

5 March 2021

## **WORLD LITERACY FOUNDATION' SUBMISSION TO INQUIRY INTO ADULT LITERACY AND ITS IMPORTANCE**

As a non-government organisation that works with disadvantaged communities who lack access to education, we have witnessed the profound impact poor literacy has on their lives, job opportunities, self-esteem and wellbeing. Hence, our organisation, World Literacy Foundation, supports investing into programs that reskill and upskill mature-aged Australians. However, we also believe that intervening early through early childhood literacy programs is a better approach to produce long-term improvements in adult literacy. The evidence for this will be presented in this submission. The economic and social impacts of poor literacy will also be discussed to highlight the importance of investing into literacy programs.

### **Economic Impact of Low Literacy**

Around 1 in 5 people in the global population are completely illiterate. Additionally, around three billion people have difficulty with basic level reading and writing. This has been estimated to cost the global economy approximately £800 billion annually. Specifically in the UK, illiteracy costs their economy around £80 billion in 2018 due to costs associated with welfare, unemployment, and social programs, as well as reduced government tax revenue, and productivity<sup>1</sup>. In Australia, one in three adults have gaps in their literacy skills, leading to increased chances of unemployment and lost income<sup>2</sup>. Therefore, the provision of resources and programs to support adult literacy is essential to reduce these costs.

Moreover, as the global economy moves more towards a knowledge economy, literacy is an essential skill for individuals and states to compete in the global economy. However, when a high proportion of the adult population has poor literacy proficiency, many positions remain vacant as insufficient individuals are adequately skilled to fulfil those roles. This results in slower GDP growth in the long term. Moreover, the level of civic participation decreases with low literacy levels

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<sup>1</sup> World Literacy Foundation, 'Key findings', *The Economic & Social Cost of Illiteracy*, 2018, <https://worldliteracyfoundation.org/wp-content/uploads/2019/06/TheEconomicSocialCostofIlliteracy-2.pdf>, (accessed 23 February 2021)

<sup>2</sup> R. Ritchie, 'Ballarat's Milad Nacher knows first-hand how improving English literacy opens doors to employment', *ABC News*, 4 September 2020, p. 1, <https://www.abc.net.au/news/2020-09-04/unemployment-grows-adults-poor-literacy-skills-worse-off/12624766>, (accessed 23 February 2021).

as individuals have a harder time understanding societal issues and are less able to be fully involved in political and social discourse<sup>3</sup>.

An example of an education program that has produced significant economic benefits is the Tasmanian strategy, '26TEN'. 26TEN is a long-term strategy in Tasmania, which provides adults in the state the essential reading, writing, numeracy, and communication skills they need for a better quality of life. In Tasmania, for every \$1 the Tasmanian government invests in businesses, communities, and individuals, approximately \$5.20 is returned to the state.<sup>4</sup>

One of the programs incorporated in this strategy is the 'Libraries Tasmania program,' where a literacy coordinator supports volunteer tutors in delivering one-on-one adult literacy guidance tailored to the clients' goals.<sup>4</sup>

**Table 1:**

Question	'A lot'
<b>How does the adult literacy program benefit or add value to your employment (or employability)?</b>	66.2%
<b>How does the adult literacy program benefit or add value to your family life?</b>	72.3%
<b>How does the adult literacy program benefit or add value to your community participation/engagement?</b>	71.2%

Table 1 present the results of a survey that was conducted to indicate the impact this program has made on peoples' quality of life.<sup>4</sup>

Furthermore, It has been identified that improving adult literacy and numeracy benefits employers as it increases:

- Individual productivity
- Quality

<sup>3</sup> B. Suresh Lal, 'The Economic and Social Cost of Illiteracy: An Overview', *International Journal of Advance Research and Innovative Ideas in Education*, vol. 1, no. 5, 2015, p. 665.

<sup>4</sup> 26TEN, 'The socio-economic benefits of Tasmania's investment in adult literacy 2018-19', *The Socio-Economic Impact of Tasmania's Investment in Adult Literacy and Numeracy*, 2018, <https://26ten.tas.gov.au/resources/Documents/SocioEconomicImpactTasmaniasInvestmentAdultLiteracyNumeracy.PDF>, (accessed 2 March, 2021).

- Safety
- Communication
- Compliance
- Further training
- Promotion<sup>5</sup>

### **Social Impact of Low Literacy**

Having poor literacy skills can have a significant social impact on the individual and society. Individuals with low levels of literacy are more likely to experience poorer employment opportunities and outcomes and lower income. As a result, they often face welfare dependency, low self-esteem, and higher crime levels. Moreover, people with a low level of literacy have limited ability to make important informed decisions in everyday life as they struggle with tasks such as filling out forms and applications (e.g. home loan and job applications), understanding government policies, reading medicine or nutritional labels, and more.<sup>6</sup>

Furthermore, parents who are functionally illiterate often prioritise work before education, have lower expectations in regards to schooling, and the children of parents who fail to complete primary school are more likely to follow in their footsteps and do likewise. However, improving literacy among parents will have positive impacts on their children's lives as they are more able to help and encourage their child in their schoolwork, and communicate with their teachers effectively.<sup>6</sup>

### **Health impact of Low Literacy**

People with low levels of literacy are more likely to experience adverse health outcomes, poor health literacy, and practice poor health behaviours.<sup>7</sup> Some specific examples include:

- Higher hospital readmission rates<sup>8</sup>
- A lack of engagement with health services such as cancer screening services<sup>7</sup>
- A lack of understanding and adherence to medical advice<sup>7</sup>

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<sup>5</sup>The Australian Industry Group, 'Incorporate Return on Investment measures into LLN workplace training', *Investing in Workforce Literacy Pays Building Employer Commitment to Workplace Language, Literacy and Numeracy Programs*, 2015, [https://research.acer.edu.au/cgi/viewcontent.cgi?article=1026&context=transitions\\_misc](https://research.acer.edu.au/cgi/viewcontent.cgi?article=1026&context=transitions_misc), (accessed 2 March 2021).

<sup>6</sup> World Literacy Foundation, '3. Discussion', *The Economic & Social Cost of Illiteracy*, 2018 <<https://worldliteracyfoundation.org/wp-content/uploads/2019/06/TheEconomicSocialCostofIlliteracy-2.pdf>>, (accessed 23 February 2021)

<sup>7</sup> N. Berkman et al., 'Literacy and Health Outcomes: Summary', *AHRQ Evidence Report Summaries*, Rockville, MD, Agency for Healthcare Research and Quality, 2004.

<sup>8</sup> Australian Institute of Health and Welfare, *Health Literacy*, 2020, <https://www.aihw.gov.au/reports/australias-health/health-literacy>, (accessed 23 February 2021).

- Poor ability to self-manage care<sup>8</sup>

This is concerning as based on the 2016 Australian Bureau of Statistics Adult Literacy and Life skills Survey, 60% of Australians' literacy and health literacy skills were at below adequate levels, and only 6% of Australians' health literacy levels were reported to be 'high'.<sup>9</sup> It has also been determined that people who come from culturally and linguistically diverse backgrounds are at a higher risk of health illiteracy.<sup>9</sup> Hence, the provision of comprehensive adult literacy programs is necessary to reduce the negative health impacts caused by low literacy skills.

Moreover, the recent COVID-19 pandemic has exposed the great lack of health literacy globally. During this time, many people were challenged in understanding and applying the health information provided by health professionals and the government.<sup>10</sup> Adequate health literacy is important in ensuring that people are able to understand and correctly apply health information to prevent disease, and the failure to do so increases the risk for disease transmission.

### **Early Intervention Approach - A Better Solution**

While developing programs to address low literacy skills for adults is a positive step towards improving populational social, health and economic outcomes, early interventions targeting children in early childhood could be a more effective approach to increasing adult literacy skills in the long term. As mentioned earlier, children with a poor foundation in literacy before formal schooling are more likely to struggle academically and to drop out of school, increasing their likelihood of facing poorer employment and social outcomes in the future.<sup>11</sup> Often, it was found that the children who start off with a poor foundation in literacy come from disadvantaged families, whose homes lacked a literacy-rich environment. This means that their homes contained fewer books, there were fewer memberships and visits to the library, and significantly less time was spent on home activities that provide children with language exposure, such as 'reading aloud'. However, studies have indicated that when young children from low-income households *do* actively participate in literacy activities, their emergency literacy skills develop. This indicates that some educational disadvantages commonly experienced by low-

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<sup>9</sup> Department of Health, *Health Literacy*, 2011, <https://www1.health.gov.au/internet/publications/publishing.nsf/Content/womens-health-policy-toc~womens-health-policy-key~womens-health-policy-key-literacy>, (accessed 23 February 2021)

<sup>10</sup> L. Paakkari, and O.Okan, 'COVID-19 Health literacy is an underestimated problem', *The Lancet Public Health*, vol. 5, no.5, 2020, p. 249.

<sup>11</sup> Royal Children's Hospital, 'Why is this issue important?', *Literacy in Early Childhood*, 2008, [https://ww2.rch.org.au/emplibrary/ccch/PB13\\_Literacy\\_EarlyChildhood.pdf](https://ww2.rch.org.au/emplibrary/ccch/PB13_Literacy_EarlyChildhood.pdf), (accessed 23 February 2021)

income families can be overridden through the provision of a literacy-promoting environment at home.<sup>12</sup>

Rather than fixing the problem of poor literacy in adults when it arises, it is better to prevent the problem and its consequences in the first place through early childhood interventions. While investments in early childhood programs are commonly argued to be a burden on stage budgets and taxpayers, research shows that quality early childhood programs actually have a 13% return rate for investment per annum as a result of improved education, health, social and economic outcomes. With these significant returns, these early childhood programs will pay for themselves eventually over time. Thus, investments in early childhood education, particularly for disadvantaged children, will lead to short- and long-term social and economic gains.<sup>13</sup>

### **Empowering parents to be their child's first teacher**

It is important to empower parents to be their child's first teacher, which can be accomplished through adult literacy programs. Brain development occurs rapidly in the first few years of life, before formal schooling even begins, where over one million new neural connections are made every second.<sup>14</sup> By age five, the child's brain would already grow to 90 per cent of the size of a full grown brain.<sup>15</sup> During these years, sensory pathways for early language skills and higher cognitive functions already begin to develop.<sup>14</sup> Moreover, studies revealed that the quality of the home environment is one of the key factors for literacy development.<sup>11</sup> Hence, early childhood is a critical stage for parents to facilitate learning experiences for their children.

Research has shown that developing literacy and language skills before formal schooling sets a child up for success in school and life. Children with a poor foundation in literacy before formal schooling are more likely to struggle academically and to drop out of school, increasing their likelihood of facing poorer employment and social outcomes in the future.<sup>16</sup> Building a strong foundation in literacy in children can be facilitated by parents through activities such as shared

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<sup>12</sup> Royal Children's Hospital, 'What does the research tell us?', *Literacy in Early Childhood*, 2008, [https://ww2.rch.org.au/emplibary/ccch/PB13\\_Literacy\\_EarlyChildhood.pdf](https://ww2.rch.org.au/emplibary/ccch/PB13_Literacy_EarlyChildhood.pdf), (accessed 23 February 2021)

<sup>13</sup> Heckman the economics of human potential, *Social Media Content: Early investments and return on investment for ECE/Childcare* [website]. <https://www.google.com/url?q=https://heckmanequation.org/resource/social-posts-early-investments-and-return-on-investment-for-ece-childcare/&sa=D&source=editors&ust=1614658797799000&usq=AOvVaw3CVJE2Qdftxcl9BxuVSzMG>

<sup>14</sup> Center on the Developing child, *InBrief: The Science of Early Childhood Development* [website]. <https://developingchild.harvard.edu/resources/inbrief-science-of-ecd/#:~:text=In%20the%20first%20few%20years,brain%20circuits%20become%20more%20efficient>

<sup>15</sup> T. Brown and T. Jernigan, 'Brain Development during Preschool years', *Neuropsychology Review*, vol. 22, no. 4, 2012, p. 314.

<sup>16</sup> Royal Children's Hospital, 'Why is this issue important?', *Literacy in Early Childhood*, 2008, [https://ww2.rch.org.au/emplibary/ccch/PB13\\_Literacy\\_EarlyChildhood.pdf](https://ww2.rch.org.au/emplibary/ccch/PB13_Literacy_EarlyChildhood.pdf), (accessed 23 February 2021)

reading and engaging with educational games and songs together.<sup>17</sup> This highlights the importance of empowering parents with stronger literacy skills so that they can lead their children into better educational and social outcomes in the future.

### **The important role of the non-government sector to deliver outcomes and solutions**

NGOs play an important role in complementing the public education system to strengthen its effectiveness and tackle its shortcomings. For example, the World Literacy Foundation delivers literacy services for children from low socio-economic backgrounds within Victoria, providing them with books, parent's mentoring services, and read-aloud sessions etc. This allows children facing disadvantage to excel and perform at the same level as their peers in school and life beyond. The World Literacy Foundation acts to close the gaps in access and equity that are not addressed adequately in the public education system. It has been found that children from disadvantaged backgrounds often do not feel supported in their learning and feel alienated in their schools. However, many school teachers struggle to meet their special needs.<sup>18</sup>

On the other hand, NGOs have the experience in working with these disadvantaged groups and targeting actions to meet their specific needs. The government and NGOs should work in partnership to share their models, supporting one another to enhance the education system in a macro setting.

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The World Literacy Foundation is a peak international literacy organisation

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<sup>17</sup> Royal Children's Hospital, 'What does the research tell us?', *Literacy in Early Childhood*, 2008, [https://ww2.rch.org.au/emplibrary/ccch/PB13\\_Literacy\\_EarlyChildhood.pdf](https://ww2.rch.org.au/emplibrary/ccch/PB13_Literacy_EarlyChildhood.pdf), (accessed 23 February 2021)

<sup>18</sup> S. Jagannathan, 'The Role of Nongovernmental Organisations in Primary Education', *Policy Research Working Papers*, 1999. [http://documents1.worldbank.org/curated/es/760201468771257407/130530323\\_20041118114646/additional/multi0page.pdf](http://documents1.worldbank.org/curated/es/760201468771257407/130530323_20041118114646/additional/multi0page.pdf), (accessed 26 February 2021).