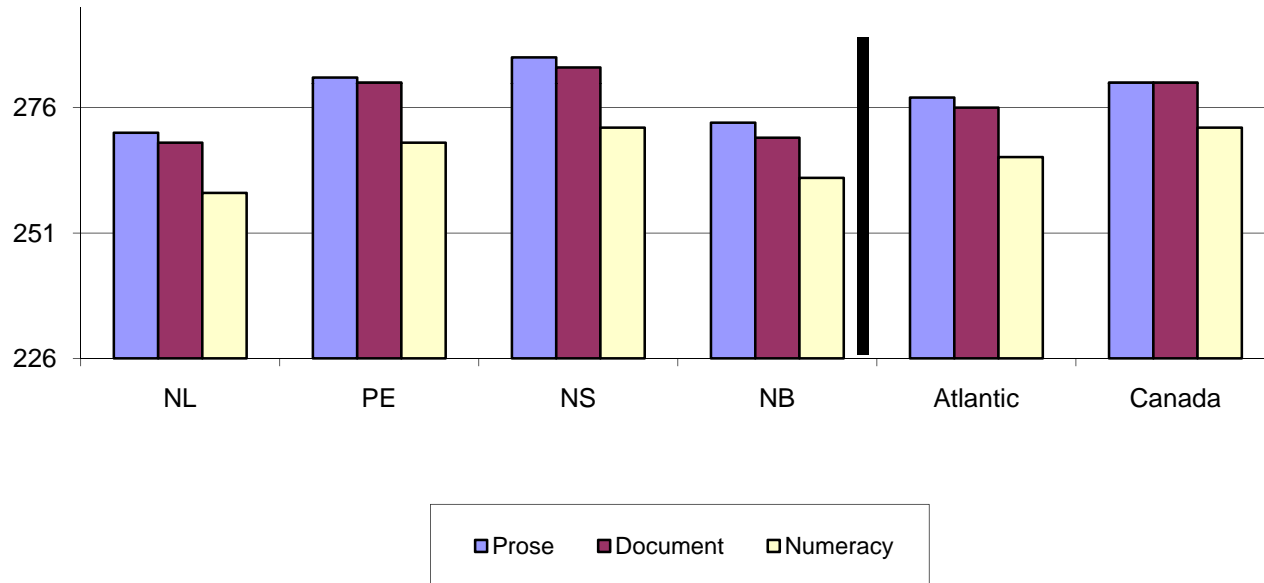


LITERACY AND ITS IMPACT ON THE WORK FORCE AND THE LABOUR MARKET

The Atlantic Provinces

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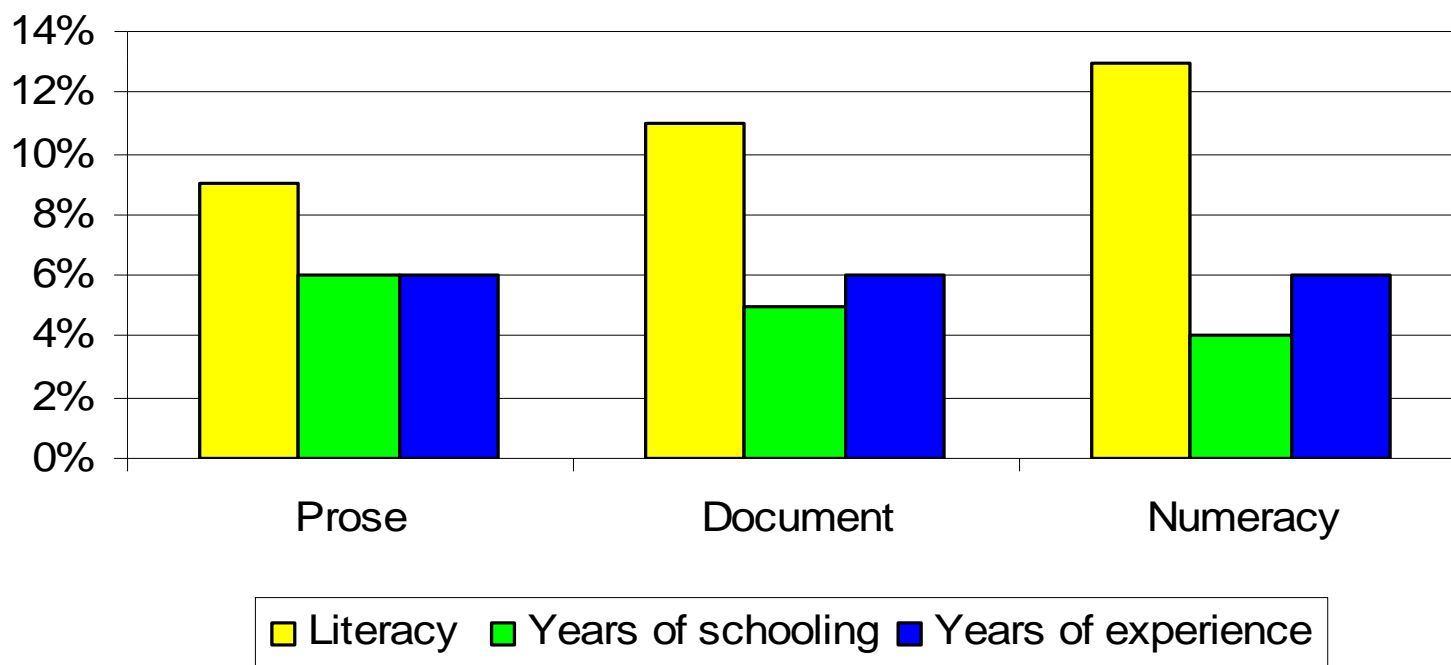
Newfoundland and New Brunswick had average scores at level 2 in prose, document and numeracy (population 16-65)



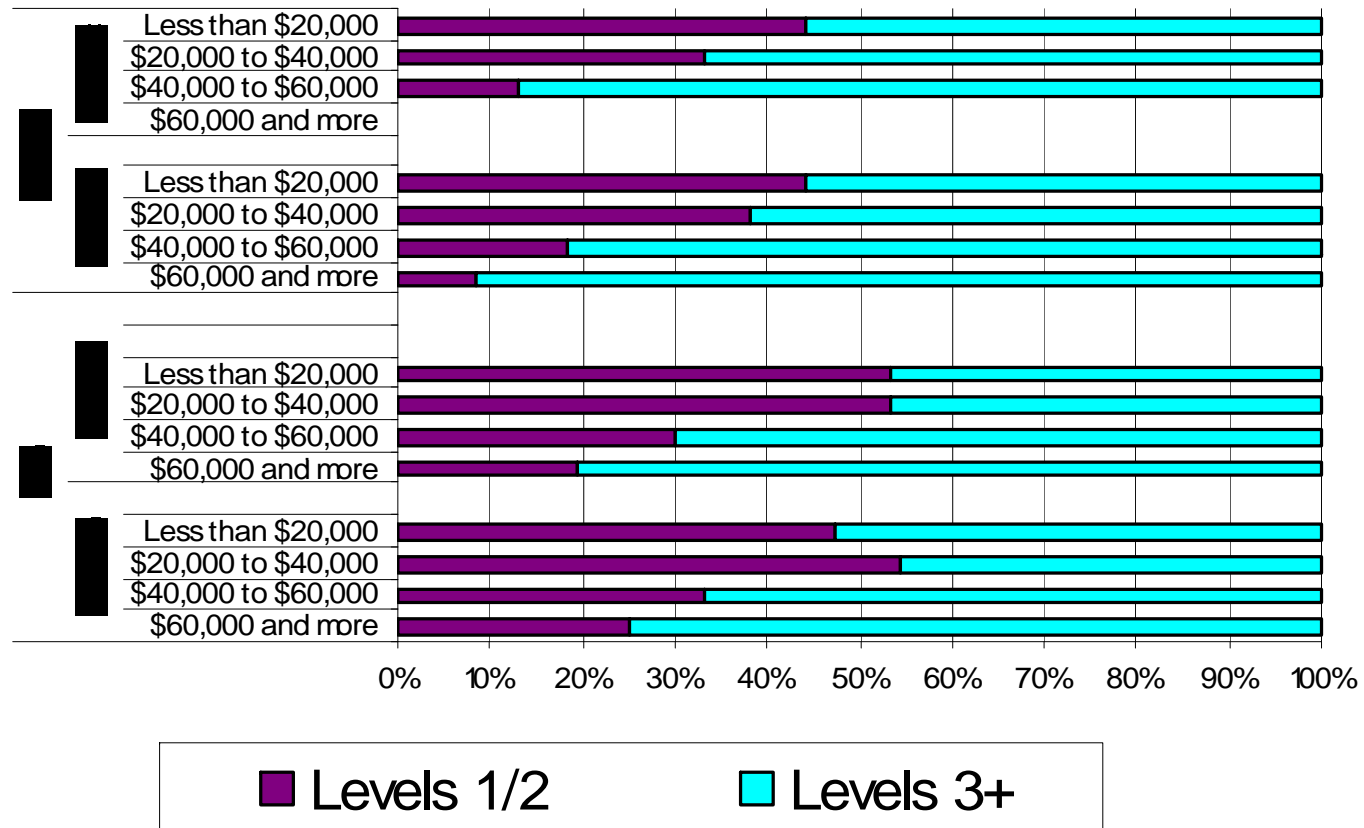
Importance of literacy for the work force and labour market

In Canada, literacy has a strong independent effect on earnings, over and above the impact of years of schooling and years of experience

Per cent increase in weekly earnings per increase of 10 percentiles on prose, document and numeracy scales, and per increase of additional year of schooling and work experience, adjusted three least squares model, labour force population aged 16 to 65, 2003



Those with higher literacy scores earn more

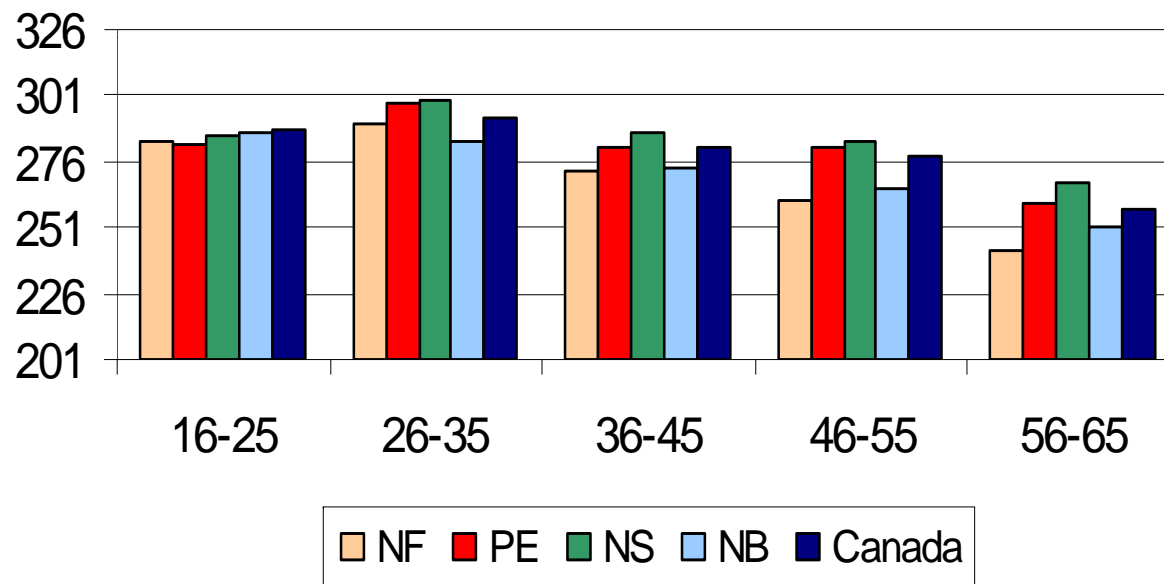


Note: Excluded those that had earnings less than 0

Literacy performance- Age

Average prose literacy scores decreased with age. In the Atlantic provinces, the populations aged 16-25 and 26-35 had average scores above level 3.

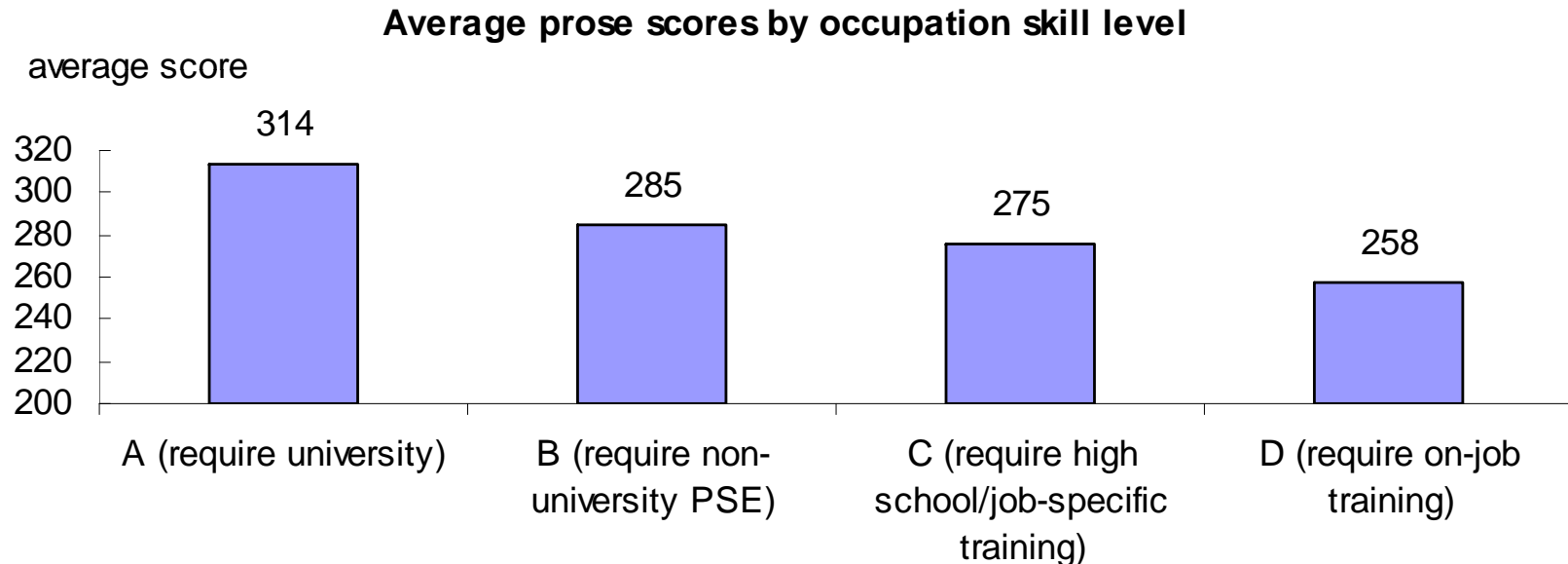
Mean prose proficiency scores by age group, Canada and Atlantic provinces, 2003



Distribution of literacy performance

Workers in occupations requiring university education had an average prose literacy score that was 52 points higher than the average score of workers in occupations requiring on-job training only

Average prose literacy score by required educational skill level occupation, labour force population excluding managers, 16 to 65, 2003



Percentage of population (excluding managers):

A=19.0

B=40.8%

C=30.1%

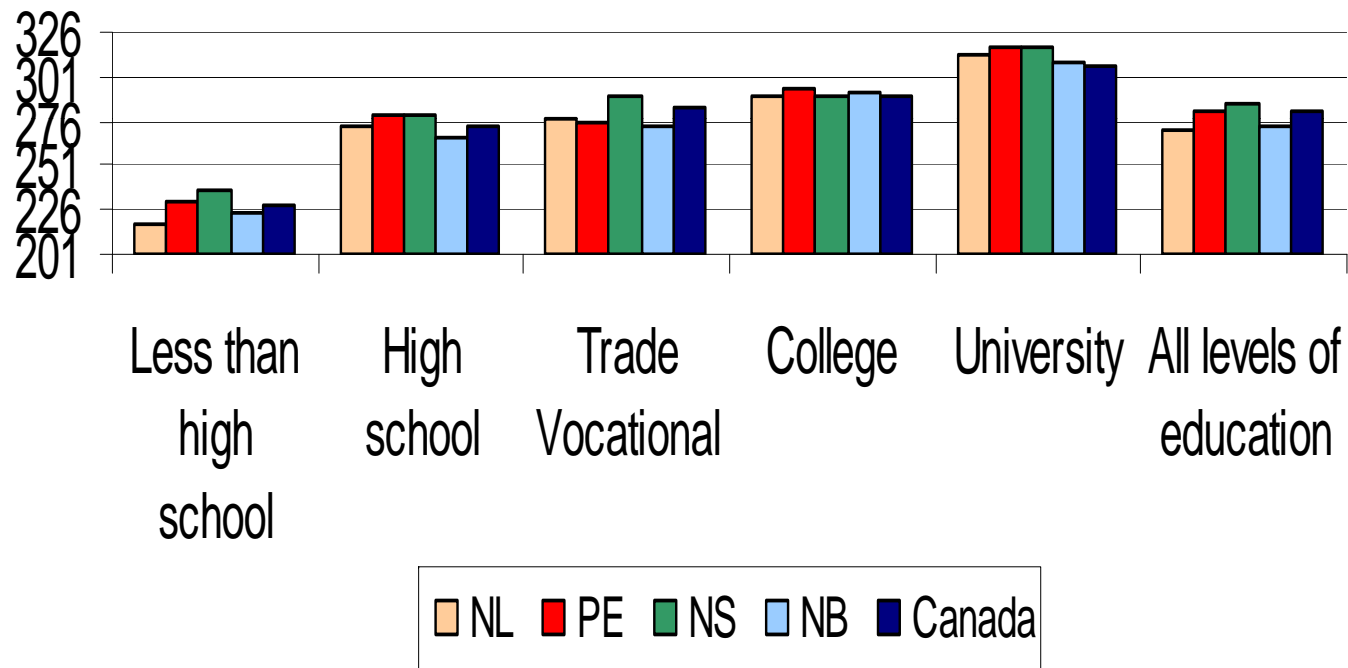
D=10.1%

6

Literacy performance- Education

In Canada, individuals with a university degree scored on average 65 points higher than those with less than a high school education. The differences are more important within the Atlantic provinces.

Mean prose proficiency scores by education level, population 16-65, Canada and provinces, 2003



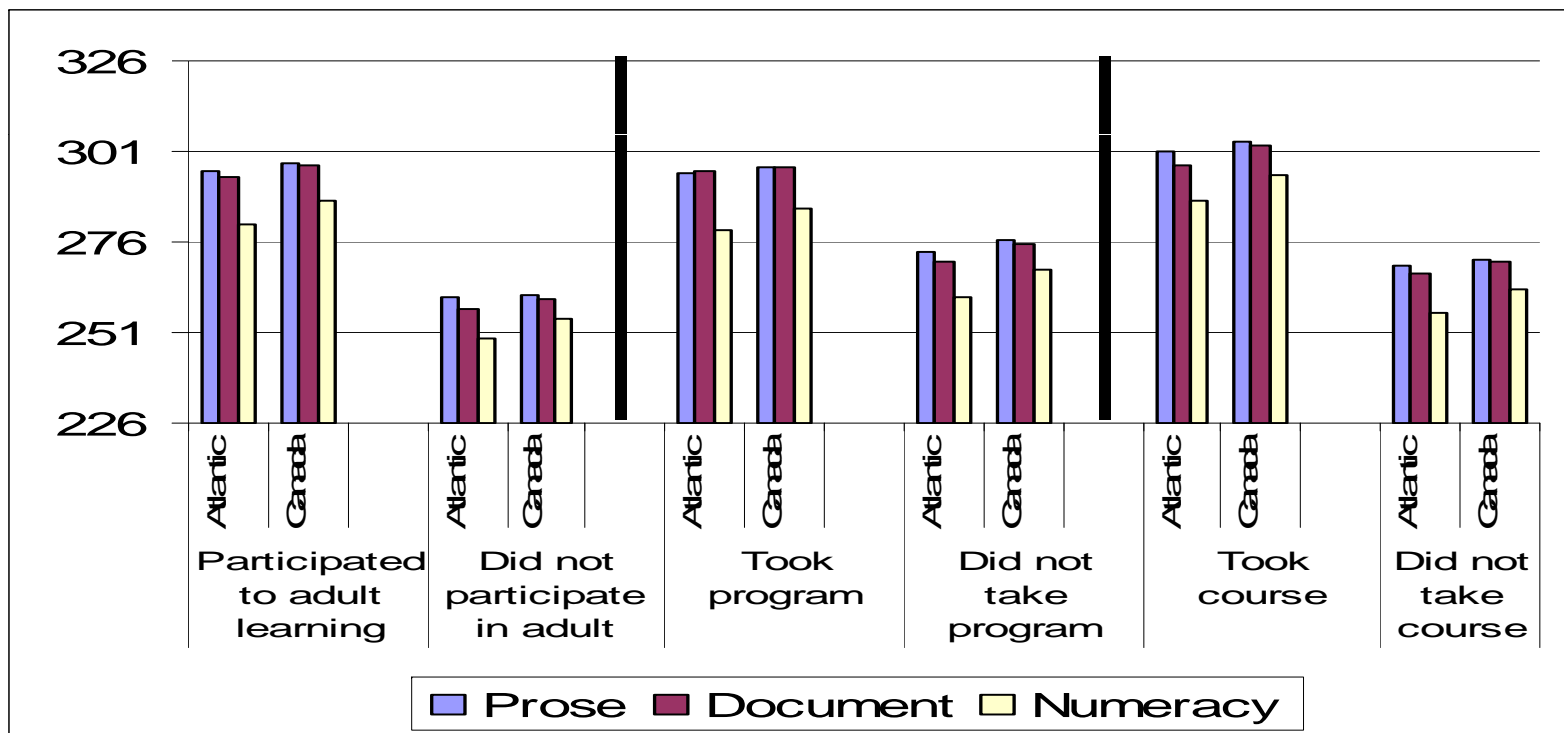
Educational attainment was derived using variable a4c



HRSDC, Learning Policy Directorate

Those who participate in adult learning activities have higher average scores in all domains

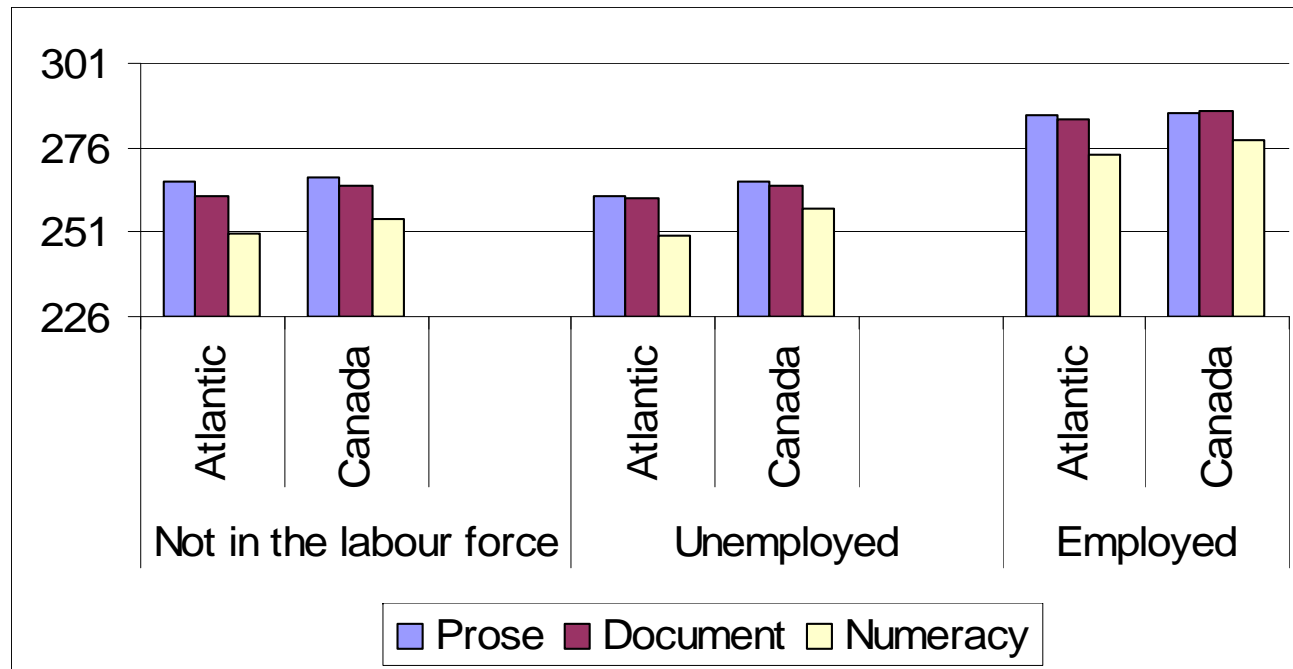
Average scores in the four skill domains, populations aged 16-65 receiving adult education and training, Canada, 2003



Importance of literacy for the work force and labour market

Among working age populations, those who are employed have higher average proficiency scores (Level 3) than those who are either unemployed or who are not in the labour force

Average proficiency scores by labour force status, population 16 to 65, Canada, 2003



Distribution of literacy performance

Almost two-thirds (65%) of Canadians with low literacy work and they are concentrated in some labour market sectors

- In Canada and all provinces, most persons with low literacy work (5.9 million).
- Employees with low literacy are concentrated in certain labour market sectors. The top five vary with provincial labour markets but are similar.
- Workplace training can reach the majority of workers with low literacy.

Concentration of workers, 16-65 with low literacy, Canada

3.8m in top five labour market sectors		
Industries	Level 1	Level 2
Manufacturing	439,000	671,000
Trade, finance, insurance, real estate and Leasing	330,000	920,000
Accommodation and food services	179,000	331,000
Construction	165,000	266,000
Health care and social assistance	133,000	412,000

Percentage of employees in the top five labour market sectors with the highest concentration of low literacy workers with low literacy, population 16-65*

NL	PEI	NS	NB	CND
53,000	15,000	83,000	103,000	3.8m
53%	59%	57%	67%	64%

* Using 5 plausible value

Persons with low prose literacy are concentrated among certain industries

Percentage of employees in the top five labour market sectors with the highest concentration of low literacy workers with low literacy, population 16-65

	NL	PE	NS	NB	CND
Trade, finance, insurance, real estate and leasing	19%	14%	20%	19%	21%
Manufacturing	10%	14%	15%	19%	19%
Accommodation and food services			8%	5%	9%
Construction		8%		9%	7%
Health care and social assistance	9%		8%	14%	9%
Transport and warehousing	8%				
Forestry, fishing, mining, oil and gas	7%	12%			
Public Administration			6%		
Agriculture		10%			

Persons with low prose literacy are concentrated among certain socio-demographic groups

Number and Percentage of People by Characteristics, Canada, Atlantic, 2006

Over half of the Aboriginal people in the Yukon, 69 % of the Aboriginal people in the Northwest Territories and 88 % of Inuit in Nunavut scored below level 3 in prose literacy

A significantly higher proportion of immigrants had low literacy compared to their Canadian-born counterparts, and the proportion did not vary by their length of stay in Canada

Half of Francophones outside Quebec who wrote the exam in English did not reach level 3 in prose literacy. On the other hand, 62% of Francophones evaluated in French did not reach level 3

	Total Population	Total Aboriginal identity population	Immigrant Population	Mother Tongue French	Non-official Mother Tongue
NL	500,610	23,450	8,385	1,885	9,540
		4.7	1.7	0.4	1.9
PE	134,205	1,730	4,785	5,345	2,960
		1.3	3.6	4.0	2.2
NS	903,090	24,175	45,190	32,540	34,620
		2.7	5.0	3.6	3.8
NB	719,650	17,655	26,400	232,980	18,320
		2.5	3.7	32.4	2.5
Canada	31,241,030	1,172,790	6,186,950	6,185,220	6,147,840
		3.8	19.8	19.8	19.7

* Excludes Qc

KEY MESSAGES

- Literacy is closely related to labour market outcomes
- The growth sectors of the economy demand higher literacy
- Low literacy is concentrated among workers in certain economic sectors
- Low literacy is concentrated among some sub-population groups with both personal and societal consequences

Contact information

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