



Literacy:
Learning for Life.

L'alphabétisation,
Une leçon pour la vie.

Written Submission for the Pre-Budget Consultations in Advance of the 2021 Budget

Frontier College

Stephen Faul

President & CEO

35 Jackes Avenue

Toronto, ON M4T 1E2

Phone: 416-923-3591 x309

Email: sfaul@frontiercollege.ca

Website: www.frontiercollege.ca

List of Recommendations

Recommendation 1:

That the Government of Canada invest in workplace literacy and essential skills programs as part of its response to the COVID-19 pandemic, and ongoing implementation of *Canada's Poverty Reduction Strategy*, with the objective of maximizing the Canadian labour market's resilience to disruption, and to promote Canada's global competitive advantage by increasing on-the-job learning for lower-skilled workers.

Recommendation 2:

That the Government of Canada invest \$5M annually to create a National Literacy Secretariat to align the efforts of the provinces and the federal Office of Literacy and Essential Skills (Employment and Social Development Canada). This new body would play a leadership role in setting national standards for child, youth, and adult literacy - and would coordinate inter-jurisdictional efforts and data sharing, with the objective of reducing the rate of adults on the lower half of the literacy scale from current level of 49%, to a target of 25% by 2030. This will promote and incubate a more flexible, prosperous economy and labour market in Canada, built to innovate and withstand shocks.

Introduction

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.¹ Canada scores below the OECD average in numeracy skills, and a full 23% of Canadians score at Level 0-1 in numeracy skills.² Among youth aged 16-24, about 2 in 5 (40%) underperform in literacy. Among Indigenous people — the youngest and fastest growing demographic in Canada — an estimated 60% lack the literacy skills needed for the labour market.³

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, numeracy, and essential skills support for the most vulnerable Canadians. Last year, 37,129 children, youth, and adults participated in our programs in more than 179 communities throughout the country. Our experience over 120 years 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, local economies, and demographics of participants.

According to the Public Health Agency of Canada, populations vulnerable to COVID-19 include anyone who has difficulty reading. Pandemic preparedness and recovery are among the multiple benefits to investing in community-based literacy and numeracy programs that complement the formal education and training infrastructure in Canada. While K-12 education provides the mandated requirements for basic education in Canada, there are many reasons that individuals may not achieve mastery of the basics (e.g. interrupted education, learning disabilities, early school leaving, and lack of learning supports). Adults who have not mastered these foundational skills are often harder to employ, train, retain, and re-train.

Increased investment in literacy benefits employers, and is also a priority for Canadians: a 2017 Environics/Frontier College survey found that 87% of Canadians agree that more should be done to improve literacy rates.

“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.”⁴ – TD Economics

Recommendations

In considering *measures the federal government could take to restart the Canadian economy, as it recovers from the COVID-19 pandemic*, Frontier College recommends:

Recommendation 1:

That the Government of Canada invest in workplace literacy and essential skills programs as part of its response to the COVID-19 pandemic, and ongoing implementation of *Canada's Poverty Reduction Strategy*, with the objective of maximizing the Canadian labour market's resilience to disruption, and to promote Canada's global competitive advantage by increasing 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 education and training rates are significantly lower for those with poor literacy scores."⁵
- Low literacy levels make Canadians more vulnerable to layoffs during an economic crisis. In 2020, the COVID-19 pandemic triggered the downturn. A report released by Statistics Canada found one-in-five Canadian businesses had laid off more than 80 per cent of their staff by April 30,⁶ and it is estimated that 12.5% of all paid workers have been let go every month since February.
- Low literacy levels contribute directly to lost income tax revenues. Household income for those with literacy level 4 or 5 is 70% higher than for those at level 1 or below.⁷
- Research into the ROI for literacy and essential skills training in the workplace confirms multiple benefits of implementing such training programs: "Governments experience gains in terms of increased income, corporate, and sales taxes, as well as a small reduction in transfers for EI benefits. These gains more than offset the costs of sector-level activities to support the launch of the training."⁸
- According to UNESCO, adult learning and education programs mean "Economic activity rates are higher. More people are in the labour market who are willing and able to work later in life. Tax revenues are higher. The labour market functions better, as more workers are able to change occupations. Entrepreneurship levels are higher."⁹

Models for support

- Ensure that existing and future Grants and Contributions programs support ongoing objectives of Canada's Poverty Reduction Strategy, including delivery of workplace literacy programs with proven results and cost effectiveness.
- This should be a key priority for the Future Skills Centre led by ESDC, and should support the launch of the Office of Literacy and Essential Skills' new essential skills framework, *Skills For Success*.
- Increase availability and access to funding for employers to offer literacy and basic skills upgrading in the workplace through a third party organization.

Recommendation 2:

That the federal government invest \$5M annually to create a National Literacy Secretariat to align the efforts of the provinces and the federal Office of Literacy and Essential Skills (Employment and Social Development Canada). This new body would play a leadership role in setting national standards for child, youth, and adult literacy - and would coordinate inter-jurisdictional efforts and data sharing, with the objective of reducing the rate of adults on the lower half of the literacy scale from current level of 49%, to a target of 25% by 2030. This will promote and incubate a more flexible, prosperous economy and labour market in Canada, built to innovate and withstand shocks.

Background / Rationale

- 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.¹⁰ Canada scores below the OECD average in numeracy skills, and a full 23% of Canadians score at Level 0-1 in numeracy skills.¹¹
- A pandemic such as COVID-19 reveals the importance of having a skilled, flexible workforce, with workers and employers who are equipped to adapt to changing economic conditions. Establishing and achieving higher literacy standards would increase the flexibility of Canada's workforce—making it easier to train, retrain, and shift skilled labour from one sector to another, and easier for workers to adapt to changes in technology, such as we are seeing in the widespread shift to digital and updated systems and processes in response to the pandemic.

- Low foundational skills are a barrier to 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 behind.
- Efforts need to be horizontal and holistic, integrated across policy and program areas to ensure that food security, housing, and health service needs can be addressed in concert for adults with lower skills. 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.¹²

Model for support

- Establish a national body with relevant federal departments, and representatives from provincial/territorial and non-governmental organizations, building on current federal, provincial, and territorial policies, programs and priorities.
- The mandate of this national body should be to provide guidance and accountability for a horizontal approach to improving literacy and numeracy levels in Canada.
- This performance framework should be aligned to international literacy and skills assessment exercises such as the OECD's Programme for the International Assessment of Adult Competencies (PIAAC) and Programme for International Student Assessment (PISA).
- Build the costs of basic literacy and numeracy support into high profile federal initiatives, including the national Poverty Reduction Strategy, the Future Skills Centre, and Future Skills Council.
- In developing a national, horizontal approach, 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.^{13, 14}
- Consider the needs and assets of rural/remote, on-reserve and under-served communities, where unique conditions and challenges impact effective program design.

Citations

- ¹ Statistics Canada. (2013) *Skills in Canada: First Results from the Programme for the International Assessment of Adult Competencies (PIAAC)* Page 17.
- ² Statistics Canada. (2013) Page 19.
- ³ Alexander, Craig. (2007) *Literacy matters: a call for action*. TD Bank Financial Group. Retrieved from: <http://www.brantskillscentre.org/wp-content/uploads/2012/05/Literacy-Matters-TD.pdf>
- ⁴ Alexander, Craig. (2007)
- ⁵ 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>
- ⁶ Statistics Canada. (2020) *COVID-19 and job displacement: Thinking about the longer term*. Retrieved from: <https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00030-eng.htm>
- ⁷ 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>
- ⁸ SRDC. (2014) *UPSKILL: A Credible Test of Workplace Literacy and Essential Skills Training*. Page 24.
- ⁹ UNESCO Institute for Lifelong Learning. (2016) *3rd GLOBAL REPORT ON ADULT LEARNING AND EDUCATION: The Impact of Adult Learning and Education on Health and Well-Being; Employment and the Labour Market; and Social, Civic and Community Life*. Page 89-90.
- ¹⁰ Statistics Canada. (2013) *Skills in Canada: First Results from the Programme for the International Assessment of Adult Competencies (PIAAC)* Page 17.
- ¹¹ Statistics Canada. (2013) Page 19.
- ¹² DeWalt, Darren A. et al. (2004) "Literacy and Health Outcomes: A Systematic Review of the Literature." *Journal of General Internal Medicine*. Retrieved from: <https://doi.org/10.1111/j.1525-1497.2004.40153.x>
- ¹³ Statistics Canada. (2016)
- ¹⁴ Canada Without Poverty. (2017) *Just the Facts*. Retrieved from: <http://www.cwp-csp.ca/poverty/just-the-facts/>