



Literacy:
Learning for Life.

L'alphabétisation,
Une leçon pour la vie.

Pre-budget brief

The Honorable Bill Morneau, Minister of Finance
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Introduction & Executive Summary

Frontier College is a national literacy organization, established in 1899 on the belief that literacy is a right. We work collaboratively with almost 500 community-based agencies across Canada to provide targeted, innovative literacy and numeracy support for the most vulnerable Canadians. Last year 30,000 children, youth, and adults participated in our programs in more than 125 communities throughout the country.

Despite the fact that education is a provincial matter, there is a significant and critical leadership role for the federal government to play in setting national standards for literacy, and coordinating inter-jurisdictional efforts to achieve them. Literacy is a horizontal issue that is directly connected to a range of portfolios, including workforce development, justice/corrections, health, and immigration.

Literacy is measured on a scale of 0 to 5, with 5 being the highest level. While many Canadians achieve high levels of literacy and educational attainment, a 2013 study of OECD countries revealed that about half of Canadians (49%) have literacy scores below Level 3, and nearly 1 in 5 Canadians (17%) have literacy scores of Level 1 and below.ⁱ Among youth aged 16-24, about 2 in 5 (40%) underperform in literacy. Among Aboriginal people — our youngest and fastest growing demographic — 60% lack the literacy skills needed for the labour market.ⁱⁱ

The 2011 report *From Poverty to Prosperity: Literacy's Impact on Canada's Economic Success* states that raising every Canadian adult to Level 3 literacy would result in annual savings on social assistance of \$542M, and that an investment of \$18B to eliminate occupational literacy shortages would generate an additional \$100B in annual earnings.ⁱⁱⁱ Yet, reduced federal support for literacy in recent years has left the field uncertain of how that leadership gap will be filled, and how literacy policy and research will be integrated across the country.

“Higher literacy can boost the economic and financial success of individuals and the economy as a whole. It can reduce poverty, improve health, lift community engagement and lead to a higher standard of living. In fact, it is hard to identify any other single issue that can have such a large payoff to individuals, the economy and society.”^{iv} – TD Economics

Not all Canadians are equally well-served by formal education and training systems. Individuals with weaker skills need flexible, individualized community-based literacy and numeracy support. Frontier College and other literacy organizations offer programming that takes into account social and economic barriers, stigma, low level of ability and confidence, limited connection to community, failure to meet pre-requisites, inability to meet scheduling requirements, and need for coordinated or wrap-around supports among low literacy learners.

Our experience since 1899 has demonstrated that, when delivered through existing community hubs and networks, literacy and essential skills interventions are high impact, low cost, and can be adapted to diverse geographies and populations.

Recommendations

In considering *what federal measures would help Canadians to be more productive, and what federal measures would help Canadian businesses to be more productive and competitive*, Frontier College recommends that the Government of Canada:

1. Lead horizontal initiatives across federal/provincial/territorial jurisdictions to raise literacy and numeracy levels of low-skilled Canadians using diversified and accessible service models; and,
2. Invest in workplace literacy and essential skills programs to maximize on-the-job learning for lower skilled workers.

Recommendation 1: Lead horizontal initiatives across federal/provincial/territorial jurisdictions to raise literacy and numeracy levels of low-skilled Canadians, using diversified and accessible service models.

Background / Rationale

- Low skill levels pose a barrier to accessing formal education and training opportunities, and because low literacy is correlated with multiple other challenges—i.e., poverty, housing instability, poor health, justice involvement and isolation—Canadians who need to improve their literacy levels are less likely to access formal skills and training programs than higher-skilled learners. In this way, a sizeable portion of the population is being left out of existing support programs.

- Whereas literacy impacts the well-being of individuals from childhood to adulthood, and impacts the effectiveness of institutions (schools, workplaces, hospitals, courts), a coordinated horizontal approach is needed.
- Low literacy is linked to a number of public policy challenges such as poverty, crime and chronic disease:
 - Household income for those with literacy level 4 or 5 is 70% higher than for those at level 1 or below - and 33% higher than those with literacy level 2^v
 - 65% of people entering correctional facilities have less than a Grade 8 education or level of literacy skills
 - According to the Canadian Association of Chiefs of Police, “Neighbourhoods with lower literacy rates have higher crime rates. And people who commit crimes are more likely to have lower levels of literacy. So are victims of crime.”^{vi}
 - Every dollar allocated to vocational and basic education programs for offenders yields a 200-300% return on investment.^{vii}
 - People with lower literacy are generally 1.5 to 3 times more likely to have an adverse health outcome as people with higher levels of literacy, while people with higher literacy skills are more likely to participate in disease screening and prevention practices, and are less likely to be hospitalized (DeWalt et al., 2004).

Model for support

- Establish a national body with relevant federal departments, and representatives from provincial/territorial and non-governmental organizations, building on current F/P/T arrangements for health, education and labour market development.
- The mandate of this working group should be to provide guidance and accountability for a horizontal approach to improving literacy and numeracy levels in Canada. This would include identification and/or development, as needed, of targets and tools to achieve results. This performance framework should be aligned to international literacy and skills assessment exercises such as PIAAC and PISA.
- Make investments in basic literacy and numeracy support a key component of the national Poverty Reduction Strategy being developed by the Minister of Children, Families and Social Development.
- Consult with community stakeholders that represent groups more likely to experience poverty and low literacy; these include recent immigrants, Indigenous people, people with disabilities, single parents, seniors and people in prison.^{viiiix}
- Consider the needs and assets of rural/remote, on-reserve and under-served communities, where unique conditions and challenges impact effective program design.

Recommendation 2: Invest in workplace literacy and essential skills programs, to maximize on-the-job learning for lower skilled workers.

Background / Rationale:

- The Government of Canada's 2016 *Towards a Poverty Reduction Strategy: Discussion Paper on Poverty in Canada* acknowledges that: "Lifelong training and skills upgrading is increasingly important to help Canadians adjust to changing market conditions. However, adult participation in education and training in Canada is near average among peer countries. Further, adult education and training rates are significantly lower for those with poor literacy scores."^x
- Many of those with lower skills in reading, writing and math are in the workforce but have limited opportunities for advancement. They may also be among the "last hired, first fired" during a downturn.
- Some individuals with lower skills also have post-secondary credentials. Among adults with a college diploma, average earnings are \$37,000 for adults with literacy Level 2, compared to \$50,000 for adults with literacy Level 4 or 5.^{xi}
- Research by TD Economics confirms that investing in literacy and essential skills provides powerful returns for Canadian businesses through improved productivity, reduced errors, and less turn-over.^{xii}
- Surveys of employers offering a Frontier College workplace literacy and essential skills program confirmed that 80 to 100 percent of supervisors saw improvements in the following areas as a result of workers receiving individualized and small group support:
 - Communication skills, giving/receiving instructions
 - On-the-job training effectiveness
 - Reporting and solving problems
 - Team work and morale
 - Workplace safety

Models for support

- Establish a Grants and Contributions program, or revise the existing Terms and Conditions of the Adult Learning Literacy & Essential Skills Program, to support ongoing delivery of workplace programs with proven results and cost effectiveness.
- Dedicate a portion of Canada Job Grant funding to support lower skilled workers and employers wishing to offer literacy and basic skills upgrading in the workplace through a third party organization.

Citations

- ⁱ Statistics Canada (2013). *Skills in Canada: First Results from the Programme for the International Assessment of Adult Competencies (PIAAC)*. Page 17.
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- ⁱⁱⁱ Murray, Scott and Richard Shillington. (2011). *From poverty to prosperity: Literacy's impact on Canada's economic success*. Kanata, ON: Canadian Literacy and Learning Network. Page 39.
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- ^v Statistics Canada. (2016). *Insights on Canadian Society: The association between skills and low income*. Retrieved from: <http://www.statcan.gc.ca/pub/75-006-x/2016001/article/14322-eng.htm>
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- ^{vii} Canadian Literacy and Learning Network. (2012).
- ^{viii} Statistics Canada. (2016).
- ^{ix} Canada Without Poverty. (2017). *Just the Facts*. Retrieved from: <http://www.cwp-csp.ca/poverty/just-the-facts/>
- ^x Government of Canada (2016). *Towards a Poverty Reduction Strategy: Discussion Paper on Poverty in Canada*. Page 10. Retrieved from: <https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/discussion-paper.html>
- ^{xi} Murray & Shillington, 2011. Page 17.
- ^{xii} Alexander, Craig (2007).