

Earnings and Employment Benefits of Adult Higher Education in Comparative Perspective: Evidence Based on PIAAC

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Adult learning systems are increasing in importance in today's modern society, and the degree of *openness* of Higher Education (HE) systems to non-traditional students, or alternatively Adult Higher Education (AHE), is an important component of advanced adult learning systems. In this study, *openness* of HE is defined as the proportion of adults who attained their HE qualification beyond the normative age (i.e. beyond the age in which students would have attained their highest qualification had they followed the normative path). This signifies the degree of flexibility and diversity in HE provision structures, for example, in terms of access, admission and selection policies, as well as capacity. AHE is an established phenomenon in many countries but there are sharp differences in the extent to which HE systems are open to adults beyond the normative age. For example, in some countries the HE system remains relatively *closed* by effectively limiting access to *equivalent* qualifications for adults who did not follow the normative path, and instead focus HE provision on younger cohorts as they follow the normative path. Such differences may be an important source of variation that explains economic success and other outcomes in different countries. The merits of AHE have been scrutinized in a number of countries at the micro level in terms of labor market success such as earnings and employability. Such benefits are important, especially in the context of public financing.

The PIAAC dataset allows for a comparative overview of the earnings and employment benefits of AHE at the micro level as well as a glimpse on the possible macro level implications such as overall employment rates and the adult skill profile. Using the PIAAC dataset, this paper: **reports the incidence of adult higher education in comparative perspective; compares earnings and employment differentials of traditional vs non-traditional students; and, finds correlations at the country level between the openness of HE systems to non-traditional students and the employment rate as well as cross-national adult skill profiles.**

Four key findings are as follows. First, the PIAAC data confirm what other studies have shown at the micro level, that older HE graduates do, on average, have better employment and earning outcomes than their counterparts with no HE qualifications. Second, the study shows that there is no systematic pattern at the micro level to suggest that older HE graduates experience less favorable labor market outcomes compared to those of traditional age students. This depends on type and level of qualification as well as country. Third, earnings boosts are observed regardless of literacy proficiency levels or socio-economic background. Fourth, the study found strong correlations between the proportion of older HE graduates and the overall employment rate as well as skill profiles at the macro level.

These findings suggest that higher qualifications promote labor market attachment of adults, productivity and overall employment across the skill proficiency and socioeconomic spectrum. They also suggest that HE systems catering to the needs of adults over their lifespan may play a role in boosting the skills measured in PIAAC, or alternatively mitigating their loss. The interaction of AHE with skill loss as people age can be explored further with PIAAC. Other avenues for further research might involve more detail on who pursues AHE (can be done with PIAAC) and why including a more detailed contextualization of the US experience; identifying what constitutes flexible and diverse HE provision structures that cater to the needs of adults and the labor market; and, comparing the role of both labor market and education institutions and policies in enabling or constraining AHE for labor market purposes.