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## New OECD Report: U.S. Must Raise Basic Skills.

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By: Rachel Unruh

Connect with me @NSCRachelU

A report released yesterday by the Organization for Economic Cooperation and Development (OECD) finds that 36 million U.S. adults have low basic skills.<sup>1</sup> *Time for the U.S. to Reskill? What the Survey of Adult Skills Says* finds that on average, low basic skills are more common in the U.S. than in other countries, and warns the U.S. is losing ground internationally.

The report interprets major findings for the U.S. from the Program for the International Assessment of Adult Competencies (PIAAC), a survey assessing adult literacy, numeracy and problem solving skills in 23 countries. Requested by the U.S. Department of Education, it offers initial policy recommendations for significantly increasing literacy and numeracy skills in the U.S. adult workforce with a focus on those with the lowest skills. Major findings in the report include:

*Basic literacy and numeracy skills have an impact on employment, earnings and economic mobility, particularly in the U.S.*

The findings confirm a strong relationship between low basic skills and employment. Compared to other countries, the U.S. had a notably wide gap in basic skills between employed and unemployed adults. But despite this gap, two-thirds of low-skilled adults in the U.S. are working, higher than in most countries. In addition, the impact of basic skills on wages is greater in the U.S. than almost any other country. Taken together, these findings suggest a strong connection between basic skills, earnings and economic mobility.

Commenting on the original survey findings in the *New York Times*, Anthony P. Carnevale, director of the Georgetown University Center on Education and the Workforce, said "These kinds of differences in skill sets matter a lot more than they used to, at every level of the economy. Americans were always willing to accept a much higher level of inequality than other developed countries because there was upward mobility, but we've lost a lot of ground to other countries on mobility because people don't have these skills."

*There is tremendous unmet demand for adult basic education in the U.S.*

The report confirms significant unmet demand for services. It finds that in the U.S., three million low-skill adults who are not enrolled in adult education programs would like to enroll; six million low-skill adults who have participated in adult education would participate more.

While troubling, this finding is not surprising. Adjusted for inflation, federal support for the programs that help adults build their basic literacy and numeracy skills has declined by nearly 24 percent since 2003 and the number of individuals served has declined by one million (30 percent) since 2000. The less than two million adults currently served comes nowhere close to addressing the basic skill development needs of 36 million adults at the lowest skill levels, let alone the nine million seeking services. We will continue to lose ground in basic skills and economic competitiveness if we do not make significant, new investments.

*Raising the basic skills of immigrant populations is essential, particularly in the U.S.*

The report finds that socio-economic background and immigration status have a stronger influence on adult basic skills in the U.S. than in other countries. Additionally, data from the survey indicate that immigrants who have been in the U.S. more than five years have lower basic skills than those who have arrived more recently. This is the opposite of most other countries surveyed where basic skills are generally higher for those who have been in the country longer. The report suggests that these findings may be indicative of the effectiveness of immigrant integration policies, including those associated with language and skill development.

The significance of this finding cannot be overstated. A recent report by the Center for American Progress found that without the immigrant population, the U.S. workforce will not be sufficient to replace the workers expected to retire from the labor force between 2010 and 2030. The absence of immigrants in the workforce could impede the nation's ability to maintain current productivity, let alone to foster economic growth and opportunity.

As such, Comprehensive Immigration Reform (CIR) represents one of the most important pieces of labor and employment legislation to come before Congress in some time. National Skills Coalition has put forward a proposal for

a skills strategy within CIR that would not increase the cost of the Senate-passed legislation, but would leverage unprecedented resources to scale up strategies that can address the basic skill needs of all U.S. workers—current citizens and those on a pathway to citizenship.

#### *Recommendations*

The answer to the question posed in the OECD's report's title—*Time for the U.S. to Reskill?*—is unequivocally "yes." The report calls for "developing a set of coherent policies to address the needs of those with the weakest skills" and outlines a broad set of recommendations. These include linking basic skills education programs to employability; responding more effectively to the diversity of adult learners by working across the local and national agencies needed to support success (e.g., labor, education and human services); encouraging partnerships between the public and private sector to ensure individuals are receiving skills that will improve their productivity and employability; and ensuring the data is available to develop evidence-based policies and programs.

At a release event for the report, Brenda Dann-Messier, Assistant Secretary for the U.S. Department of Education's Office of Vocational and Adult Education (OVAE), announced that OVAE will embark on a planning process to address the findings outlined in the report. This will include hosting five engagement sessions across the country to gather input from stakeholders; releasing a toolkit that will allow stakeholders to hold their own engagement sessions; and soliciting written comments. Messier announced that OVAE would release its plan in the spring.

NSC applauds and supports the recommendations in the OECD report and looks forward to working with our members to inform OVAE's planning process over the coming months.

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<sup>1</sup>In the report, "low-skilled adults" are defined as those with low literacy skills, recognizing that they often also have low numeracy skills. "Low" literacy skills are defined as below level 2 (out of 5 levels) in the PIACC survey (and similarly for numeracy skills).