

Literacy and the Workforce

Literacy skills are a key factor in Canada's economic prosperity. A recent Statistics Canada study demonstrates that a 1% increase in literacy skills among Canadians will drive \$18.4 Billion in annual, sustainable GDP growth (June, 2004).

Employees with higher literacy skills earn more income, are less likely to be unemployed, have greater opportunities for job mobility, are more likely to find full-time work and are more likely to receive further training. The unemployment rate for people at the lowest literacy level is 26%, compared with 4% for those at the highest literacy levels. As literacy is one factor in determining a person's employability, literacy development must be included in the range of policies and programs aimed at building a productive and competitive economy.

The labour market demands higher levels of skills than in the past. Like many other countries, Canada has experienced a transformation from a reliance on natural resources to a knowledge-based economy. Traditional manufacturing and clerical jobs are being replaced by new jobs requiring higher technical skills. It is estimated that by 2004 more than 70% of all new jobs created in this country will require some form of post-secondary education. This trend does not bode well for low-skilled/low-literacy individuals in the labour market, as evidenced by the rate of unemployment among the least educated segments of the labour force.

Canada's skill shortage problem is linked to our low literacy levels. More than half of the people who will be in the labour market in 2015 are already in it. Hence, many of today's workers will supply tomorrow's skill requirements...More than 40% of working-age Canadians lack the necessary basic literacy skills required for successful participation in our rapidly changing labour market.

Workplace literacy programs can benefit all workers. A skilled workforce requires continual training and upgrading. All workers, including those with well developed literacy skills, would benefit from a work environment that provides on-going opportunities to for learning.

What can be done?

Lifelong learning, improved literacy programs and increased workplace education are all part of the solution. Workers, management, unions, community agencies, literacy organizations and governments can all be involved in developing and delivering a wide variety of learning programs.

According to recent reports by ABC CANADA, the Conference Board of Canada and the Canadian Association of Municipal Administrators, benefits of workplace literacy programs include greater employee self-confidence, improved literacy skills, increased participation in

other training, better problem solving skills, better team-building skills, increased ability to use technology, increased health and safety and improved labour-management relations.

Suggested *Literacy and the Workforce* Resources

- ✓ **Literacy BC** The Literacy BC web site, www.literacy.bc.ca, provides several fact sheets related Literacy and the Workforce.
- ✓ **Movement for Canadian Literacy** - Check our website at www.literacy.ca for the *Literacy and the Canadian Workforce* briefing paper, as well as the Winter 2002 newsletter on *Workforce Literacy* and many other resources.
- ✓ **The Canadian Association of Municipal Administrators (CAMA)** - Literate Cities Project. Contact Patricia Nutter, Project Director, at 613-726-9532 or, pnutter@sympatico.ca or check the website at www.camacam.ca.
- ✓ **Canadian Labour Congress (CLC) - Workplace Literacy Project.** Contact 613-521-3400, (extension 437), or check the website at www.clc-ctc.ca. You can also contact the CLC Training Advisor in your region (Atlantic: 506-858-9350, Ontario: 416-441-3710, Prairie: 403-448-2057, Pacific: 604-524-0391).
- ✓ **The Canadian Policy Research Networks (CPRN)** - The Work Network explores the cutting edge of labour market and workplace changes in order to create public debate on social and economic issues. Call 613-567-7500 or check the website at www.cprn.org
- ✓ **The Conference Board of Canada** - Contact 613-526-3280 or www.conferenceboard.ca.
- ✓ **Human Resources and Skills Development Canada** has a web site with information about essential skills www15.hrdc-drhc.gc.ca/English/general/default.asp