## 4. SELF-SUFFICIENCY INDICATORS

## Skills

Skills play a central role in ensuring people find and keep employment. They are particularly important for young people as general education levels have increased in most OECD countries over the last few decades. Young people who lack basic literacy and numeracy skills will find it particularly difficult to make the transition from school to the workplace and may be left behind as countries skills demands continue to increase. Chapter 1 displayed the large gaps in NEET rates between those with low and high literacy and numeracy skills. In today's digital economy technological skills have also become much more important for a range of employment opportunities than was the case in the past. Skill levels are related more broadly to educational attainment. Those who leave school before completing upper secondary are twice as likely to have a low level of numeracy skills (OECD, 2015). Skill levels are not fully determined by educational attainment however, the quality of education systems is of importance in ensuring that students reach a minimum proficiency level. Skill levels can vary considerably among individuals with similar educational qualifications (OECD, 2013).

On average across the OECD about one person aged between 30 and 54 years in six has either low literacy, low numeracy or low problem solving skills. Skill levels differ substantially across OECD countries (Figures 4.7 and 4.8). In countries such as Japan and Finland only a small proportion of individuals have low literacy, numeracy and technological skills. Spain, Italy and France have the highest proportions of 30-to-54 year-olds with low literacy skills, and Spain, Italy and the United States have the highest proportion of this group with low numeracy skills. These countries, as well as the United Kingdom, also tend to show relatively high shares of low numeracy and literacy skills among youth, while Japan, Finland, as well as Korea have the lowest shares.

In recent decades, skill levels have improved in most OECD countries for younger generations in line with more general increases in educational attainment by young people compared to their older counterparts. As a result, there is a higher share of 30-54 year-olds with lows skills than among 16-29 year-olds. The generational divide is particularly striking for problem solving in technology-righ environments (Figure 4.9). Japan stands out across the OECD in having little change in literacy and numeracy levels between younger and older persons but this is due to the fact that a large proportion of those aged 30-54 already had high levels of performance, while Korea has made substantial improvements between generations. On the other hand, a few countries have experienced a deterioration in literacy and numeracy performance between the older and younger population. The United Kingdom and Norway have higher rates of youth with low literacy and numeracy levels compared to those aged 30-54 while the proportion with low numeracy skills in the United States is high and performance levels have stagnated between the older and younger groups.

#### Definition and measurement

The OECD Programme for the International Assessment of Adult Competencies (PIAAC) assesses skill levels of adults aged 16-65 in literacy, numeracy and problem solving in technology-rich environments. The latter, also known as "information-processing skills", is defined as the ability to use digital technology, communication tools and networks to acquire and evaluate information, communicate with others and perform practical tasks. PIAAC is carried out in more than 40 countries and is designed to be comparable cross-culturally and cross-nationally.

Literacy and numeracy proficiency are split into five levels while problem-solving in technology rich environments is split into three. The graphs presented here show the proportion of youth with "low" skills. For literacy this is defined as those who can, at best, read relatively short texts to locate a single piece of information that is identical to the information given in the question or directive or to understand basic vocabulary. Those with low numeracy skills can, at best, perform one-step or simple mathematical processes involving counting, sorting, basic arithmetic operations, understanding simple percentages, and locating and identifying elements of simple or common graphical or spatial representations. Low achievers at problem-solving in technology rich environments can, at best, use widely available and familiar applications such as email or a web browser where little or no navigation is required to access information or solve a problem.

#### **Further reading**

- OECD (2015), OECD Skills Outlook 2015: Youth, Skills and Employability, OECD Publishing, Paris, http://dx.doi.org/ 10.1787/9789264234178-en.
- OECD (2013) OECD Skills Outlook 2013: First Results from the Survey of Adult Skill, OECD Publishing, Paris, www.oecdilibrary.org/education/oecd-skills-outlook-2013\_ 9789264204256-en.

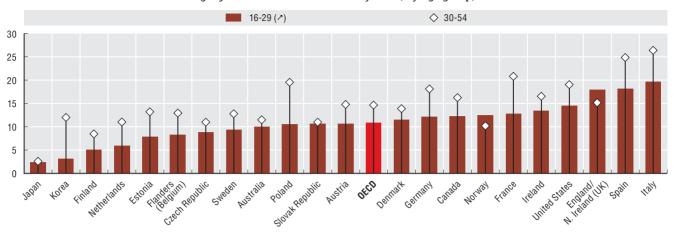
#### **Figure notes**

Figure 4.3: Results present the share of 16-29 year-olds and of 30-54 year-olds failing to reach Proficiency Level 2 in literacy and numeracy and Proficiency Level 1 in problem solving in technology-rich environment.

Skills

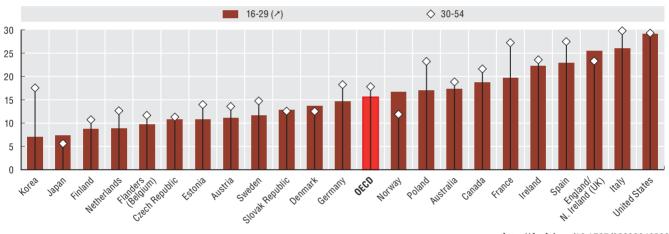
4.7. A substantial proportion of youth in the OECD have poor literacy skills

Percentage of individuals with low literacy skills, by age group, in 2012

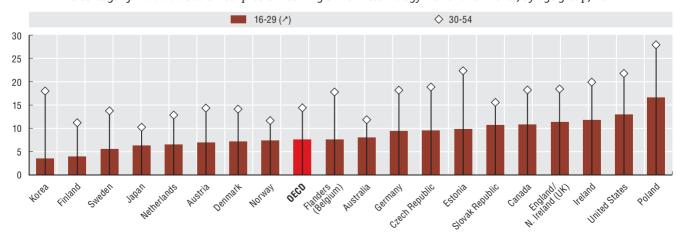


StatLink and http://dx.doi.org/10.1787/888933405321

**4.8.** An even higher proportion of youth have poor numeracy skills Percentage of individuals with low numeracy skills, by age group, 2012

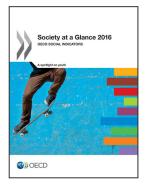


StatLink and http://dx.doi.org/10.1787/888933405330



**4.9.** When it comes to technology youth tend to perform better than their older counterparts Percentage of individuals with low problem-solving skills in technology-rich environments, by age group, 2012

Source: OECD (2015), OECD Skills Outlook 2015: Youth, Skills and Employability, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264234178-en.
StatLink 📷 http://dx.doi.org/10.1787/888933405341



# From: Society at a Glance 2016 OECD Social Indicators

Access the complete publication at: https://doi.org/10.1787/9789264261488-en

### Please cite this chapter as:

OECD (2016), "Skills", in Society at a Glance 2016: OECD Social Indicators, OECD Publishing, Paris.

DOI: https://doi.org/10.1787/soc\_glance-2016-13-en

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