

# *Social and Economic Outcomes of ACFE Courses*

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# *Reframing Adult Literacy and Numeracy Course Outcomes: A Social Capital Perspective*

(Balatti, Black & Falk, 2006)

- **Social capital** (OECD & ABS, 2004)
  - = “networks, together with shared norms, values and understandings which facilitate cooperation within and amongst groups”
  - = students’ **connections** with others





# *Reframing Adult Literacy and Numeracy.....*

(Balatti, Black & Falk, 2006)

## **Application of ABS Social Capital Framework**

### **Groupings**

### **Indicators**

#### **1 Network qualities**

Changes in trust levels?  
Changes in beliefs about personal influence?  
Action to solve problems?  
Changed interaction with people different from student?

#### **2 Network structure**

Change in number & nature of attachments?  
Change in ways in which student keeps in touch with networks?  
Change in nature of memberships

#### **3 Network transactions**

Change in support sought, received or given?  
Change in way student shares information & skills?

#### **4 Network types**

Changes in activities with main groups interacted with?  
Changes in activities with groups different from student?  
Changes in student's links to institutions?



# *Reframing Adult Literacy and Numeracy.....*

(Balatti, Black & Falk, 2006)

## **OECD Areas of Socio-economic Wellbeing**

-  Health
-  Education and learning
-  Employment & quality of life
-  Time and leisure
-  Command over goods & services
-  Physical environment
-  Social environment
-  Personal safety



## *Reframing Adult Literacy and Numeracy.....*

(Balatti, Black & Falk, 2006)

- Participation in adult literacy & numeracy courses  
→ social capital outcomes in **80% of students**
- Social capital outcomes → **positive impact** on students' social environments, education and learning, employment and quality of working life
- Literacy and numeracy improvement often required the **social capital outcomes** as a pre-requisite or co-requisite



## *Reframing Adult Literacy and Numeracy.....*

(Balatti, Black & Falk, 2006)

- Specific **teaching strategies** eg promoting interaction with peers  
→ social capital outcomes. (Employability Skills - teamwork)
- Reframing literacy and numeracy courses to include the idea of the **student as a member of networks**  
→ social capital-building function of courses more explicit
- **Recognising and reporting** on social capital outcomes  
→ more accurate picture of the contribution of ACFE courses to individuals and communities



# *Social and Economic Benefits of Improved Adult Literacy: Towards a Better Understanding*

(Hartley & Horne, 2006)

- Looked at ways of estimating the **social and economic costs of poor adult literacy and numeracy** in Australia and the **benefits** of investing in these skills
- In Aust, ½ of the total effect of schooling on labour force participation (and unemployment) can be attributed to literacy and numeracy skills (Chiswick et al, 2003)
- Rise of 1% in a country's literacy (as measured by IALS)
  - ➡ 2.5% rise in labour productivity and
  - ➡ 1.5% rise in GDP per head (Coulombe et al, 2004)



# *Social and Economic Benefits of Improved Adult Literacy: Towards a Better Understanding*

(Hartley & Horne, 2006)

- **Health:** links between lower literacy and higher risk of hospitalisation, higher rates of depression and inability to comply with correct use of prescription drugs
- **Financial:** improving financial literacy of lowest 10%
  - ➡ increase their average income by \$3202 pa
  - ➡ increase GDP by \$6m
  - ➡ create 16,000 new jobs
- **Business/employers:** language and literacy training had a positive effect on cost savings, access to FE, participation in teams, promotion and job flexibility





## *Exploring the Social and Economic Impacts .....*

(Birch, Kenyon, Koshy & Wills-Johnson, 2003)

ACE includes education and training delivered by **community-based providers** and **non-vocational programs delivered by TAFE**.

### **Qualitative Impacts of ACE:**

#### *Community benefits:*

- **regional** impacts
- development of **social capital**: life skills for community development, improved employment prospects, volunteers
- benefits for **special groups**: long-term unemployed people, access for disabled students, improved English language skills for NESB students resulted in greater community involvement



## *Exploring the Social and Economic Impacts.....*


(Birch, Kenyon, Koshy & Wills-Johnson, 2003)

### **Qualitative Impacts of ACE:**

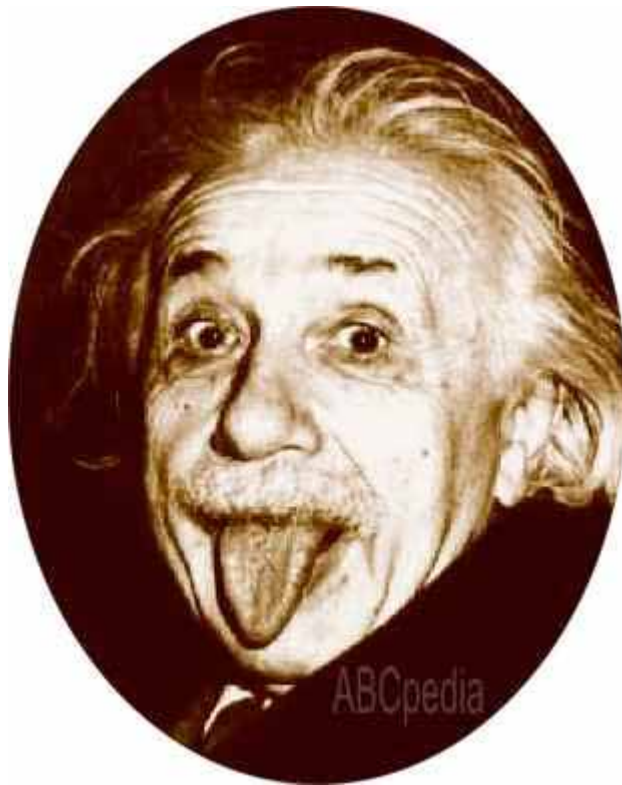
#### *Private impacts of ACE:*

- Confidence to undertake further study
- Vocational, recreational and life skills
- Personal satisfaction
- Making friends
- Qualification





*“Everything that can be counted does not necessarily count; everything that counts cannot necessarily be counted.”*



Albert Einstein



## *Quantifying Private Individual Benefit: Human Capital Model*

(Birch et al, 2003)

Students who go on to further education as a result of their participation in adult and community education:

Increase in future earnings, in dollars =

$$\Pi = \sum_{Qual=1}^3 \left\{ (1 - Quit_q) \times P_q \times \sum_{i=1}^n \left\{ \sum_{t=L_q}^{t=65-age_i-L_q} [\Delta E_q \times AWE \times (1+r)^{-t}] - \sum_{t=1}^{t=L_q} [AWE \times (1+r)^{-t}] - Cost_q \right\} \right\}$$



## *Human Capital Model Assumptions:*

- People will work until 65
- $q$  = qualification level, basic vocational course = 1  
skilled vocational course = 2, tertiary course = 3
- “Estimated earnings premium” =  $\triangle E_q$
- Drop-out rate for qualification
- Labour market participation rate for the qualification
- AWE is Average Weekly Earnings
- $r$  = discounted AWE
- $t$  = time at which earnings stream begins
- Cost of qualification and foregone earnings



## Benefits, costs, net impacts

## Results under most likely scenario (\$m)

### Community benefits

\$1586m

◆ Net income to ACE suppliers	\$100m
◆ Teacher income from employment	\$400m
◆ Student expenditures	\$24m
◆ Additional taxation revenues	\$1063m

### Community costs

◆ Government subsidies	\$758m
◆ Student fees	\$582m
◆ Student earnings foregone	\$67m
	\$110m

Net community impacts (benefits)<sup>1</sup> +\$828m

Private net vocational impacts (benefits)<sup>2</sup> +\$2480m

### Net economic impacts (benefits) <sup>(1+2)</sup>

**+\$3308m**

(95% confidence interval: \$2441m–\$4174m)




## *ACE Longitudinal Study*

(Walstab, Volfoff and Teese, 2006)


### ACE:

- Provides platform for further study
- Creates connections with work
- Expands involvement in leisure activities
- Strengthens understanding of Aust culture and values
- Builds communication, social and life management skills



<b>Outcomes</b>	<b>Learning to know</b> Breadth and depth of content subject knowledge understanding	<b>Learning to do</b> Enhanced skills for taking action	<b>Learning to be</b> Growth in wellbeing and self-awareness	<b>Learning to live together</b> Strong and harmonious social relationships
<b>Individual development outcomes</b>				
Personal domain	Knowledge of self, the world, and how to learn	Skills for living in the private domain of family, friends and personal interests	A healthy, mature self-concept in private life	Supportive connections in personal settings
Public domain	Knowledge of democratic community life	Skills for democratic participation in the public domain	A healthy, mature self-concept in public life	Supportive connections in community settings
Work domain	Knowledge of work and work places	Skills for finding and sustaining voluntary and/or paid work	A healthy, mature self-concept in workplaces	Supportive connections in workplace settings
<b>Community development outcomes</b>	Collective knowledge and understanding of community life	Skills for joint action to develop community life	A purposeful local community with a strong identity	A community that values and embodies diversity, trust and reciprocity
<b>Economic development outcomes</b>	Local knowledge and understanding of economic life	Skills to develop local economies	An innovative and sustainable local economy	A confident local economy that prospers by making the most of its diversity






# VU Local Research

## Stage 1

- Preliminary survey of 46 Language and Literacy students within the Access Education Department of VU (CSWE, ESL Frameworks, CGEA)
- General Questions relating to 3 domains of the framework ACE Outcomes Framework: Personal, Public and Work
- Aim of survey – To elicit qualitative information from students relating to the personal and social benefits of participating in language and literacy classes



# VU Local Research

## Stage 1

### Results of qualitative survey

#### Private Life

- “I have the confidence to join a parents group”
- “I can write and send emails to my friends”
- “I can help my grandchildren with their homework”

#### Public and Community Life

- “I can read newspapers and know information about the world”
- “I can ask for directions” “I can speak with my neighbours”

#### Work eg

- “I feel confident about further study”
- “I know what I would need to say in a job interview and I feel good about looking for work”



# VU Local Research

## Stage 2

- Written questionnaire disseminated to 120 students aiming to identity personal, public and work-related outcomes developed through their participation in Language and Literacy courses (Tick box Checklist)
- Information from survey formed the basis for a quantitative analysis of outcomes



# VU Local Research

## Stage 2

### Quantitative Questionnaire

#### Personal Private Life Items


- Communicate with family and friends
- Read for enjoyment
- Help my children with their homework

#### Community/Public Life Items

- Understand and participate in voting at elections
- Write newsletters for a community group
- Use public transport to travel around my local community

#### Work/ Study Life Items

- Use a computer
- Participate in further study
- Write job applications



# VU Local Research

## Stage 3

### **Student interviews: A case study approach**

- A number of students were interviewed from across language and literacy courses to gain a more comprehensive and detailed information relating to course outcomes

### **Focus Questions** including:

- **Primary goals** in joining the course
- **Benefits of participating** in the course:
  - Personal** life (at home, with family, with friends)
  - Community** life (eg. in community organisations, leisure activities )
  - Work** life (both paid and voluntary work)
  - Future study




# VU Local Research

## Stage 3

### Examples from Student Interview Responses

- Mental and physical health benefits
- Development of social networks
- Benefits for the community organisations in which the students hold membership
- Self-esteem advantages
- Family harmony
- More activity in social and community groups including schools, social clubs
- Exposure to a more culturally and socially diverse group of people – resulting in advantages for community participation
- Optimistic about further study
- More confident to pursue work opportunities, both paid and volunteer



# VU Local Research

## Stage 3

- “I had to do a test for the CFA and the guy there said that I had really improved in my reading and writing”
- I always felt like the looser in my family because everyone else was successful. Because we talk about current affairs in class, I feel like I have something to say when I’m with my family. It makes me feel much better about myself”
- Since I started studying I can see what I want to do with the future. I feel more motivated and I feel happier than I did about a year ago....”

# *Social and economic impacts of ACFE courses*

- ACFE courses have social and economic outcomes as well as individual course outcomes.
- These outcomes are important and valued by students and the community.
- They are able to be identified and measured.

