

# Literacy & the Economy

We live in an information-based society which demands increasingly sophisticated literacy skills. Literacy is no longer defined by the basic ability to read, but rather, how people use written information to function in society. This changes our assumptions about literacy and its links to broader social, economic, and political issues.

Statistics Canada recently released a report called *Literacy Skills for the Knowledge Society*. Here are some of the findings:

- ♦ Literacy affects employment stability, unemployment and income.
- ♦ There is a large “wage premium” for workers with high literacy skills and a corresponding income penalty for those with lower skills.
- ♦ Literacy is not simply the result of schooling. Literacy skills can be lost after leaving school if they are not used regularly at work and at home.
- ♦ People on social assistance have lower than average literacy skills, which makes finding jobs and stable employment more difficult.
- ♦ Low literacy skills are found not just among marginalized groups, but also among significant proportions of the adult populations surveyed.
- ♦ Many people do not recognize they have a literacy problem.

In Canada, a significant number of people are excluded from adult education and training programs due to low literacy skills.

Literacy is critical to supporting citizen participation in the social and economic life of Nunavut. Literacy is important for communication and in making informed decisions. It is a necessary ingredient for active citizenship and community participation. It also makes significant contributions to the economy in terms of higher employment, income, and increased productivity. It has strong links to social development in terms of reduced poverty, unemployment, public assistance, crime, improved health, and child-rearing practices.

We have a serious literacy problem in Nunavut; one that limits a significant number of citizens from active participation in the economic, social and political life of their communities. It is important for the government to consider literacy development in as broad a public policy context as possible.

Literacy is not a one-dimensional issue. There is an urgent need to develop a comprehensive strategy for literacy development that cuts across government departmental policy areas. This strategy must:

- ♦ Broaden our understanding of literacy as an important element of economic productivity and labour market participation, of health and well-being and of social cohesion.
- ♦ Promote inter-departmental policy and programming solutions.
- ♦ Promote an understanding that literacy is everyone’s concern and requires support from public and aboriginal governments, employers, social agencies, communities, and families.
- ♦ Make a commitment to reducing inequalities and ensure that there is access to high quality literacy programs and these programs are adequately resourced.

In Nunavut, there is considerable focus on economic development, particularly within the mining exploration sector. There are significant signs that a skills gap exists between the needs of employers and the ability of people to take advantage of the employment opportunities available. Much of the gap can be attributed to low literacy skills.

Potential strategies include the development of a multi-sectoral approach to workplace literacy development that includes business, labour, governments, and literacy providers.

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