



Movement for Canadian Literacy

300-180 Metcalfe St., Ottawa, ON, K2P 1P5 • T: 613-563-2464 • F: 613-563-2504 • mcl@literacy.ca • www.literacy.ca

Advancing Literacy in Canada: An Urgent Call to Action

Recommendations for the House of Commons Standing Committee on Finance

“The Committee is convinced that the private and social costs of low literacy (and other essential skills) are high and will continue to grow if this country fails to respond adequately to this very important problem ... We need leadership to coordinate and deliver a nation-wide response to this issue and government must provide this leadership.”

Standing Committee on Human Resources Development
and the Status of Persons with Disabilities, June 2003

September 2003

The Movement for Canadian Literacy

The **Movement for Canadian Literacy (MCL)** is a national non-profit charitable organization representing literacy coalitions, organizations and individuals from every province and territory. For over twenty-five years, MCL has worked to:

- provide a national forum for provincial and territorial literacy organizations to work together to ensure that all Canadians have access to quality literacy education;
- inform the federal government and the general public about issues related to adult literacy in Canada;
- strengthen the adult learner voice in Canada; and
- support the development of a strong movement of people and organizations involved with adult literacy education.

In this brief, MCL calls on the Standing Committee on Finance to recommend the resources necessary to establish meaningful advances on literacy and essential skills development. Canada's economic and social prosperity will be served if the federal government makes literacy a policy priority.

Serious literacy challenges demand national attention.

According to Statistics Canada, 22% of Adult Canadians have serious difficulty with reading, writing and math ("level 1"), and another 26% do not have the literacy skills necessary to prosper in the knowledge-based economy ("level 2").¹

For most Canadians falling into these two lowest literacy levels, the challenge is not so much in simply *deciphering* print information, but in *understanding and working with* it. Because today literacy is about much more than the ability to read words on a page – it's about the capacity to "read the world". The demands of our knowledge-based society are escalating faster than ever before, and our definition of the minimum literacy skills required to meet the challenges of modern life is evolving to match.²

The International Adult Literacy Survey defines literacy as *the ability to use printed and written information to function in society to achieve one's goals, and to develop one's knowledge and potential*¹, and rates peoples' degree of ability to process written material in a world where the flood of information is constant and complex.

¹ "Literacy, Economy and Society", International Adult Literacy Survey (IALS), OECD, 1995

² For more, see "Literacy, It's not what it used to be", National Literacy Secretariat Fact Sheets at www.nald.ca/NLS/nlsild/fact8.htm

In recent years, the federal government, many provincial and territorial governments, Parliament and leaders from the business, labour, and NGO community have taken notice of the extent and impact of Canada's literacy challenge and the need for action:

- In the past **two Throne Speeches**, the federal government acknowledged the extent of low literacy and its impact on our society and our economy; and recognized the need for a "national literacy initiative" to tackle the challenge.
- Throughout 2002, as the government consulted with a wide range of stakeholders on the **federal Innovation Agenda**, literacy was often targeted as a priority.
- The **National Summit on Innovation and Learning** in November 2002 brought together more than 450 leaders from the private and voluntary sectors, business and labour, academia and various levels of government. Participants at the Summit identified literacy as Canada's number one learning priority and called for the development of a "pan-Canadian literacy development system".³
- The **Standing Committee on Human Resources Development and the Status of Persons with Disabilities** released its groundbreaking report on literacy, "*Raising Adult Literacy Skills: The Need for a Pan-Canadian Response*" in June.⁴ In the report, parliamentarians make an urgent appeal for governments to develop a pan-Canadian literacy strategy. More than fifty witnesses, from all regions of the country and representing a variety of interests, appeared before the committee and were united in their call for action on literacy. Witnesses included community workers, CEOs, union leaders, teachers, researchers, bureaucrats, Aboriginal leaders, and others.
- In June, the **Forum of Labour Market Ministers (FLMM), the Canadian Ministers of Education (CMEC), and the federal HRDC Minister** came together in Halifax and agreed that literacy was a priority area that warranted further joint action.

The strong and widespread support for action on literacy makes it clear that literacy is an issue not only for those who are marginalized, but also for all Canadians, and that the time is right for federal government leadership.

In this brief, the Movement for Canadian Literacy (MCL) outlines the necessity for action, addresses challenges, and provides the Finance Committee with concrete recommendations. Our goal, and we hope the Committee's goal as well, must be to ensure that Canada and all Canadians are equipped to face the challenges of a complex world. To help reach that goal, governments must make literacy a policy and funding priority. We cannot truly move forward as a nation if we leave almost half of the Canadian population behind.

³ The report on the National Summit on Innovation and learning is available online at www.innovationstrategy.gc.ca/cmb/innovation.nsf/MenuE/KeyDocs40

⁴ *Raising Adult Literacy Skills: The Need for a Pan-Canadian Response* is available online at www.parl.gc.ca/InfoComDoc/37/2/HUMA/Studies/Reports/humarp03-e.htm

The Necessity for Action: Literacy advances are key to Canada's economic and social prosperity.

Canada's future economic vitality is threatened by looming labour shortages. The average annual rate of labour force growth is expected to remain below one percent over the next three decades.⁵ The Canada of the future will need all hands on deck. Now more than ever, we need to ensure that all Canadians have the opportunities and resources they need to develop their potential and contribute to our economy.

At the same time, Canada also faces serious social challenges. Our healthcare system is in crisis. More than a million Canadian children live in poverty. A disproportionately large percentage of Aboriginal peoples are poor and under-skilled. Our population is declining, and so immigration must increase. Civic participation and voting rates are on the decline.

Addressing literacy challenges is part of the solution to these and other pressing issues of our time. Improving the literacy skills of Canadians is an investment in a more prosperous, innovative, healthier, safer, more cohesive society. It's an investment in Canadians, and in the inclusive Canada that we all support.

A commitment to literacy will benefit Canada's economy.

A commitment to literacy is crucial to our national prosperity and future competitiveness. This is especially true in an age when barriers to trade are disappearing, capital can be moved quickly, and natural resources are comparatively less valued. Today, a skilled workforce is our greatest asset.⁶ Unfortunately, Canada's supply of skilled labour is in serious decline. By the year 2020, labour shortages are expected to reach 950,000.⁷ Clearly, the development of a more skilled workforce is increasing in urgency.

Because we can no longer afford to leave millions of less-literate Canadians on the sidelines, the focus on "high-end" learning must not overshadow the need for policy development on a basic literacy agenda. Policies that "train the best and forget the rest" will result in wasted potential for individuals and for our society. For example, the Canadian Business Task Force on Literacy estimated in 1988 that low literacy costs business \$4 billion each year in lost productivity.⁸ Sustained and sustainable prosperity requires a significant increase in the productivity of Canadian workers, which in turn depends on building skills for the knowledge-based economy and society. Literacy is the foundation upon which these skills are built.

⁵ *Skills and Skill Shortages: Trends in Demographics, Education and Training*, Canadian Labour and Business Centre, May 2002.

⁶ *The Economic Benefits of Improving Literacy in the Workplace*, Conference Board of Canada, 1997.

⁷ *Labour Market Development Agreements: Their Impact on Education and Training*, Discussion Series, Canadian Alliance of Education and Training Organizations, 2001.

⁸ *Measuring the Costs of Illiteracy in Canada*, Canadian Business task Force on Literacy, 1988.

Literacy is key to an individual's success in the labour market. People with weak literacy skills are more likely to be unemployed, work in lower-paying jobs and live in low-income households.⁹ The unemployment rate for people at the lowest literacy level is 26% compared with 4% for those at the highest levels.¹⁰ Peoples' earnings rise with their literacy levels. A man with higher literacy skills makes an extra \$585,000 over his lifetime. For a woman, the amount is \$683,000.¹¹ Each additional year of education raises annual earnings by about 8.3%. Of that, about 3.1 percentage points result from the combined influences of education on literacy and, in turn, literacy on earnings.¹²

Higher income generated through improved labour force participation contributes to higher government revenues. Even a small increase in national productivity through improved literacy will have a relatively large impact on public revenues. For example, a 2% increase in wages and earnings from improvements in national literacy would provide approximately a 1.8% increase in revenue in a country that is dependent primarily on value-added tax.¹³

Literacy training gives Canadians with low literacy skills the opportunity to contribute to the economic development of their communities and our country. Investments in literacy today have economic payoffs tomorrow.

A commitment to literacy will pay social dividends too.

Research shows that improved literacy pays off not only in labour market productivity, but also in better outcomes for children; Aboriginal development; better integration of newcomers; lower healthcare costs; safer and more cohesive communities; more successful rehabilitation of offenders; greater civic participation; and more. Improving literacy not only improves outcomes for individuals, families and communities; it alleviates the economic strain that many social problems pose on our society as a whole.

Literacy investments reduce child poverty and improve children's prospects for success.

Today, 1.3 million Canadian children live in low-income households.¹⁴ They are poor because their parents are poor, and often their parents are poor because they lack the literacy skills they need to find decent, well-paying work. Undereducation is a key contributor to poverty, which in turn has a dramatic impact on children's school readiness and on their achievement rates once in school. A solid literacy foundation allows parents to foster a positive learning environment in the home, providing their children with the foundation for success at school and throughout their lives.

⁹ *The Value of Words: Literacy and Economic Security in Canada*, The Centre for International Statistics, Canadian Council on Social Development (CCSD), 1998.

¹⁰ *Reading the Future: A Portrait of Literacy in Canada*, Statistics Canada 1996, (Table 2.5)

¹¹ *The Economic Benefits of Improving Literacy in the Workplace*, Conference Board of Canada 1997

¹² *Literacy, Numeracy and Labour Market Outcomes in Canada*, Statistics Canada, 2001.

¹³ *The Economic Benefits of Improving Literacy in the Workplace*, Conference Board of Canada 1997

¹⁴ *1998 Poverty Profiles*, National Council of Welfare

Literacy investments are investments in the development of Canada's Aboriginal peoples.

The Canadian portion of the 1994/96 International Adult Literacy Survey (IALS) did not include our Aboriginal population. As noted earlier, IALS ranked the literacy skills of almost half of Canadian adults as below the acceptable range, and the reality is that Canada's Aboriginal peoples have even lower literacy rates. One indicator of this is that the proportion of Registered Indians with less than Grade 9 education in 1996 was approximately double that of other Canadians.¹⁵ This disadvantage is compounded by the inter-connectedness of literacy to poverty, poor health and unemployment.

We must work together to address this education gap. Canada's Aboriginal population is growing more quickly than the overall Canadian population. Between 1991 and 1996, the Canadian population grew on average by 1.6% every year.¹⁶ The Aboriginal population increased on average by 3.6% - more than twice as rapidly. We must work together to address issues of economic and social inequity, to ensure that Canada's Aboriginal peoples have the resources they need to thrive as communities, and as full participants and contributors to Canada's future economic and social prosperity. Investment in Aboriginal literacy development is a crucial step towards this goal.

Literacy investments reduce the strain on our Healthcare System.

Our healthcare system is in crisis, and any solutions that can help alleviate the strain should be explored. People with limited literacy skills tend to place a greater strain on our health care system, and this strain is expensive. The increased costs are due in part to the generally poorer overall health of people with low literacy skills; misuse of medication or misunderstanding of health information; and inappropriate use of health services including emergency care. Also, because of low self-confidence and limited resources, people with low literacy skills often wait to seek medical help until a health problem has reached a crisis state.¹⁷

According to one study conducted by the Journal of the American Medical Association, patients with the lowest literacy levels had average annual health care costs of \$12,974 compared with \$2,969 (US) for the overall population studied. In another study, recorded by the Council on Scientific Affairs, of the 958 low-income patients the study followed over 2 years, patients with weak literacy were nearly twice as likely to have been hospitalized during the previous year (31.5% vs 14.9%), a relationship that persisted after adjustment for health status and various socio-economic indicators.¹⁸

¹⁵ *Skills and Skill Shortages: trends in demographics, education and training*, Canadian Labour and Business Centre Handbook, May 2002.

¹⁶ *Skills and Skill Shortages: trends in demographics, education and training*, Canadian Labour and Business Centre Handbook, May 2002.

¹⁷ *How does literacy affect the health of Canadians?* Burt Perrin, Health Canada, 1998.

¹⁸ *Health Literacy: Report of the Council on Scientific Affairs*

Literacy investments reduce crime and the costs of crime.

While poverty, unemployment, isolation, and desperation can push some into a life of crime, literacy training provides many youth and adults with their first chance at a brighter future. At least 75% of incarcerated adults were persistent offenders in their youth.¹⁹ The evidence points out a clear need to focus crime prevention efforts on children living at risk of delinquency, and on the factors that place them at risk. Literacy training provides these families and children with the skills they need to find decent jobs and escape from poverty.

For offenders, who are three times as likely as the general population to have literacy problems, literacy training provides a new chance at a constructive, productive life. Study after study has confirmed the link. Prison-based education and literacy programs pay off in reduced recidivism rates and economic and social returns that far outweigh the original investments. With literacy and other training, offenders return to their communities with a more positive self-image, pride in their accomplishments and tools for avoiding one of the main motivators of criminal activity – unemployment.²⁰ According to the American-based Rand Corporation, \$1 million invested in prison space for career criminals prevents 60 crimes a year. The same million invested in incentives to graduate from high school, would prevent 258 crimes a year!²¹

Literacy investments support integration of newcomers.

Literacy training is a key to including immigrants and newcomers in Canadian life. It is projected that within the next five to ten years, immigration will account for all of Canada's net labour force growth. Becoming proficient – and literate – in one of Canada's official languages allows new Canadians to access services, training and employment so that they can benefit from and contribute fully to Canadian society. A more literate population is also a more tolerant and cohesive population, in which diversity can thrive.

Literacy investments ensure the strength and vitality of our democracy.

A fully engaged, participant citizenry is key to social and economic strength and vitality. But to participate fully in civic life, citizens must have the skills necessary to access and to act upon information. Whether casting a ballot, participating in a community forum, accessing programs and services, defending their civic or human rights, or advocating for needed change, an effective democracy requires its citizens to be informed and engaged. Unfortunately, weak literacy skills effectively bar a large percentage of our population, both Canadian-born and newcomers, from participating in civic life. Literacy training provides people with the skills they need as a foundation for their full participation as citizens.

¹⁹ *Money Well Spent: Investing in Preventing Crime*, The National Crime Prevention Centre, 1996.

²⁰ *Education programming for offenders*, Dennis J. Stevens, College of Public and Community Service, University of Massachusetts.

²¹ *Money Well Spent: Investing in Preventing Crime*, The National Crime Prevention Centre, 1996.

Making the case for a Pan-Canadian Literacy Strategy

The economic and social dividends to be gained from strengthening the literacy skills of Canadians are huge. Yet despite the clear benefits of action, the existing literacy system is woefully inadequate to handle the need. The lack of consistent and adequate funding, vision, strategy, and coordination has meant that literacy needs have tended to “fall through the cracks”. Less than 10% of Canadians who could benefit from literacy programs are receiving training. Of those who do enroll, over 30% drop out due mainly to socio-economic factors like job-related pressures, money problems and family responsibilities.²² Many literacy programs are struggling to meet demands with limited resources and with a pool of committed but overextended volunteers. The mostly project-based nature of literacy funding – sometimes referred to in our field as “drive-by funding” – leaves little room for long term planning.

Conclusions and Future Directions

Literacy is too important to our nation not to have national leadership and a national vision. Yet Canada is one of only a few industrialized countries without a national system or strategy for adult literacy / basic education. Instead of being treated as an important and necessary education subsector (like the K-12 and post-secondary systems), adult literacy has been marginalized, with a number of unfortunate results.

The federal government plays an important role by funding the National Literacy Secretariat (NLS), and other initiatives. The NLS does an excellent job, but is constrained by its limited resources. With an annual budget of \$28.2 million, it is the only federal secretariat with a literacy mandate, yet it has a budget comparable to just one of the larger high schools in metro Toronto. The NLS has not had a budget increase since 1997.

If we want a more literate Canada, we will have to build a system that has the capacity to meet the learning needs of the millions of adult Canadians who do not have the basic literacy skills necessary to participate fully in today's society. Building a quality system means not only setting up quality standards and evaluation frameworks, but providing the resources to support excellence – including infrastructure, training, research, and technology. It is impossible to deliver quality services over the long term without secure ongoing support.

It is time for the federal government to answer the call of a wide range of stakeholders who have voiced the need for a national response to Canada's literacy challenges. Leaders from business, labour, the non-profit community, academia, and other interests, as well as representatives from Canada's Aboriginal communities and from provincial and territorial governments are looking to the federal government for leadership and action.

²² *Who Wants to Learn? Patterns of Participation in Canadian Literacy and Upgrading Programs*, ABC Canada/Literacy BC, 2001

While the federal government cannot act unilaterally on literacy, it can play a leadership role by ensuring that literacy is recognized as a national priority and that adequate attention and resources are dedicated to the creation of a pan-Canadian Literacy Strategy. The time for action on literacy is now.

Recommendations

Recommendation 1: The Standing Committee on Finance should declare that adult literacy and essential skills development is a national public policy priority and call for the creation of a pan-Canadian strategy on literacy and essential skills development, as recommended by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.²³

Recommendation 2: The Standing Committee on Finance should recommend that the federal government take the lead in negotiating a pan-Canadian agreement / accord on literacy and essential skills as a mechanism for investing additional federal funds for literacy program delivery, as recommended by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.

Action 2.1: As part of a Pan-Canadian Strategy on Literacy and Essential Skills Development, the federal government should allot funds for developing a **pan-Canadian accord** between the federal, provincial and territorial governments that would ensure sustained funding for literacy and essential skills program delivery. The level of per-student spending should be upgraded to levels comparable to K-12 and post-secondary per-student investment.

Recommendation 3: The Standing Committee on Finance should recommend that the federal government expand the mandate and resources of the National Literacy Secretariat (NLS) and increase the Secretariat's annual budget from \$28.2 million to \$50 million, as recommended by the Standing Committee on Human Resources Development and the Status of Person's with Disabilities.

Recommendation 4: The Standing Committee on Finance should recommend that all government programs be examined through a "literacy lens", as recommended by the Standing Committee on Human Resources Development and the Status of Person's with Disabilities.

²³ The Committee's recommendations can be found on pages 75-83 of *Raising Adult Literacy Skills: The Need for a Pan-Canadian Response*, June 2003. The report is available online at www.parl.gc.ca/InfoComDoc/37/2/HUMA/Studies/Reports/humarp03-e.htm

Action 4.1: HRDC should develop protocols for reviewing existing and emerging federal policies and programs to identify policies which impede access to adult literacy learning, and which policies and programs could be amended / expanded to maximize their potential to help adult learners increase their literacy and essential skills.

Action 4.2: HRDC should review and systematically adjust its policies and programs to ensure that barriers are removed and programs and policies promote maximum access to and participation in literacy and adult essential skills programs.²⁴

Action 4.3: After examining and adjusting its own policies and programs, HRDC should take the lead in urging and facilitating, through the development of templates and tools, other federal departments to examine and adjust their own policies and programs through this “literacy lens” in accordance with HRDC established protocols.

Recommendation 5: The Standing Committee on Finance should recommend that the federal government support the development of a multi-government Aboriginal Literacy Strategy, as recommended by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.

Action 5.1: The federal government should support and fund a forum where representatives from First Nations, Inuit, and Metis communities, as well as relevant Ministers from provincial and territorial governments, and the federal Ministers responsible for Human Resources Development and Indian and Northern Affairs can come together to develop a multi-government Aboriginal Literacy Action Plan. This Aboriginal Literacy Action Plan should build on knowledge and best practices that respect Aboriginal cultures and languages, with the goal of creating healthy, literate communities, integrated programming, meaningful educational experiences, and programs and policies to address learning and educational gaps.

Action 5.2: The federal government should make ongoing support and funding available to contribute to the provision of autonomous, stable Aboriginal Literacy programs. As a start, a new National Literacy Secretariat funding stream should be created – the Aboriginal Funding Stream – which allots an additional **\$5 million** to Aboriginal literacy projects, as recommended by the Standing Committee on Human Resources and Development and the Status of Persons with Disabilities.

Action 5.3: The federal government should allocate **\$15 million** to supplementary Aboriginal Human Resource Development Agreements to fund Aboriginal workplace literacy initiatives, as recommended by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.

²⁴ For example, the impact of Employment Insurance policies or Labour Market Development Agreements on literacy development should be reviewed.

Recommendation 6: The Standing Committee on Finance should recommend that the federal government increase spending under Part II of the Employment Insurance Act by \$100 million to provide literacy and numeracy skills development assistance to all unemployed and employed individuals, irrespective of their historical attachment to Employment Insurance, as recommended by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.

Recommendation 7: The Standing Committee on Finance should recommend that the federal government support current best practices in workplace literacy and expand upon those best practices by developing tax incentives, infrastructure development and support, public awareness campaigns and supportive policies, as supported by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.

Action 7.1: Through the National Literacy Secretariat (NLS), and in partnership with the literacy community, the federal government should continue to identify and fund best practices and develop innovative new initiatives related to workplace literacy. NLS funding for workplace literacy initiatives should be increased to keep up with demand.

Action 7.2: The federal government should create tax incentives to encourage small- and medium-sized businesses to provide workplace literacy and essential skills training for their employees.

Action 7.3: The federal government should use increased funding for sector councils as leverage to urge councils to develop strategies for essential skills development within the workplace skills development specific to their sector.

Action 7.4: The federal government should enhance existing partnerships with organized labour to support delivery of workplace literacy and essential skills training that is worker/learner-centred.

Recommendation 8: The Standing Committee on Finance should recommend that the federal government work in partnership with provincial and territorial governments to ensure that enough resources are available to meet the literacy and numeracy skills development needs of inmates across the country, as recommended by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities. This should include funding to permit inmates to make the transition to community literacy programs after release.

Recommendation 9: The Standing Committee on Finance should recommend that the federal government fund strategies and programs to support literacy and essential skills training for immigrant and refugee populations, as supported by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.

Recommendation 10: The Standing Committee on Finance should expand the budget of the Opportunities Fund for Persons with Disabilities by \$5 million and dedicate additional funding to literacy and numeracy skills, as recommended by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.

Recommendation 11: The Standing Committee on Finance should recommend that the federal government take a leadership role in supporting family literacy development, in collaboration with family literacy organizations, and provincial/territorial government initiatives.

Action 11.1: The federal government should increase support for family literacy programs that enhance the oral language and early literacy skills of children from birth to age six. Family literacy investments provide double the return on investment because while improving children's social and educational prospects, they also help adult to improve their skills as parents, workers and community members.

Action 11.2: As advances in family literacy are crucial to the success of the National Children's Agenda, federal funds delivered through NCA initiatives should be increased and targeted at Family Literacy projects. This should include, but not be limited to investments delivered through the Early Childhood Development Initiative and Child Tax Benefit re-investment funds, targeted by the provinces for social support.

Recommendation 12: The Standing Committee on Finance should recommend that the federal government ensure all vital information is accessible to less literate Canadians by using plain language in its own communications and by promoting the use of plain language in all public communications.