Adult literacy and numeracy: 
Social and economic benefits and costs across sectors

The Australian Council for Adult Literacy (ACAL) has received funding from NCVER (National Centre for Vocational Education Research) to undertake a research project in 2005. The research will explore whether and how we can obtain more reliable and useful estimates of the economic and social costs of poor adult literacy and numeracy and the benefits of improving literacy.

Literacy demands in the new millennium are changing rapidly and an increasingly diverse body of research shows that poor literacy can have a pervasive impact for individuals—ir identity, health, family life and capacity to fully participate socially and economically—and for communities. There is then a case for a much wider understanding of the costs of poor literacy across different areas of life, such as health, finance and all business, families, and community involvement, and the benefits of improving literacy levels. It is also clear that literacy is a community issue as well as an educational one, a matter for communities and non-government organisations and groups, as well as governments and policy makers. A better and more broadly based understanding of the importance of literacy could lead to a broader alliance of advocates for the development and promotion of adult literacy.

**Research questions**

The key research questions are:

- What effective means of measuring costs and benefits are available in various domains of life (such as health, finance and small business, families, and community involvement)?
- What frameworks are available for examining the impact of literacy and numeracy skills for individuals and across areas of social, economic and community life?
- What possibilities exist in the short and longer term for establishing a framework for ongoing monitoring and analysis of costs and benefits in relation to literacy and numeracy?
- What existing information is available for modelling and assessing economic and social costs and benefits, and what new data might need to be collected?

The first stage of the research involves a literature review of approaches to identifying measuring benefits and costs, and consultations with people working in various sectors such as health, and family and financial literacy. An interim report of stage 1 will be completed before the project is developed further.