

AMERICA'S SKILLS CHALLENGE: Millennials and the Future

EXECUTIVE SUMMARY

Millennials may be on track to be our most educated generation ever, but they consistently score below many of their international peers in literacy, numeracy, and problem solving in technology-rich environments (PS-TRE). The results of this report help shed light on the growing inequality of opportunity in the U.S. and the impact this has on both skills acquisition and outcomes for both current and future generations.

In an effort to develop a clearer picture of the distribution of skills demanded by modern societies, the Organisation for Economic Co-operation and Development (OECD) undertook the Programme for the International Assessment of Adult Competencies (PIAAC), a new survey of adult skills. Unlike school-based surveys, which focus on specific ages or grades of in-school students, PIAAC was designed as a household study of nationally representative samples of adults age 16 to 65.¹ This report disaggregates the PIAAC data for millennials—the cohort born after 1980. Key findings are summarized below and detailed supporting data can be found in the full report. All differences noted are statistically significant.

How do the average scores of U.S. millennials compare with those in other participating countries?

- In literacy, U.S. millennials scored lower than 15 of the 22 participating countries. Only millennials in Spain and Italy had lower scores.
- In numeracy, U.S. millennials ranked last, along with Italy and Spain.
- In PS-TRE, U.S. millennials also ranked last, along with the Slovak Republic, Ireland, and Poland.
- The youngest segment of the U.S. millennial cohort (16- to 24-year-olds), who could be in the labor force for the next 50 years, ranked last in numeracy along with Italy and among the bottom countries in PS-TRE. In literacy, they scored higher than their peers in Italy and Spain.

How do U.S. top-performing and lower-performing millennials compare to their international peers?

What is the degree of inequality in the score distribution?²

- Top-scoring U.S. millennials (those at the 90th percentile) scored lower than top-scoring millennials in 15 of the 22 participating countries, and only scored higher than their peers in Spain.
- Low-scoring U.S. millennials (those at the 10th percentile) ranked last along with Italy and England/Northern Ireland and scored lower than millennials in 19 participating countries.

¹ Twenty-four countries participated in the PIAAC assessment for literacy and numeracy. This report does not include data for the Russian Federation or Cyprus. Only 19 countries participated in the PS-TRE assessment. For more information about the PIAAC assessment, see appendix A.

² Detailed disaggregated data are provided only for the numeracy results.

- The gap in scores (139 points) between U.S. millennials at the 90th and 10th percentiles was higher than the gap in 14 of the participating countries and was not significantly different than the gap in the remaining countries, signaling a high degree of inequality in the distribution of scores.

How do millennials with different levels of educational attainment perform over time and in relation to their peers internationally?

- Although a greater percentage of young adults in the U.S. are attaining higher levels of education since 2003, the numeracy scores of U.S. millennials whose highest level of education is *high school and above high school* have declined.
- Since 2003, the percentages of U.S. millennials scoring below level 3 in numeracy (the minimum standard) increased at all levels of educational attainment.
- U.S. millennials with a four-year bachelor's degree scored higher in numeracy than their counterparts in only two countries: Poland and Spain.
- The scores of U.S. millennials whose highest level of educational attainment was either *less than high school* or *high school* were lower than those of their counterparts in almost every other participating country.
- Our best-educated millennials—those with a master's or research degree—only scored higher than their peers in Ireland, Poland, and Spain.

What impact do demographic characteristics have on the performance of U.S. millennials?

- Among all countries, there was a strong relationship between parental levels of educational attainment and skills; across all levels of parental educational attainment, there was no country where millennials scored lower than those in the United States.
- The gap in scores between U.S. millennials with the highest level of parental educational attainment and those with the lowest was among the largest of the participating countries.
- In most countries, native-born millennials scored higher than foreign-born millennials; however, native-born U.S. millennials did not perform higher than their peers in any other country.

These results should be considered against a backdrop of larger social, economic, technological, and political forces that are shaping our society. In addition, the PIAAC data suggest that simply providing more education may not hold all the answers. If, despite investments and reforms in K-12 education over the past decades, America continues to lose ground in terms of the developed skills of its adult population and workforce, then we need to better appreciate the ways in which education can perpetuate inequalities of opportunity at all educational levels, as well as help redress this problem. As a country, we need to confront not only how we can compete in a global economy, but also what kind of future we can construct when a sizable segment of our future workforce is not equipped with the skills necessary for higher-level employment and meaningful participation in our democratic institutions.

To view the full report and download a PDF, visit www.ets.org/millennials