

THE BUSINESS CASE FOR INVESTMENT IN ESSENTIAL SKILLS IN NUMBERS

LITERACY SKILL DEMAND

2% The rate at which knowledge and skill intensity of employment is growing per year

4% The growth rate in knowledge and skill intensity of employment required in order to maintain competitive position

64% The proportion of jobs demanding Level 3 literacy or above

LITERACY SKILL SUPPLY

The minimum literacy skill level needed to maintain competitive **3**

The current literacy skill level of the workforce **2**

Percentage increase in workforce with Level 3 skills or better **6%**

The number of literacy points the average skill level of the workforce dropped between 2003 and 2011 **7**

LITERACY SKILL MARKET EFFICIENCIES

40% Percentage of the workforce with skills below the literacy level demanded by their occupation

26 The average number of literacy points workers in literacy shortage are below the level demanded by their occupation

The average cost of eliminating literacy skill shortages through best practice instruction **\$1,212**



DATA ANGEL
PASSION INFORMED BY REASON

ECONOMIC BENEFITS OF ELIMINATING LITERACY SKILL SHORTAGES

\$61 The potential increase in annual earnings with each point of increase in literacy skill

\$1,586 The total annual loss of income per worker associated with literacy skill shortages

70% Current efficiency of literacy instruction, compared to "best practice"

\$8.935 billion The cost of eliminating literacy skill shortages in the workforce through skill upgrading

\$2.119 billion Annual savings on income support programs

\$241 million Annual savings on Employment Insurance benefits

\$1.522 billion Annual savings on Social Assistance benefits

\$356 million Annual savings on Workers Compensation benefits

\$688 million Annual savings in health expenditures if literacy skill shortages in the workforce were eliminated through skill upgrading

\$644 million Annual savings on cost of hospital nights

\$30 million Annual savings on cost of physician visits

\$30 million Annual savings on cost of dental visits

1.732 million Annual reduction in the number of adults in poor or fair physical health if literacy skill shortages in the workforce were eliminated through skill upgrading

2.371 million Annual increase in employment if literacy skill shortages in the workforce were eliminated through skill upgrading

1.032 million Annual decrease in the number of people in poverty

Decrease in the GINI coefficient, the measure of income inequality **.019**

Percentage of the workforce with literacy skills above the level demanded by their occupation **30%**

\$6.109 billion Annual total annual loss of income associated with unused literacy skills

Potential 5-year rate of return on investment from earnings for occupationally experienced adults **954%**

Potential additional 5-year rate of return on investment from earnings from increased tax revenue and reductions in government expenditures on income support and health **360%**

all values shown are in CAN\$