Adult education: making it a genuine second chance

What can we learn from a series of policy reforms in Norway?

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What can we learn from a series of policy reforms in Norway?

- 1. Access
- 2. Financing
- 3. Natural Experiment: Evaluating the Impacts of Universal Policy Reforms
- 4. Vocational Education: Evaluating the Impacts of an Expansion of a Certification Scheme

#1 Access

- Students in the adult education system have different needs
- Among adults who state they want enrol but do not (OECD averages):
 - 29% say they face shortage of time due to *employment*
 - 15% say they lack financial resources
 - 15% say they face shortage of time due to family
- Similar patterns in the Norwegian setting:
 - Discussion of who should finance adult education was a contentious point between employers, the state, and unions
 - Strong links between children in the household and returning to education

#2 Financing

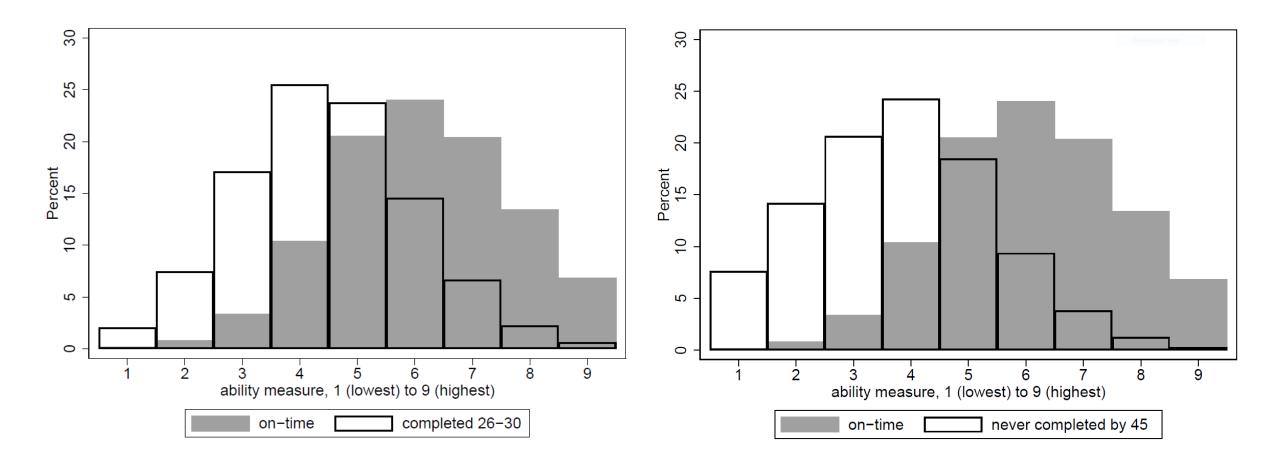
- "Sufficient funding for the implementation of adult education...is a necessary condition for their successful implementation." (OECD *Increasing Adult Learning Participation*, 2020)
 - On FE colleges: "Funding rules are complex and inflexible" (Augar Review, 2019)
- "For me to be retrained, I had to take out student loans," Mr. Chaney, 56, said. 'I had two babies and a disabled wife at the time, and I didn't have the choice." (New York Times *They Got the Debt, but Not the Degree*, I June 2022)
- Returning to education is costly to the individual:
 - Adult students in Norway face substantial earnings penalties while they study
- Expanding the adult education system is costly to the government:
 - Swedish Knowledge Lift: conservative estimate of cost was £270 million (3.5 billion SEK) per year in 1997 prices (Albrecht, van den Berg, and Vroman 2009)

#3 Natural Experiment: Evaluating the Impacts of Universal Policy Reforms

- Background of the policy change in Norway
 - Discussion in white papers in the late 1990s before the policy overhaul cited inflexibility in the adult education system as a barrier to enrolment
 - Counties manage their own adult education system with different counties offering different education programs
- Policy reform sequential overhaul of access & funding:
 - 1. Access (2000/2001): adults have legal right to enrol in high school education as an adult & counties must accept any student willing to enrol
 - 2. Financing (2002/2003): unconditional monthly stipend to return to high school (12-14% of median earnings)
 - Universal policy overhaul: evaluation of policy reforms in adult education often targeted towards specific groups

What's the problem with simple comparisons?

Big differences in cognitive ability between on-time & later life graduates



Main Findings of Bennett, Blundell, and Salvanes (2022)

- 1. The Norwegian education reform significantly increases education among female high school dropouts aged 30-33
 - Expanded access alone may not be sufficient
 - Timing is key: returning to school even a few years later dramatically lowers the probability of continuing to complete higher education
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- 2. Large gains in education increase labour market success
 - higher earnings
 - increased employment
 - decreased fertility
- 3. Enhanced access to adult education can be an effective policy to reduce household gender earnings gaps



#4 Vocational Education—Main Findings of Bennett (2021)

- Vocational education often marginalized in favor of academic education (OECD, 2010)
 - Focus on "school to work" transition, less focus on "work to school" transition
 - A considerable amount of students finish vocational high school in their early to late 20s
- Common phenomenon in Norwegian vocational education system is starting vocational HS and dropping out
 - Often these students succeed in the labour market
 - Natural overlaps between vocational education & adult education
- An expansion of a certification scheme for adults in Norwegian vocational system:
 - Enables laid off workers to attain a vocational HS diploma
 - Decreases volatility of earnings and dependency on UI benefits far later in life

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What can we learn from a series of policy reforms in Norway?

- Policy does matter
 - Money also matters: expanded access alone may not be sufficient
 - We see that unconditional school funding reform particularly important
- Timing of when in the life cycle adults return is critical
- Universal reform increased female labour force attachment & lowered inequality within the household
 - Important gender differences
- Motivation of Lifetime Skills Guarantee similar to overhaul of Norwegian adult education system
 - All adults who have not completed upper secondary education and who wish to do so should receive such education (Norwegian Ministry of Education, 1999)