



Education Report: Improving the Reach and Effectiveness of Adult Literacy and Numeracy Provision

To:	Hon Jan Tinetti, Minister of Education		
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Purpose of Report

This report seeks your agreement to policy work to improve the reach and effectiveness of adult literacy and numeracy provision. In our introductory briefing on the tertiary education system earlier this year, we noted that we could provide advice on policy settings for literacy and numeracy provision as a next step in our work on foundation tertiary education.

Summary

1. For adults with no or very low foundation skills, becoming more proficient in literacy and numeracy can significantly improve quality of life for them and their families. Although New Zealand performs well in international comparisons of adults' foundational skills, a significant proportion of the adult population have low literacy and/or numeracy skills and there are significant differences in skills between population groups.
2. Adult literacy and numeracy provision is delivered through several tertiary education funds, either "informally" – provision that does not lead to a qualification – or as part of a formal qualification. This includes around \$35 million for specialist literacy and numeracy education, reaching around 7,500 learners. Government agencies have also developed educational resources specific to adult literacy and numeracy education.
3. Participation in specialist adult literacy and numeracy programmes has not returned to pre-Covid-19 levels, and sector feedback suggests that literacy and numeracy policy settings need to change to improve the reach and effectiveness of adult literacy and numeracy provision. Furthermore, the shape of the current system was set more than 15 years ago and needs to be reconsidered in the context of other changes in the education system, including the reform of vocational education (RoVE), and the NCEA change programme.
4. 9(2)(f)(iv)

5. In the medium term, we propose a policy work programme to improve the reach and effectiveness of adult literacy and numeracy policy settings, with a particular focus on improving outcomes for Māori and Pacific peoples. It would also focus on improving access and participation, high quality and sustainable provision, and connections between adult literacy and numeracy and the wider education system.
6. While we consider it important to progress policy work on adult literacy and numeracy, the work can be phased and scaled to take into account government priorities, the wider tertiary policy work programme, and the sector's capacity to engage and implement changes.

Recommended Actions

The Ministry of Education recommends you:


- a. **agree** to officials commencing policy work to improve the reach and effectiveness of adult literacy and numeracy provision

☒ Agree ☐ Disagree

- b. 9(2)(f)(iv)

- c. **agree** that the Ministry of Education release this briefing once it has been considered by you, with any redactions in line with the Official Information Act 1982.

☒ Agree ☐ Disagree


Kieran Forde
Acting Senior Policy Manager
Tertiary Equity, Access, and Participation Policy
16/08/2023


Hon Jan Tinetti
Minister of Education
27/08/2023

Background

1. Ensuring every learner/ākonga gains sound foundation skills, including language, literacy and numeracy is a priority of the Tertiary Education Strategy.
2. The stronger people's literacy and numeracy skills, the more positive their work, social and wellbeing indicators are likely to be. Although many people with low skills have positive outcomes, low literacy and/or numeracy skills can have significant economic and social costs, including increased risk of unemployment and poverty, detrimental effects on physical and mental well-being, and decreased social and political attachment.
3. For adults with no or very low foundation skills, becoming more proficient in literacy and numeracy can significantly improve quality of life for them and their families.

New Zealand performs well in international comparisons, but adult literacy and numeracy is a significant equity issue

4. New Zealand performs well in international comparisons of adults' foundational skills. New Zealand adults' literacy and problem-solving skills are on average among the highest in the OECD. Their numeracy skills are on average higher than the OECD average.
5. Nevertheless, a significant proportion of the adult population have low literacy and/or numeracy skills: the 2016 Programme for the International Assessment of Adult Competencies (PIAAC) survey estimated that around 12% attain only Level 1 or below in literacy proficiency, and about 19% attain Level 1 or below in numeracy.¹
6. PIAAC results show significant differences in skills between population groups although average literacy and numeracy skills have been increasing faster among Māori and Pacific people than in the total New Zealand population. Across all skill domains, the average score for Pacific people is lower than any other ethnic group. The difference in average scores between ethnic groups is greatest in numeracy.
7. PIAAC shows no differences in average literacy and problem-solving skills between men and women. On average men's PIAAC scores for numeracy are higher than women's.

Literacy and numeracy provision for adults

8. Adult literacy and numeracy provision is delivered through several tertiary education funds, either "informally" – provision that does not lead to a qualification – or as part of a formal qualification. Most informal provision is delivered by private training establishments.

Specialised and community-based provision

9. Two funds target learners for whom a literacy and numeracy assessment has demonstrated they would benefit from specialised literacy and numeracy provision. Learners are not charged fees for these programmes.
 - Intensive literacy and numeracy (ILN) – generally 80-300 hours provision per learner, at 5-20 hours a week, taught by qualified tutors. A learner may be enrolled in formal tertiary education concurrently (e.g. workplace-based training). 3,155 learners participated in ILN in 2022. The 2023 funding allocation is \$12.4 million.
 - Workplace literacy and numeracy (WPLN) – Employers are either funded directly to organise a programme specifically for their workplace, or a TEO will work with an employer or employers to develop a programme. 4,555 learners participated in WPLN in 2022. The 2023 funding allocation is \$23.5 million.

¹ Literacy and numeracy scores in PIAAC are divided into six levels, from below level 1 to level 5.

10. Further detail of specialist literacy and numeracy funding and learner demographics is provided in Annex 1.
11. Literacy and numeracy education is also delivered as part of Adult and Community Education (ACE). An estimated \$8 million (or around a third) of ACE delivered by schools, PTEs and community organisations in 2022 was literacy and numeracy provision. ACE-funded literacy and numeracy provision does not have to be of a particular intensity and duration or provided by qualified tutors. However, many providers that provide specialised literacy and numeracy provision also provide ACE-funded provision.

Formal provision

12. Formal foundation education (programmes leading to qualifications at level 1 and 2 on the NZQF) has a strong focus on literacy and numeracy:
 - Youth Guarantee programmes (leading to qualifications at level 1, 2 or 3, including NCEA) must include literacy and numeracy.
 - Providers must embed literacy and numeracy in other provision at levels 1-3 (including work-based learning) and must determine learners' literacy and numeracy needs.

Adult literacy and numeracy sector support

13. In addition to funding literacy and numeracy provision, government has supported the adult literacy and numeracy teaching workforce by providing grants so TEOs may reduce fees for literacy and numeracy educator qualifications at level 5 on the NZQCF.
14. The TEC and Ministry of Education have also developed education resources to support the sector:
 - *The Learning Progressions* are a standardised theoretical framework of literacy and numeracy skills introduced in 2009. They detail competencies in adult literacy and numeracy, including what adult learners know and can do at successive points as they develop their skills.
 - *The Literacy and Numeracy for Adults Assessment Tool (LNAAT)* is the key diagnostic tool of literacy and numeracy competency for adults in New Zealand. The online Assessment Tool helps tutors know and understand their learners' needs against the literacy and numeracy competencies in the Learning Progressions.
 - *Pathways Awarua* is an online self-directed literacy and numeracy learning tool. It is made up of pathways of modules for learners to complete at their own pace, based on the competencies set out in the Learning Progressions.
15. The TEC funds Ako Aotearoa \$1.15m a year to deliver professional development services and resources to the foundation education sector. The TEC also funds the Skills Highway, which promotes the Workplace Literacy and Numeracy programme to employers.

Proposed adult literacy and numeracy work programme

16. We seek your agreement to a work programme to improve adult literacy and numeracy policy settings. In our introductory briefing on the tertiary education system earlier this year, we noted that we could provide advice on policy settings for literacy and numeracy provision as a next step in our work on foundation tertiary education [METIS 1303803 refers].

17. This work would meet the Tertiary Education Strategy action of “Consider literacy and numeracy settings to ensure access to quality literacy and numeracy provision in the context of RoVE”. It would also contribute to the action “Strengthen foundation education to improve learner/ākonga pathways into higher levels of education and employment”.

Adult literacy and numeracy policy settings have not been considered for several years

18. There are several reasons for why we propose to consider improvements to adult literacy and numeracy policy settings:
- Although specific literacy and numeracy funds have been reviewed in the recent past, the shape of the current system was set more than 15 years ago. Policy settings do not reflect updated evidence and changes in the wider objectives of the tertiary system.
 - Participation in specialist adult literacy and numeracy programmes has not returned to pre-Covid-19 levels. This decline in participation, along with sector feedback to the TEC, suggests that the reach and effectiveness of literacy and numeracy provision can be improved.
 - The NCEA change programme, particularly the introduction of literacy and numeracy co-requisites, will have implications for literacy and numeracy provision for younger adults. RoVE also presents opportunities to reconsider how foundational skills are best delivered through and alongside vocational education.

9(2)(f)(iv)

Over the medium term, we propose to work on improving how adult literacy and numeracy provision functions as a system

21. Our view is that addressing the differences in literacy and numeracy outcomes between population groups, and incorporating a te ao Māori perspective to adult literacy and numeracy provision, requires consideration of adult literacy and numeracy as a system. The most recent work in this area has focused on eligibility settings and parameters for specific funds.
22. Key themes of the proposed work programme would be:
- improving uptake of literacy and numeracy provision, including how the system can best address barriers to participation and support providers to reach learners in a range of settings (e.g. workplace, not in work, in formal study, community-based provision).
 - updating current literacy and numeracy policy settings and sector resources to reflect current best evidence, to support effective and sustainable provision.

- connections and overlaps between adult literacy and numeracy and the wider education system, including the interrelationships between literacy and numeracy provision and:
 - language provision (te reo Māori and English)
 - other foundational skills (such as digital literacy)
 - literacy and numeracy in early learning and schooling. This could include consideration of options for family-based and whānau-based programmes.

Applying a Te Tiriti lens to the adult literacy and numeracy work programme

23. As the Ministry of Education aims to uphold Te Tiriti o Waitangi principles and promote the success of all learners, including Māori, the proposed policy work would include a Te Tiriti analysis of adult literacy and numeracy policy. We expect the analysis would focus on Te Tiriti principles such as active protection and partnership. These principles reflect the importance of designing policy settings for education provision that are culturally appropriate and will help achieve education equity for Māori.

24. 9(2)(f)(iv)

Improving literacy and numeracy outcomes for Pacific peoples

25. The proposed work programme would also be an opportunity to lift literacy and numeracy outcomes for Pacific peoples. Improving the reach of literacy and numeracy provision into Pacific peoples' communities, and ensuring provision is culturally appropriate and educators are culturally competent, will be important for achieving this.

Work on adult literacy and numeracy can be scaled and phased to accommodate other priorities

26. While we consider it important to progress policy work on adult literacy and numeracy, the work can be phased and scaled to take into account government priorities and the wider tertiary education work programme. The wider tertiary education work programme will also have implications for the sector's capacity to engage and implement changes. In addition, the results of the next round of PIACC are due from late 2024, which will provide further insights into how adult literacy and numeracy provision should be improved.
27. We have a relatively large evidence base, including feedback from the sector, on which to base our analysis and options identification. We propose to supplement this with targeted engagement with providers, stakeholders, and literacy and numeracy experts to test our understanding of the issues. We would provide you further advice before any formal consultation on particular options or initiatives.

Next Steps

28. 9(2)(f)(iv)

Annexes

Annex 1: Further background on specialist adult literacy and numeracy provision

Proactively Released

Annex 1: Further background on specialist adult literacy and numeracy provision

Table 1: Specialist adult literacy and numeracy provision – Number of learners and funding

	Learners (2022)	Change in number of learners 2018-2022	Allocated Funding (2023)	Funding rate per learner per hour (2023)
Intensive Literacy and Numeracy	3,155	-19%	\$12.4m	\$26.89
Workplace Literacy and Numeracy	4,555	-11%	\$17.4m (TEO-led) \$6.1m (Employer-led)	Up to \$80.66 (TEO-led) Up to \$98.31 (Employer-led)

Table 2: Ethnicity of learners in specialist adult literacy and numeracy provision

	Asian	European	Māori	Middle Eastern/ Latin American/African	Pacific Peoples	Other Ethnicity	Unknown
Intensive Literacy and Numeracy	10%	31%	42%	5%	19%	1%	19%
Workplace Literacy and Numeracy	25%	30%	21%	6%	24%	1%	38%

Table 3: Gender of learners in specialist adult literacy and numeracy provision

	Diverse	Female	Male
Intensive Literacy and Numeracy	0.32%	53%	47%
Workplace Literacy and Numeracy	0.33%	48%	52%

Table 4: Age of learners in specialist adult literacy and numeracy provision

	15-19	20-24	25-29	30-34	35-39	40-44	45 - 49	50-54	55-59	60-64	65 and over
Intensive Literacy and Numeracy	27%	10%	8%	8%	8%	8%	6%	7%	6%	4%	9%
Workplace Literacy and Numeracy	5%	12%	11%	13%	12%	12%	11%	11%	7%	4%	2%