Lifelong learning is a core strategy for moving to a knowledge society, and ensuring that the benefits are equitably distributed. However, adult learning is the weak link in the lifelong learning framework. Although the benefits of adult learning cannot be expressed in financial terms alone, economic considerations are important. If individuals, enterprises and governments are to invest more in adult learning, it must be “economically sustainable” (projected benefits must be sufficient to offset the costs) and “financially sustainable” (there must be a means of paying today for benefits that may arrive well into the future). While investment in young people’s education is highly sustainable in both senses, this is less true for adult learning.

This chapter first sheds light on the economic sustainability of adult learning by making illustrative calculations about rates of return from mid-life study. Its findings suggest that, under prevailing policy, the economic returns provide only modest incentives for individuals – particularly adults in employment – to undertake more lifelong learning. Intervention is needed to ease the burden of foregone earnings and to shorten study periods by giving adult learners credit for what they already know.

The financial sustainability of adult learning hinges on mechanisms to share costs among individuals, government and employers. Governments should cover costs for the least advantaged, and create the means for other parties to share costs. The chapter explores recent initiatives in 10 OECD countries that aim to make such “co-financing” a reality. They have shown promise, although it has proven difficult to reach those disadvantaged groups who badly need new learning opportunities. Nevertheless, the wide range of initiatives now underway provides insights on what might work for individuals and enterprises.