

The graphic on the left features a grid of overlapping circles and triangles in shades of gray. To the right of this graphic, the word "BRIEF" is written in large, bold, black, sans-serif capital letters.

## ***Supply and Demand for Literacy Instruction in the United States***

Richard L. Venezky  
University of Delaware

Daniel A. Wagner  
University of Pennsylvania

Based on NCAL Technical Report TR94-10  
SEPTEMBER 1994  
13 pages, \$6.00 (ERIC No. ED 374 271)

BP95-04

MAY 10, 1995

### **KEY FINDINGS:**

- ❑ The high dropout rate now experienced in adult literacy programs indicates a gap between participants' perceptions of literacy acquisition and the reality of literacy learning at the adult level.
- ❑ Federal funding increases have been related in the past to dramatic increases in basic skills enrollments, but the likelihood of such large increases in the future is small.
- ❑ Although the number of immigrants who demand adult education is difficult to predict, the overall demand for ESL and ABE training will probably remain strong for many years.
- ❑ Adult education providers lack the funding needed for professional development, equitable distribution of services, and the application of new technologies to literacy instruction. This problem affects not only the quality of service provided but also the professional advancement of instructors.

### **KEY RECOMMENDATIONS:**

- ❑ Both supply and demand for literacy instruction should be estimated from current participation rather than from assumptions about who should want or need such training.
- ❑ The two most pressing tasks in estimating demand are to learn more about the characteristics of those who have inadequate literacy skills but do not currently request literacy instruction, and to determine what conditions might produce a major change in the number of persons seeking basic skills training.
- ❑ A demand model should incorporate the following factors: (a) the relationship between the demand for education and business cycles; (b) the role of personal, nonprofessional goals (Bible reading, travel, etc.); and (c) changing work skill requirements.
- ❑ To achieve a better balance between supply and demand, information will be needed on a continuing basis on job skill needs, client skill levels, and access to instruction.

### **INTRODUCTION**

The supply-demand equations for adult literacy instruction in the United States are complicated by (a) changing demands for basic skills in the workplace, (b) an increase in immigrants who have limited command of English, (c) changing federal welfare policies, and (d) limited awareness on the part of those with low reading and writing ability that their skills are not sufficient for everyday literacy needs. Past studies of supply and demand in education in the United States have focused on higher education largely because elementary and secondary education have been compulsory and have therefore not entailed demand-side considerations.

These studies have also concentrated on the mismatch between worker skills and projected workplace requirements; a more recent study, however, has demonstrated that these projected mismatches may have been exaggerated.

It is evident from the literature review that supply and demand data need to be examined more closely, in order to (a) alleviate shortfalls or rectify excess provision of literacy instruction, (b) keep educational levels in step with changing workplace literacy and skill requirements, and (c) ensure proper matching between the type of literacy instruction demanded and the instruction supplied. This report does not attempt to quantify supply and demand relationships.

Rather, it describes the kind of work necessary for this long-range goal.

## METHODOLOGY

Information for this report was gathered from a variety of sources including the National Evaluation of Adult Education Programs, a recent study of LLA and LVA enrollments, GED Testing Service reports, and various government and private agency reports.

The first part of this report points out the problems faced by adult education providers and recommends some steps necessary to adequately model supply. The next part considers the demand for literacy instruction and discusses two methods of projecting this demand. The first method considers all those in the general population who fall below a certain literacy performance criterion to be the potential clientele. The second uses current demand for literacy instruction to extrapolate demand.

The report goes on to discuss the impact of individuals' personal and professional motivations and of federal policies on basic skills education, and the demand by immigrants for adult education.

## IMPLICATIONS

Recent data on adult literacy service providers are available, but still far from complete or consistent. In projecting the supply capacity of the adult education network using this incomplete data, service providers could be classified as sponsors, direct suppliers, or both. Once it is known what portion of each program's instruction is organized by the sponsor itself and what proportion is supplied by other agencies, each agency's capacity to expand provision can be reasonably gauged.

Among the methods to estimate demand, counting all persons who fall below a certain literacy criterion as potential clients suffers from serious flaws. First, if years of schooling are used as the criterion, this method may count underschooled (usually older) persons who may not want instruction. Second, this method may omit people with high-school diplomas who, in fact, may need literacy instruction. Third, if literacy performance is adopted as the criterion, problems will arise because no relationships have yet been established between NALS levels and job performance or social functioning.

Using current demand for literacy instruction to project future demand is probably a better method, but still needs some work. Estimates derived from this method would have to be adjusted for students who later drop out, possible inflated reports of "oversubscription," and sample selection bias.

## FURTHER READING

- Clotfelter, C. T., & Rothschild, M. (Eds.). (1993). *Studies of supply and demand in higher education*. Chicago: University of Chicago Press.
- Development Associates, Inc. (1992). *Profiles of service providers* (First Interim Report). Washington, DC: U.S. Department of Education, National Evaluation of Adult Education Programs.
- Development Associates, Inc. (1993). *Profiles of client characteristics*. (Second Interim Report). Washington, DC: U.S. Department of Education, National Evaluation of Adult Education Programs.
- Mishel, L., & Teixeira, R. A. (1991). *The myth of the coming labor shortage: Jobs, skills, and incomes of America's workforce 2000* (EPI Study Series). Washington, DC: Economic Policy Institute.
- Thorne, J., & Fleenor, J. (1993, July). *Profiles of the adult education target population: Information from the 1990 Census* (Project Report). Research Triangle Park, NC: Research Triangle Institute, Center for Research in Education.

**To order hard copy** of the full report, please specify report number, title, and price as listed on the front page of this Brief.

**Payment:** All orders must be prepaid (U.S. Dollars only, please). Make check or money orders **PAYABLE TO "NCAL/UNIVERSITY OF PENNSYLVANIA."** All sales are final. For further information, call NCAL Dissemination at 215-898-2100, (FAX) 215-898-9804, or (E-mail) [ncal@literacy.upenn.edu](mailto:ncal@literacy.upenn.edu).

Please allow 3 weeks for delivery. For foreign mail and special handling, contact NCAL Dissemination.

**Send check and shipping information to:**

**NATIONAL CENTER ON ADULT LITERACY  
Dissemination  
3910 Chestnut Street  
University of Pennsylvania  
Philadelphia, PA 19104-3111**

To acquire an electronic copy of this report free of charge via NCAL's Internet Gopher, point your client at [litserver.literacy.upenn.edu](http://litserver.literacy.upenn.edu).