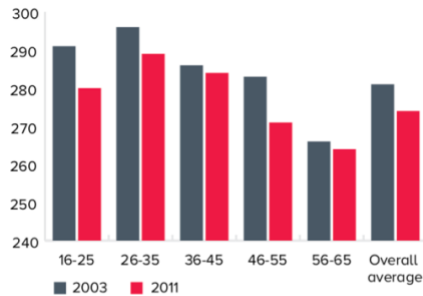


LITERACY LOST – CANADA’S BASIC SKILLS SHORTFALL

Work is changing due to automation and globalization. Literacy is not just the ability to read, it is the ability to read and understand well and then apply what has been read to a range of problems. According to international literacy assessments, more than 40% of Canada’s workforce do not have adequate levels of the literacy skills needed to learn efficiently and be highly productive in most jobs. Without this ability, many Canadians will not be able to keep their jobs – or find new ones – and a growing number of employers will not be able to find workers with the skills they need. This issue will create a skills gap as employers cannot find workers, and employees will be unable to find jobs. Literacy levels of younger generations are going down overall, and skills become rusty with age through lack of use. The lack of available training tied to industry needs for adult workers compounds the problem. The problem is getting worse. Increasing the literacy skills in the workforce by an average of 1% would over time lead to a 3% increase in GDP or \$54 billion per year, every year and a 5% increase in productivity. Literacy scores and the level of skills for young people have been visibly on the decline.

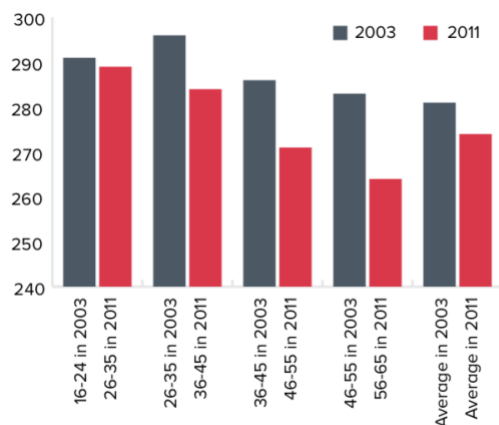
Figure 1 illustrates the decline in literacy scores by age group over the years. There is a need for greater investment in literacy and numeracy at all age levels beginning with the 16-25 age demographics. Therefore, public schools and post secondary institutions must have adequate funding to test and improve literacy and numeracy scores. Skill loss occurs at a higher rate later in life per Figure 2. Ensuring that regional public and post-secondary institutions allow for adults to upgrade their skills would be instrumental in preserving skills and reducing the skill gap shortage.

Figure 1: Decline in literacy scores by age group comparing 2003 and 2011



Source: IALS, PIACC (Standardized to the PIAAC composition for comparison)

Figure 2: Skill loss by age group comparing 2003 and 2011



Source: IALS and PIACC

Ryerson University, the Conference Board of Canada and Blueprint ADE are working together to run Canada's [Future Skills Centre](#) at arm's length from the Government of Canada. Located on Ryerson University's campus, the Future Skills Centre will support community-based projects across Canada, in all provinces and territories, and be responsive to regional differences. There has been an access issue for in-demand skills and training for service providers, employers, governments, and community groups; the Future Skills Centre fills this gap.

The Centre will be partnering with and funding projects that are led by groups such as provincial and territorial governments, Indigenous governments, for-profit organizations, and not-for-profit organizations to:

- help Canadians make informed training decisions by identifying emerging in-demand skills required now and in years to come;
- help Canadians gain the skills they need to adapt and succeed in the workforce by increasing access to quality training; and
- share results and best practices across all sectors and with Canadians to support investment in the skills needed to be resilient in the face of change now and into the future.¹

Jobs in the changing economy demand even higher levels of literacy

Technology is taking over many routine tasks leaving higher-level, more complex, interactive tasks to humans. While specific technical skills are a requisite to being hired for existing and newly created jobs, the capacity to adapt to and use changing technology and processes is also necessary. Employers are increasing the skill level demanded by their jobs to maintain competitiveness in the global economy. Manufacturing, for example, is becoming much more skill intensive, for technical and cognitive skills.

The pace of change that the industry is experiencing, combined with global competitive pressures, means that manufacturers will continue to expect more from their employees. Essentially, manufacturers need skilled workers who have the ability to master new, advanced technologies, work in highly collaborative team environments, use critical thinking and problem-solving skills, adapt to ever changing environments, and embrace an attitude of never-ending learning.

¹ <https://www.canada.ca/en/employment-social-development/programs/future-skills/centre.html>

Training is lowest for those who need it most

The 2003 International Adult Literacy and Life Skills Survey (IALSS) looked specifically at the number of people who were involved in adult learning and training in 2002. The survey found that, in Canada, just 20% of people, who had low skills and were in low-skilled jobs were involved in a course or program, and this is 10 percentage points lower than Norway, Switzerland and the United States. Over 60% of high-skilled people in high-skilled jobs in Canada participated in adult education and training – again, Canada was 10 percentage points lower than the United States (which is also troubling for productivity of our most skilled workers). Employer-financed training was highest for people who had higher-level skills and were in high-skilled jobs – 35% compared to 7% for lower-skilled people in low-skilled jobs. Employers were more likely to fund training for people with lower skill levels who were in higher-skilled jobs, but still, only 25% of them received employer-funded training of any kind in the previous year.

THE CHAMBER RECOMMENDS

That the Provincial Government in coordination with the Federal Government:

1. Build and implement competency frameworks to identify skill levels and competencies required by jobs in the economy and embed literacy in all workforce training and education initiatives;
2. Mandate the new Future Skills Centre to include cognitive skills in its research and implementation programs; and,
3. Ensure that each of our province's K-12 and post-secondary institutions offer an adequate number of opportunities to learn and upgrade their literacy, numeracy, problem-solving skills & other essential skills.

Submitted by the Surrey Board of Trade