

## Pre-Federal Budget Submission, August 2014

(on behalf of: Community Learning Network, Centre for Family Literacy and Literacy Alberta)

### Executive Summary:

Canada's literacy and essential skills problem poses a significant and ongoing challenge to our ability to attain the productivity and job skill levels we need to compete successfully in the global economy. Canada is only average among OECD countries in literacy levels and is below average in numeracy among youth. Moreover, Canada's performance in both categories has slipped compared to a previous global survey eleven years ago. The widening skills gaps among Canadians we are currently witnessing has disturbing implications.

Research suggests that a mere one-percent gain in literacy skills leads to a 2.5 percent increase in productivity and a 1.5 percent increase in Canada's GDP. With the support of the Federal government, literacy organizations can make meaningful, positive changes in the lives of thousands of Canadians, alleviate pressing economic and social problems, and help all Canadians acquire the skills they need to succeed. Specifically, our organizations recommend that the Federal government support literacy by:

- making literacy a Federal government funding and policy priority,
- increasing funding to the Federal Office of Literacy and Essential Skills (OLES), and
- developing a national literacy strategy in cooperation with the provinces and territories.

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The traditional conception of literacy as reading, writing and numeracy nowadays encompasses a basket of additional, so-called *essential skills*, which include competencies such as computer use, document use, oral communication, and so on. Essential skills, in turn, are the foundations all of us require to get jobs, build specialized skills, advance our careers, and satisfy the needs of our burgeoning knowledge economy. Notwithstanding the fact that Canada weathered the global recession of 2008-9 better than most developed economies and that we benefit from relatively well-developed educational infrastructure, our nation faces a chronic and worsening literacy and essential skills problem.

Canada's literacy and essential skills problem poses a significant and ongoing challenge to our ability to attain the productivity and job skill levels we need to compete successfully in the global economy. Credible evidence of the nature of this problem consists in the results of the Programme for the International Assessment of Adult Competencies (PIACC), released by the OECD in 2013. According to these results, Canada rates only average among OECD countries in literacy levels and is below average in numeracy among youth. Moreover, Canada's performance in both categories has slipped compared to a previous global survey eleven years ago. This is a disturbing trend, as these skills not only form the foundations upon which vital, specialized job and professional skills depend, they also correlate with important socio-economic factors such as personal development, levels of domestic violence, and so on.

The roots of the problem are complex and multi-faceted. Employers compete to recruit the best talent in the labour pool and avail themselves of the benefits that the best graduates of provincial education

systems provide, but tend to see literacy in “all or nothing” terms and in any case as someone else’s problem to solve. Overall per capita spending by employers on their employees for professional development has been declining in Canada since the mid-1990s. At the same time, research suggests that a mere one-percent gain in literacy skills leads to a 2.5 percent increase in productivity and a 1.5 percent increase in Canada’s GDP. It’s in everyone’s interest to improve essential skills levels, and employers in particular have unique opportunities to be part of the solution rather than adopt a “not my problem” attitude. Regardless, the net result is the widening skills gaps among Canadians we are currently witnessing, with disturbing implications for our future.

Further compounding this problem is the fact that Alberta has a labour shortage. We’ve known for years that Alberta’s phenomenal job growth means there are more job opportunities than people to fill them, and that’s why Alberta has long had among the lowest unemployment rates in the country. Underlying this situation, however, is a story that has serious implications for Alberta and Canada.

Alberta’s educational system is one of the best in Canada, yet research shows fewer than 50% of recent high school graduates are fully prepared for success in employment or post-secondary education. This is particularly alarming because advances in the trades and in technology leave even the most experienced workers struggling to keep pace.

First Nations people are under-represented in the workforce, with poverty rates and educational outcomes that are a national shame. We know that large numbers of immigrants bring professional skills from their home countries but have difficulties for various reasons translating those skills into well-paying jobs here. We know that many learners fall through the cracks in our secondary and post-secondary systems. The proof of that is in the high percentage of adults—40% nationwide—whose essential skill levels are inadequate for the needs of our advanced economy.

Other countries are exploring innovative solutions to these issues. With its low population growth and government policies that restrict the intake of foreign workers, Singapore seeks to identify adults who could play a role in skilled labour and makes sure they have the skills necessary to succeed. In other words, they work to fully utilize every person’s ability through training and adult education. Scandinavian countries, on the other hand, which outrank Canada among OECD nations with respect to literacy and essential skills levels, have implemented national literacy strategies.

While inequalities in essential skills levels are not distributed evenly throughout Canada, clearly Canada can and should do a better job on educational basics to ensure that fewer of its citizens fall through the cracks. In the absence of a national literacy strategy such as those that Scandinavian countries have implemented, the Federal government can mitigate the problem in a meaningful way by supporting grass roots organizations working on the front lines of adult education across Canada to serve the needs of learners seeking to upgrade their skills and knowledge.

With our collective resources and extensive network of shared community partners, the Alberta-based partner organizations responsible for this submission (the Community Learning Network, the Centre for Family Literacy, and Literacy Alberta), work with families and adult learners in Alberta to help them reach their personal, career or educational goals. Our staff work directly with vulnerable individuals to develop personalized solutions that enhance their ability to adapt and prepare them for success in the workplace and at school.

With the support of the Federal government, organizations such as ours can continue to make meaningful, positive changes in the lives of thousands of Albertans, address the pressing economic needs of Canada, and help all Canadians acquire the skills they need to succeed.

Specifically, our organizations recommend that the Federal government support literacy by:

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**Reference:**

Alexander, C. and J. Bendiner: Special Report: Canada's Literacy and Numeracy Challenge Worsens, TD Economics, 2013.