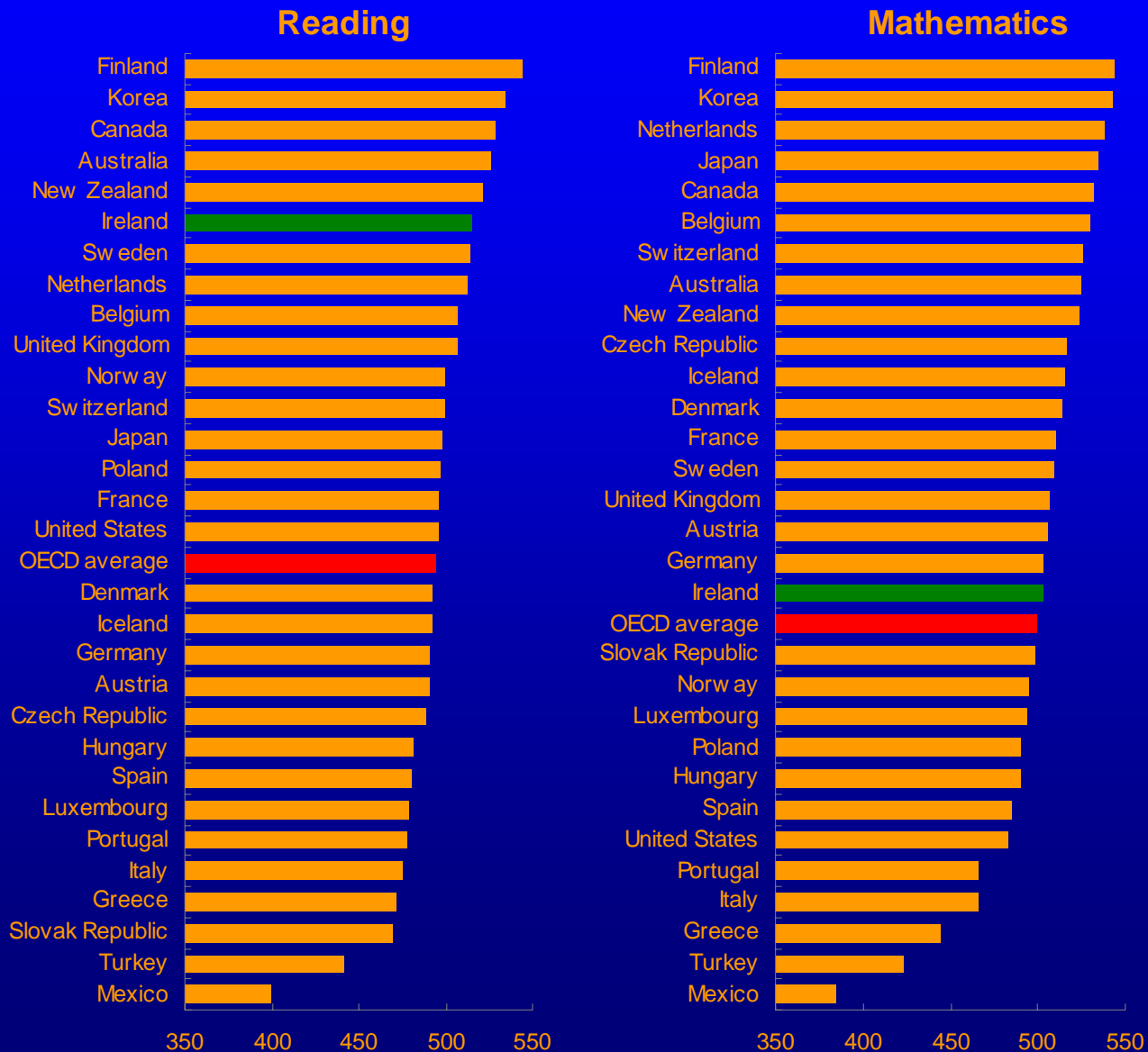
IALS & ALL

*(International Assessment of Adult Literacy & Skills;
Adult Literacy & Life Skills Survey)*

- ❑ Surveys of literacy of population 15 and over in 4 key dimensions:
 - Prose literacy – understanding and using information from texts.
 - Document literacy – locating and using information contained in various formats.
 - Numeracy (ALL only) – effectively managing the mathematical demands of diverse situations.
 - Problem solving (ALL only) – goal-directed thinking and action in situations for which no routine solution procedure is available.

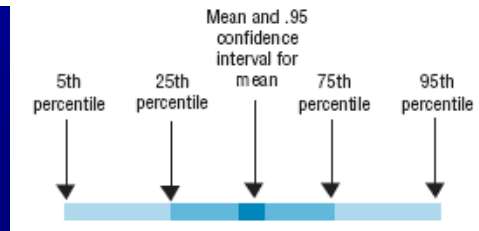
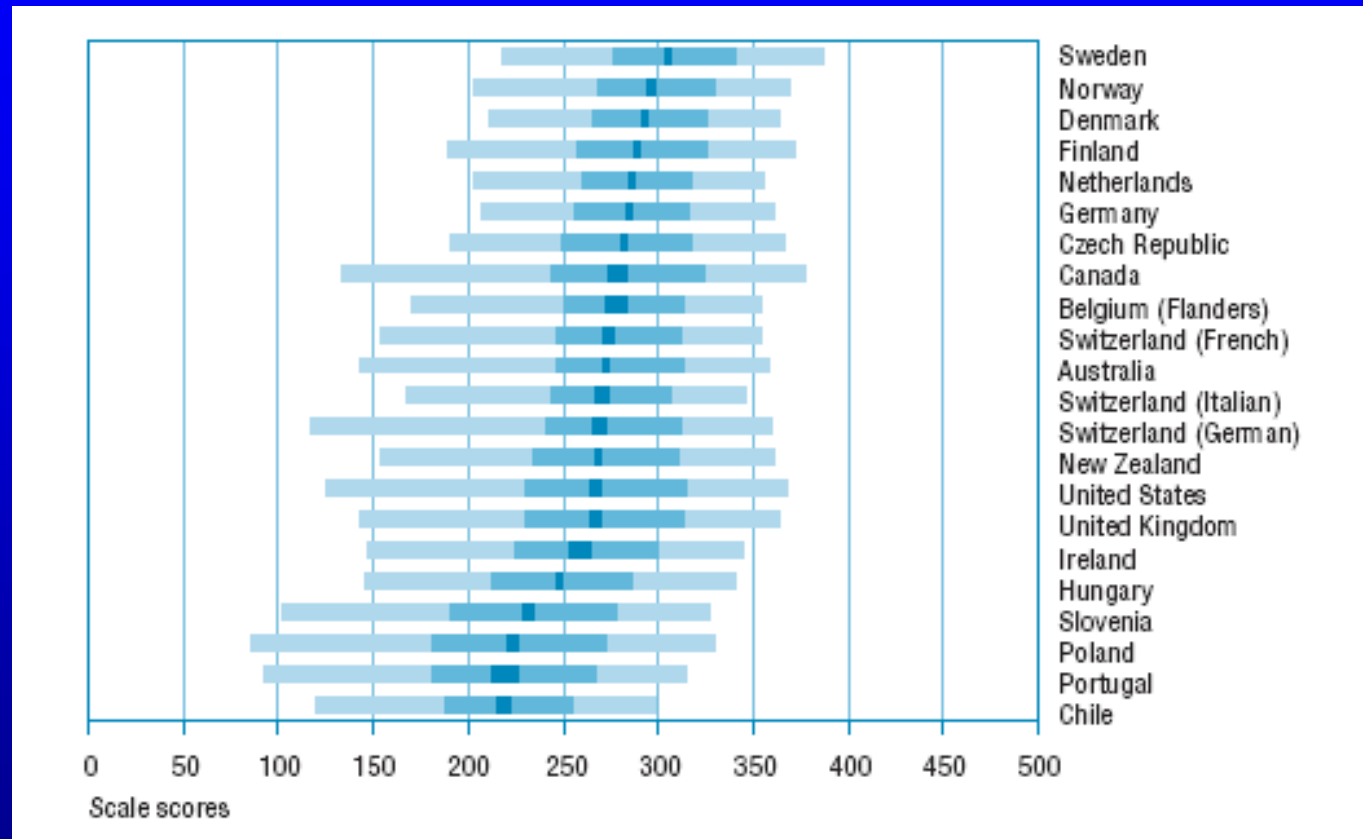
3. How do countries measure up?

15-year olds perform much better in some countries than others



The level of adult skills varies considerably both within and between countries

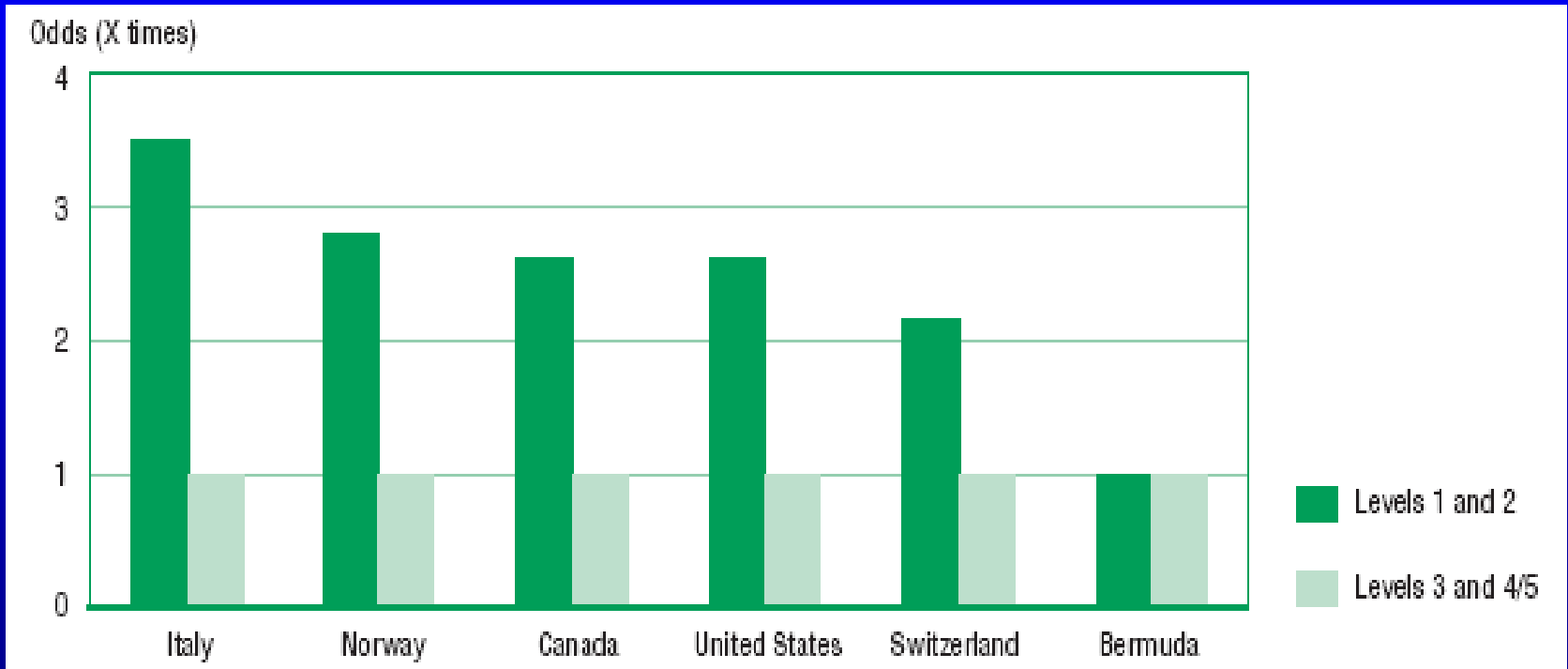
IALS scores on the document literacy scale, population aged 16-65, 1994-1998



Source: OECD and Statistics Canada, *Literacy in the Information Age: Final Report of the International Adult Literacy Survey, 2000.*

Labour market status is strongly linked to literacy in OECD countries

Likelihood of labour force inactivity by level of numeracy*

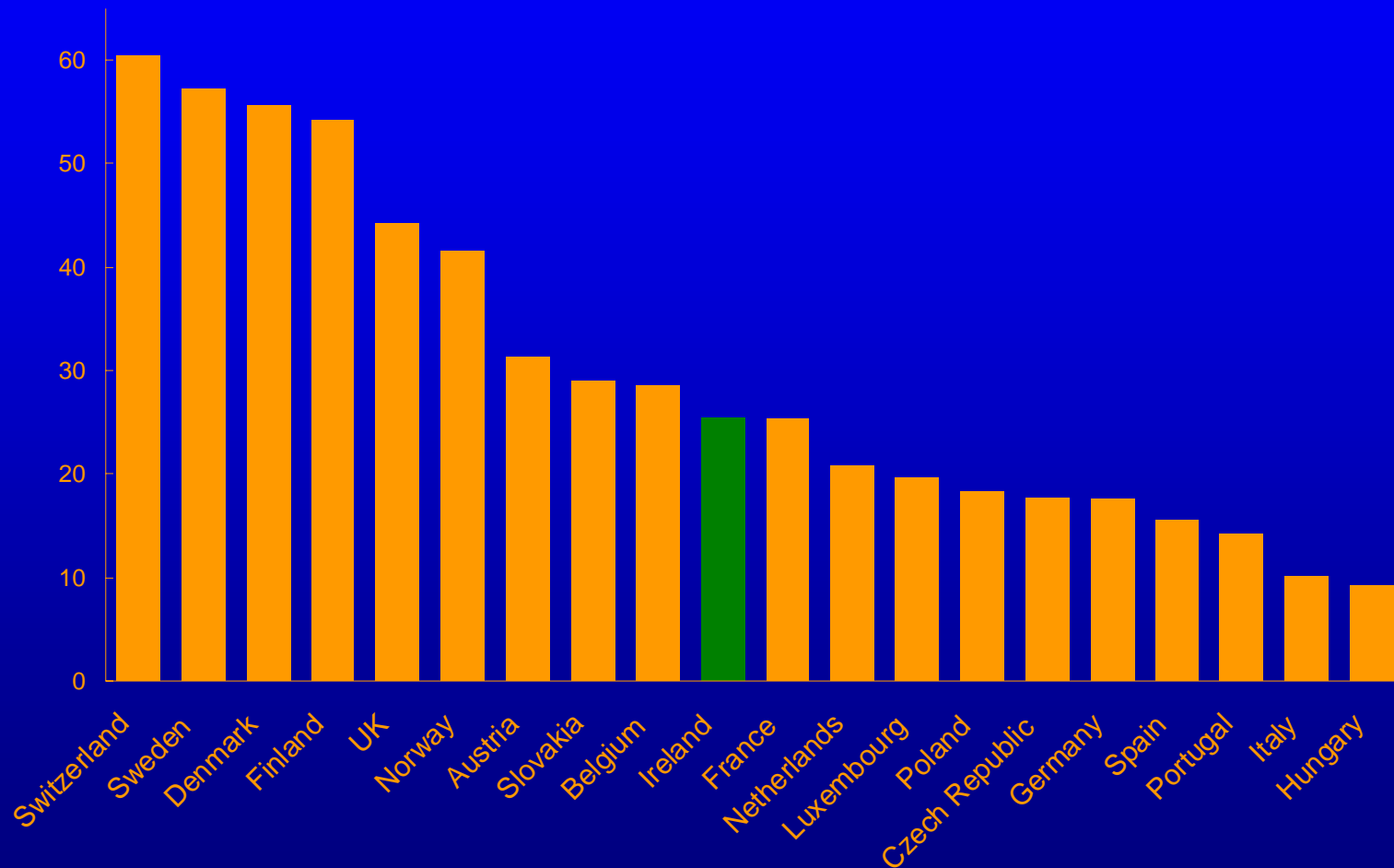


* Likelihood of experiencing labour force inactivity for 6 months or more in the last 12 months compared to being employed all year, populations aged 16 to 65, excluding students and retirees, 2003

Source: OECD and Statistics Canada, *Learning a Living: First Results of the Adult Literacy and Life Skills Survey*, 2005.

Large country differences in participation in adult learning

Percentage of workers aged 25-64 who participated in education or training during the previous year, 2002/2003



Source: European Community Labour Force Survey, 2003 Ad Hoc Module on Lifelong Learning.

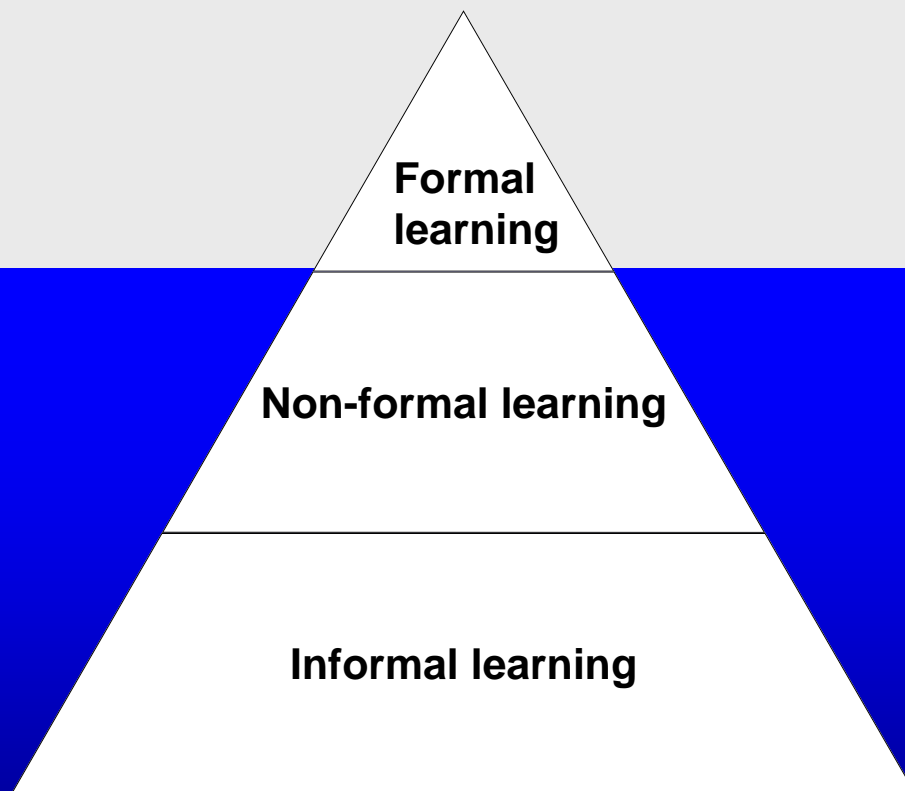
4. Future OECD work: PIAAC

(Programme for the International Assessment of Adult Competencies)

- ❑ A new round of internationally comparable surveys of adult skills to be carried out in 2009/2010

- ❑ Several objectives:
 - Expand skill assessment to workplace skills through Job Requirements Approach (JRA)
 - Focus on the low-skilled
 - Expand concept of literacy in context of IT
 - Tighter focus on links between skills and labour market outcomes
 - Measure comparably both formal and less formal training and barriers to training

Is formal learning the tip of the ice-berg in the acquisition of required work skills?



4. Conclusions

- ❑ Technological change and globalisation are placing a growing premium on higher-level skills.
- ❑ However, we need to know more about what these skills are and how they are acquired.
- ❑ In particular, we need to know more about:
 - Key generic work skills
 - Different forms of learning and labour market outcomes
 - The role of broader socio-economic factors and institutional settings in skill acquisition
- ❑ PIAAC should shed further light on these issues.