Standing Committee on Finance (FINA)

Pre-budget consultations 2012

Decoda Literacy Solutions

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?

Lifting literacy and numeracy levels in the workplace should be a critical issue for both Canadian industry and Canadian governments. Literacy and essential skills determine an individual's ability to learn and fully participate in the labour force. Higher levels of literacy and essential skills are associated with higher rates of employment, better wages, improved health outcomes and increased educational attainment (McCracken and Murray, 2010. The Economic Benefits of Literacy: Evidence and Implications for Public Policy. P.3, P. 4.). In order to sustain the economic recovery and enhance economic growth, Canada's citizens, our greatest national resource, need support for life-long learning. British Columbia has a unique model of community literacy development. Across BC, there are 102 literacy task groups representing 400 communities. These task groups are made up of stakeholders from business, government, social services, education and other groups. Each task group examines the specific literacy needs of its community, identifies gaps in service, and works together with service providers to find collaborative solutions to maximize scarce resources. Each task group employs a Literacy Outreach Coordinator, whose job it is to facilitate and coordinate local literacy initiatives and partnerships. BC's provincial literacy organization, Decoda Literacy Solutions, is a central connection point for all of the Literacy Outreach Coordinators. This model of community literacy development through a coordinated network allows information, ideas and processes to be widely shared, and then adapted to fit unique local situations. Each community across Canada faces economic challenges specific to their area. Working with each other and with key stakeholders in their specific communities, community literacy and essential skills networks can take ownership of their local workforce opportunities and challenges and address their distinct needs. By creating strong workforce development pipelines and career pathways at the community level, local economies gain a competitive edge that contributes to the overall prosperity of all Canadians. Recommendation: • Invest in industry-shared approaches that align literacy and essential skills with community economic development.

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?

Productivity growth requires a policy focused on the obstacles faced by business and industry in communities across Canada. Low workforce literacy is a significant constraint on growth. The OECD IALL survey found that of Canadians aged 16-65, 42 per cent had literacy levels too low to allow them to be fully competent in most jobs within our economy (Conference Board of Canada. (2007). How Canada performs: A report card on Canada. Ottawa). Effective community skills training programs that align literacy and essential skills with community economic development are critical if workers with less than a high school diploma in Canada are to acquire the skills needed to meet changing labour market opportunities. These workers will frequently need to strengthen their basic essential employability skills,

such as literacy and numeracy. Recommendations: • Increase the availability of appropriate, meaningful, and structured community-based workplace learning opportunities targeted to various sectors. • Support relevant, community-based learning initiatives, which will stimulate community business growth, market expansion, and productivity. • Expand the Federal Skills and Partnership Fund (SPF), to fund projects contributing to community literacy and essential skills programs with community economic development for non-Aboriginal clients in the forest and mining sectors across British Columbia and Canada. The SPF is a demand-driven, partnership-based program that supports government priorities and strategic partnerships. The SPF-Aboriginal was launched in July 2010 with an investment of \$210 million over five years

(http://www.hrsdc.gc.ca/eng/funding programs/spf aboriginal/index.shtml).

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?

The capacity of Canada's labor markets, firms and individuals to adjust to change, improve productivity and capitalize on technological innovation depends in large measure on the skills of the adult population. Improving the stock of skills available to the economy through investment in adult education and workplace learning is therefore vital. Older workers can often be at an educational disadvantage in the labour market relative to younger workers. When industries change and workers must re-train, workers may need to improve basic literacy and numeracy skills before undertaking further training. Community literacy organizations help adults return to learning. They are a key bridge to training for people who are not comfortable with formal institutions whether because of negative school experiences, learning disabilities, or simply decades away from the classroom. Community organizations are also agile, and are able to support very specific, local learning needs. The Minister of Human Resources and Social Development Canada established the Expert Panel on Older Workers on January 23, 2007. They recommended: "That the federal government work with provincial and territorial governments to promote the value, benefits and importance to individuals and employers of increasing the levels of training and literacy, both in the workplace and through other programs, and to also promote the need for continuous learning throughout individuals' working lives." (http://www.hrsdc.gc.ca/eng/publications resources/lmp/eow/2008/older workers 2008.pdf) Continuous learning for all Canadians will be essential in combatting skills shortages. Community literacy networks and organizations support the basic literacy and essential skills workers need to maintain and grow their skills. Recommendations: • Promote the value of training and life-long learning to employers and individuals, as per the Expert Panel on Older Worker's recommendations. • Fund community-based literacy and essential skills programs targeted at older workers, as they are less likely to participate in training than younger learners when such programs are available.

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?

Each community and business sector is different, but they all face the same demographic reality. Canada's population is aging, and workers' skills are not keeping pace with the changing demands of the workplace. While this issue is the same everywhere, the specific solutions will be very different for a mining company coming to a small northern town than for an urban eatery looking for skilled kitchen staff. Community-based literacy and essential skills programs are able to respond to specific community demands, helping all businesses meet the same issues with targeted, local solutions. Recommendation:

• Support community networks and literacy organizations, as they are best able to response to specific local training needs and knowledge gaps, thereby increasing skills and productivity for Canada as a whole.

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?

In 2011, employment levels in Canada for individuals with less than a high school diploma were 14.5% lower than in 2008. Even as Canada's economy recovers, the economic prospects of those with the lowest level of education continue to get worse (http://www.statcan.gc.ca/dailyquotidien/120621/dq120621c-eng.htm). Adult literacy learners (also known as second-chance learners) are commonly individuals who have not completed their education and training though the traditional trajectory (graduating high school and entering post-secondary education.) Across BC, there are 794,000 second-chance learners. These individuals can be found in the workplaces, employment centres and communities across the province. As Judith Maxwell has written: "Community programs engage people on what matters to them, open their eyes to their own capacity to learn, help them gain the selfconfidence they need to be able to consider a more formal learning program. Informal learning activities organized locally in response to local needs are therefore the foundational infrastructure for a literacy system. When literacy and social services organizations in British Columbia and across Canada work together, they create a powerful lever for local economic and social development. Canadians with low skills are trapped in low-wage, low-productivity jobs, and do not have the leverage to overcome the barriers that block their way forward. Community Literacy and Essential Skills organizations are essential infrastructure for engaging more second chance learners across Canada." (Maxwell, Judith. It's Time to Reboot Education for Adults with Low Literacy Skills (2010). Web. 12 Apr. 2012. http://www.nald.ca/library/research/time reboot/time reboot.pdf) Many individuals who are looking for literacy and upgrading education and who have had difficulty finding success in the first chance education (secondary schools) and in employment struggle to overcome a number of barriers, which compromise their ability to attach successfully to second chance education. Community networks and organizations help these individuals with targeted, customized programs. Recommendation: • Fund existing community networks to target literacy and essential skills instruction for high-school noncompleters across Canada.