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Earnings and employment benefits of Adult Higher Education in comparative perspective: Evidence based on the OECD Survey of Adult Skills (PIAAC)

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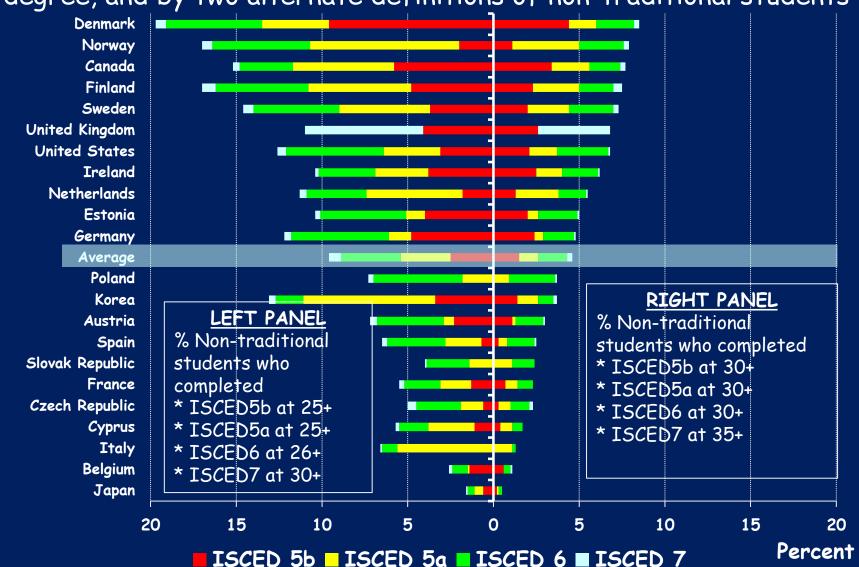
Overview

- Incidence of AHE in comparative perspective
- · Previous findings on benefits of AHE
- The PIAAC data and definitions of AHE
- · Employment and earnings differentials by AHE
- Correlation of AHE incidence and skill profiles

Incidence of AHE in comparative perspective

What is the degree of openness of HE systems to non-traditional students?

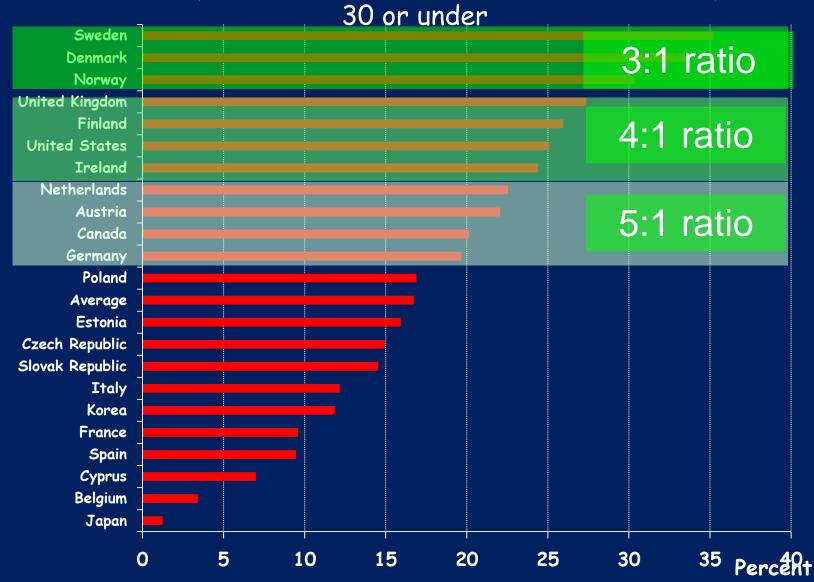
% of non-traditional students who completed HE, by type and level of degree, and by two alternate definitions of non-traditional students



Source: Own calculations based on the Survey of Adult Skills (PIAAC), 2012.

What is the degree of openness of HE systems to non-traditional students?

% of adults completing HE at age 31 or over vs those completing at



Previous findings on benefits of AHE

Overview of previous findings on benefits of AHE

· HE

Widely believed to improve the lives of those who participate. Benefits shared with the societies of which they are a part. Graduates associated with higher employment rates and earnings.

· AHE

Debate on worthiness of AHE.

Some findings suggest it does not pay off (i.e. in UK).

Otherwise, lots of findings to suggest AHE pays off for individuals.

Findings suggest some disadvantage for non-traditional vs traditional.

But this seems to vary depending on country and market conditions.

The PIAAC data

The PIAAC data

 International comparative study of adult skills and adult learning

23 countries.

Representative populations 16-65.

Direct measures of skills.

Background info: education and work experiences.

· Definitions of AHE

Flow measure: participation in last 12 months in formal education (leading to ISCED 5 or higher) for adults aged 25+

Stock measure: Age at time of HE degree attained above normative age (25+ or 30+)

Descriptives for adults populations 26-65

	DK	FI	DE	ко	NL	NO	SE	UK	US
Sample size =									
66084	6166	4480	4310	5501	4202	4058	3554	7523	4074

Descriptives for employed adults populations 26-65

	DK	FI	DE	KO	NL	NO	SE	UK	US
Sample									
size =									
44992	4225	3156	3040	3684	2849	3125	2734	4630	2613

Results: employment differentials

Average employment rate for adults who have attained HE vs those who have not, by type and level of degree

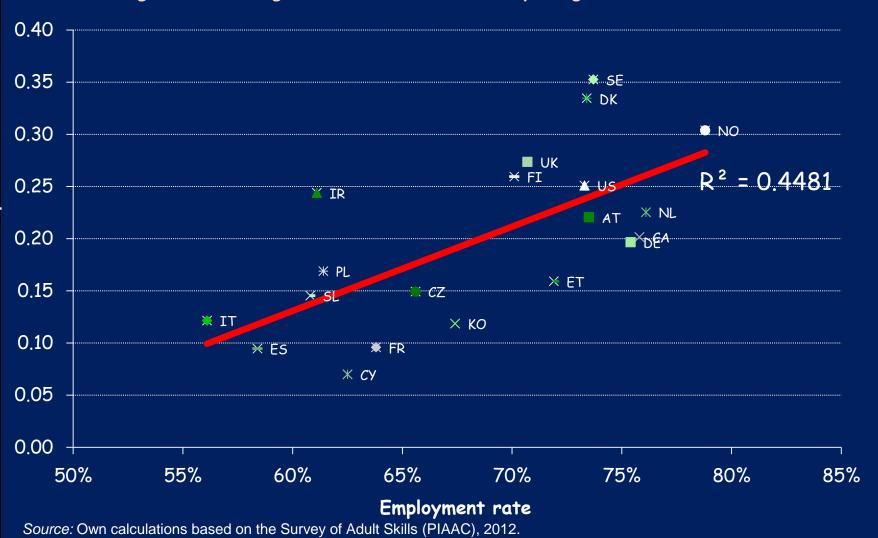


Source: Own calculations based on the Survey of Adult Skills (PIAAC), 2012.

Openness of HE systems to non-traditional students and employment rate

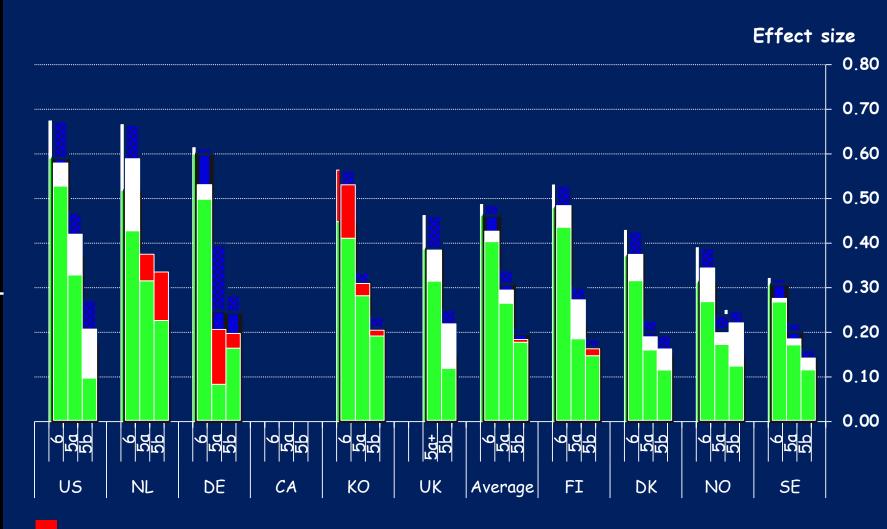
Correlation between ratio of HE graduates over vs under the age of 30 and employment rate

Ratio of HE graduates at age 31 or over vs those completing at 30 or under



Results: earnings differentials

Earnings premium for adults who have attained HE relative to those who have not, by type of degree and type of student



Higher premium for non-traditional student

Higher premium for traditional student

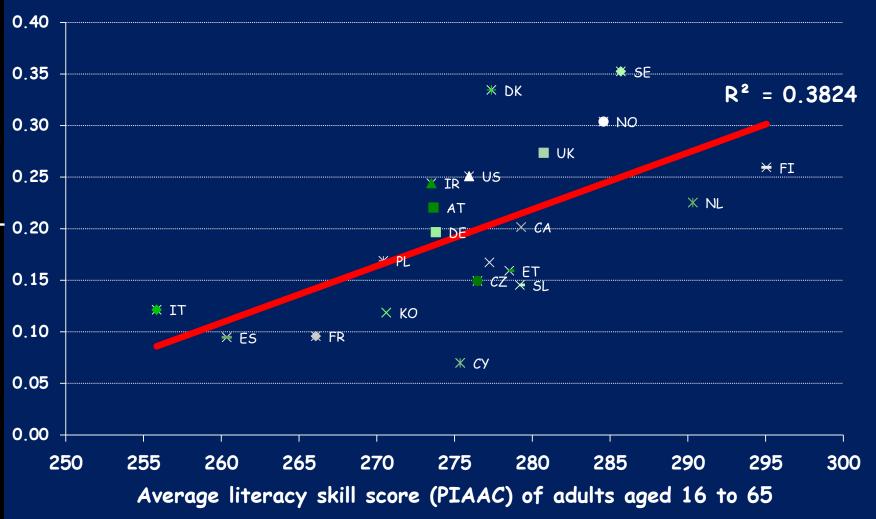
Source: Own calculations based on the Survey of Adult Skills (PIAAC), 2012.

Results: Correlation of AHE incidence with skill profiles

Openness of HE systems to non-traditional students and literacy

Correlation between ratio of HE graduates over vs under the age of 30 and literacy scores

Ratio of HE graduates at age 31 or over vs those completing at 30 or under



Source: Own calculations based on the Survey of Adult Skills (PIAAC), 2012.

Key findings

- Older HE graduates have better employment and earnings outcomes than their counterparts with no HE qualifications
- No systematic pattern at micro level to suggest favorable outcomes for traditional compared to nontraditional students
- Earnings boosts are observed regardless of literacy proficiency levels or socio-economic background
- Strong correlations between % of older HE graduates and overall employment as well as elevated skill profiles

Conclusions

 Adult learning systems are increasing in importance in today's modern society

Degree of openness of HE systems to non-traditional students, or alternatively Adult Higher Education (AHE), is an important component of advanced adult learning systems

 In many countries, a non-trivial proportion of adults have attained HE beyond the 'normative' age

Even when using the most conservative definitions

But large cross-country variations exist

This might be an important source of variation that explains economic success and other outcomes in different countries

Conclusions

 Benefits associated with the openness of HE systems appear to be substantial

Results suggest that open HE systems boost the probability of an individual to hold a job, and not just any job, but a higher paying one, which is good for both individuals and society

Results suggest AHE may play a role in redressing social disadvantage and promoting equity

Further research

With PIAAC?

More detailed analysis of moderating effects of socio-economic background and skill proficiency

Interaction of AHE and other forms of adult education with skill gain/loss over lifespan

More detail on who pursues AHE and why (the role of employer support?)

Further research

Other avenues

More detailed contextualization of US experience

Identifying what constitutes flexible and diverse HE provision structures that cater to adults need and labor market

Comparing role of both labor market and education institutions/policies in enabling or constraining AHE for labor market purposes