Chapter 5

Skills and the Labour Force

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Summary

This chapter focuses on the skills of labour force participants. First, the difference in workers' skills between the top and bottom 25 per cent of performers is compared. This allows for a comparative assessment of the skills supplied in the labour market. Second, the employability of working-age adults is studied. This is done by comparing the likelihood of experiencing labour force inactivity and unemployment over the cycle of one year for persons who are at low and medium to high levels of skill. Finally, the employability analysis is extended to also include younger and older workers.

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Skills and the Labour Force

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5.1 Overview and highlights

This chapter focuses on the skills of labour force participants. First, the difference in workers' skills between the top and bottom 25 per cent of performers is compared. This allows for a comparative assessment of the skills supplied in the labour market. Second, the employability of working-age adults is studied. This is done by comparing the likelihood of experiencing labour force inactivity and unemployment over the cycle of one year for persons who are at low and medium to high levels of skill. Finally, the employability analysis is extended to also include younger and older workers.

Several key findings arise from the analysis presented in this chapter:

- The Norwegian labour force has the highest top and bottom 25 per cent of performers on the prose, document and problem solving scales. The Swiss labour force is best qualified on the numeracy scale.
- The highest scoring working adults tend to be the most numerous in the group aged 26 to 45 and fewest among older workers aged 46 to 65. The group aged 16 to 25 lies somewhere in between. Many adults aged 26 to 45 have been exposed to learning opportunities at work that reinforce the development of their skills. This may explain why workers in early to mid career display the best skills among the top end of workforces.
- Adults with higher levels of skill of the types measured in ALL tend to be more employable than adults with low skills, but not necessarily. The findings show that low skilled adults are more likely than medium to high skilled adults to experience unemployment in half of the countries and to experience labour force inactivity for six or more months in all countries except Bermuda.
- Among adults who experience unemployment, those who score at higher levels on the document literacy scale have a higher likelihood of re-entering employment sooner. The results are similar for all the skills measured in ALL.

- Proficiency in foundation skills such as document literacy and numeracy is strongly associated with the probability of young adults to find employment. Young adults who score at Levels 1 and 2 have a lower chance of exiting unemployment and tend to be unemployed longer than the more highly skilled.
- Even though unemployment rates tend to be higher among young labour force participants, younger adults are able to exit unemployment more quickly than older adults. In fact, low skilled younger adults have better chances of finding a job than low skilled older adults. This highlights the difficulties that displaced workers face when searching for job at an older age. Even so, older adults with higher skills find it easier to obtain employment than those with lower skills.

5.2 Competitiveness of labour force populations

The challenges of competing in global markets and adopting technological, process and organizational innovations place a premium on the capacity of individuals to adapt to changes in the workplace. Many workers who are faced with these challenges are expected to be highly skilled, not least in foundation skills such as literacy and numeracy, but at all levels they are also increasingly expected to solve problems and create ways to improve the methods they use (Bailey, 1997). Thus the skills measured in ALL, among others, are important for work organisations and countries to adapt and succeed. This section takes a closer look at the distribution of skills among the labour force[1] in each country assessed.

Figures 5.1a-c compare the scores that are at the 75th percentile of each country's skill distribution. This highlights differences among the top 25 per cent of highest scorers. The scores are displayed relative to the ALL international average 75th percentile. Thus countries with higher 75th percentile scores have workers who tend to display higher average levels of ability in the relevant skills domain when comparing the top end of distributions among countries. This would imply that relative to the size of labour force populations, these countries have better "pools of skills" to draw from for market-oriented activities. Presumably, such countries are in a better position to compete for "high-skills" jobs (Brown, Green and Lauder, 2001).

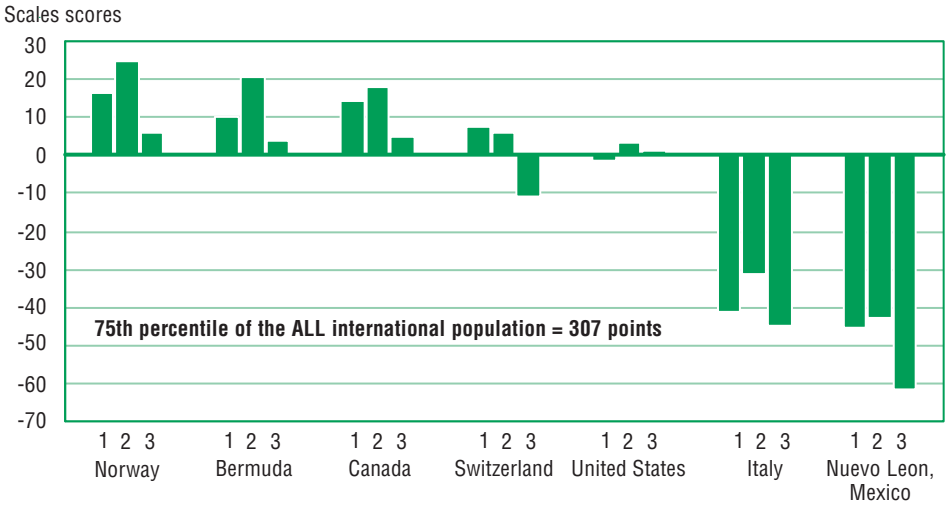
The data indicate that on the combined prose and document literacy scale[2], Norway and Bermuda score highest at the top end of the distribution. On the numeracy and problem solving scale, the patterns are similar to those observed in Chapter 2, with Switzerland's top performers scoring the highest on the numeracy scale and doing better on the problem solving scale than on the prose and document scales.

FIGURE 5.1 A to C

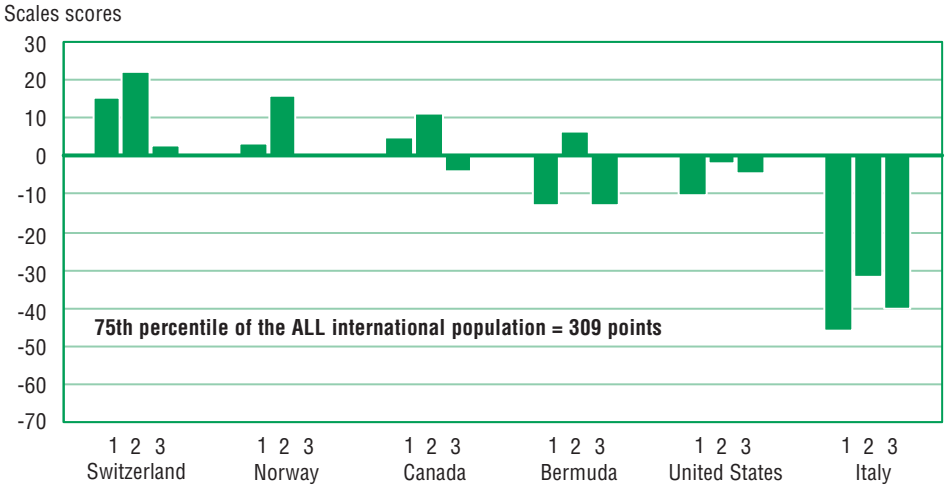
Skills among labour force populations in the top 25 per cent

Score differences to the 75th percentile of the ALL international population on a scale with range 0 to 500 points, labour force populations aged 16 to 65, 2003

A. Prose and document literacy scales combined



B. Numeracy[1] scale



Legend

1. 16 to 25
2. 26 to 45
3. 46 to 65

1. The state of Nuevo Leon in Mexico fielded the IALS quantitative literacy assessment rather than the ALL numeracy assessment. Although closely related conceptually, these two scales cannot be directly compared.

Countries are ranked by the difference of persons aged 26 to 45 to the 75th percentile of the ALL international labour force population aged 16 to 65.

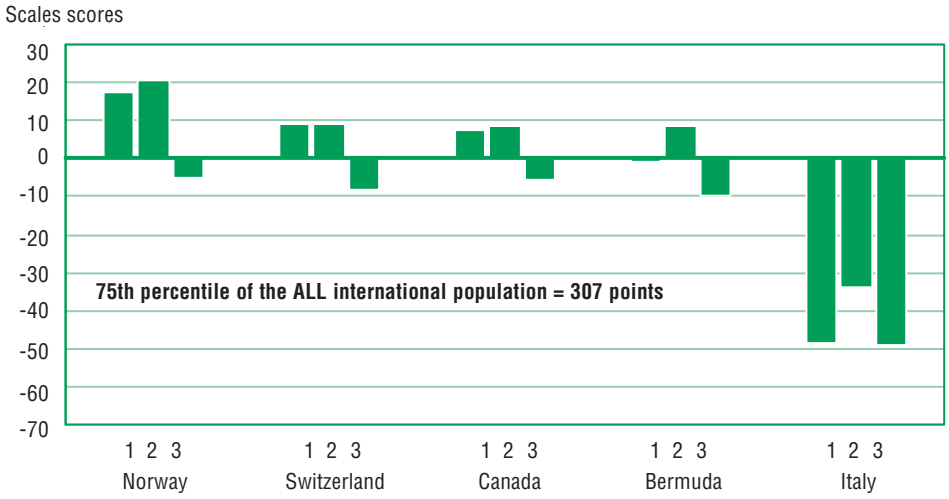
Source: Adult Literacy and Life Skills Survey, 2003.

FIGURE 5.1 A to C (concluded)

Skills among labour force populations in the top 25 per cent

Score differences to the 75th percentile of the ALL international population on a scale with range 0 to 500 points, labour force populations aged 16 to 65, 2003

C. Problem solving[1,2] scale



Legend

1. 16 to 25
2. 26 to 45
3. 46 to 65

1. United States and Nuevo Leon, Mexico did not field the problem solving skills domain.
2. The problem solving skills scores for Switzerland apply to the German and French speaking communities only since they did not field the problem solving skills domain in the Italian speaking community.

Countries are ranked by the difference of persons aged 26 to 45 to the 75th percentile of the ALL international labour force population aged 16 to 65.

Source: Adult Literacy and Life Skills Survey, 2003.

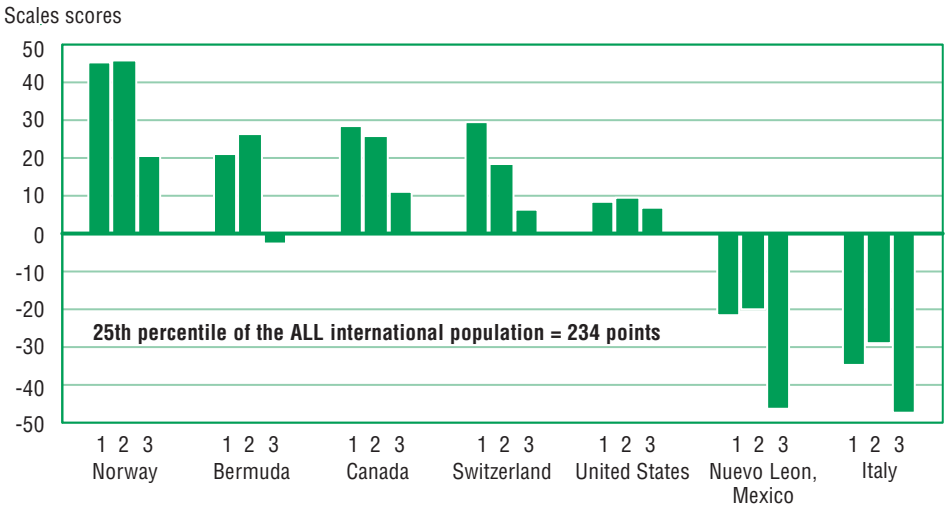
Similarly, Figures 5.2a-c present skills scores at the 25th percentile, highlighting differences among the bottom 25 per cent of performers. Knowledge economies with higher 25th percentile scores have an advantage because they have fewer workers with low information processing skills. Analysis by Coulombe, Tremblay and Marchand (Statistics Canada, 2004) reveals that the proportion of low skilled workers appears to suppress long-term rates of growth in GDP per capita and productivity in OECD countries. Furthermore, the employability analysis below indicates that workers with higher skills are more employable because they display a lower likelihood of being unemployed, and when they do experience unemployment they have a higher likelihood of re-entering employment sooner.

FIGURE 5.2 A to C

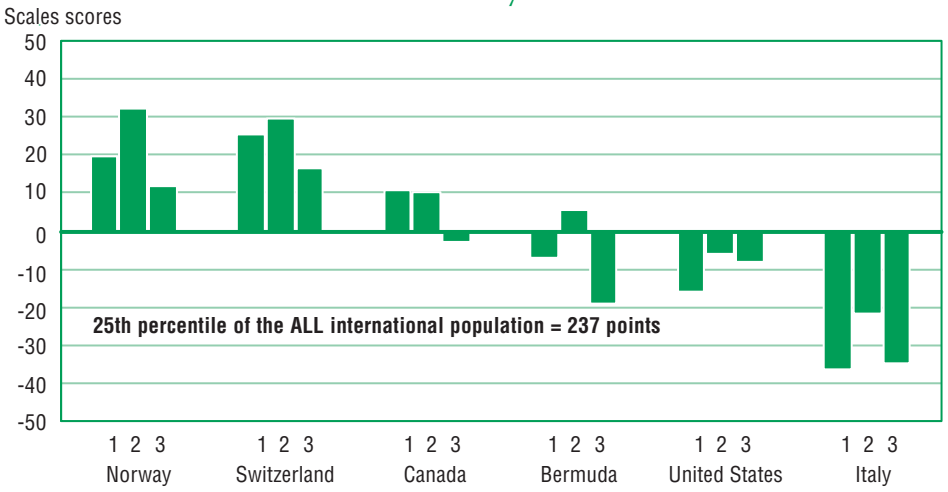
Skills among labour force populations in the bottom 25 per cent

Score differences to the 25th percentile of the ALL international population on a scale with range 0 to 500 points, labour force populations aged 16 to 65, 2003

A. Prose and document literacy scales combined



B. Numeracy[1] scale



Legend

1. 16 to 25
2. 26 to 45
3. 46 to 65

1. The state of Nuevo Leon in Mexico fielded the IALS quantitative literacy assessment rather than the ALL numeracy assessment. Although closely related conceptually, these two scales cannot be directly compared.

Countries are ranked by the difference of persons aged 26 to 45 to the 25th percentile of the ALL international labour force population aged 16 to 65.

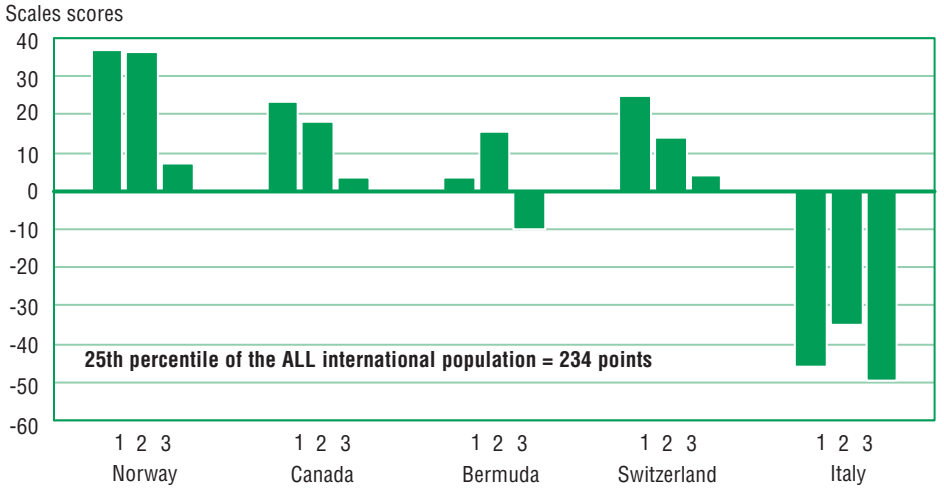
Source: Adult Literacy and Life Skills Survey, 2003.

FIGURE 5.2 A to C (concluded)

Skills among labour force populations in the bottom 25 per cent

Score differences to the 25th percentile of the ALL international population on a scale with range 0 to 500 points, labour force populations aged 16 to 65, 2003

C. Problem solving[1,2] scale



Legend

1. 16 to 25
2. 26 to 45
3. 46 to 65

1. United States and Nuevo Leon, Mexico did not field the problem solving skills domain.
2. The problem solving skills scores for Switzerland apply to the German and French speaking communities only since they did not field the problem solving skills domain in the Italian speaking community.

Countries are ranked by the difference of persons aged 26 to 45 to the 25th percentile of the ALL international labour force population aged 16 to 65.

Source: Adult Literacy and Life Skills Survey, 2003.

The higher scoring working adults tend to be the most numerous in the group aged 26 to 45 and fewest among older workers aged 46 to 65. The group aged 16 to 25 lies somewhere in between. Many adults aged 26 to 45 have had the chance to reinforce and develop their skills on the job, while many younger adults have not yet had the chance to apply their skills in demanding work contexts. Further, skills among many older adults may have deteriorated either because of lack of use or because they have become obsolete due to the introduction of new work routines or other innovations. This may explain why workers in early to mid career display the best skills among the top end of the labour force.

5.3 Employability of working-age populations

Employability and *employability skills* are terms increasingly used by researchers and policy makers alike. While there are many definitions, employability essentially refers to the capability of adults to obtain and maintain satisfactory work. Naturally, this involves the skills and knowledge relating to jobs, which are referred to as employability skills. These are numerous, but many efforts have been made to identify and list key employability skills that apply in varying degrees to all jobs (e.g., Carnevale, Gainer, and Meltzer, 1990; SCANS, 1991, HRDC, 2001). Not

surprisingly, most lists feature foundation skills such as literacy, numeracy and problem solving near the top. Accordingly, this section considers the relationship between the skills measured in ALL and the employability of adults.

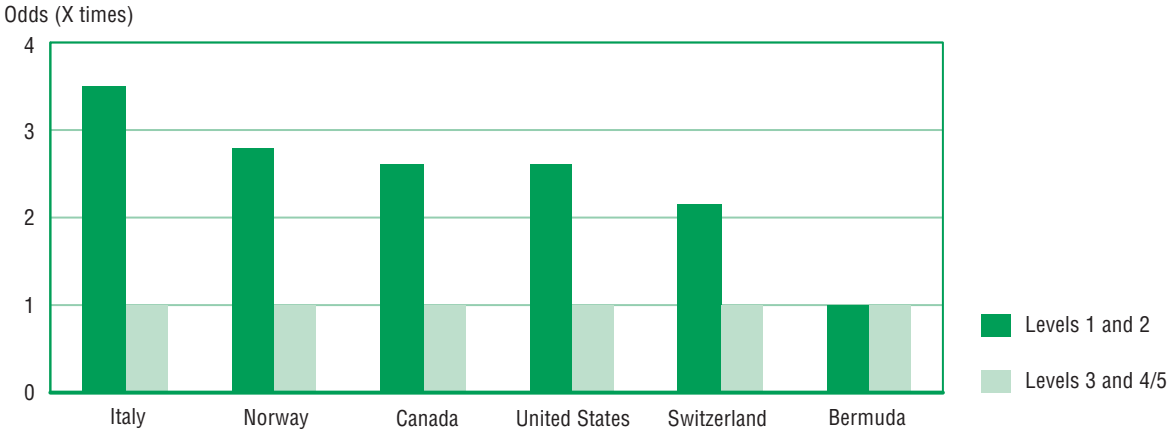
Even though they are termed "foundation skills", the findings presented in Chapter 2 suggest that many adults have difficulties coping with literacy and numeracy related activities that are common in modern workplaces. Additionally, there is some evidence suggesting that most OECD economies continue to witness a general shift in labour demand from lower to higher levels of skills (Dickerson and Green, 2004; Machin, 2001). Thus adults with low skills, of the type measured in ALL, are likely to face increasing difficulties in gaining access to and securing gainful employment. They are also more likely than high skilled adults to experience unemployment and to not participate in the labour force at all.

Results presented in Figure 5.3 show that compared to persons who score at Levels 3 or higher on the numeracy scale, low scorers have a higher chance of experiencing six or more months of labour force inactivity than being employed all year (see Box 3A – Using odds ratios). In most countries, persons who score at Levels 1 and 2 are two to three times more likely to be outside the labour force for six or more months than those who score at Levels 3 or higher. Only in Bermuda do low and medium to high skilled adults have nearly the same odds of experiencing six or more months of labour force inactivity and being employed all year.

FIGURE 5.3

Likelihood of labour force inactivity by skills levels

Odds ratios[1] showing the likelihood of experiencing labour force inactivity for 6 months or more in the last 12 months compared to being employed all year, by numeracy levels, populations aged 16 to 65, excluding students and retirees, 2003



Countries are ranked according to the odds of persons who score at Levels 1 and 2.

1. Odds estimates that are not statistically different from one at conventional levels of significance are reported as one in the figure. For the actual estimate and its corresponding significance, see Table 5.3 in the annex to this chapter.

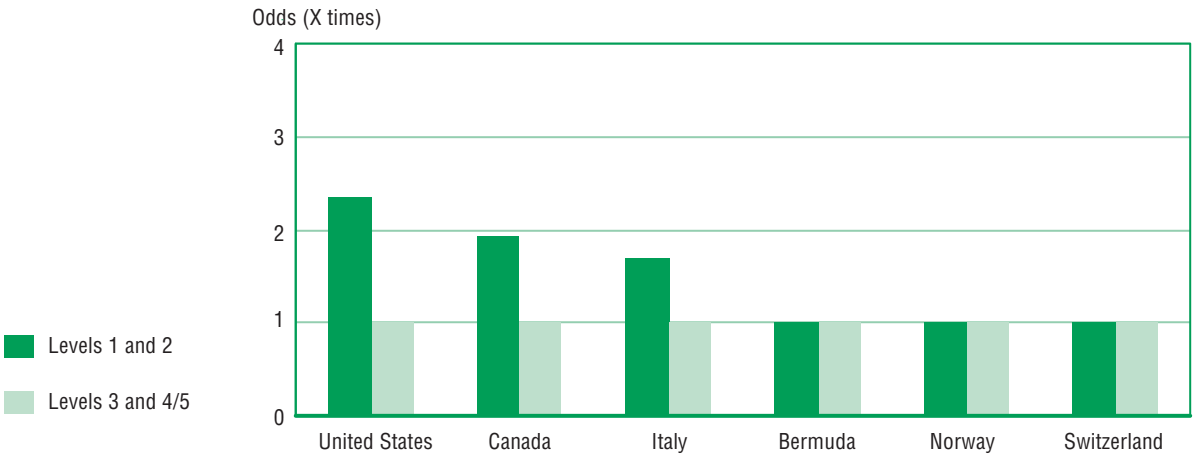
Source: Adult Literacy and Life Skills Survey, 2003.

Furthermore, Figure 5.4 shows that in half of the countries, low skilled adults are more likely than high skilled adults to experience unemployment lasting six or more months. But note that the overall labour market conditions, including the balance between the demand and supply of skilled workers and the economic cycle, which are specific to a country or region, are important to consider in this type of analysis (De Grip, van Loo and Sanders, 2004). For example, in areas where the demand for low skilled workers exceeds the supply, low skilled adults are less likely to be outside the labour force or in unemployment.

FIGURE 5.4

Likelihood of experiencing unemployment by skills levels

Odds ratios[1] showing the likelihood of experiencing unemployment for 6 months or more in the last 12 months compared to being employed all year, by numeracy levels, labour force populations aged 16 to 65, 2003



Countries are ranked according to the odds of persons who score at Levels 1 and 2.

1. Odds estimates that are not statistically different from one at conventional levels of significance are reported as one in the figure. For the actual estimate and its corresponding significance, see Table 5.4 in the annex to this chapter.

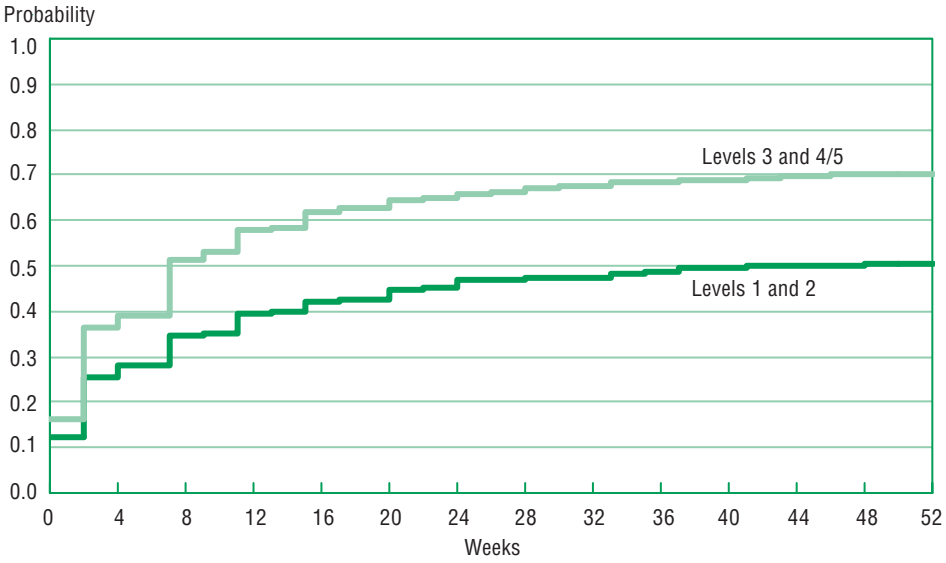
Source: Adult Literacy and Life Skills Survey, 2003.

In general, adults with medium to high skills who experience unemployment have a higher probability of finding a job sooner than persons with low skills. Figure 5.5 reports findings from an analysis pooling the unemployed populations of all countries considered (see Box 5A). The analysis contrasts the probability of exiting unemployment over the course of 52 weeks between adults who are low (Levels 1 and 2) and medium to high skilled (Levels 3 and 4/5). The results clearly indicate that persons with higher proficiency in document literacy are capable of finding employment sooner. For example, after 16 weeks of unemployment, persons scoring at Levels 3 and 4/5 have a 60 per cent chance of exiting unemployment. This increases to 70 per cent after 48 weeks. In contrast, adults who score at Levels 1 and 2 still only have a 50 per cent chance of finding a job even after 52 weeks of unemployment. The results are similar in other skills domains, although labour markets appear to recognize document and numeracy skills the most.

FIGURE 5.5

Probability of exiting unemployment by skills levels

The probabilities of unemployed adults aged 16 to 65 to exit unemployment over a 52 week period, by low (Levels 1 and 2) and medium to high (Levels 3 and 4/5) skills, document scale, 2003



Source: Adult Literacy and Life Skills Survey, 2003.

Box 5A

Measuring the probabilities of exiting unemployment

The probabilities of exiting unemployment that are presented in Figures 5.5, 5.6 and 5.7 are estimated using survival analysis. In particular, the Kaplan and Meier (1958) estimator is used. This type of analysis considers the duration before or after an event occurs as well as the duration of the event itself. The ALL skills survey collected data that describes the duration and frequency of unemployment in the 52 weeks preceding the data collection as well as whether individuals were unemployed at the time of the survey.

In this context, the survival analysis allows for an estimation of the probability that persons will exit unemployment after a certain number of weeks. The survival function is graphed so that the probability of exiting unemployment begins at 0.0 where all persons are unemployed, and approaches 1.0 as time elapses. Notice that some adults leave unemployment very quickly while others remain for up to 52 weeks or longer. But the probability of exiting unemployment rises as the number of weeks in unemployment increases. Eventually, by 52 weeks most persons have left unemployment. Accordingly, the probability of exiting unemployment is very high (close to 1.0) at 52 weeks, but there are still some who remain unemployed more than one year.

5.4 Employability of younger and older working-age populations

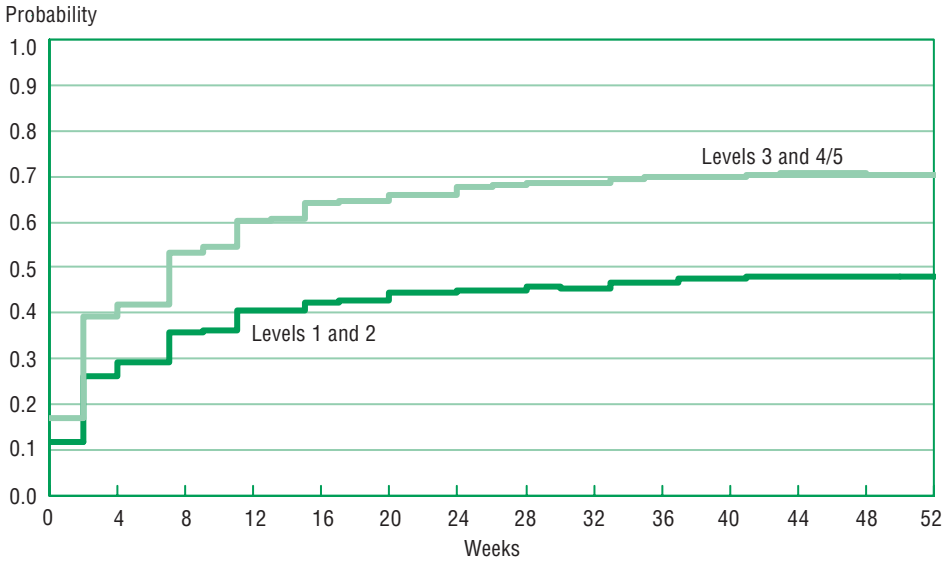
When it comes to employment, age can be seen as a barrier. Both younger and older workers can face substantial difficulties in the labour market. The successful integration of young adults into the labour market remains a major political concern in most OECD countries (OECD, 2002). Often, young adults are disadvantaged by their lack of qualifications, foundation skills and work experience (UK Youth, 2002). Similarly, older adults can run into employment difficulties because their skills have become obsolete (De Grip and van Loo, 2002; Dubin, 1972; Rosen, 1975), and employers may be less inclined to invest in retraining for older workers (Heckman, 1999). This section considers the employability of younger and older adults by their levels of skill.

The results presented in Figure 5.6 suggest that higher proficiency in basic employability skills such as document literacy is strongly associated with the probability of young adults aged 16 to 30 to find employment. Young adults who score at Levels 1 and 2 have a lower chance of exiting unemployment and tend to be unemployed longer.

FIGURE 5.6

Probability of younger workers exiting unemployment by skills levels

The probabilities of unemployed adults aged 16 to 30 to exit unemployment over a 52 week period, by low (Levels 1 and 2) and medium to high (Levels 3 and 4/5) skills, document scale, 2003



Source: Adult Literacy and Life Skills Survey, 2003.

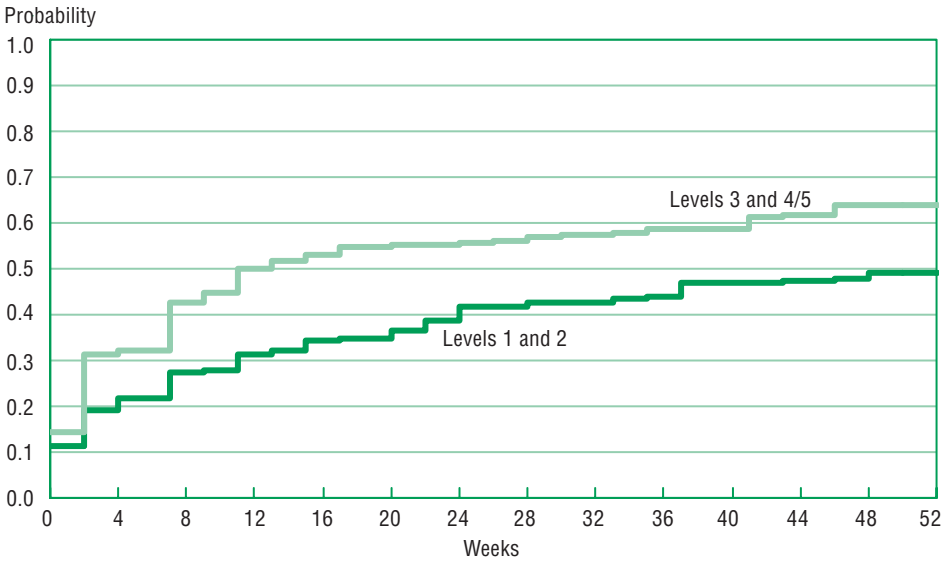
Many older unemployed workers face difficulties finding a new job. In general, the average duration of unemployment tends to be higher among older labour force participants, even though the rate of unemployment is higher among younger adults (Ryan, 2001). This is because younger labour force participants are able to exit unemployment more quickly than older adults. Comparing the probability trajectories of exiting unemployment that are presented in Figures 5.6 and 5.7 supports this tendency. In fact, low skilled younger adults appear to have better chances of finding a job than low skilled older adults. This highlights the difficulties that displaced workers face when searching for a job at an older age.

Even so, older adults with higher skills find it easier to obtain employment. Figure 5.7 shows that older labour force participants who score at Levels 3 and 4/5 on the document literacy scale have a higher probability of finding employment more quickly when compared to those scoring at Levels 1 and 2. But note that while this analysis is done using pooled international data, the results are likely to vary according to the relative demand and supply for low skills in specific regions. It is expected that relatively high demand for, and/or low supply of, skilled workers will reduce the difference between the employability of low and medium to high skilled workers.

FIGURE 5.7

Probability of older workers exiting unemployment by skills levels

The probabilities of unemployed adults aged 50 to 65 to exit unemployment over a 52 week period, by low (Levels 1 and 2) and medium to high (Levels 3 and 4/5) skills, document scale, 2003



Source: Adult Literacy and Life Skills Survey, 2003.

For many, the link between foundation skills and employability is not necessarily direct. Employability also depends on the willingness and capacity of workers to participate in training. But adults aged 56 to 65 are the least likely to participate in adult education and training (OECD, 2003). Moreover, participation itself is linked to foundation skills (see Figure 4.4 in Chapter 4). Many lack the basic skills to engage in training that maintains their employability, including younger and older workers.

Those working in jobs requiring predominantly firm-specific or technology-specific skills for extended periods of time are likely to be the most vulnerable. Evidence suggests that working in an environment with limited complexity or repetitive tasks leads to skills loss over time (Krahn and Lowe, 1998). In particular, low requirements for literacy and numeracy skills at work may be associated with loss of these skills (See Chapter 6). Therefore it is expected that adults with this type of labour force experience face increased difficulties to participate in training courses that are otherwise needed to keep up with changes in skill requirements.

Endnotes

1. Persons who were either employed or unemployed and looking for work at the time of the survey are considered active labour force participants.
2. The prose and document literacy scales are combined into a composite literacy scale for the purposes of this analysis. Although, it is desirable to maintain two separate literacy scales for many analyses, the theoretical and empirical properties also allow for creating composite skill scales.

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Annex 5

Data Values for the Figures

5

TABLE 5.1

Score of the 75th percentile on a scale with range 0 to 500 points, labour force populations aged 16 to 25, 26 to 45 and 46 to 65, 2003

	Age	75th percentile	
A. Prose and document literacy scales combined			
Bermuda	16 to 25	317.3	(5.2)
	26 to 45	327.8	(3.0)
	46 to 65	311.2	(3.6)
Canada	16 to 25	321.3	(2.7)
	26 to 45	324.8	(1.5)
	46 to 65	312.1	(1.6)
Italy	16 to 25	265.8	(3.2)
	26 to 45	275.8	(2.8)
	46 to 65	262.2	(2.8)
Norway	16 to 25	323.7	(3.3)
	26 to 45	332.1	(2.2)
	46 to 65	313.0	(2.5)
Nuevo Leon, Mexico	16 to 25	261.5	(2.0)
	26 to 45	264.3	(2.0)
	46 to 65	245.7	(3.3)
Switzerland	16 to 25	314.8	(7.1)
	26 to 45	313.1	(1.7)
	46 to 65	296.0	(2.9)
United States	16 to 25	305.8	(4.9)
	26 to 45	310.6	(2.8)
	46 to 65	308.4	(3.4)

TABLE 5.1 (concluded)

Score of the 75th percentile on a scale with range 0 to 500 points, labour force populations aged 16 to 25, 26 to 45 and 46 to 65, 2003

	Age	75th percentile	
B. Numeracy[1] scale			
Bermuda	16 to 25	296.3	(7.7)
	26 to 45	315.5	(2.3)
	46 to 65	296.0	(4.2)
Canada	16 to 25	313.9	(3.1)
	26 to 45	320.5	(1.7)
	46 to 65	305.0	(1.9)
Italy	16 to 25	262.9	(4.8)
	26 to 45	277.5	(2.4)
	46 to 65	268.8	(2.5)
Norway	16 to 25	312.2	(3.4)
	26 to 45	324.7	(1.5)
	46 to 65	308.5	(2.2)
Switzerland	16 to 25	324.5	(12.3)
	26 to 45	331.0	(3.1)
	46 to 65	311.9	(2.7)
United States	16 to 25	298.9	(4.5)
	26 to 45	307.1	(2.7)
	46 to 65	304.4	(2.8)
C. Problem solving[2] scale			
Bermuda	16 to 25	306.2	(5.9)
	26 to 45	315.6	(2.4)
	46 to 65	297.6	(4.5)
Canada	16 to 25	314.8	(4.6)
	26 to 45	316.0	(1.6)
	46 to 65	301.6	(1.8)
Italy	16 to 25	258.5	(3.7)
	26 to 45	273.5	(3.0)
	46 to 65	258.3	(3.6)
Norway	16 to 25	324.8	(3.6)
	26 to 45	327.8	(1.9)
	46 to 65	301.9	(3.1)
Switzerland[3]	16 to 25	316.1	(5.7)
	26 to 45	316.5	(2.4)
	46 to 65	299.1	(3.9)

1. The state of Nuevo Leon in Mexico fielded the IALS quantitative literacy assessment rather than the ALL numeracy assessment. Although closely related conceptually, these two scales cannot be directly compared.
2. United States and Nuevo Leon, Mexico did not field the problem solving skills domain.
3. The problem solving skills scores for Switzerland apply to the German and French speaking communities only since they did not field the problem solving skills domain in the Italian speaking community.

Source: Adult Literacy and Life Skills Survey, 2003.

TABLE 5.2

Score of the 25th percentile on a scale with range 0 to 500 points, labour force populations aged 16 to 25, 26 to 45 and 46 to 65, 2003

	Age	25th percentile	
A. Prose and document scales combined			
Bermuda	16 to 25	254.9	(9.7)
	26 to 45	259.9	(3.1)
	46 to 65	231.1	(4.1)
Canada	16 to 25	262.1	(3.7)
	26 to 45	259.5	(2.0)
	46 to 65	244.5	(3.1)
Italy	16 to 25	198.6	(4.2)
	26 to 45	204.7	(2.7)
	46 to 65	186.4	(4.4)
Norway	16 to 25	278.9	(4.4)
	26 to 45	279.4	(1.8)
	46 to 65	254.4	(2.1)
Nuevo Leon, Mexico	16 to 25	212.2	(4.1)
	26 to 45	213.5	(2.9)
	46 to 65	187.3	(5.4)
Switzerland	16 to 25	263.2	(10.9)
	26 to 45	252.1	(2.8)
	46 to 65	240.0	(2.5)
United States	16 to 25	242.1	(4.0)
	26 to 45	243.3	(2.3)
	46 to 65	240.4	(3.2)
B. Numeracy[1] scale			
Bermuda	16 to 25	229.6	(8.5)
	26 to 45	242.0	(3.3)
	46 to 65	217.4	(3.7)
Canada	16 to 25	247.6	(2.7)
	26 to 45	247.0	(2.1)
	46 to 65	234.0	(2.1)
Italy	16 to 25	200.2	(4.8)
	26 to 45	214.8	(2.1)
	46 to 65	202.1	(3.4)
Norway	16 to 25	256.5	(7.1)
	26 to 45	268.9	(2.3)
	46 to 65	248.3	(2.9)
Switzerland	16 to 25	262.3	(9.7)
	26 to 45	266.4	(2.4)
	46 to 65	253.0	(4.2)
United States	16 to 25	220.7	(5.4)
	26 to 45	230.4	(2.4)
	46 to 65	228.6	(4.1)

TABLE 5.2 (concluded)

Score of the 25th percentile on a scale with range 0 to 500 points, labour force populations aged 16 to 25, 26 to 45 and 46 to 65, 2003

	Age	25th percentile	
C. Problem solving[2] scale			
Bermuda	16 to 25	237.1	(10.5)
	26 to 45	249.5	(3.5)
	46 to 65	223.5	(3.8)
Canada	16 to 25	257.3	(2.7)
	26 to 45	251.7	(2.2)
	46 to 65	237.1	(2.1)
Italy	16 to 25	187.5	(7.2)
	26 to 45	198.6	(3.3)
	46 to 65	184.3	(4.1)
Norway	16 to 25	270.3	(5.0)
	26 to 45	270.1	(2.5)
	46 to 65	242.8	(3.1)
Switzerland[3]	16 to 25	258.8	(8.9)
	26 to 45	247.6	(3.3)
	46 to 65	237.6	(3.4)

1. The state of Nuevo Leon in Mexico fielded the IALS quantitative literacy assessment rather than the ALL numeracy assessment. Although closely related conceptually, these two scales cannot be directly compared.
2. United States and Nuevo Leon, Mexico did not field the problem solving skills domain.
3. The problem solving skills scores for Switzerland apply to the German and French speaking communities only since they did not field the problem solving skills domain in the Italian speaking community.

Source: Adult Literacy and Life Skills Survey, 2003.

TABLE 5.3

Odds ratios showing the likelihood of experiencing labour force inactivity for 6 months or more in the last 12 months compared to being employed all year, by numeracy levels, populations aged 16 to 65, excluding students and retirees, 2003

	Levels 1 and 2		Levels 3 and 4/5
	Not in labour force for 6 months or more		Employed all year
Bermuda	1.29	(0.24)	1.00
Canada	2.62***	(0.08)	1.00
Italy	3.49***	(0.16)	1.00
Norway	2.80***	(0.21)	1.00
Switzerland	2.17***	(0.19)	1.00
United States	2.61***	(0.17)	1.00

* p<0.10, statistically significant at the 10 per cent level.
** p<0.05, statistically significant at the 5 per cent level.
*** p<0.01, statistically significant at the 1 per cent level.
Note: Standard errors are of the logarithm of the odds ratios.
Source: Adult Literacy and Life Skills Survey, 2003.

TABLE 5.4

Odds ratios showing the likelihood of experiencing unemployment for 6 months or more in the last 12 months compared to being employed all year, by numeracy levels, labour force populations aged 16 to 65, 2003

	Levels 1 and 2		Levels 3 and 4/5
	Unemployed for 6 months or more		Employed all year
Bermuda	2.04	(0.74)	1.00
Canada	1.92***	(0.19)	1.00
Italy	1.68**	(0.25)	1.00
Norway	2.55	(0.58)	1.00
Switzerland	3.02	(0.64)	1.00
United States	2.36**	(0.37)	1.00

* p<0.10, statistically significant at the 10 per cent level.
** p<0.05, statistically significant at the 5 per cent level.
*** p<0.01, statistically significant at the 1 per cent level.
Note: Standard errors are of the logarithm of the odds ratios.
Source: Adult Literacy and Life Skills Survey, 2003.

TABLE 5.5

The probabilities of unemployed adults aged 16 to 65 to exit unemployment over a 52 week period, by low (Levels 1 and 2) and medium to high (Levels 3 and 4/5) skills, document scale, 2003

	Levels 1 and 2	Levels 3 and 4/5
Weeks	Probability	
0	0.124	0.161
2	0.253	0.363
4	0.281	0.392
7	0.345	0.511
9	0.350	0.530
11	0.395	0.578
13	0.397	0.583
15	0.420	0.621
17	0.423	0.626
20	0.448	0.643
22	0.453	0.647
24	0.468	0.660
26	0.469	0.663
28	0.474	0.673
30	0.475	0.675
33	0.484	0.683
35	0.485	0.683
37	0.494	0.687
39	0.495	0.687
41	0.500	0.694
43	0.500	0.696
46	0.502	0.700
48	0.502	0.701
50	0.502	0.701
52	0.502	0.701

Source: Adult Literacy and Life Skills Survey, 2003.

TABLE 5.6

The probabilities of unemployed adults aged 16 to 30 to exit unemployment over a 52 week period, by low (Levels 1 and 2) and medium to high (Levels 3 and 4/5) skills, document scale, 2003

	Levels 1 and 2	Levels 3 and 4/5
Weeks	Probability	
0	0.116	0.169
2	0.262	0.391
4	0.292	0.420
7	0.357	0.531
9	0.363	0.546
11	0.404	0.604
13	0.404	0.607
15	0.425	0.643
17	0.428	0.647
20	0.445	0.661
22	0.447	0.661
24	0.451	0.675
26	0.451	0.679
28	0.457	0.686
30	0.454	0.687
33	0.468	0.696
35	0.469	0.698
37	0.475	0.698
39	0.475	0.699
41	0.480	0.704
43	0.481	0.705
46	0.482	0.707
48	0.482	0.705
50	0.482	0.705
52	0.482	0.705

Source: Adult Literacy and Life Skills Survey, 2003.

TABLE 5.7

The probabilities of unemployed adults aged 50 to 65 to exit unemployment over a 52 week period, by low (Levels 1 and 2) and medium to high (Levels 3 and 4/5) skills, document scale, 2003

	Levels 1 and 2	Levels 3 and 4/5
Weeks	Probability	
0	0.113	0.143
2	0.192	0.313
4	0.215	0.323
7	0.273	0.426
9	0.280	0.450
11	0.315	0.499
13	0.322	0.516
15	0.342	0.532
17	0.349	0.548
20	0.367	0.552
22	0.387	0.553
24	0.417	0.558
26	0.419	0.563
28	0.427	0.568
30	0.427	0.574
33	0.435	0.579
35	0.438	0.587
37	0.468	0.587
39	0.470	0.588
41	0.471	0.613
43	0.472	0.616
46	0.477	0.637
48	0.491	0.639
50	0.491	0.639
52	0.491	0.639

Source: Adult Literacy and Life Skills Survey, 2003.

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