

## **ABC Life Literacy Canada**

### **Responses**

#### **1. Economic Recovery and Growth**

*Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?*

Skills training leads the list of challenges facing Canada as it looks to restore economic growth. Organizations, like the Canadian Chamber of Commerce and the Council of Chief Executives, have identified this in major reports released this year, joining a chorus that has been growing for some time. In July, the CCCE said the real problem clearly is systemic as it relates to the mismatch between the jobs of the next decade and the educational qualifications of current Canadian graduates ... it has been obvious for some time that the country lacks sufficient numbers of qualified graduates to meet current, let alone future, demand. There is a link between the advanced skills referred to in these reports, and literacy and the Essential Skills (nine in total) identified by the Government of Canada. These essential skills go beyond literacy to include such things numeracy, problem-solving, document use and digital skills. These skills are key job requirements of most jobs in Canada today, yet many Canadians struggle with them. For Canadians to acquire the skills they need to contribute to economic growth means helping many of them address their level of literacy and essential skills. The most recent data available indicates that 42% of working-age Canadians (over 16) have low literacy skills. The number is 55% in the area of numeracy. (International Adult Literacy and Skills Survey (IALSS), 2005). ABC Life Literacy Canada (ABC) believes that helping Canadians improve their literacy and essential skills is a shared responsibility involving employers, unions and employees, adult-learning organizations (formal and community-based) and government. No one sector or institution can do it alone. In its recent report Skills Development in Remote Rural Communities in an era of Fiscal Restraint, the Standing Committee on Human Resources cited many effective partnerships underway between industry, educational institutions and communities. They point out that such partnerships yield efficiencies and bring long-term economic benefits to communities. ABC urges the Standing Committee on Finance to recommend measures that support continued partnerships between employers, educational institutions and communities in the delivery of literacy and essential skills training. Such measures will foster economic growth.

#### **2. Job Creation**

*As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?*

In a recent survey of business leaders undertaken by ABC Life Literacy Canada, 80% of respondents indicated that they find it difficult to find qualified employees, with nearly half attributing this difficulty to the low literacy and essential skills levels of workers. In this same study, 76 per cent of executives indicated that they feel that literacy is a major workforce issue, and they believe that over one third of employees do not possess adequate essential skills. To foster job growth means developing a workforce that can meet the needs of employers. This means helping Canadians improve their literacy and essential skills. In an earlier research study undertaken by ABC, it was clear that most employers

and Canadians believe that improving the essential skills of Canadians is a shared responsibility. The Government of Canada is well-placed to use its skills training resources to incent employers and the Canadian workforce to develop and sustain literacy and essential skills training. Such measures need to be ongoing, not subject to the start and stop of project funding. They also need to meaningfully engage all parties, building on existing models that successfully demonstrate that businesses play an important role in skills development and job creation at the same time. As Canadians improve their literacy and essential skills, we will strengthen our country's competitive edge. Canada will be in a stronger position to create more high-quality jobs and foster economic growth.

### **3. Demographic Change**

*What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?*

For Canada to thrive economically means that all citizens need the skills and opportunity to contribute. As many have noted, the Aboriginal population, in particular, is growing faster than other segments of the Canadian population, yet it is disproportionately under-skilled. To help address this, the Standing Committee on Human Resources recently recommended that the Government of Canada support programs funded by the private sector that offer work placements and training to Aboriginal Peoples living in northern remote communities, for example through a tax credit or other measure. ABC Life Literacy Canada endorses this recommendation, believing that it can be a model for a broader set of measures to support literacy and essential skills training. In the same report, the Committee also recommended that the Government of Canada assess specifically whether the Adult Learning, Literacy and Essential Skills Program meets the need of northern remote communities and, if necessary, increase funding to these regions through this program. This is an important recommendation we urge the Standing Committee on Finance to endorse.

### **4. Productivity**

*With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?*

In a recent appearance before the Standing Committee on Human Resources, Minister Diane Finley said More and more, our productivity depends on our ability to work smarter rather than harder. Our greatest assets are our human resources, in the form of skilled, educated and adaptable people. Working smarter means embracing the digital economy. Digital skills are part of the essential skills mix, one that many Canadians have difficulty with. There are very few jobs that do not require comfort and competence with digital technology. From the staff at Tim Horton's to employees in Canada's major natural resource industries, all use some form of digital technology, helping to enhance productivity. (For a fuller overview of this issue, please see the recent report Menial No More, produced by the Ontario Literacy Coalition.) It follows though that if one has challenges understanding and grappling with basic literacy and essential skills, as do 9 million adult Canadians, their ability to learn, adapt and use new digital tools to their full potential is limited. There is no 'one size fits all' solution to improving the digital skills of Canadians. As we look forward to the federal Digital Economy Strategy, ABC Life Literacy Canada continues to urge the Government of Canada to ensure that it builds on strategic partnerships and collaborations discussed in responses to Questions 1 and 2. We also urge the government to ensure that digital skills are embedded in all federal training programs going forward, thus ensuring that Canadians develop these skills through comprehensive programs.

## **5. Other Challenges**

*With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?*

The federal-provincial Labour Market Agreements and Labour Market Development Agreements (LMAs and LMDAs) expire shortly. These important bilateral agreements have gone some way to putting in place a skills training infrastructure that reflects the needs of Canada's provincial and territorial jurisdictions. More, of course, remains to be done. The upcoming renewal and strengthening of these agreements is important to sustaining the skills and innovation agendas underway in provinces. In our view, this is integral to the economic development and growth of our country. We urge the Standing Committee on Finance to recommend that the necessary resources continue to be invested in the Labour Market Agreements and Labour Market Development Agreements.