

Adult literacy and its importance

Response to the Standing Committee on Employment, Education and Training | March 2021

Introduction

AMES Australia (AMES) welcomes the opportunity to provide input into the Parliamentary Inquiry into *Adult literacy and its importance*.

AMES is an autonomous adult education institute accountable to the Victorian Minister for Training and Skills. The organisation provides a comprehensive range of initial settlement support, English language and literacy tuition, vocational training and employment services to migrants, refugees and asylum seekers, in Victoria, South Australia, Tasmania and Western Sydney.

AMES work, guided by our vision of ‘full participation for all in a cohesive and diverse society’, is focused on maximising the economic and social participation of migrants, refugees and asylum seekers and the benefits of migration to Australia.

In this context, AMES response will focus on Adult literacy and its importance for people from migrant and refugee backgrounds living in Australian communities.

Specifically, it will provide comment on:

- The relationship between adult literacy, numeracy and problem-solving skills and socio-demographic characteristics, particularly migrant and refugee status
- The effect that literacy and numeracy skills have on an individual’s labour force participation and wages including gender disparity
- The availability, impact and effectiveness of adult literacy and numeracy educational programs in Australia.

For further information or follow-up please contact:

Mirta Gonzalez

General Manager Education & Participation

AMES Australia

M: 0407 875 563

E: gonzalezm@ames.net.au

The relationship between adult literacy, numeracy and problem-solving skills and socio-demographic characteristics, particularly migrant and refugee status

Australia’s overseas-born population

At the 2016 Census, 28% of Australia’s population was born overseas and a quarter of Australians spoke a language other than English at home. For the year ending 30 June 2019 that figure rose to 29.7% (7.5 million migrants living in Australia).

Relationship between adult language, literacy and numeracy (LLN) skills and refugee/migrant status

Two-thirds of Australia’s annual migrant intake is made up of skilled migrants, and as most of these need to pass a language test in order to obtain a visa the overall English levels among migrants is high.

However, while the majority of migrants arrive in Australia with high levels of English language, literacy and numeracy (LLN) as well as digital skills and vocational skills and qualifications – there are others in our overseas-born population who arrive with low levels of English and/or poor literacy skills and numeracy skills, in particular those who have come to Australia under the Refugee and Humanitarian Program.

While the recently arrived refugee cohort includes relatively well-educated Syrian and Iraqi people, many others come from, for example, Afghanistan, Horn of Africa countries and Myanmar where they have had little access to schooling, or, where available, schooling has been disrupted by war, trauma, or long periods in refugee camps.

Arrivals under the Refugee and Humanitarian Program make up less than 10% of our annual intake of migrants and refugees, however, this is still a significant number of people with generally low levels of LLN skills.

In addition, there is the 'legacy caseload' of longer term migrant residents who either did not access or have access to English language, literacy and numeracy tuition, or who went straight into jobs that did not require English language skills.

According to census data, the number of Australians reporting 'not speaking English well or not at all' has increased in recent years from around 500,000 in 2006 to 820,000 in 2016 indicating that one in eight overseas-born Australians (migrants and refugees) report having poor English proficiency.

More recent government figures show close to 25 per cent of migrants who arrived between January and August in 2017 did not speak English, or had very limited language skills, indicating an increase on the 18 and 19 per cent figures reported in the earlier censuses.¹

These data show a clear relationship between lower adult literacy and numeracy skills and refugee or migrant status as a socio-demographic characteristic for people coming to Australia from non-English speaking countries and, in particular, those arriving under the Refugee and Humanitarian Program.

Compared to the Australia-born population, migrants and refugees experience a range of additional complexities with regard to literacy gaps. Within these communities, migrant and refugee women require a dedicated focus, as they experience greater vulnerability.

Migrant and refugee women generally have lower levels of literacy often influenced by the experience of pre-arrival conflict or refugee experiences which eradicated any opportunity for education, gender inequality in pre-arrival countries which reduced women's access to education, particularly higher education, and sensitive cultural factors such as female child marriages, and use of girls as household labour from an early age. The sensitive nature of some women's experiences and the impact on their levels of competency in literacy and numeracy skills provides an additional layer of cultural and gender complexity.

Relationship between problem-solving skills and refugee/migrant status

As described above there is, for many, a clear relationship between literacy and numeracy skills and migrant or refugee status.

However, the relationship between migrant or refugee status and problem-solving skills is not a clear one. Nor is the association or bundling together of literacy, numeracy and problem-solving skills easy to understand.

While literacy and numeracy are skills involved in some problem-solving situations, there are many life and work contexts where the ability to problem-solve is not dependent on a person's literacy and/or numeracy or their socio-economic status.

- **Skills to negotiate resettlement pathways**

Individuals with limited literacy and numeracy skills are often able to perform well on a range of measures generally associated with success in life.

For example, in the main, our overseas-born population - refugees, migrants and asylum seekers, whether or not they have high or low levels of LLN skills, have demonstrated their '*problem-solving skills*' by virtue of the fact that they have negotiated the often extreme challenges of surviving and finding their way to Australia.

- **Refugee entrepreneurship provides strong evidence of 'problem-solving' skills**

Refugee entrepreneurship also demonstrates a high level of problem-solving skill. Research by Graeme Hugo in 2011 found that:

- Humanitarian entrants display greater entrepreneurial qualities compared with other migrant groups
- Higher than average proportion of humanitarian entrants engage in small and medium business enterprises
- Slightly more refugee women tend to be entrepreneurs than Australian-born women and tend to mentor other newcomers
- These businesses provide employment for other newly arrived refugees from their country.

In early 2019, AMES conducted an audit of our refugee client business start-ups. The audit found more than 150 AMES refugee clients had started a small business - either as a sole trader or with other owners/partners - over the

¹ <https://www.abc.net.au/news/2018-03-07/english-language-tests-need-to-be-tougher-government-warns/9522412>

previous two years. The businesses were being operated by people from more than 30 countries and employed around 370 people.

A majority of these entrepreneurs are of Syrian and Iraqi background, followed by refugees from Burma (Karen people), Iran and Afghanistan. The most common areas of enterprise were: retail, retail hospitality, catering, carpentry, and clothes making.

AMES found that a significant number of refugee clients started businesses when they were unable to find on-going and appropriate employment. By starting up their own business they created employment for themselves and others, became financially independent and achieved economic and social participation.

Relationship between adult language, literacy and numeracy (LLN) and successful refugee/migrant settlement

Successful participation in society more generally requires a reasonably well developed level of language, literacy, numeracy and digital (LLND) skills (Joyce, 2019)

Being able to communicate – orally, through reading and writing, through transactions involving numeracy skills, and increasingly, through digital media – is key to participation in social and work contexts. And full social and economic participation for our culturally diverse communities is key to successful settlement – for adults and their extended families.

Research and AMES experience working with newly arrived people demonstrate that economic and social outcomes are interdependent and necessary for successful settlement. That is, employment is critical to successful migration outcomes but it is, of itself, not sufficient. Social outcomes – connections with communities, access to and participation in social networks, schools, sports, volunteering and other services and activities, are all part of a successful migration program.

In the following sections we look at the effect of lower levels of literacy and numeracy skills on labour force participation for migrants and refugees and at the impact on social and economic outcomes for this cohort of adult literacy and numeracy educational programs in Australia.

The effect that literacy and numeracy skills have on an individual's labour force participation and wages

Effect on labour force participation

In the early years of Australia's migration program migrants and refugees arriving post World War II readily found work in factory jobs, regardless of their levels of English language, literacy or numeracy. Those low-skilled jobs have largely disappeared and changes to the economy have replaced them with jobs requiring higher levels of LLN skill, including digital literacy.

There is a growing mismatch between the skills required by the labour market and the skill levels of workers with low numeracy or literacy skills.

Increasingly there is growth in roles that require interactions with technology and higher levels of language, literacy and numeracy skills, and relatively less need for those based on physical labour. This risks a skills mismatch of a significant scale.²

Today even basic 'entry-level' jobs often require a vocational education qualification and minimum levels of LLN to read labels and follow instructions, for example.

For people entering the Australian labour market for the first time, literacy and numeracy skills have considerable impact. More and more employers now require written applications and registrations as well as a range of psychometric and assessment testings. Job applicants from migrant and refugee backgrounds with low LLN skills, unable to complete these applications and testing to the standard required by employers, are screened out before they get to the interview stage.

Business has long been concerned about low levels of literacy and numeracy among both native-born and migrant employees. The 2018 Australian Industry Group (AIG) survey report, *Skilling: A National Imperative*, found that only three of the 300 businesses that answered the survey did not believe their business was affected by low levels of literacy among their employees.

A greater percentage of men who arrive on Humanitarian visas who speak English 'very well' (18%) or 'well' (17%) compared to women who speak English 'very well' (14%) or 'well' (12%). ABS data indicates that Humanitarian migrants are twice as likely to find a job if they can speak English well.

There is also a gap in English proficiency between women and men in the skilled migrants' category with 20% of women speaking 'very well' and 9.5% speaking 'well', compared to 24% of men who speak 'very well' and 9.9% who speak 'well'.³

Women on Humanitarian visas have a higher chance of being employed if they are proficient in spoken English and if they have a qualification eg. diploma or certificate (62.2% employed) or Bachelor degree or higher (65.8% employed). Those who have a Bachelor degree or higher and are not proficient in spoken English have a significantly lower chance of being employed with only 37.8% employed.

Women from migrant and refugee backgrounds have been found to bring unique cultural knowledge, skills, perspectives and connections, however, unemployment for women who have migrated is 6.3% compared to men who have migrated with 5.4% unemployed.

Yet, despite the evidence of the benefits of employing women from migrant and refugee backgrounds to individuals, workplaces and the economy, this cohort continues to lag behind their peers. The unemployment rate for women who have migrated to Australia sits at 6.3 per cent, compared with 5.4 per cent for all Australian women and migrant men. A similar story is seen for labour force participation rates with 66.95 per cent of women who have migrated to Australia participating in the labour force, compared to 68.53 per cent of all Australian women and 78.94 per cent of migrant men.⁴

This data highlights the dual barriers faced by women from migrant and refugee backgrounds over and above their female non-migrant and male migrant peers and translates to lower earnings when employed e.g.; women earn a lesser median income of \$26,419 compared to men's income of \$36,478 within the Humanitarian visa population.⁵

Effect on wages

Once a person has secured employment, wages are mandated by minimum wage laws. However, low LLN skills impact on career advancement and progression - with the extent of this depending on industry, roles and duties.

A 2014 Productivity Commission Working Paper found that:

- Groups with relatively low literacy and numeracy skills included: people with low levels of education; older persons; people not working; and immigrants with a non-English speaking background.
- An increase in literacy and numeracy by one skill level was associated with about a 10 per cent increase in wages for both men and women.
- More than half of the 'penalty' that affected the wages of people with a non-English speaking background was explained by their lower literacy and numeracy skills⁶.

People with low levels of literacy and numeracy are less likely to be employed or more likely to be employed in low-skilled insecure work [and on lower wages] and at greater risk of redundancy. Australia's Reading Writing Hotline received calls from over 3,800 people seeking support in 2016. Of callers between 2012 and 2016, 56 per cent were employed at the time.⁷

³ ABS, 2011 Understanding Migrant Outcomes

⁴ Harmony Alliance: Migrant and Refugee Women's Employment in Australia & ABS 2016 Census

⁵ ABS Personal Income of Migrants 2016-17

⁶ Literacy and Numeracy Skills and Labour Market Outcomes in Australia, Productivity Commission Staff Working Paper (2014)

⁷ Op. cit. Joyce, 2019

The availability, impact and effectiveness of adult literacy and numeracy educational programs in Australia

Language, literacy and numeracy education for migrants and refugees

- **Adult Migrant English Program (AMEP)**

The goal of the Government's settlement services (including AMEP) is to prepare new arrivals for the vocational and professional fields for which they are suited; and to ensure families are productively engaged and integrated into the broader community as soon as possible. Early interventions during the settlement of migrants and refugees, including the AMEP, recognise and directly contribute to the productivity goals of Australia's immigration program; as well as the social benefits of an inclusive and cohesive community.

The literacy (reading, writing, speaking) levels among clients of the AMES Australia settlement and asylum seeker program varies widely. This variation is due, primarily, to two main factors: country of origin and access to education prior to arriving in Australia. Some client cohorts have high literacy levels in their native first language and also good levels of literacy in English - for example, Iranian clients from middle class backgrounds.

Other client cohorts, on the other hand, have very low or non-existent literacy levels in both their native first language or in English. For example some Myanmarese, Chin, Karen and Karenni ethnicities have no written language and communicate only via their spoken language.

These communication barriers lead to an array of obstacles that prevent clients from achieving effective settlement outcomes across a wide range of key settlement areas: education and training; employment; health and wellbeing; housing; language services; transport; civic participation; family and support services; justice & finance. The following summary provides examples of barriers beyond education and training and employment:

- Health and Wellbeing - newly arrived people experience barriers to positive health and wellbeing outcomes, and barriers to engaging in effective and responsive health and wellbeing programs and services, including primary prevention and early intervention programs.
- Housing - access to appropriate, affordable and long term housing can be challenging for newly arrived people, within reasonable proximity to social and community supports and employment opportunities.
- Language Services - clients with low literacy can face challenges in accessing translating and interpreting services, and a wide range of high quality translated and interpreted resources.
- Transport - literacy levels also prevent clients from accessing affordable and accessible transport options and therefore the means to facilitate their social and economic participation, and their wellbeing.
- Civic participation - low literacy levels can also exacerbate barriers in engaging and participating in the Australian community, and exercising their individual and collective rights and responsibilities under the law.
- Family and social support - newly arrived people face barriers in establishing and maintaining safe, healthy, positive and meaningful family and social relationships throughout their settlement journey.
- Justice - newly arrived people also face barriers in accessing the legal and justice systems, in order to ensure the realisation of their rights and responsibilities.
- Finance - newly arrived people also face barriers that prevent them from confidently navigating the financial landscape, and make good decisions that enable their financial and material wellbeing.

As noted in the recent Scanlon report, *Australia's English Problem*, "Australia has a long and proud record of teaching English to migrants and refugees. It was the first - and, for many years, only - country to provide newcomers with fully funded English-language teaching. ... the flagship amongst a range of government services that try to ensure that migrants and refugees quickly find their feet, and their voice, in their new land."

It is largely through programs like the AMEP that people arriving with low/no English language literacy and/or numeracy can gain the LLN skills that will give them access to social and economic participation in Australia.

The gradual erosion of this 'flagship' program has no doubt contributed to lower levels of English language and literacy amongst some of our migrant and refugee populations. For example, while many people exit the program well before their entitlement is exhausted as they take up a job, the cap of 510 hours on AMEP tuition has made it unlikely that eligible migrants and refugees starting with very low levels of English will achieve 'functional' social or vocational English within the hours available - even if they are eligible for some of the extensions to the program. This puts them at risk of not being able to participate socially, missing out on education and training opportunities that lead to sustainable employment and of not being considered 'job-ready' by employers.

AMES strongly supports the proposed changes to the AMEP which will go a considerable way towards building back the impact of the AMEP, including:

- removing the 510 hour statutory limit on an eligible person's entitlement to English tuition, in order to support and incentivise English proficiency
- amending the upper limit for eligibility to access English tuition to a new level of vocational English, which will enable eligible persons to continue their language learning to a higher level of English proficiency
- removing the statutory time limits for registering for, commencing and completing English tuition for certain people who held a visa and were in Australia on or before 1 October 2020.

- **Pre-accredited training for adults**

In Victoria the Adult, Community and Further Education (ACFE) Board provides funding for pre-accredited training delivered by Learn Local providers and Adult Education Institutions (AEI).

Pre-accredited training addresses the needs of adults who may have experienced barriers to education in the past and require an initial, non-assessed entry or re-entry into learning.

This is not a specific adult literacy and numeracy program, but rather a funding source that allows eligible providers to design and deliver programs that provide a stepping stone into future education, training and employment.

- Courses offered by AMES range from short one to two week intensive courses to longer 10 week courses, predominantly addressing contextualised language, literacy, numeracy and digital skills development and career pathway orientation for migrants and refugees.

- **Skills for Education and Employment (SEE)**

SEE is an employment focussed program which addresses the foundation skills needs of jobseekers.

The Australian Government is committed to increasing workforce participation. The SEE program is one of many labour market programs which have been provided by various governments over many years. Each of these programs has been designed to ensure people have basic skills and necessary re-training to gain and remain in work as the Australian workforce continually faces restructure in line with structural adjustments occurring in industry.

SEE participants are registered jobseekers; both Australian born and migrant background job seekers. Participants include long term unemployed and retrenched workers. The SEE program's priority groups are Indigenous, Youth and Mature Aged job seekers.

And while many now access this program, newly arrived migrants and refugees are not an identified SEE Program priority group. Neither is SEE a specific LLN program although AMES offers such programs along with vocational courses.

Workplace-based adult literacy and numeracy programs

Evidence also suggests that the most effective way to build foundational skills in adults is in the workplace, where people can readily see how the skills improve their work performance. This mode of delivery reduces the stigma adults may perceive to be associated with low literacy skills and does not create additional demands on people's time outside of work.⁸

It should be noted, however, that while many employers identify the need for LLN and digital skills development in their workforce (e.g. the 2018 Australian Industry Group (AIG) survey report), evidence of employer demand and willingness to invest employee time and/or other resources in this training is not clear – even when the cost of actual training is funded by government.

- **Workplace English Language and Literacy (WELL)**

In the past government funded programs such as the longstanding *Workplace English Language and Literacy* (WELL) program which helped businesses to train employees needing language and literacy support. Before this program was abolished in 2014, AMES worked with employers in a range of industry areas, including car manufacturing, footwear and textiles and meat processing, to develop LLN training for their largely migrant and refugee workforces.

The WELL program was highly effective in helping employers maintain a viable workforce and employees keep their jobs.

⁸ ibid

- **Foundation Skills for Your Future (FSfYF)**

The current Department of Education Skills and Employment (DESE) *Foundation Skills for Your Future Program* (FSfYF) is a response to the need for ongoing LLND skills development in the existing (employed) and potential (not yet employed/recently unemployed) workforce. This initiative under the 2019-20 Budget measure 'Skills Package - Delivering Skills for Today and Tomorrow' responds to the Expert Review of Australia's VET System led by the Hon Steven Joyce and is intended to deliver language, literacy, numeracy and digital literacy (LLND) skills training to eligible people in the workforce or recently unemployed.

As a relatively recent initiative, there is not yet any publicly available data or evidence of the impact of this program.

Numeracy and digital literacy

Often numeracy is treated as additional to or an afterthought to literacy. However more people are underperforming in numeracy than in literacy (DET, 2018). Numeracy and digital literacy are highly relevant for the new workforce so it is important that the system identifies numeracy gaps and increases participation in micro-courses related to numeracy.

- There are numeracy experts⁹, although not a large number, who, if involved in adult literacy and numeracy-specific program development and professional development for trainers/teachers could strengthen this aspect of Adult LLN program design and delivery.
- As a direct outcome of COVID-19 online learning and digital access has resulted in a multi modal approach to delivery of LLND to recent arrivals; and a radical and unprecedented reliance on digital technology. Access to digital technology is a key factor that moderates the effectiveness of remote learning. The transition to online learning is a particular struggle for those without proper technology and access to devices.
- The effectiveness of online learning - particularly for teaching LLND - varies, and challenges have been identified for different cohorts in using technology as a learning tool. One such group is parents with caring responsibility and managing home schooling of their children.

AMES is a recognised and experienced provider of blended learning with a significant online learning component aligned to curriculum outcomes in delivery of LLND through our SEE contract to pre-literate to AQF III clients.

More recently AMES has been the provider of choice through its Digital Engagement team by the state and federal governments in developing online content for the AMEP DL context; and for people with low literacy in Victoria whose employment has been impacted by COVID-19 restrictions.

⁹ For example: Dave Tout, Senior Research Fellow, Numeracy & Mathematics in the Vocational, Adult and Workplace Education Services unit at the Australian Council for Educational Research