

**Written Submission for the Pre-Budget
Consultations in Advance of the Upcoming
Federal Budget**

By: Decoda Literacy Solutions

Working together for literacy

- **Recommendation 1:** That the Government incorporate explicit references to literacy into policies including Poverty Reduction, Health, Connecting Remote Communities, and others, and fund literacy components of these policies accordingly.
- **Recommendation 2:** That the Government support literacy non-profits with core funding.
- **Recommendation 3:** That the Government not require that literacy funding be tied to employment.
- **Recommendation 4:** That the Government recognize and fund digital literacy programs at the introductory level in communities gaining new access to broadband.

July, 2023

Briefing note for the House of Commons Standing Committee on Finance

Introduction

Literacy (which includes digital and financial literacy) is widely recognized as a keystone factor in people's ability to earn a living and to be an active member of their community. It also adds to people's ability to access government resources, health care, political involvement, and the education and training that they may need to gain or change employment.

There are surprisingly low levels of literacy in many of Canada's populations. Low levels of literacy are closely linked to poverty.

(see references below)

Current supports

There are currently several Government of Canada policies which reference literacy or overlap with the goal of increasing literacy. They include:

- [Canada's Poverty Reduction Strategy and Act; Poverty Reduction Act](#)

Statement from above Strategy:

The Poverty Reduction Act brings together new investments of \$22 billion that the Government has made since 2015 to support the social and economic well-being of all Canadians. These actions will help lift about 650,000 Canadians out of poverty by 2019, with more expected as the impacts of these investments are realized in the years to come.

- [Skills for Success](#) and the work of the [Future Skills Centre](#)

In Budget 2017, the Government invested \$225 million over four years, starting in 2018–19, and \$75 million per year thereafter, to establish a new organization to support skills development and measurement in Canada.

- [Universal Broadband Fund \(2020-2022\)](#)

The \$3.225 billion Universal Broadband Fund supports high-speed Internet projects across the country. These projects will bring Internet at speeds of 50/10 Megabits per second (Mbps) to rural and remote communities. These are infrastructure projects. There is not a correlating program to teach people digital literacy as they gain access to high-speed internet.

- [Digital Literacy Exchange Program](#)

The Digital Literacy Exchange Program (DLEP) will invest \$17.6 million to support initiatives aimed at teaching digital literacy skills to Canadians who face barriers to participating in the digital economy. The program aims to equip Canadians with the necessary skills to use computers, mobile devices, and the Internet safely, securely, and effectively.

Policies

- [Canada's First Poverty Reduction Plan \(2019\)](#)
[Future Skills/Skills for Success](#)

In Budget 2017, the Government invested \$225 million over four years, starting in 2018–19, and \$75 million per year thereafter, to establish a new organization to support skills development and measurement in Canada. In Budget 2018, the Government announced it will work with provinces and territories, the private sector, educational institutions, and not-for-profit organizations to launch the new organization entitled Future Skills in 2018. Future Skills will bring together expertise from all sectors and leverage experience from partners across the country. It will include an independent Council to advise on emerging skills and workforce trends, and a research lab focused on developing, testing and rigorously measuring new approaches to skills assessment and development.

- [Digital Literacy Exchange](#)

Budget 2017 invested \$29.5 million over five years, beginning in 2017–18, for a new Digital Literacy Exchange program. The program supports non-profit organizations to implement initiatives that teach basic digital skills, including how to use the Internet safely and effectively, at pre-existing facilities such as public libraries, refugee housing complexes and seniors' homes; The program will focus on vulnerable groups such as low-income individuals and families, and seniors.

- [Social Innovation and Social Finance Strategy](#)

The Government is working with stakeholders to develop a Social Innovation and Social Finance Strategy to provide better support and partnership opportunities for community organizations working to address persistent social and environmental challenges using innovative approaches, including social finance and social enterprise.

- [Universal Broadband Fund \(2020-2022\)](#)

<https://ised-isde.canada.ca/site/high-speed-internet-canada/en/universal-broadband-fund>

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Gaps

So, what is missing? There have been several funding tranches which can include literacy work, especially in the Skills for Success program, and yet literacy levels continue to be low – or at least that is what is observed in the field. Many poverty reduction partners are government agencies with core funding and reliable operating budgets. The non-profits that do literacy work across the country don't enjoy that stability. The Broadband project does not tie new broadband access to training in how to use it, including basic digital literacy - its funding is for infrastructure.

- Literacy data is out-of-date. Most information is at least a decade old.
- Several of the funding sources have closed.
- The 2022 call for proposals from Skills for Success was supposed to provide funding in the fall of 2022, to be spent by March 31, 2024. That money has not yet been dispersed – applicants are still waiting to be informed of the status of their proposals. We have been told to expect an announcement this summer, leaving successful applicants 6-8 months to set up and complete their projects.
- There is a lack of a distinct link between digital infrastructure building and related capacity building.
- Literacy non-profits lack core funding and dependable operating funds. Work is done project-by-project with enormous competition between organizations for funding. There can be a lack of continuity as staff are let go at the end of project funding.

What we Heard

Decoda reached out to other provincial literacy organizations and experts to ask what they would like to see from the Government of Canada. Here are some of the comments we received.

- Literate people vote.
- There is no obvious place for literacy to sit within the Federal Government. I think Imagine Canada is finding this to be a similar challenge as it tries to find a 'home' for the voluntary, charitable, and not for profit sector. Programs are often rolled into an employment focused package.
- There's no mention of literacy or essential skills or Skills for Success in the 2022 update of the Poverty Reduction Strategy.
- Education and Literacy is included on the [list of determinants of health](#) here:

Although literacy is specifically listed in the list as #3, it is also linked to 1. Income and social status, 2. Employment and working conditions, 4. Childhood experiences, 6. Social supports and coping skills, 7. Healthy behaviours, 8. Access to health services.

- Literacy is a determinant of health. Government can't talk about the health crisis and investing in fixing it without investing in literacy.

Conclusion

Literacy is a basic building block of personal, family and community well-being. Current Government of Canada funding is very much appreciated, and funded research has exposed gaps which make this very accessible solution harder to deliver, especially in rural and remote communities. The network of community-based literacy organizations across Canada has the tools and knowledge to deliver successful programs IF they have sustainable support.

References

Facts and Stats:

- <https://decoda.ca/resource/literacy-matters-fact-sheet/>
- <https://www.conferenceboard.ca/hcp/adlt-lowlit-asp/#:~:text=Overall%2C%20Canada%20earns%20a%20%E2%80%9C,increase%20from%20a%20decade%20ago>
- https://policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2011/07/CCPA_BC_cost_of_poverty_full_report.pdf
- <https://www.conferenceboard.ca/hcp/adlt-lowlit-asp/#:~:text=Overall%2C%20Canada%20earns%20a%20%E2%80%9C,increase%20from%20a%20decade%20ago>.
- <https://abclifeliteracy.ca/literacy-at-a-glance/>
 - 48% of adult Canadians have literacy skills that fall below a high school level, which negatively affects their ability to function at work and in their personal lives.
 - 17% function at the lowest level, where they may, for example, be unable to read the dosage instructions on a medicine bottle (OECD Programme for the International Assessment of Adult Competencies, 2013).
 - Over half (54.7%) of adult Canadians score in the two lowest skill levels in numeracy, up from 49.8% in 2003.
 - People with lower literacy skills are more likely to be unemployed than those who scored higher (Skills in Canada: First Results from the Programme for the International Assessment of Adult Competencies (PIAAC) – Statistics Canada, 2013).
 - Canada ranked 11th out of the 23 OECD countries evaluated by the PIAAC (The Programme for the International Assessment of Adult Competencies) on the percentage of adults with suitable literacy skills.
 - The assessment found that the percentage of adults with suitable literacy skills (48%) has increased notably over the past 10 years (OECD Programme for the International Assessment of Adult Competencies, 2013).
 - Literacy had the most notable effect when measured against other factors that affect differences in pay, followed by education (Literacy in the Information Age: Final Report of the International Adult Literacy Survey)