



Government of Canada
Response to: *“Raising Adult Literacy Skills:
The Need For A Pan-Canadian Response”*

The Report of the Standing Committee
on Human Resources Development and
the Status of Persons with Disabilities



TABLE OF CONTENTS

INTRODUCTION	1
WHY LITERACY IS IMPORTANT	1
ADDRESSING LITERACY: CURRENT EFFORTS	2
THE COMMITTEE'S REPORT	8
THE GOVERNMENT OF CANADA'S RESPONSE	10
Working with partners towards a pan-Canadian strategy	12
Creating a coherent policy framework for literacy across Government of Canada activities	14
Addressing specific needs	16
Supporting partnerships for literacy in families, communities and workplaces	21
CONCLUSION	25
APPENDIX	26

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**GOVERNMENT OF CANADA
RESPONSE TO THE REPORT OF THE STANDING COMMITTEE
ON HUMAN RESOURCES DEVELOPMENT AND THE STATUS
OF PERSONS WITH DISABILITIES**

***RAISING ADULT LITERACY SKILLS:
THE NEED FOR A PAN-CANADIAN RESPONSE***

INTRODUCTION

On June 12, 2003, the Standing Committee on Human Resources Development and the Status of Persons with Disabilities tabled *Raising Adult Literacy Skills: The Need for a Pan-Canadian Response*. The report sets out a comprehensive analysis of literacy issues in Canada and makes a series of recommendations for actions to address those issues.

The Government of Canada recognizes that literacy skills are the foundation for learning – and for participation – in a knowledge-based economy and society. For this reason, the Minister of Human Resources Development asked the Committee to undertake a study of literacy issues. The Standing Committee has produced the first comprehensive Parliamentary report on literacy in Canada, and the Government of Canada welcomes the Committee’s analysis, perspective, and advice on this important issue. The Government of Canada presents its response to the report below.

WHY LITERACY IS IMPORTANT

Literacy skills are fundamental in today’s society

People need literacy skills to participate in modern society, whether it is to read a bus schedule or the daily newspaper, to calculate the dosage for medication, to use a computer program, or to follow and engage in a debate about government policy. Being able to read, understand, and act on written material and basic numerical information is fundamental in our daily lives as parents, students, workers, community members, and citizens.

At the individual level, low literacy skills have an impact on people’s ability to support themselves and their family. Low income, poor health, and social exclusion are all associated with low literacy. At the economic and societal level, low literacy skills can be a barrier to having the highly skilled productive work force and strong thriving communities that underpin a high standard of living.

For this reason, the United Nations Development Program uses literacy as one of the key indicators in its Human Development Index, a measure that helps to inform policy makers about progress in their society. (United Nations Development Program, *Human Development Report*, 2003, p. 60)

Literacy skills in Canada

Canada, with its well-established educational systems and its high proportion of educated people in the population as a whole, would not automatically be thought of as a country with a "literacy problem".

Yet, the 1994 International Adult Literacy Survey found that amongst Canada's relatively well-educated population, about 42% of working-age adults – 8 million people – had literacy skills below the minimum level to cope with the complex demands of everyday life and work in our global economy. While there have been some positive developments in the years since the survey in terms of high school completion and students' performances in Canada, the fact that many adults in the current and future work force have low literacy skills is a concern.

The Government of Canada agrees with the Committee that the issue of low literacy skills is an important one, which needs to be tackled by all partners together as a national priority.

ADDRESSING LITERACY: CURRENT EFFORTS

Canada has a long history of groundbreaking and progressive action on adult literacy, as outlined in the annex to the Committee's report. Commitment and energy to address literacy issues can be found both in formal learning systems and at the community level. Individual volunteers, non-governmental organizations, businesses, unions, and service organizations, as well as governments at all levels, have all contributed to the effort.

In Canada's federation, provinces and territories have the primary responsibility for education and training, including delivery of literacy programming. Provinces and territories are investing considerable resources in a range of programs and services for adults with low literacy skills, which vary according to regional needs and priorities.

The voluntary sector plays a vital role in literacy in Canada. The voluntary sector is engaged both in directly helping adults to develop their literacy skills at the community level, and in organizing at the regional and national levels to create awareness and to support policy and program development on literacy.

The private sector is also a key partner on literacy. Both business and labour in Canada are actively involved in initiatives to help address literacy in the workplace.

The Government of Canada has played, and will continue to play an important role in the area of literacy. Partnerships are the defining framework for these efforts, and will be essential in moving forward on this priority issue.

Working in partnership

Under the 1999 Social Union Framework Agreement (SUFA), the Government of Canada and the provincial and territorial governments have committed to work closely together and with other partners to meet the needs of Canadians. SUFA sets out a set of principles that includes a focus on the full and active participation of all Canadians, access to programs and services, and assisting those in need – all of which are relevant to the needs of adults with low literacy skills.

Consistent with SUFA, the Government of Canada’s actions on literacy are predicated on strong partnerships and on approaches that bring the efforts of all stakeholders to bear. The National Literacy Secretariat is the embodiment of this approach.

BOX A: THE NATIONAL LITERACY SECRETARIAT

As the focal point for Government of Canada leadership on literacy, the National Literacy Secretariat’s mandate is based on facilitating and building partnerships. Working closely with provincial and territorial governments, the Secretariat provides support that complements their literacy delivery systems. The Secretariat also collaborates with provinces and territories in establishing priorities and themes of activity.

With an overall budget of \$30M per year, the National Literacy Secretariat also supports partnerships with non-governmental organizations, literacy groups, business associations, labour unions, and academic institutions to help address literacy needs. These partnerships improve access to literacy programs, promote public awareness, enhance information sharing and coordination, and support research and the development of learning materials.

The National Literacy Secretariat is also active in raising awareness and understanding of literacy across Government of Canada departments and in fostering interdepartmental partnerships to address literacy issues. The Secretariat is a partner in many of the activities that are outlined in Boxes B, C, D and E.

BOX B: EXAMPLES OF GOVERNMENT OF CANADA ACTIVITIES RELATED TO LITERACY

Correctional Service Canada invests approximately \$24M annually in providing adult basic education for federal inmates, cooperating closely with provincial and territorial partners to ensure this learning is portable to the community.

Citizenship and Immigration Canada currently funds basic levels of language training for adult immigrants (\$93M in 2002-2003) and with new funding announced in the 2003 Budget, will enter into partnerships with provinces and territories and key stakeholders to provide higher-level and labour-market-specific language training.

Health Canada has partnered with the Canadian Public Health Association to encourage plain language use among health professionals within every province and territory in Canada.

Industry Canada works with provincial and territorial governments, the education community, and the private sector to provide SchoolNet, which helps students acquire digital literacy skills and experience in using the Internet. First Nations SchoolNet has brought Internet access to more than 500 First Nations schools on reserves.

Industry Canada also supports Internet access in Canadian communities through programs like the Community Access Program and the Broadband for Rural and Northern Development Program.

The Canada Customs and Revenue Agency has undertaken a number of partnership and outreach activities to ensure its products and services are accessible to Canadians with low literacy skills.

Agriculture Canada has been involved in a national initiative to encourage increased literacy in rural and remote communities.

Finance Canada provides a GST rebate on all books purchased by public libraries, schools and colleges, and non-governmental organizations whose primary purpose is the promotion of literacy.

Human Resources Development Canada and Justice Canada have undertaken a project to re-draft the *Employment Insurance Act* in plain language.

Library and Archives Canada has developed Read Up On It, a national bilingual program designed to increase literacy within schools and to increase awareness about the importance of family literacy.

Communication Canada has recently developed a practical tool, entitled *Successful Communication: Literacy and You*, to assist communications between the Government of Canada and citizens about policies, programs, and services.

The Government of Canada also provides significant support for literacy by contributing to programs and services delivered by partners. For example, provinces and territories are investing a significant proportion of the federal funding they receive under the Early Childhood Development Agreement in programs and services which contribute to family literacy, including early learning and parenting supports, and family resource centres.

Partnerships with provinces and territories, the private sector, and non-governmental organizations also characterize the literacy-related activities of individual Government of Canada departments, including in cases where there is a more direct role in serving clients' needs, as can be seen in Box B.

Recent Government of Canada investments

The Government of Canada has recently made enhanced investments in learning-focused initiatives that can help to address literacy issues in Canada.

Some of these investments are helping to further workplace, family, and community literacy; some are relevant to Aboriginal literacy needs; while others help to build the knowledge base on literacy issues that is essential for good policy and program development. (See Boxes C, D and E.)

BOX C: RECENT GOVERNMENT OF CANADA INVESTMENTS THAT CAN HELP WORKPLACE LITERACY

This year, Human Resources Development Canada launched the Essential Skills and Workplace Literacy initiative, as part of a realignment of over \$25M per year of existing resources for a workplace skills strategy. This initiative helps workers, employers, and literacy practitioners across Canada in assessing learning needs and developing tailored approaches to workplace literacy and essential skills.

The Aboriginal Skills and Employment Partnerships initiative, announced October 3, 2003, will invest \$85M over five years to promote maximum employment for Aboriginal people on major economic developments. The initiative will support a broad spectrum of skills and learning needs, including improving literacy among Aboriginal people to help provide access to jobs.

The 2003 Budget dedicated \$10M over two years for Citizenship and Immigration Canada to work with partners to develop and deliver language training. The focus is on training that will help adult immigrants enter and remain in the labour market at levels that reflect their skills and qualifications.

The Government of Canada recently increased its support for exemplary sector councils, where employers and workers cooperate with other stakeholders to address industry-wide skills issues. Annual federal funding to sector councils will double to \$60M by 2007, which will expand skills upgrading across and within sectors, and promote workplace learning.

BOX D: RECENT GOVERNMENT OF CANADA INVESTMENTS THAT CAN HELP FAMILY AND COMMUNITY LITERACY

The Government of Canada's Official Languages Action Plan, announced in the 2003 Budget, includes \$7.4M over five years to strengthen family literacy in official language minority communities; an investment of \$381.5M for minority language education and second language instruction; and support for research to examine the literacy profile of official language minorities and recent and established immigrants.

The Government of Canada announced in December 2002 that it will contribute \$172.5M over 11 years for a three-phased action plan to preserve, revitalize and promote Aboriginal languages and cultures, including the establishment of a new Aboriginal Languages and Cultures Centre. This initiative builds on Canadian Heritage's current programs, which contribute directly or indirectly to literacy in Aboriginal languages.

In 2003, the Government of Canada provided an endowment of \$5M to the Peter Gzowski Foundation for Literacy to help build capacity for community-based literacy. Created in the memory of Peter Gzowski, a long-time champion of literacy, the Foundation provides an opportunity for corporations and citizens to make donations in his name to support community-based literacy projects. The Foundation will support a range of activities including national coordination, fundraising and public awareness activities.

BOX E: RECENT GOVERNMENT OF CANADA INVESTMENTS THAT CAN HELP KNOWLEDGE BUILDING

The Canadian Learning Institute, which is being established with a \$100M contribution from the Government of Canada, will create a locus for knowledge and information on the full breadth of lifelong learning issues in Canada. Literacy, which cuts across all stages – from early childhood development through to adult workplace and community learning – could be an important focus from the point of view of all partners.

The Government of Canada also recently contributed over \$9M for the International Adult Literacy and Skills Survey, a follow-up to the 1994 International Adult Literacy Survey. The new survey, to be released in 2005, will help build knowledge about changes in literacy over the past decade; increase our understanding about literacy issues in different regions of the country, including in the North; and provide important information about the unique literacy needs of Aboriginal people, as well as particular literacy issues related to youth, immigrants, and official language minorities.

Other recent Government of Canada contributions to knowledge building have included a grant of \$14.2M over four years to the Canadian Language and Literacy Research Network to research children's language and literacy development in Canada.

The Government of Canada recognizes that while these investments and those of other partners have made an important contribution, more could be done to raise adult literacy skills levels in Canada. Improving adult literacy and essential skills takes on heightened urgency as we seek to develop the culture of innovation and learning that is integral to a knowledge-based economy and society.

Literacy in the context of the Government of Canada's innovation and learning strategy

The Government of Canada has highlighted the importance of literacy as a part of new strategies to develop human capital and to ensure social inclusion in Speeches from the Throne in January 2001 and again in September 2002. The Government drew increased attention to literacy issues at the launch of the national dialogue on Canada's Innovation Strategy. *Knowledge Matters: Skills and Learning for Canadians*, released in February 2002, outlines the skills and learning challenges that Canada faces:

- The ever-increasing demand by the knowledge-based economy for a well-educated and skilled work force in all parts of the economy and country;
- The looming demographic crunch that means our future labour supply will be inadequate to meet the demands of the economy;
- The need to strengthen our learning systems to meet the skills and labour force demands of the next decades.

In *Knowledge Matters*, the Government of Canada expressed its view that, as the foundation of creating a lifelong learning continuum, raising literacy skills has to be a key component of any strategy to respond to these challenges, and it encouraged debate and discussion about literacy and essential skills issues during the extensive consultations on the innovation and learning strategy.

This focus on literacy and essential skills as the foundation for innovation and learning was reinforced as a priority at the National Summit on Innovation and Learning held in November 2002. More than 500 leaders representing diverse interests, regions, and sectors in Canada came together at the National Summit to debate and develop consensus on the key issues and recommendations that had emerged from the engagement process of the preceding months.

One of the priority recommendations emerging from the Summit was to "Establish a pan-Canadian literacy/essential skills development system, supported by federal, provincial and territorial governments." The recommendation also called for the establishment of programs "to improve literacy and basic skills that are based on individual and community needs and interests." (*National Summit on Innovation and Learning Summary*, p. 30)

An emerging consensus

The emphasis on literacy and essential skills that arose during the consultations on the innovation and learning strategy points to an emerging consensus. Governments, employers, unions, educators, academic researchers, non-governmental organizations, community representatives, and Canadians all recognize that to meet the challenges of a global, knowledge-based economy in the 21st century, a focus on literacy must be a fundamental element of our strategy.

The Standing Committee's study and its report is a further expression of this consensus, and is a timely contribution to the efforts of all partners and sectors in advancing adult literacy skills in Canada.

THE COMMITTEE'S REPORT

The Committee's report, *Raising Adult Literacy Skills: The Need for a Pan-Canadian Response*, provides a profile of low literacy skills in Canada, and reviews the key issues highlighted by witnesses during consultations. Based on this analysis, the Committee expresses its concern that, notwithstanding initiatives by the federal government as well as the provinces and territories, "the prevalence of low literacy skills in Canada continues to be a nation-wide problem requiring a nation-wide response." (*Raising Adult Literacy Skills*, p. 12) While recognizing that under Canada's constitution, education is a provincial and territorial responsibility, the Committee calls on the Government of Canada to take leadership in working with its provincial and territorial partners, and in making its own contribution¹.

The report makes 21 recommendations (see Appendix) some of which include more detailed sub-recommendations. The key thrusts of the recommendations are:

- That the Government of Canada work with provinces and territories to develop a pan Canadian accord on literacy and numeracy skills development;
- That the Government of Canada develop a literacy policy, including performance measures and accountability, to improve the coherence of initiatives across federal departments and agencies, and that it apply a "literacy lens" to programs and services;
- That the role and funding of the National Literacy Secretariat be expanded, including funding for multi-year projects;

¹The Bloc Québécois filed a dissenting opinion to the Standing Committee's report.

- That an Aboriginal Literacy Strategy be developed, and that other specific measures be implemented to address the special needs of early school leavers, persons with disabilities, newcomers to Canada, and offenders;
- That measures be focused on literacy in the context of communities, families, and workplaces, and that there be a continued building of knowledge and tools such as Prior Learning Assessment and Recognition.

A number of the recommendations are linked to the broader initiative for a pan-Canadian accord, while others offer specific advice for current program priority-setting and management.

In its conclusion, the Committee expresses a vision, inspired by one of its witnesses:

...a Canada where everyone reads and writes; where all children have people who read to them every day; where people who have difficulty reading and writing feel valued and supported; where language is plain; where literacy organizations have the resources to serve the literacy needs of their communities; where literacy in all its forms is celebrated and supported; and a Canada where a pan-Canadian literacy strategy facilitates the accomplishment of all this. (*Raising Adult Literacy Skills*, p. 73)

It is a powerful vision, and the Government of Canada appreciates the Committee's role in articulating it.

THE GOVERNMENT OF CANADA'S RESPONSE

The Government of Canada shares the Committee's sense of concern about low literacy issues and its sense of priority about the need to address these issues. The Government of Canada therefore welcomes the important contribution that Parliamentarians are making to the momentum for action on literacy issues.

Literacy is a key element of a lifelong learning strategy

The comprehensiveness of the Committee's analysis and advice is particularly welcome at this point in policy development in Canada. While *Raising Adult Literacy Skills: The Need for a Pan-Canadian Response* provides an important focus on the labour market implications of low literacy, the report also situates the issue of literacy in a much broader social and economic context.

The Committee's analysis shows how literacy is the foundation for lifelong learning. The report examines literacy as part of a lifecycle, linked to early childhood development, youth development and transitions, and the participation of both working and non-working adults in learning and skills development. The Committee also emphasizes that literacy learning takes place in a variety of contexts: not only in learning and training institutions, but in workplaces, communities, and families.

The Government of Canada agrees with this analysis. The Government of Canada recognizes that a lifelong learning framework is key for the full participation of Canadians and Canada in a global economic and social context. The Government is committed to a policy direction, both with partners and within its own sphere, that fosters and supports a lifelong learning framework, with literacy as a key element.

The Government of Canada appreciates the way in which the Committee's recommendations can help inform considerations about current and future investments in literacy in the context of a lifelong learning framework. Because of its comprehensiveness, the Committee's report can be an important contribution to policy development and the undertaking of initiatives by all partners.

The Government of Canada's commitment

The Government of Canada agrees overall with the key thrusts and the spirit of the Committee's recommendations on raising literacy levels in Canada. As outlined above, the Government is already undertaking steps in those directions and recognizes that its contribution is part of a wider effort currently under way to address literacy issues in Canada.

Achieving the goal articulated by the Committee will involve the collaboration of a wide range of partners and sectors, and it will take time to develop and implement sound strategies based on full engagement of all stakeholders. The Government of Canada is ready to undertake that work with partners, and to move forward from the base that has been established.

In the sections below, the Government of Canada sets out its commitment to:

- **Engage partners in discussions and work that could lead to a pan-Canadian strategy on literacy and improved coordination and coherence across the range of joint and individual initiatives related to literacy;**
- **Develop a coherent literacy policy across Government of Canada departments, including establishing clear objectives, reviewing policies and programs in relation to the literacy policy, and developing appropriate reporting and accountability;**
- **Take into account the unique needs of Aboriginal people, and the specific needs of target groups as recommended by the Committee, both in its work with partners and within its own purview; and**
- **Be guided by the Committee's analysis and advice on the importance of literacy strategies as part of a lifelong learning culture in families, communities, and workplaces as well as in formal learning systems.**

In the four sections below, the Government of Canada elaborates on these commitments as they relate to the specific recommendations of the Committee's report.

Working with partners towards a pan-Canadian strategy

(Related to Recommendation 1, as well as more broadly to 5, 6, 7, 10, 13, 18 and 20, and the recommendations on target groups and learning contexts)

As discussed above, the key recommendation of the Committee's report, around which many of the other recommendations are shaped, is that "the Minister of Human Resources Development Canada meet with provincial/territorial ministers of education and labour market ministers to develop a pan-Canadian accord on literacy and numeracy skills development." (*Raising Adult Literacy Skills*, p. 15)

The Government of Canada agrees that a national effort is needed to address literacy issues, and it is ready to engage provinces and territories in discussions that could lead to a pan-Canadian strategy as recommended in the Committee's report.

Indeed some positive steps for starting this process have already been taken. Recently, the Minister of Human Resources Development met with her counterparts in the Forum of Labour Market Ministers as well as jointly with the Council of Ministers of Education, Canada. At that meeting, federal, provincial and territorial ministers, with the exception of Quebec, agreed that literacy and essential skills should be one of the priority areas for collaboration to strengthen skills and learning in Canada.

The Government of Canada views this recent agreement by the Forum of Labour Market Ministers and the Council of Ministers of Education, Canada as having the potential to help lay the groundwork towards a pan-Canadian strategy on literacy. At the same time, relevant cooperative work being carried out by federal, provincial and territorial ministers responsible for social services on families and children, persons with disabilities, and disadvantaged groups can also be brought to bear on a pan-Canadian effort to address literacy skills.

The Government of Canada is also mindful of the Committee's analysis, and the input from the Innovation Strategy consultations and the Summit: a truly pan-Canadian strategy for literacy would involve a range of partners including employers, unions, non-government organizations, communities, and individual Canadians. Both with its provincial and territorial partners and within its own sphere, the Government of Canada will engage these other partners so that a pan-Canadian strategy would be meaningful beyond an agreement between governments alone, and would involve efforts from all aspects of Canadians society.

As well as responding to the Committee's recommendation for a pan-Canadian strategy, the Government of Canada is also taking into consideration and raising

with partners the Committee's specific recommendations, as relevant, in the context of other discussions and cooperative work. For example, in discussions about strategies for employment and learning for Aboriginal people, or fostering workplace learning, the Committee's recommendations provide important advice. Some of these specific examples are referred to in the sections below.

Creating a coherent policy framework for literacy across Government of Canada activities

(Related to Recommendations 2 and 10, as well as 3, 4, 5, 6, 8 and 9)

A second key recommendation of the Committee is that "the federal government formulate a literacy policy applicable to all federal departments and agencies, establish clear program objectives and goals, and conduct a government-wide inventory and review of literacy-specific programs to ensure that program objectives and outcomes are being achieved." (*Raising Adult Literacy Skills*, p. 18) The Committee further recommends all federal government programs and services be assessed to ensure that they reflect the literacy policy and goals and that programs and services are accessible to individuals with low literacy skills.

The Government of Canada agrees that more can be done to strengthen partnerships, and to foster good horizontal management and accountability on literacy across all federal departments.

The National Literacy Secretariat is currently renewing its terms and conditions, which will include a results-based management and accountability framework with a solid evaluation and performance measurement strategy. This will be an important step in helping to define and track outcomes for National Literacy Secretariat investments, as recommended by the Committee.

The Government agrees that developing a literacy policy framework as part of a lifelong learning strategy would help ensure coherence of Government of Canada activities related to literacy. In turn, this would be an important contribution towards a broader pan-Canadian effort to address literacy issues.

Accordingly, Human Resources Development Canada undertakes to:

- Lead a process to develop a literacy policy with clearly spelled out objectives for federal activities, as part of a lifelong learning strategy;
- Develop an inventory of current initiatives and work in partnership with other departments to review current programs and services directly and indirectly relevant to literacy in order to identify effective practices and possible gaps, and ensure there is not duplication of effort;
- Develop appropriate reporting and accountability for federal literacy-related activities informed by work of the Canadian Learning Institute on indicators for lifelong learning; and

- Continue the building of knowledge, including prior learning assessment and recognition tools and sharing of effective practices.

In taking these steps, the Government of Canada is taking into consideration the specific details of the Committee's recommendations. These include the recommendations about the role, funding, and priorities of the National Literacy Secretariat, as well as those relevant to particular programs and services. The Committee's recommendation about recognition and awards, for example, or those related to the development of knowledge and tools, can help provide guidance during the work of developing a policy framework for Government of Canada activities.

Addressing specific needs

Aboriginal People

(Related to Recommendations 7, 8 and 9)

A key recommendation of the Committee is that the Government of Canada begin consultations with Aboriginal communities and provincial and territorial governments to develop an Aboriginal Literacy Strategy.

The Government of Canada agrees that the unique literacy needs of the Aboriginal population require a strategic approach, and it is actively working towards this objective.

One important strategic approach is to incorporate literacy into broader skill development and employment strategies for Aboriginal people. The Aboriginal Human Resources Development Strategy is a five-year, \$1.6B initiative to help Aboriginal persons prepare for, find, get and keep jobs. In preparing for its renewal (the current strategy sunsets in 2004), Human Resources Development Canada is exploring how best to focus on addressing the literacy needs of Aboriginal Canadians in their efforts to enter or remain in the work force.

The Government of Canada is also building literacy into new initiatives for Aboriginal people. Projects supported under the recently announced Aboriginal Skills and Employment Partnership initiative will, in part, focus on literacy and numeracy skills development. The Aboriginal Skills and Employment initiative will invest \$85M over five years to promote maximum employment for Aboriginal people on major economic developments. Projects will be required to develop a comprehensive Aboriginal training-to-employment plan that links skills development to specific job opportunities for Aboriginal people. Depending on local needs, these plans will cover a broad continuum ranging from basic skills, literacy and academic upgrading, through job-specific training and apprenticeships to retention counseling and other on-the-job supports.

Through the National Literacy Secretariat, the Government of Canada has also been supporting consultations and collaboration of Aboriginal organizations and Aboriginal literacy practitioners, educators and learners themselves to help develop strategic approaches to Aboriginal literacy. This support has contributed to the development of a comprehensive needs assessment, as well as in the formation of a new national focus for Aboriginal literacy, to be known as the National Indigenous Literacy Association.

The Government of Canada will continue to explore how best to ensure a strategic approach to Aboriginal literacy issues in its work with partners towards a pan-Canadian strategy on literacy, and the development of a coherent literacy policy in

its own activities. The Committee's report will help provide important considerations during this work.

Youth

(Related to Recommendation 13)

The Government of Canada welcomes the analysis and recommendations of the Committee regarding youth, **and agrees that** issues related to youth literacy and early school leavers are important in a knowledge-based economy.

The Government of Canada supports the intent of the recommendation to increase support for young early school leavers through the Youth Employment Strategy.

The Skills Link program under the Youth Employment Strategy offers tailored, client-centred employment services to young people to provide skills, information and work experience which will help them make successful transitions into the work force. An essential component of this program is the planning element with community stakeholders. Enhanced partnerships and greater community collaboration can help to provide a continuum of programs and services to support youth, with a particular focus on youth facing barriers to employment.

Further opportunities for use of the Youth Employment Strategy in addressing literacy issues for youth could be explored with partners as part of a pan-Canadian strategy.

The Government of Canada is continuing to support the Youth Literacy Corps. The Government also supports research on youth issues. In partnership with provincial ministries and departments of education, and the Secretariat of the Council of Ministers of Education, Canada, the Government of Canada has been supporting the Programme for International Student Assessment, which provides international indicators of the skills and knowledge of 15-year-old students.

Persons with Disabilities

(Related to Recommendations 14, 15 and 16)

The Committee makes several recommendations regarding literacy and people with disabilities.

The Government of Canada agrees with the importance of providing targeted support for persons with disabilities, and has a number of initiatives already under way, as the Committee noted.

One of the Committee's recommendations focuses on issues of learning disabilities. Since 1999, the National Literacy Secretariat has supported a partnership venture involving the Learning Disabilities Association of Canada, Correctional Service Canada, the Association of Canadian Community Colleges, and the Movement for Canadian Literacy. This project is a good example of an evidence-based initiative. It responds to research showing a significantly higher incidence of learning disabilities in the youth and adult inmate populations, a linkage that the Committee's report also highlights.

The Committee also recommends that literacy and numeracy for persons with disabilities be addressed both in the Government of Canada Opportunities Fund and the labour market agreement for persons with disabilities currently under discussion by the Government of Canada and provincial and territorial governments.

These recommendations are being taken into account as part of the federal literacy policy development, as well as in cooperative work with provinces and territories. On this latter point, it can be noted that programs to enhance the literacy and numeracy skills of persons with disabilities have been funded under the existing Employability Assistance for People with Disabilities initiative, and are consistent with the goals and objectives of the successor multilateral framework agreed to in principle by federal, provincial and territorial ministers responsible for social services.

Newcomers to Canada

(Related to Recommendation 17)

The Committee raises considerations and makes recommendations about the second language training needs of newcomers to Canada, including those with literacy challenges.

The Government of Canada agrees that language training is important to ensure the successful economic and social integration of immigrants, as highlighted in Knowledge Matters.

The Government of Canada currently provides \$173.3M per year for immigrant settlement (except for Quebec, where the Canada-Quebec immigration accord provides for particular funding arrangements). Approximately 80% of these funds are spent on language training for adult immigrants. In recognition of the importance of language training, the February 2003 Budget announced new funding (\$10M over two years) to develop and deliver labour market language training at more advanced levels for adult immigrants and refugees. The initiative will also help to support the provision of all levels of language training in small centres that might otherwise not have the capacity to support those services.

Funding for language instruction for adult immigrants and refugees presently includes free quality child minding services and transportation to help parents for whom language training would otherwise be inaccessible. In addition, service providers are encouraged to offer a whole range of full-time/part-time, evening, weekend classes, home study and other innovative initiatives to serve the needs of all immigrants. This is of particular importance to women who often carry the greater share of responsibility for child care, and may therefore face additional challenges accessing language training.

The Canadian Language Benchmarks framework and the Standards linguistiques canadiens framework are the foundation of language training supported by Citizenship and Immigration Canada. The frameworks provide the basis for the development of curricula, assessment tools, and professional development materials, and are a key component of an effective national language training program.

Citizenship and Immigration Canada ensures on an ongoing basis that language training needs are being met. It is currently developing a Contribution Accountability Framework to evaluate the effectiveness of all its settlement and resettlement contribution programs, including language training.

Offenders

(Related to Recommendation 18)

The Committee recommends that, as part of a pan-Canadian accord, the Government of Canada should ensure there are sufficient resources for the literacy and numeracy needs of inmates across country, including support for offenders to make the transition to community programs.

The Government of Canada recognizes that many offenders in Canada face literacy barriers.

Correctional Service Canada already spends approximately a quarter (\$24M) of its program budget for the provision of literacy and numeracy programs. All regions of Correctional Service Canada have a relationship with provincial or territorial ministries of education, community colleges, or other educational institutions to ensure accreditation of Correctional Service Canada education programs. This guarantees certification which is portable to the community.

In addition, Correctional Service Canada has been working in partnership with provincial governments to support community-based education for offenders; currently such initiatives are under way in Quebec, Alberta and Manitoba. Further opportunities to address the literacy and essential skills needs of inmates and offenders returning to the community could be explored with partners in the context of work towards a pan-Canadian strategy.

Adults in the Labour Force

(Related to Recommendation 20)

The Committee raises additional issues about the literacy needs of people already in the labour force. The report discusses the potential for enhanced use of Employment Insurance to support literacy training. For instance, it recommends more targeted use of skills development interventions under EI Part II for literacy training, as well as expanding eligibility for this type of training to all unemployed and employed individuals, irrespective of their historical attachment to EI.

The Government of Canada supports the broad direction of these recommendations, but as the Committee acknowledges, these changes would require negotiations and agreement with provinces and territories, and legislative change. The recommendations would need to be considered within the context of broader efforts to ensure government policies and programs align with current skills, learning and labour market challenges and priorities.

In fact, the Government of Canada is already working in collaboration with partners in ways that support the spirit and goals of the Committee's recommendations. For example, under the Essential Skills and Workplace Literacy initiative, the Government is supporting research into assessment tools that could help identify literacy and essential skills needs and the training which might address those needs. This research could help inform the process of identifying and developing the skills needs of clients under EI Part II Employment Benefits and Support Measures, including those measures which can support all unemployed individuals.

The Government of Canada has also made \$45M available for the Older Workers Pilot Projects initiative. This federal-provincial-territorial initiative is testing innovative measures designed to re-integrate unemployed older workers into employment or help maintain older workers who are threatened with unemployment. The results will help inform governments about effective approaches for assisting older workers, identified in the Committee's report as a key vulnerable group in terms of low literacy skills.

Supporting partnerships for literacy in families, communities, and workplaces

Family literacy: laying the foundation for full literacy in Canada

(Related to Recommendation 11)

As discussed above, the Committee provides important analysis and advice on the need to develop literacy strategies from a lifelong perspective. The Committee emphasizes "Literacy policy must recognize the important role played by the family in developing and instilling the value of literacy skills in children, given that learning begins in the home," (*Raising Adult Literacy Skills*, p. 42) and it recommends that the National Literacy Secretariat expand support for initiatives in family literacy.

The Government of Canada agrees with the thrust of the Committee's analysis and recommendations on family literacy.

In a policy context where governments and partners are making significant investments so that Canada's children get the best start in life, paying attention to the literacy piece of the puzzle should be a priority. Research has shown that parents with higher literacy skills are better able to support their children's language and literacy development, and therefore strengthen the potential for generations of literate citizens.

The Government of Canada supports children and families through a comprehensive mix of income and service supports, with the goal of ensuring that all parents have the tools they need to nurture their children's development and future success. Working in partnership with the provinces and territories, the Government of Canada is making significant new investments in the well-being of families with young children which will help lay the foundation for full literacy in Canada.

As the Committee notes, the National Literacy Secretariat is making targeted investments in projects that support family literacy. For example, funding of \$1M over three years to the Read to Me Foundation is helping provide the parents of every newborn baby in Nova Scotia with a tote bag containing books, lists of community resources, and material explaining the importance of reading to babies. This project, which brings together the efforts of the Halifax Youth Foundation, the Izaak Walton Killam Health Centre, the Nova Scotia Department of Education, the Regional Libraries of Nova Scotia, and the Canadian Broadcasting Corporation, as well as Human Resources Development Canada, provides a good example of the National Literacy Secretariat's partnership approach towards addressing the shared goal of family literacy.

The work of the National Literacy Secretariat complements other significant federal investments which contribute to family literacy. For example, most provinces and territories are investing a portion of the \$500M they receive each year under the Early Childhood Development Agreement in learning and literacy initiatives for families with young children. In addition, new investments under the Multilateral Framework on Early Learning and Child Care will improve families' access to the kind of affordable, quality child care that promotes early learning and literacy, while also enabling parents to work or develop their own skills.

In building family literacy as a part of lifelong learning strategies, the Government of Canada is taking into consideration the Committee's recommendations.

Fostering and supporting literacy in learning communities

(Related to Recommendations 11 and 12)

The Committee provides an important perspective on the issues of community learning. It makes recommendations on how to foster and support accessible and vibrant learning communities through distance learning and learning networks.

The Government of Canada agrees that communities have a key role to play in fostering and facilitating learning in a knowledge-based economy and society, and it is moving forward in directions that are consistent with the Committee's recommendations.

The Government has made community level investments in the creation of public access infrastructure using network technologies, and has promoted widely the use of information and communications technologies and learning technologies.

Through the Office of Learning Technologies, the Government of Canada actively supports the development of Community Learning Networks pilot projects across Canada. Community Learning Networks have helped increase access to learning technologies within communities, particularly those in rural and remote areas, in disadvantaged communities in urban settings, and in First Nations communities where demand for informal lifelong learning opportunities for skills and literacy development is particularly significant. For example, in partnership with the Lillooet Learning Communities Society, British Columbia, a project is under way to foster lifelong learning and community development in that remote community. People and organizations in the area, including artisans and crafters, are using learning technologies to share ideas, resources, and expertise. Adult and family literacy is an integral part of the project's learning activities.

As recommended by the Committee, the Office of Learning Technologies will continue to support technology-based learning at the community level.

At the same time, it is important to look beyond strictly technology-focused investments, towards the potential for broadening learning and literacy outcomes through more holistic learning community models. These models, which emphasize a range of delivery approaches (including but not limited to information technologies) and increased cross-sectoral partnerships development, are being successfully piloted in many OECD countries.

The Government of Canada will take into account the Committee's recommendations as it develops further work on learning communities.

Strengthening partnerships for workplace literacy

(Related to Recommendations 19, 20 and 21)

The Committee makes several recommendations that focus on the need to enhance workplace literacy.

The Government of Canada agrees that reaching the many Canadians with low literacy skills who are already in the workplace is a key priority.

Older workers with low skills need to upgrade and maintain their jobs; recent immigrants need to integrate their skills into Canadian industry environment; workers in changing sectors need to adapt to rapidly changing technologies. To address such issues, partnerships between governments, employers, unions, training and community organizations to address workplace literacy issues are key.

The Government of Canada is playing an active role in supporting partnerships to enhance workplace literacy through the National Literacy Secretariat. As part of its efforts right from the beginning to engage groups that are not usually involved in literacy, the National Literacy Secretariat has facilitated partnerships with business associations and labour organizations. Collaborative partnerships with the Conference Board of Canada, the Canadian Manufacturers and Exporters and the Canadian Labour Congress have helped the support and recognition of workplace literacy efforts across the country. In addition, the National Literacy Secretariat has formed consortia with provincial governments, business associations and labour federations to promote and encourage workplace literacy activities. Since 1997 the National Literacy Secretariat has invested over \$21.8M in more than 200 projects targeting workplace literacy. This will remain an important focus of the Secretariat's activities, as recommended by the Committee.

Knowledge building is an important area of Government of Canada support for workplace literacy. Since 1994 Human Resources Development Canada's Essential Skills Research project has been identifying literacy and other essential skills needed in Canadian occupations; this research has in turn been the foundation for numerous workplace skills initiatives by provincial, territorial, and business and labour partners.

The Government of Canada's commitment to action on workplace literacy underlies the Essential Skills and Workplace Literacy initiative launched earlier this year. Under the initiative, the Government of Canada is supporting the development of tools that help assess literacy and essential skills needs in workplaces. With this knowledge, teachers and literacy practitioners can prepare students for successful employment, and workplace learning can be tailored to the needs of workers and employers in that context. By supporting the development of national essential skills standards, the Government of Canada is also contributing to increased flexibility and mobility in the labour market.

The Government of Canada's support for Sector Councils is another important element in fostering workplace literacy. Sector Councils link industry, education, and government partners around skills demands and shortages. The Councils can play a role in helping identify essential skills and workplace literacy needs and developing approaches for addressing those needs in ways that are tailored to particular industries. For example, the Textile Human Resources Sector Council is developing training and learning centres at 30 workplaces across Canada on a cost-sharing basis with employers. These centres will make it possible for workers to increase their skills levels at the workplace, which in turn could lead to increased productivity and cost-savings, improved retention and employability of workers, and greater learning opportunities for rural and remote workers.

As the Committee noted, the Government of Canada's support for the development and use of Prior Learning Assessment and Recognition is also an important area of forward-looking work to help address workplace literacy. The cooperative work on literacy and essential skills recently launched by the Forum of Labour Market Ministers could include further collaboration on this important tool. Other possible areas for joint exploration could include measures to encourage employers to provide training; better matching of training programs and workplace needs; ways of addressing the literacy and essential skills levels of those already working; and approaches for meeting the particular needs of Canadians belonging to under-represented groups.

CONCLUSION

The Government of Canada's review of the Standing Committee's report and its response to the Committee's recommendations lead to several key conclusions.

- Overall, the Government of Canada agrees with the Committee's analysis and with the thrust and spirit of the Committee's recommendations. The Government agrees with the Committee that raising adult literacy skills requires a pan-Canadian response.
- The Government of Canada views literacy issues as having priority in the context of an innovation and learning culture. The Government has recently made investments in learning initiatives that can contribute to adult literacy skills.
- The Government of Canada agrees, however, that all partners need to work together as part of a concerted effort to address literacy issues in Canada. Literacy must be a key element of a lifelong learning strategy.
- The Government of Canada is taking a leadership role in fostering that concerted effort; the Government will engage partners in discussions to work towards a pan Canadian strategy on literacy.
- At the same time, the Government of Canada is developing a literacy policy framework, including accountability measures, to help bring a more coherent approach to literacy in its own activities.
- In moving forward on these two fronts – engaging partners to work on a pan-Canadian strategy and developing a policy framework to guide and account for its own activities – the Government of Canada will continue to take into consideration the more detailed recommendations that the Committee makes.

Literacy and essential skills are the foundation for lifelong learning and for participation in a knowledge-based economy and society. Consensus about this priority was evident at the National Summit on Innovation and Learning; the Standing Committee's report provides important analysis and advice in moving forward to act on that consensus.

The Government of Canada welcomes the continued involvement of the Committee as all partners work towards the goals articulated in *Raising Adult Literacy Skills: The Need for a Pan-Canadian Response*.

APPENDIX

LIST OF THE STANDING COMMITTEE'S RECOMMENDATIONS

Recommendation 1

The Committee recommends that the Minister of Human Resources Development Canada meet with provincial/territorial ministers of education and labour market ministers to develop a pan-Canadian accord on literacy and numeracy skills development. Key elements of this accord should identify provinces and territories as having primary responsibility for education and labour market training, establish joint funding levels and funding duration, determine the means of delivery, set goals, identify the need for flexibility in establishing literacy priorities, and establish methods for evaluating outcomes. If a pan-Canadian accord is not possible, the Government of Canada should negotiate bilateral literacy accords with all interested provincial and territorial governments. [Note: The reference to a pan-Canadian accord is intended to mean that the federal government should try to reach unanimous agreement with the provinces and territories to address this nation's serious low literacy skills problem. If unanimous agreement is not possible, the Committee encourages the federal government to work with individual provinces and territories to achieve the same results. In either case, since this issue falls within the constitutional domain of the provinces and territories, an agreement is required to formalize federal support.]

Recommendation 2

The Committee recommends that:

- the federal government formulate a literacy policy applicable to all federal departments and agencies, establish clear program objectives and goals, and conduct a government wide inventory and review of literacy-specific programs to ensure that program objectives and outcomes are being achieved;
- the federal government assess all government programs and services to ensure that the government's literacy policy and goals are being met (i.e., literacy lens) and that programs and services are accessible to individuals with low literacy skills;
- Treasury Board specifically include literacy and numeracy skills development in its *Policy for Continuous Learning in the Public Service of Canada*. Furthermore, all employees with low literacy skills, irrespective of their employment status, be assisted and encouraged to submit a personal learning plan to raise their literacy and numeracy skills. Moreover, learning opportunities should be made available during working hours;
- the federal government assign primary responsibility to the National Literacy Secretariat to coordinate, monitor and report on federal literacy initiatives and their results.

Recommendation 3

The Committee recommends that the federal government allocate sufficient resources to provide literacy awards at various points in the year, especially International Literacy Day, to reward literacy providers (e.g., volunteers, employers and other literacy stakeholders) for their significant involvement and excellence in promoting and delivering literacy training, and to celebrate the successes of literacy learners.

Recommendation 4

The Committee recommends that the federal government include literacy research in the mandate of the Canadian Learning Institute. It is the Committee's view that the assignment of literacy research activities to the Canadian Learning Institute should not reduce the National Literacy Secretariat's annual budget for grants and contribution programs.

Recommendation 5

The Committee recommends that funds be allocated through the National Literacy Secretariat to encourage greater use of prior learning assessments for low literacy learners.

Recommendation 6

The Committee recommends that the federal government work with provincial and territorial governments and the learning community to develop a format for a learning portfolio that records individuals' formal and informal learning, and that respects the privacy of individuals. It is hoped that this document would identify learners' strengths and knowledge gaps, and provide a basis on which to build for those who engage in further learning. Although this recommendation is primarily intended to encourage and facilitate training among individuals with low literacy credentials, there is no reason to limit the use of this credential recognition document to low literacy learners. In fact, an obvious extension of this approach could include the learning accomplishments, including language instruction, of newcomers to Canada.

Recommendation 7

The Committee recommends that the federal government immediately begin consultations with the Aboriginal communities, and provincial and territorial governments, to develop an Aboriginal Literacy Strategy that: incorporates a holistic approach; respects Aboriginal languages, traditions and values; and is funded at a level commensurate with the seriousness of the problem of low literacy among Aboriginal peoples.

Recommendation 8

The Committee anticipates that the implementation of an Aboriginal Literacy Strategy will take some time. In the interim, the Committee recommends that a new National Literacy Secretariat funding stream be created – the Aboriginal Funding Stream. In addition to the amount currently being spent (approximately \$2 million) through the National Literacy Secretariat on Aboriginal literacy projects, the government should allocate \$5 million to this new funding stream, of which one-half should be delivered through the national Aboriginal literacy organization that is currently being established by the National Aboriginal Design Committee, while the remainder should be delivered via the existing funding streams, as is currently being done.

Recommendation 9

The Committee recommends that the federal government allocate \$15 million to supplementary Aboriginal Human Resources Development Agreements to fund Aboriginal workplace literacy initiatives. In addition, some of the new funding (i.e., \$25 million over the next two years) to be delivered under the Aboriginal Skills and Employment Partnership should be earmarked for literacy and numeracy skills development in major projects across the country. Furthermore, all federal programs aimed at increasing labour market participation of Aboriginal peoples in Canada should include basic education upgrading and literacy programs.

Recommendation 10

The Committee recommends that:

- The National Literacy Secretariat's annual grants and contributions budget be increased from \$28.2 million to \$50 million. This increase does not include new funding for the proposed Aboriginal Funding Stream. New funding should continue to be delivered through the National Funding Stream and the Federal/ Provincial/Territorial Funding Stream, including the agreement with Quebec, and should respect any other conditions that may be specified following an agreement on a pan-Canadian accord on literacy and numeracy skills development. [Note: The reference to a pan-Canadian accord is intended to mean that the federal government should try to reach unanimous agreement with the provinces and territories to address this nation's serious low literacy skills problem. If unanimous agreement is not possible, the Committee encourages the federal government to work with individual provinces and territories to achieve the same results. In either case, since this issue falls within the constitutional domain of the provinces and territories, an agreement is required to formalize federal support.];

- One-third of the increase in funding be allocated to eligible projects for a multi-year period in order to assess the impact of stable funding on the acquisition of literacy and numeracy skills;
- National Literacy Secretariat use its extensive partnership network to examine the extent to which the demand for literacy training exceeds supply;
- The National Literacy Secretariat be sensitive to the literacy needs of francophone adults in view of the findings of the International Adult Literacy Survey which found a higher incidence of low literacy among francophone adults compared to anglophone adults;
- The National Literacy Secretariat develop, in conjunction with literacy providers, clear, measurable goals, objectives and performance indicators for assessing individual's literacy and numeracy skills, to be reported on by recipients of NLS funding. Once these performance indicators are developed, Human Resources Development Canada should report on these each year in its Performance Report.

Recommendation 11

The Committee recommends that the National Literacy Secretariat:

- expand support for community learning and family literacy partnerships;
- develop distance learning educational material and facilitate projects that make access to literacy training more equitable for those who reside in remote parts of the country or prefer not to pursue literacy training in institutional settings;
- promote and support more literacy initiatives that involve the participation of public libraries, a key contributor to literacy promotion and development in our communities.

Recommendation 12

The Committee recommends that the federal government continue to promote and support the development and evolution of learning networks that enable communities to build learning capacity through the use of network technologies.

Recommendation 13

The Committee recommends that:

- As part of a pan-Canadian accord on literacy and numeracy, the federal government, in agreement with the provinces and territories, consider redirecting some of the funds allocated to the Youth Employment Strategy to support further education among young early school leavers through a "learn and earn" initiative that results in at least high school completion [Note: The reference to a pan-Canadian accord is intended to mean that the federal government should try to reach unanimous agreement with the provinces and territories to address this nation's serious low literacy skills problem. If unanimous

agreement is not possible, the Committee encourages the federal government to work with individual provinces and territories to achieve the same results. In either case, since this issue falls within the constitutional domain of the provinces and territories, an agreement is required to formalize federal support.];

- The National Literacy Secretariat restore its Literacy Corps budget to \$1 million starting in 2004-2005;
- The Government of Canada continue to provide sufficient financial support for the pan Canadian assessment of students' literacy skills.

Recommendation 14

The Committee recommends that some of the National Literacy Secretariat's new resources for stable funding be allocated to literacy projects for persons with learning disabilities, in recognition of the fact that many individuals with learning disabilities need long-term literacy assistance for which multi-year funding would be appropriate.

Recommendation 15

The Committee recommends that the comprehensive agreement that is currently being negotiated with the provinces and territories to remove barriers to participation in work and learning for persons with disabilities include literacy and numeracy skills development as key components.

Recommendation 16

The Committee recommends that the federal government expand the budget (i.e., \$23.8 million in 2003-2004) of the Opportunities Fund for Persons with Disabilities by \$5 million and dedicate additional funding to literacy and numeracy skills development.

Recommendation 17

The Committee recommends that:

- Citizenship and Immigration Canada review its budget for Language Instruction for Newcomers to Canada to ensure that sufficient funding is available to help individuals, including those with second-language literacy needs, overcome difficulties entering the labour market because they lack official language skills. Any additional funding must also be reflected in funding under the settlement agreements with Quebec, Manitoba and British Columbia;
- The level and duration of language instruction provided under Language Instruction for Newcomers to Canada be assessed to ensure that it is meeting the needs of immigrants and refugees;

- Funding be made available to provide supplementary services, such as transportation and child care, to assist newcomers who are unable to access language instruction because they lack the necessary supports.

Recommendation 18

The Committee recommends that, as part of a pan-Canadian accord on literacy and numeracy skills development, the federal government work in partnership with provincial and territorial governments to ensure that enough resources are available to meet the literacy and numeracy skills development needs of inmates across the country. This should include funding to permit inmates to make the transition to community literacy programs once they are released. [Note: The reference to a pan-Canadian accord is intended to mean that the federal government should try to reach unanimous agreement with the provinces and territories to address this nation's serious low literacy skills problem. If unanimous agreement is not possible, the Committee encourages the federal government to work with individual provinces and territories to achieve the same results. In either case, since this issue falls within the constitutional domain of the provinces and territories, an agreement is required to formalize federal support.]

Recommendation 19

The Committee recommends that the National Literacy Secretariat continue to promote and develop partnerships that pool resources and utilize best practices for creating opportunities for workplace literacy.

Recommendation 20

The Committee recommends that the federal government increase spending under Part II of the Employment Insurance Act by \$100 million. Subject to the terms of a pan-Canadian accord on literacy and numeracy skills development, the government should negotiate supplementary Labour Market Development Agreements and enact the necessary changes to the Employment Insurance Act to provide literacy and numeracy skills development assistance to all unemployed and employed individuals, irrespective of their historical attachment to Employment Insurance. These supplementary agreements should ensure that a certain proportion of funding is made available to address the literacy needs of members of designated groups. Seventy-five percent of the increase in Part II funding should be allocated to supplementary Labour Market Development Agreements, while the remaining 25% should be allocated to addressing workplace literacy needs as identified by sector councils. [Note: The reference to a pan-Canadian accord is intended to mean that the federal government should try to reach unanimous agreement with the provinces and territories to address this nation's serious low literacy

skills problem. If unanimous agreement is not possible, the Committee encourages the federal government to work with individual provinces and territories to achieve the same results. In either case, since this issue falls within the constitutional domain of the provinces and territories, an agreement is required to formalize federal support.]

Recommendation 21

Subject to an agreement with the provinces and territories, the Committee recommends that the federal government implement a two-year pilot project that offers small and medium-sized businesses an Employment Insurance premium rebate and other incentives such as tax credits to cover the costs of providing workplace literacy and numeracy skills development to employees. Following the completion of this pilot project, an evaluation should be conducted; if the pilot project is deemed successful, it should be extended to all employers, with a continuing emphasis on small and medium-sized businesses.