

A Place to Stay?

Report of the
PEI Population Strategy '99 Panel

March 2000
Institute of Island Studies

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March 10, 2000

Premier Patrick Binns
Government of Prince Edward Island
P.O. Box 2000
Charlottetown, PEI
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Dear Premier Binns:

In its 1998 Speech from the Throne, the Government of Prince Edward Island made a commitment to engage Islanders in a discussion on PEI's population base, in order to develop a population strategy for the new millennium.

. . . it is an important time to engage Islanders in a discussion regarding our population base . . . We will ask Islanders to consider the level of growth which could be encouraged by government policy with special consideration of factors such as: growth in both rural and urban areas; annual rates of growth desired; types of economic activity preferred; the impact on institutions and services. The results of this discussion will lead to the formation of a population strategy for the new millennium.

In fulfilment of this commitment, you appointed an eight-member independent panel in June 1999 to conduct research and consultations, working under the auspices of the Institute of Island Studies at the University of Prince Edward Island. The Terms of Reference call for the Panel:

- C to look into PEI's current and projected population mix and consider the implications for PEI's economic health, the allocation of public resources, the land and resource base, the labour force, and infrastructure;
- C to define in detail if and how the Province should seek to influence population growth as an economic development tool; and
- C to develop a strategy and an implementation plan on how best to keep youth in the province, attract Islanders living away to return, and foster immigration to PEI.

The Panel was asked to submit its report to you during the Legislative Session commencing in the Fall of 1999. This document has been prepared in fulfilment of that responsibility.

The Panel's research and consultations throughout the summer and fall of 1999 have clearly demonstrated that this initiative is timely and essential. The province's population growth is forecast to be almost nil by 2010. The forces of migration and of population aging are reshaping our society and our economy, with implications for every area of public policy and every sphere of life.

The current mix of Government policies has consequences, albeit perhaps unintended, on these population and demographic trends. The real question is not whether Government should take action to influence population growth; it is already doing so, in some measure unwittingly. The question is whether it should modify those actions to pursue a set of defined goals and objectives around population and demographic structures. On this fundamental issue, the Panel concludes that Government has a responsibility to develop a vision, goals, and objectives for the province's population level and demographic structure, and to design and implement a strategy to fulfill that vision and achieve those goals. This Report is intended to assist in that task.

It is now our pleasure to submit to you the Final Report of the Population Strategy Panel. The Report represents the consensus view of the Panel, based on a broad range of input from our public consultations, and an extensive research programme. We believe that our recommendations hold promise to contribute to the goal of steady, moderate growth in vibrant, sustainable communities in every part of Prince Edward Island.

We thank you for having given us the opportunity to serve the people of the Island on a public policy issue of such significance, and we wish you well in your endeavours.

Sincerely,

Frank Ledwell
Chair

Laurie Boswall

Kumari Campbell

Pat Chan

Angie Cormier

Nora Gaudette Dorgan

Philip Macdonald

Morley Pinsent

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Dedication

This Report is dedicated to the memory of Jenny Deagle.

When she made a presentation to the Population Strategy Panel on behalf of the West Prince Youth Council, the Panel was moved by her dreams and hopes for her future, deeply impressed by her maturity, and cognizant of her commitment to her community and to the youth of West Prince.

Two weeks later, members and staff of the Panel were shocked and grieved to hear of Jenny's untimely death in a motor vehicle accident. It is the Panel's hope that the recommendations of this Report will offer all youth on Prince Edward Island a better chance to fulfill their hopes and achieve their dreams here at home in their own communities.

Acknowledgements

The Panel expresses its thanks to all those who contributed so greatly to its work: to the participants in its six focus groups; to the Government officials who prepared and presented statistical and policy information to the Panel; to the groups, organizations, and individuals across Prince Edward Island who made presentations at the public hearings or who submitted written briefs to the Panel. The diversity of views, concerns, and advice offered by these many participants has been invaluable to the Panel in developing its findings and recommendations. Despite differences in views, presenters were united in a deep and sincere concern for the welfare of Prince Edward Island. To do justice to these contributions more fully than is possible in the main Report, the appendices to this document include summaries of all focus groups, and of the briefs and submissions from the public hearings, as well as lists of all participants in the Panel's work.

The Panel also thanks the staff who assisted its work during the course of the project: Wendy MacDonald for her tireless efforts in researching and writing this Report, and thoughtfully knitting together the diverse array of information gathered by this Panel; Angela MacDonald for her valuable research assistance during her student internship term with the project; Anne McCallum for her capable coordination of the hearings and the Panel's meetings, and her incisive summaries of the briefs and submissions; Rus Melanson for his skilful recording of the proceedings at the hearings; and Laurie Brinklow of the Institute of Island Studies for her work in project administration and her careful editing of this Report.

The Panel's Recommendations

The Population Strategy Panel's Report is but a part of that wider debate of where the province of Prince Edward Island wishes to go in the new millennium. The Island, as elsewhere, is watching the complex transformation of institutions in a time of environmental, technological, population, and social change. A new direction would seem appropriate when some new ways, plausible and positive, are voiced in the hope of claiming a place of importance and usefulness in designing the Island's vision for the future. Such is this Report.

The Report opens with the Panel's recommendations, a strategy to achieve stable, balanced population growth in Prince Edward Island, through measures directed at migration flows that would encourage people to remain, return, or relocate to PEI. The Panel has placed this section at the beginning of the Report to highlight its importance: it is the heart of the task given to the Panel. The strategy sets out an integrated body of actions for government to take in support of an increased rate of population growth. However, the recommendations do not carry their full import unless they are taken in the context of the complete Report.

The balance of the Report provides the statistical grounding for the strategy, addresses the broad policy issues arising from current and forecast demographic trends, and suggests policy directions in a number of areas to maximize opportunity and quality of life for PEI's current population.

The first chapter, "A Strategy to Make PEI 'A Place to Stay,'" draws on the conceptual framework and language of marketing—because the task of building PEI's population through better management of migration flows is essentially a marketing task. It has become clear, through the Panel's research, that the industrialized world is in an era in which rates of natural increase have fallen steadily for many years, populations in some countries are already in decline, and their labour forces are shrinking or will soon begin to do so. Jurisdictions worldwide are looking to immigration to address these issues. Prince Edward Island already faces strong competition for certain categories of in-migrants—people with high levels of human capital and financial resources—and that competition can be expected to intensify. If the Island is to attain the population growth goals proposed by this Report, it must understand its options, set priorities, and design effective interventions. In short, the province must understand whom it wishes to retain or attract, and must have a strategy to market PEI to those people and groups.

The Report then discusses in detail the basis and rationale for the strategy, supported in each instance by an analysis of the demographic trends and by a review of relevant research findings and input from consultations:

- C First, the Report analyzes the "what": population and demographic forces facing PEI, with regard to its history, current situation, and prospects within a regional, national, and global context. Based on this analysis, the Report recommends the fundamental goal that should be pursued by PEI—steady, moderate, balanced population growth—and endorses the concept of

developing a strategy to achieve that goal—a strategy in which all sectors of society have a role to play.

- C Next, the Report addresses the “where” of population growth, outlining why the strategy must build strong, sustainable communities across Prince Edward Island, with particular attention to the challenges faced by Eastern and Western PEI in holding and attracting people.
- C The Report then considers the “who”: identifying the loss of our youth to out-migration as the highest priority to be addressed by a population strategy. Addressing the needs of an aging society, promoting diversity in PEI, and facilitating the return of Islanders who have left, including retirees, are also noted as major priorities.
- C The “how” of the strategy then flows from the “what, where, and who” of population growth. The analysis falls into two broad categories:
 - S Based on the fundamental premise that the strategy must serve the needs of the Island’s current population first and foremost, the Report reviews the impact of population and demographic trends on a broad range of policy areas, and suggests policy directions and a number of specific measures, drawing on the input from public consultations and government officials.
 - S In support of additional population growth, the strategy suggests a number of strategically targeted initiatives and interventions intended to develop PEI’s population mix in ways that are sustainable and that contribute culturally, socially, and economically to the well-being of all Islanders, both long-time and new.

The Panel is convinced that Prince Edward Island has the capacity and the tools truly to become “a place to stay,” both for those who already live here, and for those who are seeking a new home. It is the hope of the Panel that this Report will assist in building the broad public awareness of population issues; consensus on vision, priorities, strategic directions, and interventions; and the commitment to action that are needed to attain this goal.

The Population Strategy Panel therefore recommends that:

Vision and Goals

1. Prince Edward Island promote reasonable, sustained population growth, fostered by strong rural and urban communities that can provide education, health care, a clean environment, economic development, and employment opportunities for Islanders of all ages.
2. The Population Strategy be guided by a vision of developing a society in which every Islander is able

to develop, participate, and contribute to the fullest of his or her capacity, economically, socially, and culturally, while respecting and fostering the attributes that make Prince Edward Island “a special place”: close-knit, cohesive communities; a caring society; and a safe, clean environment of outstanding natural beauty.

3. Interventions under the Population Strategy be aimed at specific opportunities that contribute to this vision, and at challenges which detract from it, rather than simply pursuing quantitative targets for population growth.

4. Population growth in the range of one per cent a year, representing triple the level forecast for 2000 and eight times the level forecast for 2010, be established as a desirable and appropriate rate of future growth for Prince Edward Island.

Communities

5. Prince Edward Island’s communities play a leadership role in defining population and demographic issues, setting goals and objectives, and designing strategies to achieve those goals. Government should support and facilitate these efforts, assist in empowering communities to take these decisions and responsibilities, and ensure that population-related interventions at the provincial level contribute to, or at a minimum are compatible with, community priorities and approaches.

6. Government affirm its commitment to community-led development by following through on the mandate of the Community Development Bureau, and by providing both moral and material support for the work of community, non-profit, and volunteer organizations engaged in community capacity building and community development.

7. The Province investigate how best to develop strong, effective, sustainable governance structures in Prince Edward Island’s communities, through a process of public engagement and through a learning process of pilot projects in selected communities.

8. All sectors of society make a commitment to the goal of strong, sustainable communities and steady population growth in *all* parts of PEI, and to investing in the measures that may be needed to promote that goal in the less advantaged regions of the province remote from its urban centres. Such measures might include, though not be limited to:

- C tax incentives and loans to support economic development, particularly in areas of the province remote from the urban centres;
- C specialized supports such as out-of-province prospecting;
- C decentralization of government activities; and
- C greater emphasis on ensuring equal access to education, health care, and public services.

9. Processes and mechanisms be put in place to “rural-proof” government policies and initiatives, through screening and assessing all new measures in order to ensure that they do not adversely affect the viability of PEI’s rural communities.

10. Viable, effective, stable economic development organizations be established at the community level, especially in the eastern and western areas of the province. These organizations should be provided with the necessary resources and powers to develop and implement community-based, community-led strategies for the development of their communities.

11. Detailed research be conducted into migration patterns and demographic structures at the sub-county level. The regions of study should follow the current boundaries of the Regional Services Centres. In Queens County, the urban and rural regions should be treated separately.

Youth

12. A thorough study be conducted of youth migration patterns, both intra-provincial and inter-provincial, and the factors affecting youth migration, using the boundaries of the Regional Services Centres. The work should include a longitudinal component aimed at building a better understanding of transition patterns, including school-to-school, school-to-work, work-to-school, work-to-work, both within the province and outside.

13. Youth and provincial youth organizations, governments, and the private, volunteer, and educational sectors, both within the province and outside, work together to develop a strategy for creating more and better opportunities for youth to stay if they choose, leave if they want to, or return if they wish. The strategy should include, though not be limited to, the following measures:

- C expand youth internship programs to a greater range of occupations and a longer duration;
- C establish support programs to pay down student debt or support youth to study in areas of current or impending skills shortages for the province, in exchange for a work commitment;
- C design and implement structured ways for youth to spend a period of time outside PEI working or learning, and then return; and
- C design and implement means to attract youth from outside PEI to spend time in the province.

14. Priority be placed on promoting the formal involvement of youth in planning and public policy processes and in community and economic development activities, both at the provincial and community levels, by opening these processes to youth and by strengthening the capacity of youth organizations to participate.

15. The complex needs of disadvantaged youth be met through the creation of sustainable, appropriately resourced, regionally based community coalitions of government, community partners, and employers, and youth themselves.

Population Aging

16. An initiative be undertaken by Government in partnership with the private and community sectors, to develop a long-term Strategy on Aging for Prince Edward Island, setting out goals and objectives for healthy, independent aging, and measures to achieve those objectives.

17. Government increase its capacity to carry out demographic research and analysis, and establish a permanent, cross-departmental policy mechanism to:

- C provide policy and research support to the development of the Strategy on Aging; and
- C provide a consistent information base throughout all departments and agencies for planning and for policy and program development on aging.

18. An in-depth study be undertaken of the costs and benefits of an economic development strategy to attract retirees with independent means, particularly former Islanders, to retire in Prince Edward Island, drawing on the experience of other jurisdictions. This study should examine these impacts for two scenarios: seniors retiring to an urban centre, and seniors retiring to a rural area such as West Prince.

Children

19. All sectors of society place highest priority on developing and implementing integrated, community-based strategies and measures to enable all Island children to grow, learn, and develop to the fullest of their potential.

20. All sectors of society commit to a goal of reducing the number of Island children below Statistics Canada's Low Income Cut-Off by 10 per cent a year.

Acadian and Francophone Community

21. Priority be placed on measures to sustain and foster PEI's Acadian and Francophone community as an integral element of the Island's culture, society, and economy.

Immigration and Newcomers

22. Priority be increased on immigration as a means of population development. PEI should maintain its humanitarian effort, while increasing its efforts to attract independent and business class immigrants. While newcomers from all lands should be welcomed, it should be recognized that established host communities are an attraction for newcomers and contribute to successful integration; accordingly, PEI should place particular emphasis on working with established host communities in PEI to attract new immigrants from those countries. Efforts should continue to conclude a federal-provincial agreement on immigration in support of those goals.

23. Government review and renew its multiculturalism policy, including:

- C establish a vision and goals regarding multiculturalism;
- C develop a legislative framework and appropriate legislative amendments;
- C establish an appropriate community engagement structure with a clear mandate;
- C integrate the Province's immigration policy and approaches; and
- C develop a strategy to promote acceptance and valuing of diversity in the education system and among the public at large.

24. Prince Edward Island's capacity be strengthened to welcome newcomers and to assist them to establish themselves as members of our society. Particular emphasis should be placed on additional official language training supports; on means to support labour force entry by newcomers, including review of credentials and work-term placements; and on encouraging community-based initiatives to welcome and integrate newcomers.

“Islanders Away”

25. A research initiative be conducted to define the “Islanders away” target group; to identify segments within this group; to identify PEI's features and disincentives for these market segments; and to design information and marketing initiatives to reach out to and attract selected segments to return to PEI or to establish closer ties to PEI. The findings of this research should be used to shape and guide the priorities and approaches of the Population Strategy measures suggested in this Report.

26. An outreach strategy be designed and carried out to develop closer economic, business, and social ties with the community of “Islanders away.” Specific initiatives could include investor clubs, business mentoring, internship placements for Island youth, work exchanges, and trade development.

Other Canadians

27. A research study be carried out to define the portion of PEI's population made up of people who have moved here from other provinces, to identify segments within this group, and to identify PEI's features and disincentives for these segments, as a guide to the design and implementation of Population Strategy measures and initiatives.

28. A demographic analysis be conducted of the province's summer residents, including an exploration of their interest in making PEI their permanent home, and the factors that might influence their decision in this regard.

Education

29. The Province at least maintain and preferably increase its expenditures on elementary-secondary

education, in real terms or as a share of provincial expenditures, whichever is higher, to achieve an annual increase in educational investment per child.

30. Government reinvest in Prince Edward Island's post-secondary education sector, with particular emphasis on measures to:

- C enhance accessibility in the province's rural regions;
- C facilitate and encourage youth participation in post-secondary education, including measures to enhance the affordability of post-secondary education and to address the issue of student debt;
- C promote co-operation and integration between the University of Prince Edward Island and Holland College, with particular emphasis on articulation of programs;
- C improve school-to-work linkages, including increased emphasis on co-op and internship programs; and
- C expand and strengthen advanced education opportunities in selected areas of strategic importance to PEI.

31. Prince Edward Island establish a goal of zero tolerance for illiteracy as an overarching social goal for the new century.

32. The Comprehensive Education and Training Strategy now being proposed give consideration to this goal and to the issues outlined above, and identify and recommend means to strengthen, stabilize, and integrate adult and life-long learning opportunities in PEI, with emphasis on community-based approaches.

Economic Development

33. Greater emphasis be placed on creating a positive policy climate, regulatory framework, and system of supports and services for the expansion of niche and specialty agriculture in PEI, including organic agriculture.

34. Emphasis be increased on services and supports to maintain current farmers in operation, and means be sought to develop new producers.

35. Farmers with expertise in niche, specialty, and organic agriculture be identified as priority target groups for in-migration.

36. Tourism opportunities be examined and acted upon as a population development tool, particularly in the areas of eco-tourism, cultural tourism, and agri-tourism, and in the regions of Eastern and Western Prince Edward Island. Strategic emphasis should be placed on attracting entrepreneurs who wish to establish multiple enterprises, such as niche agriculture and tourism, or crafts and tourism.

37. Visitors to PEI be considered as key target markets for in-migration, and be included in the

research and interventions called for in this Report.

38. Emphasis be placed on encouraging the expansion of the manufacturing and value-added processing sectors in all regions of Prince Edward Island, particularly small and medium-sized enterprises, including:

- C measures and supports to attract in-migrant entrepreneurs interested in such ventures;
- C improved availability of credit for both start-up and operating purposes;
- C training programs both in business skills and in specialized skills such as crafts; and
- C technical and advisory supports in such areas as marketing, technology, R&D, and quality assurance.

39. The strategy for IT development in PEI include goals and measures to promote establishment and expansion of IT enterprises in **all** areas of the province.

40. Prospecting be carried out for small and medium-sized call centres for rural areas of the province, and the potential be explored for a virtual call centre founded on home-based workers, as has been recently initiated in the province of New Brunswick.

41. The benefits of public sector employment be shared with rural PEI through a major initiative to promote tele-work by individual employees, and to decentralize aspects of government operations to rural PEI where such operations can be effectively carried out through telecommunications. The potential for a partnership with the federal government in this initiative should be explored.

42. Emphasis be increased on fostering year-round cultural activity in communities across Prince Edward Island.

43. Government services and activities in the central areas of the province be reviewed with a view to moving selected operations into rural communities where possible.

44. Continued high priority be placed on the expansion of electronic delivery of public services, to expand and equalize access to public services and information in all parts of the province.

45. Subject to the findings of the feasibility study on retirees called for in Recommendation 18, a strategy be developed to attract selected categories of retirees to specific regions of PEI and to promote the establishment of enterprises and expansion of training and employment in areas related to meeting the needs of this population.

Health

46. The supply of health care providers, including physicians, at a minimum keep pace with population growth, and, over time, be increased to a level of health care providers more competitive with other Canadian jurisdictions.

47. Emphasis be increased on the provision of home care services and supports, including supports to independent living such as home-making and companionship. These services be complemented by strengthening the medical capabilities of Island communities without hospitals, including tele-medicine capabilities, to provide emergency care and stabilization.

48. The Department of Health and Social Services place priority on developing its core capabilities in demographic research and analysis as a support to consistent, integrated planning and policy analysis throughout the Department and with other partners, including the health regions, other departments of government, and community organizations.

Environment

49. Government respect the broad public consensus expressed in the Report of the Round Table on Resource Land Use and Stewardship, and place highest priority on implementing its recommendations.

50. Prince Edward Island set a societal goal to become Canada's "Clean Province" as well as its "Smart Province."

Transportation

51. A public transportation policy be established for the province, including among its goals affordable and accessible public transportation for all Islanders, and that this goal be supported through the development of an Island-wide publicly supported transportation system.

Housing

52. An in-depth review be conducted of issues related to public housing, including measures to:

- C assess the adequacy and appropriateness of the existing housing stock;
- C carry out market research into the needs and expectations of its current and forecast client group of senior tenants;
- C review the need for and options to enhance the supportive housing capabilities of the existing stock;
- C assess the implications of provincial management of all public housing in the province; and
- C act as results of the review dictate.

Land Use and Development Planning

53. Pending enhancement of municipal governance and planning capacity, the Province take a stronger leadership role in shaping development patterns and activity in Prince Edward Island.

54. To prevent further urban sprawl, regulatory protections be maintained, including the buffer zones

around the two urban centres, and restrictions on development along arterial highways.

55. Incentives and measures be identified and implemented to encourage future population growth to take place within municipal boundaries and serviced areas.

Methodology

In order to fulfil its mandate, the Panel undertook an extensive research programme, with the following elements:

- C **Research:** Extensive secondary research was carried out to provide a foundation for the work, including the literature on PEI's historical population, migration, and settlement patterns; the broader literature on demographics and population; and statistical data. In August 1999, a Statistical Backgrounder was prepared and widely distributed to community organizations, government departments and agencies, and the public at large. In September, the Backgrounder was serialized in a three-part series in *The Guardian*. Material from the Backgrounder is incorporated throughout this Report where applicable to the issue at hand, and the full document is contained in Appendix Three.

- C **Focus Groups:** Six focus groups were held to identify and explore the factors affecting migration within, into, and out of PEI. The six groups consisted of people who had moved to PEI from other countries; people who had moved to PEI from other provinces; Islanders who had left for a number of years and then moved back to PEI; Islanders who had lived all their lives in PEI; a representative group of youth; and a group of clients of the Province's employment enhancement program. A structured discussion guide was used with the groups, adapted slightly to the particular circumstances of each. The Panel found these focus groups to be of great value in identifying and exploring factors and approaches that might not otherwise have been raised through its other research and consultation initiatives. A more detailed description of the methodology, and summaries of the input from the focus groups, are contained in Appendix Four.

- C **Government Research Workshop:** A collaborative research effort among provincial, federal, and municipal policy and planning staff was organized to provide the Panel with an understanding of the current public policy thinking within governments regarding population and demographic issues in PEI, to hear the advice of public officials regarding the Panel's mandate, and to foster policy work and collaboration within and among government agencies on these issues. These findings were presented at a one-day workshop held on September 29, 1999, and material from that day has been incorporated throughout this Report where applicable. Follow-up discussions were held by the Panel's research staff with officials of those departments and agencies not able to participate in the workshop. As well, the Panel met with the Senior Management Team of the provincial government to hear the views of deputies on the Panel's Terms of Reference.

The Panel found that the workshop was very helpful, providing a wealth of information and a broad range of insights into population and demographic issues and their implications from the government perspective. Feedback from workshop participants, most of whom attended the full day, suggested that they had also found it valuable. As well, the workshop highlighted the

growing interdependence of these various policy areas, demonstrating the importance of a comprehensive, integrated strategy.

- C** **Public Consultations:** Following a communications and outreach effort, which included direct contact with over three hundred organizations and groups, four days of public hearings were held in the month of September to hear the views and advice of interested organizations and individuals. The Panel received a total of 49 briefs and submissions from the public, of which 43 were presented at the public hearings. Summaries of each brief are contained in Appendix Five.

The Panel expresses its gratitude and appreciation to the many individuals and organizations who gave freely and generously of their time and knowledge to assist in this work. Although issues, priorities, and strategic directions often differed, participants universally shared a deep and evident commitment to Prince Edward Island and to building a better future for all its people. Their information, insights, and advice have been invaluable to the Panel.

1. A Strategy to Make PEI “A Place to Stay”

The following chapters of this Report will outline PEI’s history and expected future with regard to population and demographic trends; examine the implications of those trends for the province’s communities and rural regions, and for several key demographic groups; and consider the impacts of those trends for most areas of public policy. This analysis will demonstrate that population and demographic trends affect and in turn are shaped by virtually everything that occurs in our society and economy. This has posed a challenge to the Panel, of addressing this range of issues in a meaningful way, while containing the Report within reasonable limits of length and detail. Variations in the focus and depth of public submissions and research presentations have meant that some areas have been discussed in a more general or superficial way than the Panel would have wished. As well, in many instances, specific areas of public policy are already in the midst of a consultative or policy redesign process.

The Panel believes, however, that the findings and insights gained through its research and consultations have been of sufficient scope and reliability that it is confident in recommending the following goals and strategic approach to building Prince Edward Island’s population in a moderate and sustainable way. This section of the Report will seek to provide a framework for the detailed analysis and recommendations in this Report, by proposing a practical, doable strategy and plan.

The Panel has emphasized above, and wishes to reiterate here, that priority must be placed first and foremost on the Islanders who are here today, and who will always form the basis of the population. If PEI is to be a sustainable, competitive society while preserving its social fabric and its quality of life, its people’s needs must be addressed and their potential developed to the fullest. Many of this Report’s recommendations, in particular those directed at children, youth, and education, are aimed at these goals. To the extent that they are achieved, Prince Edward Island will be a better place for all of us, and its capacity to hold and draw population will be enhanced. The Panel also emphasizes that it is essential for Prince Edward Island to foster and build on its strengths and distinctiveness, rather than striving to become something it is not in order to draw new people here. “If the Island is honest about what it is, everything will follow from that,” one presenter advised, and the Panel is in complete agreement with this view.

The Panel affirms, as well, its view that strategies for population growth should be focused on influencing migration factors and patterns—encouraging more people to stay here and more people to come here—rather than on natural increase. That is to say, measures aimed at influencing fertility rates and childbearing decisions, such as incentives for additional children, are considered inappropriate. It may be that the Panel’s recommendations will lead to a social climate more supportive of families, and will reduce the many disincentives to having and raising children, and that this might in turn influence fertility rates upwards. Such an outcome, however, is not the direct intent of these recommendations, which are aimed at making life better for the children and families already here.

This section, meanwhile, focusses on a narrower task: defining specific measures and approaches to

increase PEI's population beyond currently forecast levels, by influencing migration patterns. To achieve this, the strategy and plan will draw on the concepts and language of social marketing—because the task of building PEI's population in this manner is essentially a marketing task. This approach reflects the Panel's recognition that the industrialized world is in an era in which rates of natural increase have fallen steadily for many years, populations in some countries are already in decline, and their labour forces are shrinking or will soon begin to do so. Developed jurisdictions around the world are looking to immigration to address these issues. Prince Edward Island already faces strong competition for certain categories of in-migrants—people with high levels of human capital and financial resources—and that competition can be expected to intensify. If the Island is to attain the goal of one per cent population growth a year to be proposed by this Report, it must understand its options, set priorities, and design effective interventions. In short, the Province must understand whom it wishes to retain or attract, and must have a strategy to market PEI to those people or groups.

The development of the strategy, which this Report has begun, should include the following steps, to be discussed more fully below:

- C Establish targets. The Panel's suggested target is one per cent population growth a year. As will be shown, this rate is triple the rate forecast for the coming year and eight times the rate forecast for a decade hence, in 2010.
- C Carry out market research into the **“people”** we want to attract. What population groups are the most likely sources of positive growth? Are there segments within this market who are particularly likely to find PEI an appealing place to live? What are their needs and wants?
- C Assess our **“product,”** that is, PEI as a place to live. What are its **“features,”** i.e., its strengths? What benefits do those features hold for the target groups we are attempting to attract?
- C **“Price”** the product. What are the **“costs”** of staying here or moving here, both financial and in terms of inadequate or missing services and amenities? How can those weaknesses be overcome?
- C Identify the **“places”** where the marketing will be carried out. What avenues and channels will be used to reach our target population groups and deliver our messages?
- C Design the **“promotions”** that will be used to carry out the strategy. What messages and incentives will be used to convince people that it is to their advantage to stay here or move here?
- C Put **“partnerships”** in place to carry out the strategy.
- C Establish **“policies”** to provide a favourable climate for the success of the strategy.

Each of these steps is discussed more fully below as a framework for the various recommendations set out in this Report.

Targets for Growth

In recommendation 4, the Panel proposes a total net population growth of one per cent a year. This means that the Population Strategy should aim to augment PEI's population growth by about 900 people, or triple the forecast level of growth, in the coming year, increasing slowly to almost 1,250 people a year by 2010, eight times the forecast level of growth.

In recommendation 8, the Panel calls for Government to make a commitment to strong, sustainable communities and steady population growth in **all** parts of PEI. To put this in quantitative terms vis-à-vis the Population Strategy, every rural region of the province (defined here as the areas served by the Regional Services Centers) should receive a share of net population growth at least equal to its current share of the province's population. In other words, the Population Strategy should not have the effect of further diminishing rural PEI's share of total population. This goal should be taken into account when defining the specific objectives and interventions of the Strategy. Given that the natural tendency is to settle in or near urban areas, it should be recognized that this goal may lead to a different mix of priority target groups and approaches than would a goal of increasing net provincial population regardless of location.

The People: Market Research

Any discussion of target groups for a population strategy must of course be prefaced by the statement that, as a democracy and as one province of this country, PEI cannot and should not control in any way the flow of people into and out of the province. Any Islander can leave if he or she wishes; anybody can move here if he or she wishes, and no barriers should be imposed in either case.

While the Panel is opposed in principle to negative approaches and to deterrents to the free flow of population, the Panel supports the use of positive measures and incentives to shape migration flows. That is, there are particular groups who are more likely to find the province an attractive destination; there are things that can be done to further enhance the province's appeal to particular groups; and there is scope for active outreach to particular groups, without in any way excluding anyone.

In general, the Panel believes that the strategy is most likely to be effective if it focuses on enhancing existing natural flows. Specific demographic groups, to be discussed in detail in the body of this Report, include the following:

- C youth—both Island youth who are considering leaving or wish to stay, and youth who wish to come here from other provinces and countries;
- C young families, where the adults have entrepreneurial plans or skills needed by PEI's labour market; and

- C retirees with independent means, particularly those who may be interested in investing locally or commencing self-employment.

With regard to place of origin, the Panel’s Terms of Reference made particular note of “Islanders away” and of immigrants. To these groups, the Panel will add Canadians from other provinces. While this would seem to be all-inclusive, the Panel suggests that further market research would likely allow particular demographic groups to be aligned with particular places of origin, using the framework set out in the following table.

Table 1: Population Group Matrix			
	Youth	Young Families	Retirees
Islanders Away			
Rest of Canada			
Other countries			

The Panel’s research has not been sufficient to identify which combinations of demographic group/place of origin are the most promising. Some preliminary indications, however, are as follows:

- C Particularly promising groups might include retirees and some categories of young families among the “Islanders away” group, and young families from Canada’s large urban centres, seeking a safer and better environment to raise their families.
- C Another sub-group consists of “part-time Islanders”—the province’s summer residents. Virtually nothing is known about this segment at present, other than an intuitive sense that many are former Islanders.
- C As well, the 47,000 Islanders born in PEI and now living in other Canadian provinces should be considered as a potential source of economic growth and social development through closer linkages—even if they do not actually return—through investor relationships, internship placements of Island youth, and a link to markets elsewhere.
- C With regard to immigration, countries with particular potential would include those where a host community has already been established on Prince Edward Island, e.g., Lebanon, Northern Europe, Francophone countries.

A number of recommendations throughout this Report will call for further research into these various groups. While these recommendations may make this Report vulnerable to the criticism that it calls for more studies, the Panel believes strongly that these studies are a critically important prerequisite to **effective** action. Successful businesses know that market research is fundamental to their survival and

to the launch of new products. Likewise, if PEI is to be successful in attracting the kind of people it wants, it must understand who they are and what their needs and expectations are. That is the aim of the studies called for above. Upon completion, these studies should be integrated to arrive at a series of prioritized, clearly defined market segments for targeted strategies. In this “information age,” obtaining the best and most up-to-date information possible is central to making correct decisions.

“Product” Assessment and Refinement

As noted above, Prince Edward Island faces increasing national and international competition for human capital. What are PEI’s comparative advantages in this competitive arena? What are its “product features,” to use the marketing term?

The Panel’s work has indicated, as shown in this Report, that any list would include the following:

- C that intangible but critically important quality variously referred to in this Report as the “Island way of life” or the “spirit of place,” with its elements of social and spatial rootedness, social cohesion, community spirit, and egalitarianism;
- C a landscape of exceptional beauty and a relatively unspoiled environment—both qualities widely perceived to be under serious threat;
- C a small-scale, manageable society where one can “make a difference,” yet a society with “one of everything”—many of the amenities and resources of a much larger society;
- C a society where many people can live “better with less,” in which many necessities, such as housing and child care, and many luxuries, such as fishing and golfing, are far more accessible and affordable than in larger centres;
- C a society offering a high level of personal safety and security; and
- C valuable knowledge-based assets of world-class quality, including the IT infrastructure, the Belvedere Group cluster of research facilities, and a number of globally recognized brands.

These are powerful advantages in an era when many people long to leave behind the anonymity, social fragmentation, insecurity, and pollution of large urban centres. They hold the promise of the opposite—a society where, according to focus group participants, one feels a sense of belonging and of having come “home”; a close-knit, cohesive, caring, safe society where “everyone looks after everyone else,” . . . “the community rallies around you”; a healthy, clean environment and natural setting that refreshes the mind and the spirit as well as the body. These benefits are of particular appeal to families with children, and to retirees, although perhaps less so to youth imbued with a spirit of adventure and a desire to explore different lifestyles and exotic places. These assets are vulnerable, however, and several are irreplaceable. They must be carefully safeguarded, and, where possible, enhanced. In this regard, the

Panel would urge particular attention to:

- C measures that build community capacity, promote sustainable communities, and achieve safer communities;
- C enhanced support for cultural and heritage activities year-round, and not just for the summer visitor market;
- C follow-through on the recommendations of the Round Table on Resource Land Use;
- C “taming the lion” with regard to tourism development, ensuring that decisions and policies support authenticity and quality, and do not compromise the environment, quality of life, or social fabric;
- C priority emphasis on researching and establishing a public transportation system, to address the one area in which PEI poses a significant cost-of-living and quality-of-life disadvantage for many key target groups; and
- C priority economic development emphasis on world-class areas of excellence in the knowledge-based economy, particularly in the areas of IT, biotechnology and health, and cultural industries.

Reducing The “Price” of Being or Becoming an Islander

The Panel’s research and consultations indicated that while living in Prince Edward Island has many benefits, it also carries some significant costs that place the province at a considerable competitive disadvantage. These include:

- C financial insecurity and loss due to the more limited range and number of opportunities; the lack of demand for more specialized occupations; the significantly lower wage levels; and relatively high rates of taxation;
- C reduced levels of some basic services, such as health and education; restricted availability of others, such as drug and dental programs; and the complete absence of others, such as public transit;
- C social exclusion, an unwelcoming social climate, and lack of equal access to opportunity for some; and
- C poor quality of governance, including perceived patronage and lack of openness and fairness in provincial government dealings, undermining the “trust community” fundamental to sustained economic development; as well as strong perceptions by some of a lack of professionalism and competence on the part of some municipalities.

These concerns will be touched on in other contexts throughout this Report, and the Panel will make a number of recommendations to overcome or to reduce these real and perceived disadvantages. These issues also merit consideration in this context of how to attract people here. A better understanding is needed of the role of these “dis-satisfiers” with the different target groups identified earlier in this section—i.e., which of these disadvantages would lead which of the groups to reject PEI as a place to live? Some of the Panel’s impressions on this question are suggested in the following table.

Table 2: “Dis-satisfiers” By Target Group: Shortfalls and Weaknesses				
	Economic Opportunity	Core Public Services	Openness, Acceptance	Fairness, Good Governance
Youth	Jobs in their area of training, help with student debt	Range, quality, cost of higher education; public transit		
Young families	Jobs, work for spouse	kindergarten, 1–12 education, family doctor, extended health care	For those “from away,” sense of full inclusion as “Islanders”	Zoning and development decision-making processes
Retirees	Taxes	Physicians, health care, public transit		Zoning and development decision-making processes
Immigrants	Equal access to opportunity	Language training, family doctor, public transit	Social acceptance, inclusion, respect for diversity	
Investors and Entrepreneurs		Availability of skilled workforce		Issues re fairness and due process in government dealings and supports

This matrix suggests some of the key disadvantages which will need to be addressed if the province is to succeed in attracting and holding various categories of people. The market research called for in this Report’s recommendations should serve to validate and prioritize these concerns. The type and mix of

measures taken in response to these findings should depend on the target groups identified as priorities through the market research and analysis called for in the Report. It might be noted that in a number of cases, potential solutions and strategies achieve multiple goals:

- C Enhancing health care through additional physicians and other health care providers, through supports to Islanders to study in those areas, would address needs in the health care area while providing opportunities for young Islanders.
- C Similarly, enhanced investment in early childhood development and in education would offer high-quality employment opportunities for many current and new Islanders.
- C Increased emphasis on cultural activities year-round and on the cultural sector would help retain and create opportunities for Island youth as well as making the province a more attractive “place to stay.”
- C Drawing seniors with independent means to the province would provide a basis for a range of businesses and employment opportunities to meet their needs.
- C Establishment of a public transportation system would hold potential for employment and micro-businesses throughout the province.

Where to Reach Them? The Market “place”

One of the key aspects of a marketing strategy is defining the “place” where the marketing will occur. In cases such as this, the “place” is intangible, consisting of the various channels and venues by which we can reach and communicate with the groups targeted by the strategy. With regard to “Islanders away,” many such vehicles already exist and hold potential to yield helpful information or assist in outreach, consistent with protection of individual privacy, including:

- C post-secondary and secondary school alumni associations and databases;
- C the Province’s Human Resource Registry;
- C subscribers to periodicals directed at “Islanders away”;
- C queries about returning to PEI, for example to *The Guardian* website and the provincial government website;
- C groups and associations of Islanders in other provinces of Canada;
- C the summer resident community;

- C genealogy associations and clan gatherings; and
- C Islanders themselves, through a survey seeking information on family members living away who wish to move home.

With regard to drawing youth here, the out-of-province recruitment efforts of the province's post-secondary institutions represent the primary means and channel of identification and outreach.

Among other Canadians, the province's annual visitation of 1.4 million tourists represents a prime opportunity for outreach and marketing. A substantial number of participants in the focus group of Islanders from other provinces indicated that their decision to move here was based on or had been strongly influenced by visiting the province and "falling in love with it."

Among immigrants, meanwhile, completion of an immigration agreement with the federal government will permit the Province a greater role in identifying and selecting potential immigrants, and in facilitating the processing of their applications. Leading means of identifying potential immigrants include coordination with the recruiting efforts of the province's post-secondary institutions and of Island businesses, and work with the various cultural groups in the province and with Islanders of international origin.

It should also be noted that PEI's Acadian and Francophone community is linked into regional, national, and international networks, which cut across the categories discussed above and which could serve as significant and valuable sources of new Islanders. Special emphasis could be placed on working with the Acadian and Francophone community to draw immigrants from Francophone countries.

How to Draw Them Here? "Promotion"

The content and design of the messages and incentives to attract people to Prince Edward Island will depend on the particular mix of target groups identified as priorities; the measures that Government chooses to take to enhance the strengths and reduce the comparative disadvantages of PEI as a place to live; and the channels and means through which the communications will take place. The Panel's research suggested that these might include the following:

- C for youth: increased and diversified post-secondary and employment opportunities, and help with student debt;
- C for entrepreneurs: information, incentives, and supports to establish businesses;
- C for young families with high skill levels: employment opportunities for both spouses, and help with moving costs;
- C for retirees: professional, equitable development policies and approaches, tax incentives.

This list is preliminary and requires refinement through the research called for in the Report. As such, the Panel will not make specific recommendations on incentives and messages, other than to urge that they be carefully and professionally designed and targeted at their specific client groups.

Partnerships

Partnerships are critically important to the development and implementation of an effective and successful strategy. The provincial government cannot and should not have to assume the entire responsibility for holding and attracting population. Every sector of society has a role to play:

- C The private sector has a leadership responsibility for economic growth and diversification; the creation and expansion of high-quality employment; a positive working environment; competitive wages; a good labour relations climate; and opportunities for youth.
- C Communities are responsible for taking charge of their future: defining goals; planning responsibly and fairly for growth and development; and creating a positive social and economic climate for their residents.
- C The “third sector” of community organizations has a vital role to play in sustaining and enriching the social fabric of the province; enhancing its environment; strengthening and developing PEI’s culture and heritage; contributing to the development of a “learning society”; and welcoming and integrating newcomers to the province.
- C The educational system has a fundamentally important role to play in preparing all Island youth for their future, and in holding and attracting youth to the province, as well as creating a learning environment for Islanders of all ages.
- C The public at large has a responsibility to understand the forces shaping our society and the need for the Province to take action in the area of population, and to open their doors to new Islanders and new and diverse ways and cultures, creating a climate of welcome and acceptance.

Policies

The partnerships outlined above are essential to the attainment of the strategies and goals outlined in this Report. These partnerships will only come about, however, if Government, as the collective instrument of society, takes a strong leadership role in establishing the policies to build understanding, participation, and support among all sectors of society for the Population Strategy. For better or for worse, our elected leaders’ public statements, their policies, and their practices shape public expectations and public attitudes; define our self-image and perception of our potential and our future; and foster or detract from a climate of respect for diversity, openness to change, enterprise and entrepreneurial spirit. The Panel urges the Government of Prince Edward Island to use this Report as a starting point for

positive change in all these areas, through the following actions and measures:

- C Government should make this Report public promptly; should ensure that it is widely disseminated to the public and to interested groups; and should solicit public comment and reaction.
- C Government should conduct an internal review of the Report, and make public its position on the Report's recommendations, with particular emphasis on its vision for the province; the recommended population growth goal of one per cent; the call for Government to play an active role in influencing migration patterns; the emphasis on viability of **all** Island communities; the mix of target group priorities; and the "marketing strategy" approach suggested to achieve those goals.
- C The market research and feasibility studies on the different potential target groups—youth out-migrants, Islanders away, retirees, and others as recommended later in this Report—should be conducted to provide a basis for sound decision-making and effective planning.
- C Based on this research, objectives should be established regarding retention targets and in-migration targets for each group. This mix of objectives should guide the assignment of priorities to the various strategies and policy issues raised in the body of this Report.

To contribute to the broad understanding and consensus needed for an effective Population Strategy, and to provide the analytical basis for the approach called for above, this Report now turns to a detailed examination of past, present, and forecast demographic patterns, and their implications for our society and for various areas of public policy.

2. The Time is Right: The Context for the Population Strategy

The PEI Population Strategy '99 is a timely initiative. Throughout its history, Prince Edward Island has been profoundly affected by the ebb and flow of population and demographic forces; yet the province has never before taken action to assess these forces and take strategic action to shape them in the Island's favour. Now, PEI is facing a combination of demographic forces—notably declining fertility rates and a rapidly aging population—which are quite unlike any it has faced before. These same forces, moreover, are faced by industrialized societies worldwide, most with far more resources at their disposal than those held by PEI. If PEI is to achieve a future of sustainable well-being and opportunity for all its citizens, it cannot drift with the tides of population as in the past.

This section provides a brief historical overview of population and demographic trends in PEI, then analyzes the major factors currently affecting PEI's level and mix of population, and outlines forecasts for the future. It identifies the key demographic issues facing the province, then turns to a summary of the input from consultations on whether PEI should seek to influence its population level and mix, and in what directions, and closes with the Panel's recommendations on this fundamental issue.

The Past

Human habitation of the Maritime Provinces is thought to have commenced about 10,000 years ago, with the retreat of the latest Ice Age. Several successive cultures have been tentatively identified through the pre-historic period, with today's Mi'kmaq people emerging about 2,000 years ago. At the beginning of the 1500s, the Island's aboriginal population was estimated at about 300 people. Throughout the 1500s and the 1600s, European contact was sporadic, and settlement only began after mainland Acadia was ceded to Britain in 1713. The population grew slowly for the next several decades, then doubled in the 1750s to about 5,000 people, as refugees fled the deteriorating political situation on the mainland and made their way to the French territory. In 1758, British troops arrived to deport the Acadian population. Only a handful of families remained in hiding or returned from exile to form the basis for today's Acadian population in Prince Edward Island.

The Island was confirmed as a British possession in 1763. Over the following six years, it was surveyed into 67 townships that were distributed to various claimants on the Crown's favour, then established as a separate colony with its own government. Although proprietors were supposed to settle their lots with "foreign Protestants," much of the subsequent immigration was undirected, none of it was foreign, and only some of it was Protestant. The early era of British colonization was dominated by Highland Scots, while, after 1830, waves of English and Irish settlers provided the bulk of new colonists. By 1827, the population had reached almost 23,000; fourteen years later, in 1841, it had doubled to over 47,000. By mid-century, the Island's frontier was closed as the available farmland filled up, and immigration largely ceased. Subsequent population growth was almost entirely through natural increase, reaching a peak of 109,000 in the 1880s.

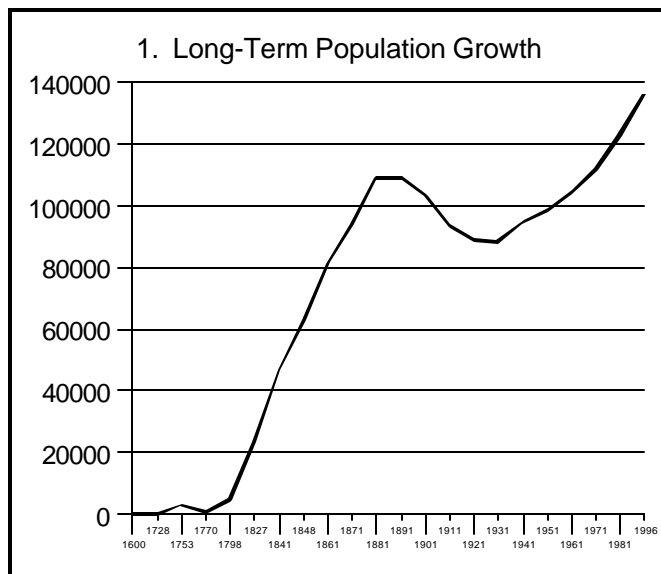
Changing trade patterns and national tariff policies within the new Dominion of Canada shrank the

Island's export markets in the decades after the colony joined Confederation in 1873. At the same time, a narrow natural resource base made it difficult for Island industry to diversify following the eclipse of the once powerful shipbuilding industry. As the number of Islanders began to exceed the carrying capacity of the mainly agricultural economy, out-migration overtook natural increase, and the population went into a prolonged decline, falling from 109,000 in 1891 to a low of 88,000 in the late 1920s. Many Islanders migrated in a two-step pattern, some moving first to PEI's towns or city and then out-of-province, others leaving seasonally to work at the prairie grain harvest or the lumber camps of eastern North America and, in time, resettling permanently.

In the 1930s, the continent-wide hardships of the Great Depression stemmed the tide of out-migration and brought some Islanders home. Improving conditions after the Second World War spurred a period of population growth that has continued to the present day, and brought the Island's population to a level of over 136,000 at the 1996 census. Throughout the 1950s and early 1960s, as described in detail in the "Backgrounder" in Appendix Three, the very high rates of natural increase during the Baby Boom more than offset continued net out-migration. Despite these outflows, the Island also experienced some inflows of population groups, notably the war brides of the 1940s, and a trickle of immigrants from Northern Europe and the British Isles, leaving behind the conditions of post-war Europe.

In the 1970s, rates of natural increase dropped markedly, but were augmented by net in-migration from

other provinces and countries, drawn by the opportunities flowing from the Comprehensive Development Plan. In the 1980s, population growth slowed as rates of natural increase dropped further and migration played the smallest role in decades, accounting for only four per cent of population change, with small net losses to other provinces offset by a small net gain from other countries. During the 1990s to date, both natural increase and net in-migration have contributed to continued, albeit very modest, population growth for PEI. Natural increase saw a further drop, while migration played a larger role, contributing 26 per cent of PEI's population growth during the decade.



The Present

The key factors in population change are natural increase (the number of births minus the number of deaths), net migration, and the interplay between these elements. These factors are in turn driven by fertility rates, the age structure of the population, mortality rates, life expectancy, and rates of in- and out-migration. This section examines each of these factors in turn to identify their patterns in recent years and their influence on PEI's present and predicted population level.

Natural Increase Births in any given year are a function of two factors: the number of women in child-bearing age categories, and the expected fertility rates of each of those categories. While PEI took part in the well-known Baby Boom of 1946–1964, it was less affected than many other jurisdictions by the subsequent “Baby Bust.” PEI's fertility rates have consistently been above the regional and national averages, exceeded only by the Prairie Provinces during the past several decades. As well, PEI's in-migration has tended to include a large proportion of people in their late twenties and early thirties, thus increasing the size and proportion of PEI's population of peak child-bearing age. Together, these factors minimized the extent of PEI's “baby bust” in the 1970s and early 1980s. During the 1990s, however, PEI's fertility rate and its level of births have fallen substantially, more closely approaching the trends of the rest of the region and the country. In 1999, PEI had 11.3 births per thousand population, compared to a peak of 27.3 births per thousand population in 1963.

As with birth rates, death rates are a function of two factors: the number of people in each age grouping, and the life expectancy for those age groupings. Life expectancy and death rates in PEI are very similar to the national average, and have been far more stable over the years than the birth rate. During the past decade, although the death rate per thousand population is lower than in the 1970s and similar to the 1980s, the total number of deaths per year has increased slightly, because the overall population is larger. In the coming decades, the number of deaths and the death rate per thousand population are both forecast to increase significantly, almost approaching the total number of births by 2010.

The key factors shaping natural increase, then, are the very high levels of births during the middle decades of the century, the decline since then, the slight increase in deaths, and the resulting decline in the net natural increase in population—down from a peak of over 17,000 during the 1950s to 6,265 in the 1990s. Moreover, the influence of net increase on population growth can be expected to decline further as births continue to fall and deaths continue to increase. Various forecasts predict that sometime in the second or third decade of the new century, later than in many other industrialized societies, deaths are expected to outnumber births in PEI, resulting in population decline unless compensated for by net in-migration.

Migration As described above, PEI has had substantial out-migration of its population to other provinces, and at the same time has had significant inflows from other parts of Canada. On a year-to-year basis, these interprovincial migration trends can swamp the effects of natural increase; however, the net effect on the population level has been relatively small over the longer term. Moreover, outflows, inflows, and net effects have all declined since 1980 compared to the levels of the 1960s and 1970s. These migratory patterns have, however, had substantial impacts on the make-up of PEI's population at home and its population of “Islanders away.” According to the 1996 census, almost 47,500 people

born in PEI are now living in other provinces of Canada, while 24,600 people who are Islanders today were born in other provinces of Canada.

International migration has played a much smaller role, proportionally, in Prince Edward Island's recent history than in most other Canadian provinces. Indeed, in the 1960s, PEI experienced a significant net loss of population to other countries. In recent years, in-migration from international sources, at about 150 people a year, has accounted for a minuscule proportion of the Canadian total, only .07 per cent, compared to PEI's population share of just under .5 per cent. If PEI's share of immigration were comparable to its share of Canada's population, it would receive about 1,000 immigrants a year. Out-migration to other countries, meanwhile, averages about 70 or 80 people a year, for net growth of about 70 people a year or 700 a decade from international migration.

While migration has had fairly modest impacts on overall population levels, it has had major impacts on the demographic structure of the population. Census data from the decade from 1986 to 1996 indicate that net migration reduced the pool of skilled human resources available to the PEI economy through net losses of highly educated youth, and reduced the cultural diversity of PEI's society through net losses of Francophones and allophones. On the other hand, it offset the effects of an aging population for PEI by contributing young families.

Stereotypes, both past and present, have tended to portray Prince Edward Island as a settled, stable place, outside the mainstream. The patterns summarized above and detailed in the Backgrounder tell a different story, demonstrating that the Island has experienced substantial inflows and outflows of population throughout its history. Among Canadian provinces, only British Columbia and Alberta have a higher proportion of population who have moved to the province from elsewhere; only Manitoba and Saskatchewan have a higher number of native born residents who have moved away. Although BC and Alberta have largely experienced inflows, and Manitoba and Saskatchewan have largely experienced outflows, PEI has experienced both. These migratory patterns, more fully described in the Backgrounder, now link the Island and its people to every part of North America and beyond—a significant advantage in a global economy.

The Future

The forces that have shaped PEI's population throughout its history will continue to do so in future, but in a significantly different way. These factors are being studied in detail by an arm of the provincial government, the Economics, Statistics, and Federal Fiscal Relations Division of the Provincial Treasury, which holds lead responsibility for population and demographic analysis. During the past year, the Division has developed a population model with powerful analytical and predictive capability. The model is based on annual data from 1974 to 1998 for every factor in population growth—births, deaths, and migration, allowing survival rates for each one-year cohort, from age 0 to 90+, to be tracked. As such, the model can monitor trends very closely, giving fine detail on where the population is going and on its changing structure. The Division has now developed a base case for the model, to yield the most likely scenario in 2010. Each of the assumptions on which the model is based can be

varied to show how it changes the forecast, year by year up to 2010.

The model currently predicts that:

- C Over the next decade, PEI's population will increase by about 3,250 people from its 1999 level of 137,800, to a level of 141,050 in 2010. **Growth will slow throughout the decade, from a net increase of about 460 a year at the beginning of the decade, to about 250 mid-way, to some 150 a year by the end of the decade.** Growth is predicted to be concentrated in Queens County, with a slight increase in Prince County and a decrease in Kings County.
- C The number of women of childbearing age will continue to decline for a number of years. The replacement rate of 1.8 children per woman of childbearing age was reached in 1993 and the fertility rate has since dropped to 1.63 in 1999. The rate is expected to slip further to 1.6 in 2010. Accordingly, the number of births per year is forecast to continue to decline gradually throughout the forecast period, from 1,567 in 2000 to 1,468 in 2010.
- C Annual deaths will increase significantly throughout the decade, from 1,059 in 1999 to a forecast level of 1,384 in 2010, but will remain below the birth rate, yielding the modest, decelerating growth described above. As is widely known, PEI will experience substantial growth in the number of seniors by the second decade of the new century. As those seniors move into their later years in the 2020s and 2030s, death rates can be expected to climb further, exceeding the birth rate—resulting in a net population decrease. Another key trend, already in evidence, is the growth in the number of the very elderly, almost exclusively female.
- C The model forecasts negligible migration impacts, with net international migration at a net gain of about 80 people a year over the decade, and net interprovincial migration at a net loss of about 40 to 70 people a year over the decade.¹

Key Demographic Trends

Prince Edward Island The growth forecast outlined above holds a number of implications, including the following:

- C The Eastern School Board expects the number of school-age children to continue to decline until about 2004, then level out as the number of children entering kindergarten stabilizes. The Provincial Treasury forecast suggests that this decline will continue throughout the decade, although the decline will be very modest in the latter half of the decade. As discussed in detail later in this Report, this trend holds substantial implications for PEI's educational system in particular.
- C The population of prime labour force age (20-60) is increasing its share of PEI's population and will continue to do so until about 2006. At that point, PEI will experience a significant change in

its demographics as the working age population begins to shrink, first slowly, then more rapidly after 2011. This holds a number of implications:

- S For some years, high unemployment and the disadvantaged position of youth in the labour market have been priority policy concerns. Although these remain paramount, the Panel has also identified emerging concerns about skill shortages. As the working age population begins to shrink, issues related to skill shortages can be expected to become more acute and widespread.
 - S As the working age population's share of the total declines, PEI's dependency ratio will increase.
 - S As a growing number and share of Islanders enter their retirement years, significant impacts will be felt on public revenues, dependent as they now are on income taxes and consumption taxes.
- C The number of households is expected to begin declining after 2010. Growth will be concentrated in non-family households. Among families, childless couples will increase and families with children at home will decrease. These trends hold major implications for the housing market as well as for many other consumer markets.
- C In the longer term, during the teen years of the new century, the range of public services and public infrastructure will begin to experience growing pressures to meet the needs of an aging population. These pressures can be expected to be particularly strong in the areas of health care, housing, transportation, recreation, and lifelong learning. Some scattered pressures are already evident.
- C The uneven distribution of the very moderate population growth expected over the coming decade holds implications for the viability and vibrancy of communities across the province, an issue explored in depth in the next section of this Report.

The Atlantic Region While the Island faces some significant issues with regard to population, those challenges are even more significant in the other three Atlantic Provinces. According to a recent study by the Atlantic Institute of Market Studies (AIMS)² (also cited here because of its lengthy forecast period to 2036 and its valuable regional comparisons), the rest of the region has lost population to out-migration throughout most of the past three decades, with a net loss of over 100,000 people for the region as a whole. Fertility rates have been slightly lower in the rest of the region than in PEI as well, resulting in PEI slightly increasing its share of the region's population over the past three decades. Looking forward to 2036, the study predicts that PEI will lead the region in population growth, albeit still at a very modest rate. PEI's population is predicted to peak at 152,500 in 2026 and to decline slightly to 151,100 by 2036. Nova Scotia's population is expected to follow a similar course, peaking at 1,018,000 in 2026 and falling off to 1,003,000 by 2036. New Brunswick's population, meanwhile, is forecast to begin its decline much sooner, falling from a peak of 782,000 people in 2011 to a level of 722,000 by 2036. Newfoundland has already begun its decline in 1991 at a peak population of

580,000 and is predicted to lose population throughout the forecast period, falling to 462,000 in 2036, even based on an assumption that net out-migration will taper off and cease by 2006. These patterns have a significant impact on the Atlantic Region's place in Confederation: in 1951, the region accounted for 11.5 per cent of Canada's population; by 1996, its share had fallen to eight per cent; and, by 2036, its share is predicted by AIMS to be down to 5.8 per cent .

These varying population trends in the different provinces also hold substantial implications for their respective demographic structures. By 2036, fewer than 14 per cent of Newfoundland's population is forecast to be under the age of 20. For the Atlantic region as a whole, the rate is expected to be 16.6 per cent; and for PEI, 20.2 per cent . With regard to the seniors population, by 2036, almost one in three people in Newfoundland will be over age 65, more than triple the rate in 1996; the rate for the Atlantic region is forecast to be 29.5 per cent; and for PEI, 25.9 per cent , a doubling of the 1996 rate. As such, although PEI will face the need to adjust to significant population aging over the coming decade, the pressures will not be quite as intense as in the region as a whole. PEI will have a better balance between the young and the elderly, with positive implications for the province's population in the very long term.

This increase in the share of elderly, coupled with a continued relatively high level of children and youth, means that PEI will continue to experience comparatively high dependency ratios. This measure consists of the ratio of total population to the people of working age—or the measure of “mouths to feed,” i.e., those aged under 20 and 65 and over, compared to “providers,” usually assumed to be age 20 to 64. In this regard, PEI's dependency ratio has historically been one of the highest in the country, peaking at 2.24 in 1966 at the end of the baby boom, and falling to 1.71 by 1996. With population aging, the ratio is predicted to bottom out in 2006 at 1.65, then increase to 1.86 by 2036. It is notable, however, that despite population aging, the ratio is not expected to even come close to the levels seen in the 1950s and 1960s.

If the dependency ratio is measured in terms of the ratio of total population to the labour force, PEI fares better. This measure yields a closer indication of the real number of “providers” within the working age population. Owing in part to the very high labour force participation rates of Islanders, PEI is predicted to experience a much smaller decline in its labour force than other provinces in the region; by 2036, PEI's labour force is forecast to account for 45.7 per cent of its population, compared to a level of 38.5 per cent for the region. As such, the labour force-based dependency ratio, at a low of 1.9 in 2006 and a high of 2.19 in 2036, is far lower than the other provinces in the region and indeed lower than the national average. This indicator, while dependent on economic conditions that encourage and sustain a high rate of labour force participation, holds some promise for PEI's capacity to address the challenges of population aging.

Canada Over the past five decades, the national population has grown far more quickly than that of either the Atlantic region or of PEI. Whereas PEI's population increased by 37 per cent between 1951 and 1996, and the region's population increased by 46 per cent , Canada's population more than doubled, up 108 per cent from 14.3 million in 1951 to 29.8 million in 1996. Immigration has frequently

played a key role in Canada's population growth, and it continues to do so, according to the AIMS study. During 1971 to 1996, Canada gained about three million people through immigration. Of those, about 115,000 came to the Atlantic region, of whom some 5,600 came to PEI. This level of immigration to the Atlantic region represented only about one-quarter of its share of immigration relative to its share of the Canadian population. This proportion trended downwards throughout the 1970s and 1980s before recovering slightly in the early 1990s to 1.9 per cent of total immigration to Canada, compared to the region's 8.2 per cent share of Canada's population.

Looking to the future, the AIMS study predicts that Canada's population will continue to grow far more quickly than that of the Atlantic region, fuelled by continuing immigration, reaching 40.4 million by 2036. Even at the national level, however, the impact of population aging will make itself felt, with growth rates slowing from over five per cent a year in the late teens to two per cent by the early 2030s. This pattern of population growth will leave a demographic structure for Canada as a whole by 2036, which is very similar to that predicted for Prince Edward Island, and more favourable than the rest of the Atlantic Provinces:

- S the proportion of population under age 20 is expected to be 20.1 per cent , compared to 20.2 per cent for PEI and 16.6 per cent for the region;
- S the proportion of population over age 65 is expected to be 24.5 per cent for Canada, 25.9 per cent for PEI, and 29.4 per cent for the region;
- S the labour force as a proportion of population is forecast at 45 per cent for Canada, 45.7 per cent for PEI, and 38.5 per cent for the region; and
- S the labour-force based dependency ratio is expected to be 2.22 for Canada, 2.19 for PEI, and 2.6 for the region.

Global Trends Forecasts by international institutions paint very different pictures of population growth in industrialized and developing countries. The industrialized countries are all experiencing demographic patterns and trends similar to those in Canada, in varying measure. Many European countries saw their birthrates decline well below replacement levels many years ago, and have undergone population aging sooner than in North American countries. Throughout the developed world, population growth is expected to be very slow over the first decades of the new century. In contrast, the developing countries, with a far more youthful population and often very high fertility rates, are expected to see continued rapid population growth. As noted to the Panel by one presenter, October 6, 1999, symbolically marked Six Billion Day, the day on which researchers estimated that the world's six billionth inhabitant was born. By the middle of this century, the world's population is expected to reach 9 billion, then grow more slowly to some 10 or 11 billion, before levelling off towards the end of the century.

This high rate of global population growth, concentrated as it is in the developing countries, is widely expected to pose major, global environmental, social, and economic challenges. The US National Research Council's Board on Sustainable Development sums up many of those in its recent study, *Our Common Journey: A Transition Toward Sustainability*³:

Certain current trends of population and habitation, wealth and consumption, technology and work, connectedness and diversity, and environmental change are likely to persist well into the coming century and could significantly undermine the prospects for sustainability. If they do persist, many human needs will not be met, life support systems will be dangerously degraded, and the numbers of hungry and poor will increase. Among the social trends reviewed by the Board that merit particular attention are expanding urbanization, growing disparities of wealth, wasteful consumption, increasing connectedness, and shifts in the distribution of power. Environmental trends of particular concern include the buildup of long-lived greenhouse gases in the atmosphere and associated climate changes; the decline of valuable marine fisheries; increasing regional shortfalls in the quality and quantity of fresh water; expanding tropical deforestation; the continuing loss of species, ecosystems, and their services; the emergence and re-emergence of serious diseases, and more generally, the increasing human dominance of natural systems.”

On the other hand, the same study notes,

Even the most alarming current trends, however, may experience transitions that enhance the prospects for sustainability. . . . Some transitions . . . are already underway . . . the demographic transition from high to low birth and death rates; the health transition from early death by infectious diseases to late death by cancer, heart disease, and stroke; the economic transition from state to market control; the civil society transition from single party, military, or state-run institutions to multi-party politics and a rich mix of governmental and non-governmental institutions.

Meanwhile, the British-North American Committee observes, with regard to population growth in developing countries,

. . . This high growth rate will create major economic strains in many LDCs (less developed countries). Faced with rapid growth in labour supplies, it will be hard for many of the LDCs to hold down unemployment. In many cases, LDC populations could grow at a faster rate than LDC gross domestic products, resulting in falling real standards of living. Even the highly educated in many LDCs may be unable to find employment. In this situation, migration to prosperous Western industrialized nations will be a safety valve for many LDCs.

The Committee predicts that these pressures may lead to substantial tensions between developed and developing countries over the coming decades.⁴

From Fewer People to Tenfold Growth: A Range of Views

The Panel’s research and consultations suggested that public awareness of the trends described in the foregoing sections is mixed. With regard to local and regional trends, the Panel found that there is widespread recognition of the issue of population aging, a subject that has received considerable media

attention in recent years. Public awareness of the sharp decline in PEI's birth rate during the 1990s is far more limited. With regard to migration factors, acute concerns exist about youth out-migration, particularly in the eastern and western areas of the province. The scope of in-migration over the years, and the extent of its impact on PEI, meanwhile, does not appear to be fully appreciated by many sectors of PEI's society. Looking beyond PEI, there is strong awareness and concern in some quarters regarding global population growth issues; however, the focus of most of the Panel's input was on Prince Edward Island itself. These perspectives play an important role in shaping the public input received by the Panel on the fundamental issue of whether and how the Province should seek to influence population growth.

Throughout its consultations, the Panel sought input on the critical issue of whether Prince Edward Island should seek to influence population growth, and if so, what rate of growth would be desirable. The public response on these issues can be said to follow the classic "bell curve," with the largest cluster of responses favouring moderate, steady growth; a smaller but still substantial number of responses expressing anxiety over the possible negative impacts of growth and counselling a cautious approach, and a very small number of responses calling for either less population or a massive increase.

The more radical prescriptions noted above were often explicitly rooted in theory, and in visions of PEI's future that differed significantly from the mainstream, often placed in a long-term, global context. The moderate approaches, on the other hand, were generally not presented in the context of a philosophical framework, and generally focused on PEI itself and on the present and the immediate future. Generally, these prescriptions for incremental change appeared to flow from a desire to "hold what we have" in the sense of retaining valued aspects of PEI's culture, society, and quality of life, while reducing some of the economic and employment challenges currently facing the province. These various perspectives are reviewed more fully below.

Reduce Islanders' "Ecological Footprint" "Population growth and associated development is the number one threat to species, ecosystems, and ecological processes . . . throughout North America," the Panel was told by Earth Action. Concern was expressed that the Panel's Terms of Reference already determine its conclusions by calling for a strategy to hold youth, and attract out-migrant Islanders and new population, and that the Panel's Backgrounder is permeated with language that implies a bias in favour of population growth. In fact, it was suggested, the world—and the Island—need fewer people.

PEI may be seen as having lots of space, compared to overcrowded countries; however, deliberately increasing the population of industrialized countries like Canada is disastrous for the rest of the world. It was noted that one Canadian does 20 to 100 times more damage to the planet than a person in the Third World. PEI's carrying capacity has also been exceeded. From a human-centred perspective, there may seem to be lots of room to build more houses. But is this our only consideration? A philosophy called Deep Ecology, gaining support steadily, holds that all life on earth has inherent value, that humans have no right to reduce the diversity and richness of life on Earth except to satisfy vital needs, that present human interference with the non-human world is excessive, and that the situation is

rapidly worsening. It's time to "re-wild" the Island, it was suggested, time to share this place with other species. In the long term, this can only benefit humans.

Finally, a challenge was posed to the entire premise of a population strategy based on the myth that increased population equals increased consumption equals economic development equals increased human well-being. There is already too much consumerism and economic growth on PEI, it was stated, and the proposal for economic development based on increased population is a recipe for certain ecological and social disaster for PEI.

Help Developing Countries Help Themselves Regarding the ethical issue of whether Prince Edward Island has a responsibility to assist overpopulated countries by accepting immigrants, the Panel was told by Earth Action that our responsibility is to help them alleviate their problems, for which the developed world is in large part responsible. Although one feels compassion for their situation, relocating their people is a quick fix that only helps individuals and does nothing to address their underlying problems; indeed, it contributes to their "brain drain." Moreover, bringing more people here increases their consumption, which adds to the global problem. A related view on this issue was offered by the Atlantic Veterinary College, whose representative suggested that PEI's primary role should be to educate the people of developing countries to overcome their problems and produce safe, plentiful food for their populations.

Don't Assume that Population Growth = Economic Growth Economic theory is not altogether encouraging regarding the link between population growth and economic growth, the Panel heard from a presenter who addressed the theoretical aspects of the Panel's task. Regarding the link between population growth and economic growth, she noted, thinking among economists has largely focused on developing countries, while population theory in developed countries has been addressed largely by sociologists. Among economists, there are two schools of thought:

- C The classical or Malthusian approach believes that population growth has negative effects on economic growth. Based on an assumption of a fixed stock of resources and capital, this view holds that increasing the size of the population leads to a decrease in income per capita, through decreased consumption per capita, a decline in productivity per capita, decreased public services per capita, increased dependency ratios due to the higher number of children implied by an increasing population, and the dilution of physical capital.
- C The dynamic model of population growth, on the other hand, drops the Malthusian assumption of fixed economic conditions, and integrates factors such as technological progress, economies of scale, and the feedback effects of income and knowledge. Under this model, population growth is linked positively to economic growth; however, this positive effect only emerges over the very long run, in the range of 30 to 80 years.

The Panel notes that this presentation runs counter to the lay public's almost automatic linkage between population growth and economic growth. Indeed, most of the presenters who favoured substantial

population growth appeared primarily motivated by the assumption that this would be “good for business,” leading to increased demand for goods and services, and increased economic activity. The Panel notes that although this view appears to contradict the less optimistic theoretical view laid out above, the two are not necessarily incompatible. The theories appear to be grounded in a context of existing overpopulation, underdevelopment, and population growth driven largely by natural increase. The economic implications of population stagnation or decline—a situation faced in some parts of PEI and in other provinces in the Atlantic Region—are not addressed in the theories noted above. It is only in the past two decades that a body of theory has begun to emerge in the area of sustainability to offer some guidance on how to achieve social and economic well-being in low-growth or no-growth societies. Moreover, the economic impacts of population growth through in-migration are presumably different, and potentially more positive, than those of population growth through natural increase, provided the in-migrants add to the jurisdiction’s stock of human and capital resources.

What Can/Should Government Do? The Panel heard doubts by many presenters about the scope of Government to influence population growth, and fears by some about the possible direct or indirect impacts of such interventions. A number of presenters were of the belief that the forces affecting population growth and migration flows were rooted in broad economic and social conditions, and not amenable to government intervention. Several presenters were opposed in principle to interventions related to natural increase factors, suggesting that such measures were undemocratic, indeed immoral. Particular opposition was expressed to any attempts to influence fertility rates, through policies such as the “baby bonuses” adopted by some other Canadian jurisdictions in past years.

Other presenters saw some scope for intervention. The Panel heard advice from several quarters that it was both more ethical and more feasible to focus efforts on modifying the demographic structure of the population through migration, than to foster population growth. One presenter qualified this, however, by noting that while some potential exists to influence migration through government policy initiatives, there is less scope to control the impacts of the demographic changes thus achieved. It was noted that population policies can have major effects both on individuals and on society, some of which may be invidious as the changes take on a life of their own. There is a risk of unintended effects. It was further noted that population growth must be met by a concomitant increase in capital investment by both the public and the private sector if a decline in well-being is to be avoided.

A Lot to Lose A substantial number of presenters, while not operating from the theoretical bases outlined above, expressed similar concerns at an intuitive level. Fears were noted that too much population growth might result in overcrowding, loss of quality of life, ecological deterioration, and less community cohesiveness. These concerns were particularly evident among focus group participants, a milieu that permitted deeper exploration of people’s views and concerns than in the public hearings. These concerns focused mostly on social and environmental dimensions. Although the Panel had anticipated that it might hear some concerns regarding the potential loss of jobs to in-migrants, this issue seldom arose in its consultations, with most presenters believing that in-migration of skilled people would yield net economic and employment benefits. With regard to cultural impacts of in-migration, the Panel also heard very few fears; rather, a number of presenters expressed strong support for greater

cultural diversity in PEI.

Moderate, Targeted Growth A large number of presenters expressed qualified support to the Panel for some growth, either moderate growth province-wide, or else growth targeted to a particular region (notably West Prince and Eastern Kings), and/or to particular demographic groups (notably youth, young families, and retirees). These themes are explored more fully in the following sections on the “where” and the “who” of population growth. Most presenters were unable to specify a maximum rate or level of population growth, with the exception of one who felt that “200,000 just seems like the upper limit.”

Increase Tenfold In contrast to the above views, one presenter to the Panel supported a profoundly different future for PEI. He suggested that the population could increase ten-fold without deleterious impact on our quality of life, by moving from an ecologically damaging use of our rural lands for bulk production of agricultural commodities, to a society of knowledge workers and the goods and services they require. When the population increases significantly, the nature of the economy changes; for example, organic specialty growers can succeed in large centres because the market is there. With regard to carrying capacity, it was observed that PEI’s wilderness is gone in any case. As well, it was noted, more affluent societies are better able to maintain their ecosystems. Knowledge workers will find many ways to make money other than cutting trees, eroding the soils, and casting things into the water. This view was qualified, however, by an emphasis on the critical need for sound community, regional, and provincial planning frameworks.

Conclusion and Recommendations

What is Government’s Role? The Panel acknowledges the opinions of those who feel that Government cannot or should not seek to intervene in population and demographic forces. It is true that such efforts may fail or, if successful in achieving their immediate goals, may have unforeseen and undesired long-term consequences. But to quote from New Brunswick’s *Dawn of a New Century*, “The most fundamental tenet of demographics is that society, to a large degree, creates demographic influences and trends with its present decisions, discoveries, policies, actions, and inactions.” Inaction, then, is also a policy decision ... one that may have far more negative consequences than a carefully designed and targeted intervention. The current mix of government policies also has consequences, albeit unintended, on population and demographic structures.

The real question, then, is not whether Government should take action to influence population growth. It is already doing so, in large part unwittingly. The question is whether it should modify those actions to pursue a set of defined goals and objectives around population and demographic structures. On this fundamental issue, then, the Panel concludes that Government has a responsibility to develop a vision, goals, and objectives for its population level and demographic structure, and to design and implement a strategy to fulfill that vision and achieve those goals. Accordingly, the Panel recommends that:

1. Prince Edward Island promote reasonable, sustained population growth, fostered by strong

rural and urban communities that can provide education; health care; a clean environment; economic development; and employment opportunities for Islanders of all ages.

What Kind of Growth? The Panel believes that the issue of quantity of growth is less important than the quality of growth. It must be emphasized that a population strategy must be rooted in a vision of the future of Prince Edward Island. Population and demographic policies should be a means to an end, not an end in themselves. That vision is most appropriately put forward by the elected representatives of the public; however, the Panel's input from committed, creative people across PEI has enabled it to suggest some elements of that vision as the foundation for its recommendations. Accordingly, the Panel recommends that:

2. The Population Strategy be guided by a vision of developing a society in which every Islander is able to develop, participate, and contribute to the fullest of his or her capacity, economically, socially, and culturally, while respecting and fostering the attributes that make Prince Edward Island "a special place" to Islanders: close-knit, cohesive communities; a caring society; and a safe, clean environment of outstanding natural beauty.

3. Interventions under the Population Strategy be aimed at specific opportunities that contribute to this vision, and at challenges that detract from it, rather than simply pursuing quantitative targets for population growth.

How Much Growth? Although the issue of quantity of growth is less fundamental than that of quality of growth, it remains important. Quality and quantity of growth are interrelated; the higher the quality of growth, in terms of its congruence with the culture, social fabric, and aspirations of Islanders, the greater the quantity that is likely acceptable to Islanders. Growth past a certain point, however, can have negative impacts on quality of life no matter how positive its components. The Panel has sought to explore what these limits might be.

The Panel's research has garnered useful insights into the nature and directions of population growth in Prince Edward Island, while its consultations have provided a qualitative indication of the public mood regarding population issues. As outlined above, however, the consultations have not yielded a clear quantitative goal for population growth in PEI. To assist in setting some parameters for the analysis, it is useful to draw some comparisons with national rates of growth: where would PEI be today if it had kept pace with national rates of growth since the middle of the century? Where will it be if it keeps pace over the next four decades?

C Since 1951, PEI's population has increased by 37 per cent, or a rate of about 0.8 per cent a year, while Canada's population has increased by 108 per cent, or a rate of about 2.4 per cent a year. Had PEI's population grown at the same rate as Canada's, its population would have been over 207,000 people in 1996, rather than 136,200.

C Between 1971 and 1996, Canada welcomed almost 4.7 million immigrants from other

countries, of whom some 5,600 or slightly over one-tenth of one per cent came to PEI. Had PEI received a share of this immigration equivalent to its population share, it would have received over 23,000 immigrants, or almost 1,000 a year.

- C Between 1996 and 2036, PEI's population is forecast by the AIMS study to increase from 136,200 to 151,100, a net increase of 10.9 per cent or 0.27 per cent a year (in fact, the population is predicted to shrink slightly in the final decade as previously noted). Canada's population, meanwhile, is forecast to increase by 35.4 per cent, or almost 0.9 per cent a year, and to continue growing throughout the forecast period. If PEI's population were to keep pace with the Canadian population, it would increase from 136,200 in 1996 to 183,200 in 2036.
- C To combine these indicators, if PEI's population growth were equivalent to Canada's throughout both periods, its population would increase from the 1951 level of 99,500 to a total of 278,415 in 2036, of whom about a quarter would be immigrants or first-generation Canadians.

This analysis, although purely hypothetical, provides a useful indication of the implications for PEI of a pace of population growth that is typical for Canada. Indeed, these rates of growth are lower than those actually experienced in the provinces that have had the bulk of Canada's population growth—Ontario, Alberta, and British Columbia—and far lower than the rates of growth seen by the urban areas where growth has been concentrated, notably Toronto and surroundings, Calgary, and Vancouver. While this hyper-growth both resulted from and added further fuel to booming economic conditions, it also carried social impacts that the Panel would judge to be undesirable to most Islanders, including housing shortages and skyrocketing housing costs, traffic congestion, and very rapid social and cultural change.

The Panel concludes that while many Islanders are supportive of a faster pace of population growth than that forecast for the future, there is little enthusiasm for the rates of growth that have been "normal" in a national context. Some would attribute this to an inherent conservatism among Islanders; some to the fact that PEI has been a slow-growth society for so long that "normal" rates of growth seem unacceptably high. The input received by the Panel, however, would suggest that many Islanders have somewhat different priorities, more focused on community and on quality of life than on material advancement. The high seasonal levels of tourism visitation also appear to play a role; during the peak summer weeks, the population of the province swells by an additional fifty or sixty thousand people, concentrated in the central region, giving Islanders in those areas a greater sense of crowding and congestion than at other times of year, and perhaps reducing their openness to further growth.

While the past national rates of growth are judged to be high for PEI, the Panel notes that the rate of growth forecast for Canada as a whole over the next three decades is roughly equivalent to that experienced by PEI over the past four decades. Since the Panel received very little input to the effect that PEI's population growth in recent decades has been excessive, this would suggest that a rate of one per cent population growth a year, or a net increase of about 1,400 people a year, would likely be acceptable to the majority of the public. This level is triple the rate forecast by the Provincial Treasury's

model for the current year, and almost eight times the rate forecast for 2010. As such, achieving even this relatively moderate level of growth should pose some substantial policy challenges. Accordingly, the Panel recommends that:

4. Population growth in the range of one per cent a year, representing triple the level forecast for 2000 and eight times the level forecast for 2010, be established as a desirable and appropriate rate of future growth for Prince Edward Island.

Building Sustainable Communities: Priorities for Growth

“A Special Place”

Prince Edward Island, the Panel heard throughout its consultations, is a special place. Indeed, this quality is widely acknowledged, whether by Islanders who have spent their lives here, Islanders who have left and long to return, or people from other places who have moved here and speak of it as the only place they have ever thought of as “home.” While that special quality, that “Island way of life,” is difficult to define, it includes several elements, perhaps best articulated in the focus groups.

First and foremost, the strength of the Island is in its people and the communities that they have built. As one participant in the “returned Islanders” focus group observed, “It wasn’t the job or the beauty of the place so much, other places have that, but PEI has something you can’t get elsewhere—the people of PEI. In our community, when someone is in trouble, everyone rallies around.” Focus group participants who had moved from large cities in other provinces had the following observations, “If you have a young family, this is the place to be, everyone takes care of everyone.” “. . . this is a place where everybody is genetically or spiritually linked to everyone else.”

The scale of the society also plays an important role in giving many people this sense of being connected and having some control over their lives: “everyday life is so much easier here than in an urban environment.” “. . . it has a navigability about it.” “. . . I felt I could make a difference and contribute here.” “. . . Despite being poor, I felt more of a measure of control over my life and future here than elsewhere, a sense of security at a vulnerable time in my life.”

While this social fabric contributes greatly to the quality of life for many Islanders, the Panel also heard that it is under threat, and flawed in some respects. The need for change appeared to be particularly strong in the following areas, to be further addressed later in this Report:

- C All communities must have the economic base to provide a diversity of employment opportunities to their citizens. Each county, each district, each community should aim to be more self-sufficient economically.
- C All communities must have the jurisdictional capacity and the resources to play a greater role in determining their future.
- C All Islanders must be included in the close-knit community life described above, through greater openness to and respect for diversity, through equality of access to opportunity, and through care for the vulnerable and disadvantaged.

A second theme of major importance, although distinctly secondary to the human element, was the Island’s extraordinary natural beauty and its quality of environment. Although this value was not as widely mentioned as the first, it was of great importance to a significant number of presenters and focus

group participants. There was a strong sense among these presenters that this value has been severely threatened of late, primarily through the intensification of rural resource industries, and, to a lesser degree, through the massive growth in tourism during the past three years. Although very important, this issue is driven more by the current nature of economic development than by population growth, the theme of this Report. Accordingly, this issue will be addressed more fully later in this Report, with particular attention to dealing with the potential environmental impacts of the modest levels of population growth being advocated by this Panel, and strategic opportunities to restore and enhance the quality of our environment through shifts in the nature of growth and development.

This section will explore more fully the issues of community development and community sustainability that appear to be at the core of our identity as a society. Here, the fundamental message from the research and consultations was to be true to ourselves. “If the Island is honest about what it is . . . everything will follow from that,” one presenter told the Panel. In striving to be something we are not, the Panel heard, we may lose what is unique and precious about PEI . . . the qualities, perhaps, that have enabled the Island to buck the regional trends of out-migration, and maintain a level of population growth and of labour force participation and a demographic structure more like that of the rest of Canada than that of the Atlantic region.

Acknowledging Community Distinctiveness

If the essence of PEI is its communities, it is important, likewise, for each community to be true to its unique characteristics and strengths, and to base its development on those attributes. In this regard, the Panel was reminded by the Director of the newly established Community Development Bureau that population issues differ widely across the province, and that each community has its own way of addressing them.

He observed that PEI is made up of a number of small communities, which tend to cluster into about 22 larger regional communities, often along the lines of consolidated school districts, which in turn are founded on the building blocks of the old one-room school districts. Fire district boundaries also often follow these invisible social demarcations. There is considerable tacit consensus among residents as to what those boundaries are, especially away from the Charlottetown and Summerside areas. Each of these communities has its own unique combination of population issues from the perspective of its residents. He cited a number of perceptions based on his personal experience, which provided the Panel with the human face of these issues. For example:

- C In Fort Augustus, in-migration has reduced the sense of community. Long-time residents don't know their neighbours, and volunteers are aging. The key concern is loss of “civic-ness.”
- C In Brudenell and Montague, people are trying to bring together cottagers with resource- users such as aquaculturists, who feel that they are losing control of their resource.
- C In the Murray River and Murray Harbour area, an influx of new residents who love the area

have brought new energy to local development and have become part of the local leadership.

- C In Eastern Kings, the sensibilities of new residents were a key factor in the outcry against putting the waterslide at Basin Head. “They would have gotten away with it in the winter.”
- C In O’Leary, about sixty people commute to Summerside. There are fears in the community that, in time, some will tire of the drive, and move closer to their work.
- C The Vernon River/Vernon Bridge/Avondale area is a farming community, including six hog farms, and the people are clear in their own perception: they like it that way. They don’t want an influx of cottagers and they are concerned that restrictions on development in the buffer areas around Charlottetown will increase spillover development pressure by new non-farm residents and affect their livelihood.
- C In Wellington, an influx of English-speaking people has led the local co-op to start holding its meetings in English.
- C In St. Teresa, there used to be three carloads of seniors who would go bowling in Morell ... they are mostly living and bowling in Charlottetown now, and bowling in Morell is suffering. Now St. Teresa has set its sights on becoming a family-focused community.
- C In Cavendish, year-round residents are trying to create a sense of community despite the massive summer influx.
- C In Morell, a boosterish spirit prevails as a number of young entrepreneurs pursue the economic opportunities opening up with the Crowbush Cove golf and resort development and the National Park in Greenwich.
- C In Montague, the area is adjusting to an influx of a couple of hundred families from Newfoundland who work in the cole crop sector and other primary industries.

The message arising from these descriptions was clear: a one-size-fits-all provincial strategy is unlikely to fulfill the potential and address the issues of these widely differing communities. **If a population strategy is to be effective and appropriate, it must incorporate a substantial measure of community involvement and community leadership.** The Panel was told, and indeed witnessed throughout its work, that local leaders and community organizations want to take a role in these issues, and many are attempting to do so. It is essential, the Panel heard, that Government work through these leaders and strengthen them. In addition to yielding better strategies, it was suggested that this approach would enhance people’s sense of control over their lives and futures, creating a climate of entrepreneurship and learning, rather than defeatism and dependency.

The Panel fully endorses this perspective, and recommends that:

5. Prince Edward Island's communities play a leadership role in defining population and demographic issues, setting goals and objectives, and designing strategies to achieve those goals. Government should support and facilitate these efforts, assist in empowering communities to take these decisions and responsibilities, and ensure that population-related interventions at the provincial level contribute to, or at a minimum are compatible with, community priorities and approaches.

Meeting the Challenges

While the approaches set out in this recommendation have gained increasing public support in recent years, challenges still exist in their implementation. Some are related to the capacity and formal structures of communities in PEI, whereas others involve the difficulties of shifting from traditional centralized methods of decision-making and resource allocation to a decentralized approach.

Perhaps the key community issue identified by the Panel involves the very limited economic base of many of the Island's communities, particularly those more remote from the centre of the province. This limited economic base results in a lack of employment opportunities and a lack of diversity in the employment and educational opportunities that do exist. This circumstance in turn plays a critical role in the most fundamental and heart-felt concern voiced to the Panel by presenters: the loss of youth to out-migration. It is essential, the Panel heard over and over, to increase and diversify the employment base of the Island's communities. Related to this concern, the Panel also heard about the needs in many Island communities for educational programs, amenities, retail and recreation choices, and services. On the one hand, these unmet needs can be seen as a problem; on the other hand, they may constitute an opportunity for those who can identify and find ways to meet those needs.

These concerns can be characterized through the concept of "shallow" and "deep" communities. This concept, as set out in *Co-opportunities: A PEI Co-operatives Research Project*, suggests that "A shallow community may be quite large in numbers, but the people have little in common to hold them together and develop a strong community. They will get most of what they need, both social requirements and physical requirements, from outside the community A deep community is one where the residents share many things in terms of culture, a desire to see the place grow and develop, and so on. People who live in them want to spend much of their time and money in their deep community. They are willing to make sacrifices to make sure that such things happen. That is part of the drive to develop both culturally and economically." This concept would lend support to an approach that emphasizes the development of local services and infrastructure; places greater emphasis on expansion of small-scale, entrepreneurial enterprises; and decentralizes authority, resources, and activities to the community level.

A question exists, however, as to the feasibility of this approach in light of current formal community structures on PEI. In this regard, the Panel heard some significant opposition to devolution of power and resources to local communities as they now exist, given existing variations in municipal governance structures and the perceived deficiencies of some. One presenter's brief described her concerns

regarding a series of zoning and development decisions and actions over a period of years, which were seen as lacking in due process and professionalism. These conditions, she indicated, had adversely affected the value of her key retirement asset, her home, and had eventually led her to relocate to Charlottetown. She suggested that any population strategy would need to address these issues, particularly if it involved efforts to attract retirees to rural areas of the province.

On a related issue, the Panel heard from a number of community representatives that **a greater degree of cooperation among communities would yield positive results in terms of development and orderly growth.** This awareness was particularly strong in Western PEI: “The region needs to consider regional cooperation and collaboration between the three main centres of Tignish, Alberton, and O’Leary and other emerging centres like Bloomfield and Elmsdale,” stated the West Prince Health Authority. “Although the individual communities have done good work, all the communities and development corporations must pool their resources and people more for a Western PEI effort.... Our future depends on a combination of many factors, it will take more than one town or one group to do it all ... we need consensus from the greater community on priorities and directions,” according to the O’Leary Area Development Corporation. Meanwhile, Summerside’s City Planner advised the Panel that regional planning should take place to prevent valuable agricultural land being taken out of production, which would weaken the resource economy on which the city relies. Effective regional planning is needed to create the winning conditions for attracting new economic development and population.

With regard to the Province’s role in fostering community-led growth, the Panel heard commendations from a number of presenters regarding the provincial government’s initiative to establish the Community Development Bureau. This support, however, was frequently qualified by doubt or even skepticism that the Government would actually follow through on this action by accepting the advice and direction of communities as gathered by the staff of the Bureau. Expectations persisted that decision-making would remain centralized. According to the Cooper Institute, “Current conditions are worsened by the fact that the majority of people in communities feel totally disempowered, without effective voice. There is a general malaise, a cynicism, about being able to influence public policy.” Notwithstanding this assessment, however, the Cooper Institute called for PEI seriously to experiment with and invest in community-based models of development, providing national and international leadership in this regard.

The Panel is aware that a number of very encouraging initiatives to develop communities and to build community capacity are taking place across the province, led by the “third sector” of non-profit and volunteer organizations. These are highly commendable and the Panel considers it important that these continue and expand. The Panel recommends that:

6. Government affirm its commitment to community-led development by following through on the mandate of the Community Development Bureau, and by providing both moral and material support for the work of community, non-profit, and volunteer organizations engaged in community capacity building and community development.

While the “third sector” plays a vital role, the Panel believes that its efforts to build sustainable communities will only be fully effective if they occur in the context of strong, effective, local governance structures encompassing all areas of the province. Indeed, the Panel holds that such reform of local governance is essential to addressing all the challenges outlined above: the need for economic development and diversification; the need for local facilities, amenities, services, and infrastructure; the need to plan for development and growth in a fair and professional way; and the need to foster local leadership and local capacity.

In this regard, the Panel notes the recommendation of the Employment Summit Panel, in November 1998, which stated in part:

The [Summit] Panel recommends that government increase its support to communities and the third sector, not only through investment of additional resources, but also through closer partnerships, moral support, an increased role in public policy service delivery, and decentralization of decision-making. In support of this goal, the Panel urges the provincial government to undertake a thorough review of community roles, structures, and governance in rural PEI, with a view to ensuring that all residents and areas of PEI are served by a viable local government system with significant responsibilities, resources, and capacity to determine and address local and regional needs, opportunities, and priorities. As part of this exercise, clear lines of responsibility should be established between these local units and quasi-governmental and publicly funded bodies in the areas of economic and employment development.

The Panel recognizes, however, that reform of local governance structures is an enormously complex, controversial, and difficult task. In this regard, some lessons can be learned from the experience of municipal reform in Iceland. That jurisdiction found that an approach involving pilot projects was effective in exploring the implications of reform, while building public understanding and support for change. Under this approach, legislation is passed allowing for temporary pilot schemes lasting up to five years, in which both authority and resources for specific areas of responsibility are given to municipalities that apply for pilot status. The Iceland experience indicates that a population bloc of 5,000 people is sufficient to exercise effective responsibility for a wide range of functions in the areas of planning, economic development, and social programs and services. Accordingly, the Panel recommends that:

7. The Province investigate how best to develop strong, effective, sustainable governance structures in Prince Edward Island’s communities, through a process of public engagement and through a learning process of pilot projects in selected communities.

Promoting Rural Growth and Opportunities

The Panel’s research indicates that population and demographic trends have had very different impacts on different parts of PEI over the decades, and its consultations found that many Islanders are deeply

concerned about these differences and their effects on communities and on the quality of life. It was clear to the Panel that the rural parts of Prince Edward Island, and particularly the eastern and western areas, face particular challenges in holding and attracting population—challenges which must be overcome though specially designed, targeted measures.

The research indicated that the past century of migration and settlement shifts have had very different effects on the three counties. In 1891, PEI was covered with a dense network of small mixed farms, occupying almost 90 per cent of PEI's land base. Kings County accounted for one-quarter of the population, Prince County for one-third, and Queens County for the remaining 43 per cent. The four decades of population decline following the 1891 peak had an uneven impact: by 1931, Kings County's population had fallen by 28 per cent, Queens County by 19 per cent, and Prince County by 14 per cent.

The following decades saw a shift to mechanized agriculture in PEI as elsewhere. Across the continent, a steep decline took place in the proportion of population living and working on farms, and a major population shift occurred from rural to urban centres. The former trend certainly did not pass PEI by, with a massive drop in farm population in the post-war years. However, the shift to urban areas was much less pronounced in PEI than in other jurisdictions, with very strong growth in the rural non-farm population until the early 1980s.

This growth has been very uneven across the province, and forecasts suggest that these differences will continue. During the past four decades, Queens County has seen strong and steady growth, Prince County has alternated periods of growth with periods of modest decline, and Kings County has seen very low rates of growth throughout the period. Provincial Treasury's forecast for the next decade indicates continued steady growth for Queens County, very modest growth for Prince County, and a slight decline for Kings County. Accordingly, in 2010, Kings County's share of PEI's total population will be 13.3 per cent, down from 24 per cent in 1891; Prince County's share is expected to remain at about 32.5 per cent as it was in 1891, and Queens County's share will be 54.2 per cent, up from 43 per cent in 1891. These changing population patterns have also brought about some differences in the demographic structure of the three counties, with Kings and Prince Counties seeing a higher proportion of elderly and concomitantly a smaller share of working age population. These differences will be further explored in the next section on key demographic groups.

An insight into these different patterns of growth was set out a decade ago in *A Rural Development Strategy for Prince Edward Island*. That Report suggested that Statistics Canada's measurement approach seriously underestimates the extent of the change from a rural to an urban population, in that it does not take into account the many people who live just outside urban boundaries but whose lives are inextricably tied to those cities through work, recreation, learning, and shopping. This "rurban" population, as the Report termed them, accounts for a substantial share of the total: in 1986, more than 88,000 Islanders lived in or within a fifteen-mile radius of Charlottetown or Summerside. The Report analyzed population patterns since 1911, and concluded that the two metropolitan areas, and particularly the Charlottetown area, have accounted for almost all population growth throughout that

time, and that the remaining areas of the province have been stagnant or declining. The Report forecast that this trend would continue throughout the 1990s, albeit at a slower pace of growth for the Charlottetown area relative to the past, a prediction borne out by the findings of the 1991 and 1996 censuses. Given these trends, it is not surprising that census data indicate little or no population growth for the West Prince area as well as the Eastern Kings area.

These quantitative indications were complemented by qualitative input from the consultations, suggesting profound concern in eastern and western PEI about population loss and stagnation, community decline, and the out-migration of youth. It was suggested to the Panel, as well, that Kings County also experiences disparities in these impacts, with Eastern Kings more severely affected than Southern Kings. In short, the research and consultations suggest that **the further the region is from the central area of the province, the more severe the population and demographic concerns and challenges.**

The Panel firmly believes that a population strategy should seek to ensure opportunity and well-being for all regions of the province. Rural regions, and particularly West Prince and Eastern Kings, face challenges that are greater than or additional to more advantaged areas of the province, and should receive additional help to meet and overcome those challenges. Accordingly, the Panel recommends that:

8. All sectors of society make a commitment to the goal of strong, sustainable communities and steady population growth in *all* parts of PEI, and to investing in the measures that may be needed to promote that goal in the less advantaged regions of the province remote from its urban centres. Such measures might include, though not be limited to:

- S **tax incentives and loans to support economic development, particularly in areas of the province remote from the urban centres;**
- S **specialized supports such as out-of-province prospecting;**
- S **decentralization of government activities; and**
- S **greater emphasis on ensuring equal access to education, health care, and public services.**

9. Processes and mechanisms be put in place to “rural-proof” government policies and initiatives, screening and assessing all new measures in order to ensure that they do not adversely affect the viability of PEI’s rural communities.

10. Viable, effective, stable economic development organizations be established at the community level, especially in the eastern and western areas of the province. These organizations should be provided with the necessary resources and powers to develop and implement community-based, community-led strategies for the development of their communities.

If these goals are to be achieved and interventions are to be effective, it is necessary to understand more completely the challenges facing those regions. As such, the Panel recommends that:

11. Detailed research be conducted into migration patterns and demographic structures at the sub-county level. The regions of study should follow the current boundaries of the Regional Services Centres. In Queens County, the urban and rural regions should be treated separately.

4. “A Society For All Ages”: Key Demographic Groups

The Panel’s Terms of Reference call for it to develop a strategy on “how best to keep youth in the province, attract Islanders living away to return, and foster immigration to PEI.” Understandably, the Panel’s input focused far more on the people who are Islanders today, or who are currently leaving PEI, than on long-gone or prospective Islanders. In consultations, two clear priority issues were apparent:

- C youth out-migration; and
- C population aging.

The Panel also identified less widespread but nonetheless deeply held concerns about:

- C children, particularly those in single-parent and/or disadvantaged families;
- C the Francophone and Acadian population; and
- C newcomers.

This section of the Report will examine these concerns of the public as well as the priorities set out in the Panel’s Terms of Reference, providing some statistical context, an overview of input, and some suggested measures and priorities.

“Stop the Bleeding”: Youth Out-Migration

Province-Wide Issues The loss of our youth to opportunities elsewhere was a leading concern across the province. Data at the provincial level offer some support for this concern:

- C The net out-migration numbers over the past two census periods indicate that, between 1986 and 1991, PEI lost a net total of 160 youth aged 15 to 19, and another 80 youth aged 20 to 24. Between 1991 and 1996, the outflow increased and shifted to an older age group, with a net loss of 110 youth aged 20 to 24 and 205 youth aged 25 to 29. This 1991–96 out-migration represents a net loss of 1.1 per cent and 2.2 per cent respectively of their age groups as of the 1996 census.
- C Within the sub-group of highly educated youth, however, the losses are more substantial. Between 1991 and 1996, PEI had net out-migration of 495 people aged 20 to 34 with university degrees, composed of 150 degree-holders aged 20 to 24; 265 degree-holders aged 25 to 29; and 80 degree-holders aged 30 to 34. This out-migration represented a net loss over the five years of 12 per cent of the 20 to 24 degree-holder age group, and 11.8 per cent of the 25 to 34 degree-holder age group. All groups aged 35 and over had net in-migration of people with university degrees, resulting in an overall net loss to PEI of 315 degree-holders.

These data represent a significant improvement over the 1986–91 period, during which PEI had

a net loss of 570 people with a college diploma and 565 people with a university degree. During the 1991–96 period, PEI reversed the trend with regard to college-educated people, achieving a net gain of 580 people with a college diploma or other post-secondary education. Nonetheless, the continued loss of the province’s most highly educated youth is cause for concern.

Regional and Demographic Issues Nowhere were concerns about the loss of youth more intense than in West Prince. The virtual absence of post-secondary learning opportunities means that most of the region’s youth seeking higher education relocate; some to Charlottetown, many out- of-province. Having obtained their education, few of them return. “It’s always been an issue, but now we feel it’s to the point of population decline,” one presenter observed. With the growing demand of the labour market for post-secondary qualifications, the out-migration of rural youth for educational reasons can be expected to continue or even intensify unless more learning opportunities are made available at the local level.

Few youth in the area seem to find the prospect of low-paid seasonal work an enticing future, particularly menial labour work, and it appears that many of them are reluctant to accept such jobs. The region is experiencing job vacancies and labour shortages despite the high unemployment rate. The highly seasonal economy of the region also results in a winter out-migration of youth to employment opportunities in Western Canada. Since many of these youth— both students and seasonal migrants— continue to hold West Prince as their home address, the Panel was told, the out-migration problem is far more severe than the official numbers would indicate. Even these official statistics indicate that Prince County’s youth aged 15 to 29 account for a smaller share of its population than the other two counties.

Similar concerns were evident, although less universal, in the Panel’s input from and regarding Eastern Kings County. “Eastern Kings out-migration of youth is more severe than in other parts of the county or in the rest of PEI... the area is becoming an aging, less-educated community. Youth with post-secondary are leaving, dropouts are staying.” It bears noting that from the perspective of these regions, a move of youth to Charlottetown is still a loss to the local community. The central areas of the province, meanwhile, likely gain youth from the two extremities of the province to offset the out-migration of their own youth, echoing the two-step migration pattern out of PEI from the early years of the past century. The extent and patterns of this intra-provincial youth migration require further investigation.

The Panel also heard particular concerns from some demographic groups regarding youth issues. With regard to PEI’s Acadian and Francophone population, background information presented by the Société Saint Thomas d’Aquin indicated that its proportion of children and youth is drastically lower than the Island public at large. Children aged 0 to 14 account for 11.3 per cent of the Acadian and Francophone population compared to 21.9 per cent for PEI, the data state, while youth aged 15 to 29 account for some 13 per cent of the Acadian and Francophone population and 21 per cent of PEI’s population. Accordingly, over three-quarters of the Acadian and Francophone population is aged 30 or older, compared to 57 per cent for the Island public at large. The disparities are particularly noteworthy

in the 0 to 4 age group, a circumstance likely linked to the much smaller share of Acadian and Francophone population of peak childbearing age.

The Panel also heard a call from the Native Council of PEI for a deeper understanding of the circumstances of the Island's aboriginal youth. Noting that 70 per cent of the Native Council's members have not completed Grade 12, and that the drop-out rate for aboriginal youth is not known, the Council called for a comprehensive study, including interviews with parents and educators, of how many youth have left school before graduating and why they left, as a basis for recommendations for future action. Such research would increase understanding of the youth situation and assist in determining the direction needed to prepare them for a brighter future. "Many youth want to remain on the Island," the brief observed, "but if they do not see any potential for employment they will either leave or go on welfare. The Council does not want to see this happen because it is important that young people participate fully in our economy, government, and social structure."

Key Factors in Youth Out-Migration In summary, the major factors in youth migration identified by youth and other presenters included:

- C Lack of employment opportunities, the lack of diversity of existing opportunities, and the low wage rates on PEI: "We want to find work we're trained in Minimum wage needs to be higher, jobs need to be more than just a job, rather they need to offer a challenge, and competitive pay" Self-employment or work in a small business setting did not appear to be an attractive option for many youth, with an apparent preference for employment in a large organization with its perceived promise of attractive salary levels, benefits, and prospects for career advancement and personal development.
- C A perception, particularly in evidence in West Prince, of unequal access to the opportunities that do exist: many skilled jobs were said to be filled by people from outside the region, forcing the community's educated youth to leave for employment opportunities elsewhere. On a related issue, concerns were expressed by some about lack of equal access to opportunities due to the exercise of preference in hiring decisions. One consequence of this is a lack of local success stories to act as role models for local youth.
- C Limited access to post-secondary education: the Panel heard deep concern in West Prince and some concerns in Eastern Kings about the reduction in outreach post-secondary programming in recent years, an issue further explored later in this Report in the section on education.
- C The high and rising cost of post-secondary education: youth face pressures to seek and accept highly paid employment opportunities outside the province in order to pay down student debt in the range of \$20,000 to \$40,000. "Young people leave as a matter of financial survival," observed the PEI Teachers' Federation.
- C Limited leisure, recreational and cultural opportunities, particularly in rural areas: "From a

teenager's point of view, there is not much to do.... on weekends, there is not much to look forward to. If you want to do something, you have to go to the larger centres such as Summerside. . . West Prince needs more of a variety of things to do for all of its population, including teens.”

- C Difficulties in returning to PEI once out of province: according to the Panel's focus groups of youth and returned Islanders, once having left, it is not easy to return. Barriers include ties of employment, family and friendship at one's new location; fear of loss of career opportunities, job security, and employment benefits for both self and spouse if returning to PEI; lower wage and salary levels; and moving costs. However, even if people are prepared to break their ties in their chosen home, and accept a lower level of income and less job security in order to return to the Island—as many are—it is still difficult to “get back in.” It was noted that PEI is a small, tightly knit and sometimes closed-seeming society where specialized employment opportunities are limited, and where they do exist are often confined to a single employer. Moreover, access to opportunity was widely characterized as very dependent on “who you know,” not only in elected office but also within organizational hierarchies. Even former Islanders are affected by this; newcomers, far more so. Currently, returning to PEI requires determination, tenacity, and the resources sometimes to sustain a period without employment or business income. A real need was seen to find ways to make it easier to “come home.”

A recent study by the Department of Education⁵, presented at the Government Research Workshop, provides a quantitative counterpoint to these views from the Panel's consultations. The study involved surveys of 1,402 Grade 12 youth, 211 students at Holland College and UPEI, and a sampling of Islanders studying at other post-secondary institutions throughout the Maritimes. The study found:

- C Among Grade 12 students (92 per cent of whom had lived for six years or more on PEI), only 26 per cent of males and 22 per cent of females wanted to stay on PEI on a permanent basis; 30 per cent of males and 31 per cent of females did not want to stay, and 44 per cent of males and 46 per cent of females were undecided. Students were not very optimistic about finding work in their chosen occupation; 40 per cent indicated they were not sure they would find work, 30 per cent indicated yes, and 29 per cent indicated no.
- C Post-secondary students were more interested in staying on PEI; 74 per cent indicated they would like to stay and 26 per cent preferred not to stay. They were even less optimistic about their job prospects than the high school students, however: 42 per cent indicated that they did not expect to find work related to their field of study on PEI, 39 per cent were unsure, and only 19 per cent expected to find work in their field after graduation. Students placed high priority on finding work in their field of study; 78 per cent indicated it was very important and 21 per cent indicated it was somewhat important. Most of the students—90 per cent—were prepared to leave PEI in order to find work in their field of study.

The Department of Education has also investigated the factors leading Island youth to leave and those

which might draw them back, through a survey of 41 graduates of Island post-secondary institutions, now living outside the province⁶. Key findings of this unpublished study included the following:

- C About a third indicated that they have considered returning to PEI to work.
- C Almost three-quarters had student loans, and one-third still owed money on them. One-tenth indicated that they had experienced problems making loan payments.
- C Twenty-eight participants responded to a question on their reasons for leaving PEI. Factors included employment reasons (10, or 36 per cent of respondents); not originally from here/returned home (8, or 29 per cent); spouse's career (5, or 18 per cent); and further studies (5, or 18 per cent) .
- C Seven of 30 respondents of the total indicated that they had done a job search before they left PEI.
- C Nineteen of 28 respondents indicated that they would return if there were a job for them.
- C Eleven participants responded to a question on key barriers to returning home. All 11 identified a lack of job opportunities; 9 mentioned seniority; 9 mentioned family/personal reasons; 6 mentioned moving costs; 4 identified pensions; and 3 mentioned spouse's employment.
- C Twenty-six participants responded to a question on what factors would help them decide to return home. All 26 would want a similar job; 15 noted salary; 13 identified a moving allowance; 7 a "cash bonus"; 7 a payout of student loans; and 11 cited the lifestyle.

This study, while providing valuable insights, involved a small sample, and did not examine regional differences within Prince Edward Island. As well, it would appear not to have been widely disseminated, given the observation by the PEI Youth Council that "Government does exit surveys of tourists, but none of PEI's youth. How many young Islanders leave the Island at the airport, the bridge, or the ferry and never get asked why they are leaving, what they liked or didn't like during their stay, and what would make them come back to the Island to contribute to our economy and our society? Why do we have no exit survey for young Islanders? Our assumptions about why people stay or go may be false." The Youth Council called on Government to "follow up the work of the Panel with an analytical study of youth migration patterns, and work with youth and provincial youth organizations, and the private, volunteer, and educational sectors to develop a strategy for creating opportunities for youth to leave if they want to or stay if they choose."

The Panel endorses this call. If, indeed, youth out-migration is seen as a problem, it is essential for the nature, dimensions, and origins of the problem to be well understood. The Panel commends the Department of Education for its work to date on this issue, and recommends that:

12. A thorough study be conducted of youth migration patterns, both intra-provincial and inter-provincial, and the factors affecting youth migration, using the boundaries of the Regional Services Centres. The work should include a longitudinal component aimed at building a better understanding of transition patterns, including school-to-school, school-to-work, work-to-school, work-to-work, both within the province and outside.

The Panel notes, however, that not all presenters saw youth out-migration as a concern. A substantial number perceived it as normal and indeed desirable for young people to experience other, more diverse cultures and social milieus; to broaden their education and work experience elsewhere; to establish linkages and relationships outside the province; and to make their contribution to society nationally or globally. Regardless of whether youth out-migration is seen as positive or negative, however, there is broad consensus on three key points:

- C All our youth need the best education that the Island as a society can provide to them, to ensure their own future well-being wherever they may choose to live, as well as the future well-being of Prince Edward Island.
- C A greater number and diversity of employment opportunities are needed for those youth who wish to remain on the Island.
- C For those youth who do leave, action is needed to make it easier for them to “come home.”

Later in this report, a number of measures will be suggested to enhance education and employment opportunities for Island youth throughout the province, and to facilitate and encourage the return of youth who have left the province. Here, the Panel recommends that, as called for by the PEI Youth Council:

13. Youth and provincial youth organizations, governments, and the private, volunteer, and educational sectors, work together to develop a strategy for creating more and better opportunities for youth to stay if they choose, leave if they want to, or return if they wish. The strategy should include, though not be limited to, the following measures:

- C **expand youth internship programs to a greater range of occupations and a longer duration;**
- C **establish support programs to buy down student debt or support youth to study in areas of current or impending skills shortages for the province, in exchange for a work commitment;**
- C **design and implement structured ways for youth to spend a period of time outside PEI working or learning, and then return; and**
- C **design and implement means to attract youth from outside PEI to spend time in the province.**

The Panel also heard a call for youth to play a greater role in decisions affecting their future and that of the province. The PEI Youth Council noted that PEI will be affected by the coming demographic shift of aging baby boomers. Youth need to be involved now in long-term planning for the coming changes. “We need to recognize the opportunities that will open with massive retirement, and to begin to develop the skills we will need to fill the coming gaps in leadership and the labour force. We need to plan ahead for mentorship from the boomers whose jobs we will be filling, and to sustain the social infrastructure when pressures rise on pensions and health care.”

It was noted that, in Newfoundland, youth councils are integrated into their system of regional economic development councils. As PEI works to revamp community economic development in its regions, it was indicated, the Youth Council would like to work with Government, communities, and developers to ensure that youth’s voice and interests are represented in planning for community development. If change in our community is to be long-term, young people need to be involved in the process.

The Panel is in accord with this stance, and recommends that:

14. Priority be placed on promoting the formal involvement of youth in planning and public policy processes and in community and economic development activities, both at the provincial level and at the community level, by opening these processes to youth and by strengthening the capacity of youth organizations to participate.

The Panel also heard many concerns related to the health and well-being of Island youth, particularly those youth not well-served by the academic programs of the secondary school system; drop-outs; youth engaged in high-risk health behaviours; and young parents. Concerns were also noted about the sense of low self-esteem and powerlessness perceived among some youth; and early patterns of dependency on income support, particularly EI combined with low-paid seasonal work. These concerns appear to be more common with regard to, although not exclusive to, the low-income, low-skilled, underemployed youth who make up a disproportionate share of the youth remaining on or returning to PEI. Input to the Panel suggested that the long-term key to reducing these problems lies in greater attention to and investment in the early childhood years, a subject addressed further below. However, there also appears to be scope to meet the needs of today’s troubled and disadvantaged youth more effectively than at present.

According to the West Prince Health Authority, the education and health sectors deliver a variety of supports and services aimed at youth. These are largely accessed by youth who are highly motivated or in obvious need; many others fall through the cracks of these systems. A number of promising efforts in joint service delivery and coordination are under way, but “a significant void still exists. There is a lack of consistency in community based approaches to addressing the needs of youth ... [Many programs] have been ‘project’ type activities which have only temporarily created dynamic programs, supports, and services. The removal of these supports after the duration of the funding is terminated is often quite destructive to the trust and support which had been cultivated with individuals and communities—a trust which is difficult to regain ... Clearly a

community-based youth-focused structure is key to the creation of a community which can respond to the complex issues facing our youth... Advocacy, life skills, leadership skills, employment skills, information access, and support are all components of an effective youth-focused, community-based program. These areas of need are best met within the community itself...Communities are best at the creation of innovative solutions which are made at home and responsive to the unique needs as they present themselves.”

A related view was offered by the International Year of Older Persons (IYOP) Planning Committee: “With inter-generational understanding and support, our youth would experience a stronger sense of self-esteem and a greater sense of belonging to Island society. We recommend that Government provide opportunities for inter-generational interaction so that the wisdom, knowledge, and skills of the older population can be integrated with the dreams and aspirations of our youth and younger adults. Government needs to provide the financial and human resources to coordinate this inter-generational understanding and support so as to provide positive outcomes for all Islanders regardless of age.”

The Panel supports these views as complementary to the community-based approach outlined in the previous section of this Report, and recommends that:

15. The complex needs of disadvantaged youth be met through the creation of sustainable, appropriately resourced, regionally based community coalitions of government, community partners, employers, and youth themselves.

“Plan While We Can”: Preparing for Population Aging

The aging of the baby boomers is the most widely known demographic phenomenon of our times. At the research level, a vast body of literature exists, while at the level of popular culture, the image of the “basketball passing through the boa constrictor” is firmly embedded in the public consciousness. The broad implications of population aging are also widely understood. Despite this widespread awareness, there is less consensus on the extent of the policy challenges posed by these implications. As well, some of the key policy areas are within the domain of the federal government rather than the provinces. Although a full examination of this topic is beyond the scope of this work, the Panel has been able to identify some priority issues and to suggest some directions for further action. This section of the Report will draw on the Panel’s statistical research, selected literature, and input from consultations to provide the context and basis for those findings and suggestions.

Population Aging in Prince Edward Island Over the past several decades, the Island has seen a steady increase in the proportion of senior citizens in its population. This slow increase is expected to continue for the coming decade, followed by sharp increases after 2011 as the baby boom generation begins to turn 65. Seniors’ share of the population will continue to increase until the mid-2030s, after which it is expected to stabilize and then to fall. These changing proportions of all seniors and of older seniors (defined as those over age 75), are shown in the following table.⁷

Table 3. Seniors as a Share of PEI's Population						
Population Group	1901	1951	1999	2010	2021	2036
Age 65+	6.8 per cent	9.9 per cent	13.2 per cent	15.1 per cent	19.6 per cent	25.9 per cent
Age 75+	2.5 per cent	3.7 per cent	6.3 per cent	6.9 per cent	n.a.	n.a.

As with youth, these proportions are not identical across the province. Kings and Prince Counties have historically had a slightly greater proportion of the elderly, and this is forecast to continue. By 2010, 15.7 per cent of Kings County's population is projected to be over age 65, and 7.6 per cent over age 75, compared to 14.1 per cent and 6.3 per cent respectively for Queens County and 16.4 per cent and 7.5 per cent for Prince County. Based on the Panel's other statistical findings, it is suggested that the data for Prince County likely mask differences in age structure between East and West Prince, with the latter having a larger share of older residents.

A sub-trend of particular importance is the substantial increase in the number of the very elderly. The over-80 population is already growing rapidly, having doubled over the past 30 years, concentrated among women. By 2011, women over 80 will outnumber men two to one. By 2036, the number of women over 80 will nearly quadruple. Most will be single.

Problem or Opportunity? This Report has already touched on the issue of aging with regard to regional and national comparisons of age structure and dependency ratios, indicating that although PEI will experience substantial population aging, the extent and the impact on dependency ratios will be less than in the other three Atlantic regions. Nonetheless, there can be no question that major policy measures will be required to ensure an orderly adaptation to the social and economic impacts of this shift, and to maintain the well-being of all age groups in society. According to the PEI Senior Citizens' Federation, "As time passes, the overall social cost of population aging is shifting in a gradual and predictable way from the needs of the young to the needs of an older population. This shift will require a corresponding policy and program shift in health, housing, education, economics, transportation, social services, and other public sectors. The challenge for policy makers in every sector will be to manage the gradual shift in public spending from the needs of a younger to an older population."

The Federation further outlined some of the implications of population aging, which, if not cause for alarm are certainly sobering. Their anticipated impacts of population aging include:

- C a smaller tax base, leading to a shift from income to consumption taxes;
- C reduced demand for goods and services related to young families, offset by some growth in

sectors meeting needs of seniors; and

- C a smaller work force, starting by 2011 in PEI (unless offset by a move to older retirement ages, reversing the current trend).

Maintaining even modest economic growth and health and social programs with a smaller workforce will require very large increases in productivity, according to their brief. In our region, which has a smaller workforce and lower productivity than the rest of Canada, these challenges will be greater.

The impact of the increase in dependency ratios is also a topic of debate. As noted earlier, the dependency ratio even at its peak in the new century will not be as high as it was during the baby boom. On the other hand, it can be argued that the costs of caring for the young are lower and more likely to be borne by the family than are those for the elderly. It has been suggested that state expenditures on seniors are typically three times as high as state expenditures on the young.⁸ (These expenditures would presumably be split between federal and provincial governments in that they would include pensions and income support as well as health care and other services.) On the other hand, as noted by the PEI Senior Citizens' Federation, seniors contribute to their society not only socially and culturally, but also economically, as consumers—many of whom have independent economic means—as volunteers and caregivers, and as members of the labour force.

This perspective was supported by a number of presenters to the Panel. The consultations suggested, overall, that fears regarding the costs of population aging do not loom large in the public mind. Rather, a broad range of participants in both the public hearings and the focus groups urged the Panel to consider seniors, particularly senior in-migrants, as a potential economic engine for Prince Edward Island. While their consumption of goods is lower than among younger consumers, their consumption of services is high, resulting in significant employment opportunities.

In summary, population aging is an inescapable reality, which has both positive and negative dimensions. The challenge facing PEI is to maximize the positive aspects, while taking action to contain and prevent the negative aspects to the extent possible. In this regard, the experience and research of other jurisdictions offers some useful insights.

Findings from Elsewhere Population aging is a worldwide phenomenon, far more advanced in many European countries than in North America. Selected research studies from international bodies, other countries, and the national level identify similar issues and rank them in much the same order of priority.

The leading concern, consistently, is income security for retired seniors—the viability of public and private retirement systems and income support systems. Increasing life expectancy coupled with the trend to early retirement means that, even today, many people can expect to spend almost as many years in retirement as they did in the work force. The massive increase in retirees and decline in the working age population forecast to begin later in the coming decade will significantly increase pressure on retirement income systems and on the public revenues needed to sustain income support programs.

Current conditions of poverty and underemployment among working age people will intensify pressures on income supports for the elderly. Most industrialized countries have already taken steps to deal with these issues, through a varying mix of increased contribution rates for public pension systems, greater emphasis on private retirement savings, and measures or efforts to introduce a greater degree of means-testing and clawbacks in income support systems. There is no consensus, however, on whether these measures have been sufficient to ensure the viability of these income systems.⁹

To reduce these problems, many studies emphasize the need for shifts in labour market policies and systems to encourage older workers to remain in the labour force, reversing the current trend to early retirement. As succinctly put by the Organization for Economic Cooperation and Development (OECD), “Encouraging people to work longer would raise economic growth, increase the tax base, and reduce the numbers of dependent older persons, a triple gain.”¹⁰ Approaches include elimination of incentives to early retirements and of disincentives to continued labour force participation, flexible retirement age, phased retirement, training and retraining of older workers, and, underlying these, an attitudinal shift more welcoming of older workers and more accommodating of their characteristics.

The third major area of emphasis concerns health care and health promotion. It is recognized that many of tomorrow’s seniors will enjoy better health, higher incomes, and a higher level of education than was the case in the past. Indeed, this trend is already in evidence, bringing about a shift to “active aging,” with significant health benefits and an improved quality of life. Nevertheless, population aging means that health and long-term care costs are likely to rise, though perhaps less than once feared. Prescriptions to contain these impacts include:

- C a research focus on reducing dependence arising from conditions that particularly affect older people;
- C integration of care services for the frail elderly to promote quality and cost-effectiveness;¹¹ and
- C greater support for caregivers.¹²

More broadly, a need is recognized for an integrated array of measures to promote “healthy aging in place,” and generally to promote the health and well-being of seniors. Although a number of helpful devices and supports have been developed, “these efforts are fragmented and address single physical aspects of living: a better bed for the bedroom, a better lift for the senior van, or more accessible appliances for the home. We do not live in single environments. Life is made up of multiple and interrelated activities and of interdependent systems. Throughout life we work, we play, we communicate, we care, we learn, we move, and although it is crucial that we be able to function within a setting, it is the linkage among those activities that makes a quality life possible. An integrated infrastructure for independent aging should include a healthy home, a productive workplace, personal communications, and lifelong transportation.”¹³

These studies recognize that the range of issues entailed in population aging is so broad and all-encompassing that existing policy structures and systems are inadequate to address them in an integrated way. Moreover, current structures can impede objective analysis of issues and design of

innovative solutions: “Policy networks of administrative agencies, stakeholder groups, legislators, and experts typically control an issue area. Consensus within the group is generally based on existing definitions of problems, combined with a predetermined set of available and acceptable solutions. This structured bias keeps many issues from being considered and is a major barrier to policy innovation.”¹⁴

A clear need is seen for an integrated approach: “The agenda for policy reform for maintaining prosperity in an aging society requires a policy response cutting across traditional boundaries of economic, financial, and social disciplines, and across traditional areas of responsibility of government administrations. Strategic frameworks should be put in place now Since the main demographic pressures will start to emerge in about ten years time, our societies have a very limited window of opportunity to put reforms in place,” according to the OECD.¹⁵ This prescription echoes a leading recommendation from the consultations.

Advice from Home The Panel was reminded, during its consultations, that 1999 was the International Year of Older Persons, promoting the principles endorsed by the UN in 1991: independence, participation, care, self-fulfillment, and dignity. As noted by the IYOP Planning Committee, “A co-operative approach, by governments, industry, unions and the community is necessary to bring about a satisfactory response to the challenges of an aging population. We recommend the development of a PEI Strategy on Aging—strategies with realistic goals and measurable objectives so as to ensure that the Island’s population ages well and that older persons’ needs for a secure and productive future are met.”

Based on the research outlined above and on its analysis, the Panel believes that this suggestion has great merit. The Panel observes that, although there is much good demographic research and policy work going on throughout Government, most of it appears to take place within the mandates of individual departments and even of individual program areas. Program and service initiatives, while often worthy in and of themselves, generally respond to specific needs as they become prominent, and appear unlikely in the aggregate to create the optimal “integrated infrastructure for independent aging” referred to above. Moreover, the Panel is in agreement with the IYOP Planning Committee that all sectors of society must play a role if PEI is to meet the challenges of an aging society. Accordingly, the Panel recommends that:

16. An initiative be undertaken by Government in partnership with the private and community sectors, to develop a long-term Strategy on Aging for Prince Edward Island, setting out goals and objectives for healthy, independent aging, and measures to achieve those objectives.

17. Government increase its capacity to carry out demographic research and analysis, and establish a permanent, cross-departmental policy mechanism to:

- C provide policy and research support to the development of the Strategy on Aging; and**
- C provide a consistent information base throughout all departments and agencies for planning and for policy and program development on aging.**

18. An in-depth study be undertaken of the costs and benefits of an economic development strategy to attract retirees with independent means, particularly former Islanders, to retire in Prince Edward Island, drawing on the experience of other jurisdictions. This study should examine these impacts for two scenarios: seniors retiring to an urban centre, and seniors retiring to a rural area such as West Prince.

The Panel believes that these initiatives would not only lead to a more effective response to the challenges of population aging, but would also have value in building understanding and consensus both within Government and among the public regarding the opportunities embodied in population aging, and the measures needed to adapt to the needs and realize the opportunities of an aging society.

The Panel's consultations further indicated concerns about the range of policy and program areas touched on above. The PEI Senior Citizens' Federation touched on a number of other factors affecting seniors' future well-being:

- C health care, with particular priority on expansion of home care and supports for caregivers;
- C public transit, an issue that is "nearing the top" of seniors' organizations' priority lists;
- C education, with regard to seniors' needs for lifelong learning and skills training and retraining;
- C employment and retirement, with emphasis placed by both the PEI Senior Citizens' Federation and the IYOP Planning Committee on the need for flexible retirement policies to reverse the current trend to early retirement and keep seniors in the workforce longer;
- C income and social status, regarding which the PEI Senior Citizens' Federation stressed that the economic security of tomorrow's seniors will be determined by our ability to address poverty and inequality today;
- C social support networks, undermined by such trends as divorce, the economy, smaller family size, increasing mobility, and women's increasing labour force participation;
- C the natural and built environment and how it is maintained (extreme weather, poor road and sidewalk maintenance); and
- C housing, with a perceived need for more publicly funded and subsidized housing in the next decade.

These issues will be dealt with in more detail in the following section of this Report, on specific program and policy areas.

Our Children, Our Future

The Panel's public input related to demographic groups was dominated by concerns related to youth and the elderly—arising from the immediacy of the former issue and the impending magnitude of the latter. The Panel also heard a number of thoughtful presentations, however, on another issue of enormous importance to the long-term well-being, sustainability, and competitiveness of our society: the need to ensure that all Island children have the best start possible for a healthy, productive life.

Achieving this goal means that Island children (the term as used here refers to the period from conception to age 14) must have the basic necessities of adequate food, clothing, and shelter; must grow up in homes that are caring and safe; must have access to high-quality developmental and educational programs from their earliest years; and must feel valued and included by their society. While the majority of Island children do grow up in these positive conditions, a significant share do not, and it would appear that this share is growing. As put by the Eastern School Board, "Some of our children believe that they have little hope of ever having a job and being self-sustaining. Why shouldn't they believe that? In many of their families, no one has worked steadily for three or four generations: these children are defeated almost out of the womb. Their heads are down and their horizons end a foot in front of their shoes." This concern was affirmed as well by the PEI Teachers' Federation, which noted that the unavailability of full-time employment carries with it serious social consequences. "The effects of poverty on children and youth can be devastating. As well, it is difficult for teachers to create positive images for the future of children and youth when all they see is a picture of seasonal unemployment and Employment Insurance."

From CHANCES, the Panel heard the mounting evidence about the crucial importance of the earliest years of life, a reality being recognized by major organizations worldwide. "There is powerful new evidence from neuroscience that the early years of development from conception to age six, particularly for the first three years, set the basis for competence and coping skills that will affect learning, behaviour, and health throughout life." According to Ontario's recent *Early Years Study*, the experiences of the first years of life affect brain development through both a wiring or a connecting of the billions of neurons of the brain, and a sculpting or pruning of those pathways depending on the extent to which connections are used or unused. Many of the critical periods for brain development, including binocular vision, emotional control, habitual ways of responding, language and literacy, symbols, and relative quantity, are over or waning by age six. Although it is possible later to develop the brain's capacity to compensate, it is difficult to achieve its full potential. Children who receive inadequate or disruptive stimulation in the early years of life will be more likely to develop learning, behavioural, or emotional problems in later life.¹⁶

Our children are often referred to in rhetoric as our most important resource. Statistics indicate that, while this resource is "renewable," it is also shrinking, rapidly. As described in the Backgrounder, the combination of declining fertility rates and of baby boomers ending their peak childbearing years has resulted in a sharp drop in the birth rate during the 1990s. PEI's births peaked in the mid-1950s at almost 2,700 a year (despite a smaller population), stabilized at almost 2,000 births a year throughout

the 1970s and 1980s, and then fell significantly during the 1990s, to barely 1,500 in 1998. Births are projected to stabilize again at this lower level throughout the first decade of the new century. Children’s historical, present, and projected share of the population is set out in the following table, by preschool, school age, and total.

Table 4. Children as a Share of PEI’s Population						
Population Group	1901	1961	1981	1999	2010	2036
Age 0 - 4	11 per cent	12.6 per cent	7.8 per cent	6.1 per cent	5.3 per cent	n.a.
Age 5 - 14	24.3 per cent	23.4 per cent	17 per cent	14.3 per cent	11.2 per cent	n.a.
Total 0-14	35.3 per cent	36 per cent	24.8 per cent	20.4 per cent	16.5 per cent	15.1 per cent (est)

Although we have fewer children among us today than in the past—and we will have fewer still in coming years—a substantial number of those children are growing up in disadvantaged circumstances, despite the increasing prosperity of our society. The Panel acknowledges that Prince Edward Island has a smaller share of children below Statistics Canada’s Low Income Cut-Off than any other province, and that it was one of only three provinces to avoid an increase in the number of children under the Low Income Cut-Off between 1989 and 1997. These are commendable achievements and speak to the level of compassion in Prince Edward Island’s society. Nonetheless, in 1997, 5,000 children, or 14.9 per cent—more than one child in seven—were below the Low Income Cut-Offs¹⁷. Given the clear links between low income and adverse educational and social outcomes, this is cause for concern.

As noted by the PEI Senior Citizens’ Federation, our future prosperity and well-being rests on the shoulders of today’s children. They must ensure that our society meets the needs of twice today’s number of seniors while maintaining productivity and competitiveness, despite a smaller workforce. Conditions of poverty, hopelessness, and deprivation among today’s children undermine the attainment of those goals. Amelioration of those conditions will yield lifelong dividends, for those children and for all Islanders. The Panel considers it imperative, then, that the highest priority be placed by all sectors of society on investing in the early childhood years to ensure that all Island children can grow and develop to their fullest potential.

Action will be needed across a broad front of policy and program areas to achieve this goal, including parental supports, education for both children and their parents, employment, health, and income support. As before, specific recommendations will be made in the following section of this Report; here, as with youth and seniors, the Panel would like to focus on broad priorities and directions. The Panel notes that Government is already taking action in this area through several measures, including its

initiative to establish the Healthy Child Development Strategy, its design and testing of integrated service models in the elementary school system, its enhancement of health and child care supports for the working poor, and its recent commitment in the Throne Speech to reviewing the adequacy of social assistance income supports. The Panel commends these measures, and recommends that:

19. All sectors of society place highest priority on developing and implementing integrated, community-based strategies and measures to enable all Island children to grow, learn, and develop to the fullest of their potential.

20. All sectors of society commit to a goal of reducing the number of Island children below Statistics Canada's Low Income Cut-Off by 10 per cent a year.

“La Survivance”: Island Francophones and Acadians

Island Acadians and Francophones have played a central role in the province's history for almost three centuries, with many of today's Acadians proud to be twelfth- or thirteenth-generation Islanders. Their language and culture add richness and diversity to PEI. They are an integral part of our society, with an impact far greater than the official numbers would suggest—according to the 1996 Census, while six per cent of Islanders reported French-only ethnic origins, another 18 per cent indicated that their ancestry was partly French. Their achievements in the areas of co-operative development and in community transformation through the creative use of information technology have brought Prince Edward Island international attention and acclaim.

In addition to its social and cultural contributions, the Acadian and Francophone community also represents a significant competitive advantage and economic development opportunity for Prince Edward Island. In an era of globalization, PEI can gain access to Francophone markets, attract and serve Francophone tourists, and draw businesses which need bilingual workers. As well, as noted by the Société Saint Thomas d'Aquin, “the population strategy should take into consideration that a vibrant and dynamic Francophone community does exist and could attract other Francophones from Canada and outside the country to the Island.”

Today, however, this vital part of PEI's society is at long-term risk. The immediate threats stem from out-migration and from the impacts of a majority culture. Census data indicate that PEI had a net loss of 605 Francophones to out-migration in the 1986–91 period and a gain of 320 in the 1991–96 period, for a net loss of 285. However the long-term and perhaps greater risk lies in the demographics of this key group of Islanders.

In 1951, some 8,500 Islanders, or 8.6 per cent of the total, reported French as their official language. By 1996, according to the Census, this number had declined to 5,880 Islanders, or 4.4 per cent of the population, a level and proportion that has remained relatively unchanged since the early 1980s. Seven out of ten Acadians live in Prince County, particularly in the area of Wellington and Abrams Village, in the area of Tignish, St. Louis, and Palmer Road, and in and around Summerside, accounting in total for

some 10 per cent of the county's population. A significant number live in and around Charlottetown, and smaller communities in the Rustico and Souris areas. Encouragingly, as well, the number of Islanders who speak French has increased from the 1951 level of 8,500 to a level of almost 15,000 in 1996, reflecting the fact that Prince Edward Island has Canada's highest participation rate in French immersion education.

The stabilization of this population group and expansion of the use of French since the early 1980s is attributed by the Société Saint Thomas d'Aquin, in its brief, to the efforts by the Acadian community, with the support of Island and federal governments, to develop institutions to live and develop in French on PEI. Accomplishments include a French-language school system; innovative, successful economic development based on cooperative approaches and new technologies; and expansion of French-language services with the support of federal-provincial agreements and more recently the new *French Language Services Act*. These advances may also have helped make PEI an attractive destination for Francophones: according to the Société's brief, over 30 per cent of Francophones now living in PEI were born outside the province—29 per cent in other Canadian provinces, and 1.6 per cent in other countries.

While the maintenance of population levels over the past two decades is a significant achievement, this apparent stability in total numbers masks the fact that the age structure of PEI's Acadian and Francophone population differs sharply from that of the public at large, in that over three-quarters are aged 30 or older. Youth aged 15 to 29 account for 13 per cent of the Acadian and Francophone population, compared to 20 per cent for PEI, while children aged 0 to 14 account for 11.3 per cent, compared to 21.9 per cent for PEI. Most notably, children aged 0 to 4 account for only some two per cent of the Acadian and Francophone population, compared to 6.1 per cent for PEI. At the other end of the age scale, over 20 per cent of PEI's Acadian and Francophone population is over the age of 65. For the moment, this age structure results in a large proportion of the population of working age; however, in the longer term it spells population decline.

It is understandable, given this circumstance, that the briefs received by the Panel from the Acadian and Francophone community placed strong priority on measures aimed at recruiting and retaining children and youth to its population base, notably through the expansion of French language education beyond those communities presently served, as well as post-secondary education options and high-quality, technology-based employment.

The Panel notes with approval Government's recent measures to sustain and build PEI's Francophone and Acadian community through expansion of French-language service delivery. Noting that despite these measures and the many successes that have been achieved, PEI's Acadians and Francophones are at long-term risk of a "population crash," as it is known in ecological parlance. The Panel recommends that:

21. Priority be placed on measures to sustain and foster PEI's Acadian and Francophone community as an integral element of the Island's culture, society, and economy.

“Open Our Doors”: New Islanders

Prince Edward Island, like Canada, is a society largely built by immigrants—although, as noted by the PEI Multicultural Council, in those early days they were referred to as “settlers.” Following the waves of immigration from the British Isles in the early 1800s, the Island spent nearly a century watching later waves wash past its shores to other destinations. With the notable exception of the Lebanese community, who began to settle in PEI in the late 1800s, the province saw little immigration until after the Second World War. During the late 1940s and early 1950s, immigration reached a level of several hundred people a year, many of them leaving the post-war conditions of Northern Europe and drawn to the agricultural sector in PEI. Immigration then dropped below a hundred people a year during the late 1950s and early 1960s. Indeed, from the mid-fifties to the beginning of the 1970s, PEI experienced a substantial net loss of several hundred people a year to other countries. The flow became positive again throughout much of the 1970s with the advent of the Comprehensive Development Plan. Since the early 1980s, immigration has stabilized in the range of about 150 people a year, while emigration has also stabilized at about half that level, for a net gain of about 70 people a year, or about 1,500 over the past two decades. Recent immigration has been comprised almost entirely of the refugee and family classes, with very few independent and business class immigrants choosing to settle in PEI.

These more recent “settlers” have made enormous contributions to PEI, both as individuals and as members of ethnic groups lending diversity to PEI’s culture, and innovation and skills to its economy. The aggregate role of immigrants in PEI, however, has been much smaller than in other parts of Canada. PEI is not unique in this respect: the other Atlantic Provinces and the Prairie Provinces of Manitoba and Saskatchewan also receive very few immigrants, with about 95 per cent choosing to settle in Ontario, British Columbia, Alberta, and Quebec. As a result of these migration patterns, at the time of the 1996 Census, PEI had just under 4,400 residents, or 3.3 per cent of its total, who had emigrated from other countries to PEI. The majority—over three-quarters—had come from the U.S., the U.K, and Northern and Western Europe. These international in-migrants are most likely to have settled in Queen’s County. Census data further indicate that PEI is losing diversity due to out-migration. PEI lost 240 allophones (people whose background is other than Anglophone or Francophone) in the 1986–91 period and a further 90 in the 1991–96 period, for a total loss of 330 over the decade. As one consequence, PEI remains a much more homogenous society than the Canadian average. According to the 1996 Census, fewer than one percent of Islanders speak a non-official home language, compared to 10.4 per cent for Canada as a whole.

If PEI is to adopt the goal of one per cent annual population growth recommended earlier in this Report, it can only achieve it in the short to medium term through improving the net migration balance: losing fewer people to out-migration, and/or attracting more people to move here, either from other parts of Canada, or from other countries. In the longer term, to the extent that the province retains or attracts youth and young families, the age structure of the population will be changed in a direction that will slightly increase the birth rate from the forecast level. **For now, however, the Panel considers that incremental population growth in PEI depends almost entirely on the extent to which**

migration factors can be influenced. International migration is obviously a key component.

The Panel's consultations indicated substantial support from many quarters for increased immigration from other countries. As put by the Youth Council, "The strategy should encourage the flourishing of diversity in the Island population. We want to live in a society that welcomes individuals of all ages, socio-economic backgrounds, ethnicities, creeds, and lifestyles." The Western School Board, meanwhile, stated, "The Island needs more foreign students, companies, cultural exchanges, etc., to broaden the cultural and multicultural base of the province." The Cooper Institute observed, "Above all, to have a healthy population either at current or increased levels, we need to value diversity ... PEI would be much richer in every way if we opened our doors to more new immigrants and refugees. We need more colour, literally and figuratively. We need the sound of new languages, new music..." The Regional Cooperative Development Centre noted, "It should be a pillar of government policy to encourage immigration and exchanges. The co-op system does that, e.g., Farmers Helping Farmers. In a global marketplace, the more linkages the better, especially if those are rooted in friendship and collaboration, not just money."

Despite these positive views, these presenters recognized that some changes are needed to make PEI a more welcoming destination for newcomers. "... we need to overcome our collective reserve toward 'people from away'," observed the Cooper Institute. The PEI Federation of Labour commented, "It is obvious that greater opportunity and greater supports may be necessary to encourage both cultural diversity and economic growth in PEI ... at a social level, PEI has a very high degree of civic engagement and community life, but we must welcome newcomers into that." With regard to protection of privacy, the Western School Board called on the Province to enact privacy protection legislation to make it a place where people, business, and institutions feel safe from abuses in the public domain, noting that PEI is the only province in Canada without such legislation.

These perceptions were corroborated, often movingly, by the input from the focus groups. Participants in the focus groups of interprovincial and international migrants to PEI almost unanimously described a sense of being viewed as being "from away" and of not being fully accepted into the community, despite often having lived in PEI for decades. Islanders were seen as friendly and hospitable up to a point, and open-minded in some respects, as demonstrated by PEI's secular school system, but withholding of full acceptance of outsiders and newcomers. In this regard, the Island's very strong emphasis on its heritage and on "the Island way of life," while building cohesiveness and connectedness among existing Islanders, can be exclusionary of those who are not a part of that past and whose culture differs from that "Island way of life." While a sense of rootedness can be of great value, it should not render our sense of identity so inflexible that we close the doors of our minds to what we are today and what we can be in the future.

The homogeneity of PEI's population was noted, and perceived as a negative feature by most. Linked to this, perhaps, a strong cultural norm of "sameness" was identified, often bewildering to "come from aways": "... no one is supposed to stand out, to be a different colour, to be too successful, too smart, to have strong opinions that differ from the norm and to voice them. Something is needed to foster an

acceptance and indeed a celebration of diversity in our society...” This cultural norm would appear to have particular impact on minorities. “Life is not as easy in PEI for a dark-skinned person ... you have to prove yourself at every turn, you need connections, we came with none ... for my children, there was no one like them that they could be free with.”

These views were affirmed and lent depth by the presentations from the PEI Multicultural Council and the PEI Newcomers’ Association. The Multicultural Council opened by noting that it is important for all Canadians to understand, and Islanders in particular, that immigration is the principal means by which our country will grow and prosper. (In support of this statement, the Provincial Treasury presentation at the workshop noted that 1997 marked the year in which immigration made a greater contribution to Canada’s population growth than did natural increase, and that this share is expected to grow over the coming decades.) Research indicates that immigrants make a net economic contribution to society, affirmed the Council’s brief, a statement corroborated by the Panel’s own research.¹⁸ PEI and other smaller communities are in danger of becoming a new minority in the evolution of the Canadian population mix. Regions that do not share or join in this new reality, it was asserted, will be left out.

It was suggested that PEI lags far behind Canada in its acceptance of immigrants and recognition of the multicultural society in which we live. Issues of particular concern, according to the Multicultural Council, include the following:

- C PEI divides its people into Islanders and those from away. Those from away are categorized by where they come from and by race.
- C There is concern among Islanders about immigrants causing overcrowding and displacement.
- C PEI’s economic situation is not very attractive to the prospective immigrant.
- C Little has been done by the Province to prepare a climate of more than superficial welcome to new immigrants.
- C Immigrants are hindered from making their full economic contribution to the country due to lack of recognition of immigrants’ skills and credentials, resulting in a loss and waste of human capital.
- C Multiculturalism as a characteristic of society is a national policy that has not been successfully advanced in PEI to date.

The Multicultural Council focused its recommendations on creating a more favourable policy framework and social climate for international immigration to PEI, calling for legislative amendments to enshrine recognition of multiculturalism in law; implementation of an employment equity policy; greater support for community organizations involved in promoting multiculturalism; increased emphasis on cross-cultural understanding in the educational system and the workplace; and negotiation of a federal-

provincial agreement on immigration, as has already been done by most other Canadian provinces.

Many of these concerns and suggestions were affirmed by the Newcomers' Association of PEI, whose brief called on PEI to increase its number of immigrants coming and staying, noting that they bring net economic benefits. The Population Strategy should put priority on in-migration, and on creating welcoming conditions for newcomers. In particular, the Association called on the Province to take the following stands with regard to immigration:

- C It should not be restricted only to people who speak an official language.
- C The Province should pursue a greater proportion of its share of national immigration.
- C PEI should put more emphasis on attracting business class immigrants (while at least maintaining its humanitarian effort).
- C The Province should make a greater effort to retain those who come here. Their daily experience is that newcomers are shocked by the lack of supports, and leave in a week, or a month, or a year.

Concern was also expressed by the Newcomers' Association about the underlying social climate for newcomers, whose representative suggested that more education was needed to promote acceptance of diversity and understanding of its benefits. He also urged that PEI establish goals and measures to attract more independent immigrants and entrepreneurs, rather than letting ourselves be perceived as the "smallest and poorest."

The Panel also heard views on this issue from the West Prince Chamber of Commerce. Speaking in the context of its concerns regarding youth out-migration, labour shortages, and unmet local needs, the Chamber was of the view that people who choose to come to PEI should do so of their own accord, and not be financially supported to come here. It was suggested that they should come with employment already in mind. PEI must not increase the demands on its social programs to finance its population base. If Government opens competitions to immigrants, there should be measures in place to favour Islanders as a first choice. Priority should be put on creating conditions to help people remain in PEI, and on facilitating growth and expansion of existing businesses. As the Chamber was one of the relatively small number of business sector presenters, it is not known whether these views are typical of the private sector at large or influenced by the particular challenges facing West Prince.

The Panel was made aware, during its work, that the provincial government is in fact engaged in negotiating a federal-provincial agreement in the area of immigration. Constitutionally, the immigration field is one that is shared between the two orders of government, with federal paramountcy. In the defunct Meech Lake Accord, a commitment was made to give provinces a greater role in immigration, and although the Accord itself failed, the federal government followed through on the commitment with a series of agreements with provinces, beginning with Quebec. Among other features, these provide for

greater provincial input into the selection of immigrants, including the option of “provincial nominees.” Under this provision, provinces can designate individual immigrants deemed a priority by the host province, even if they do not necessarily meet the federal national requirements, thereby making the system more responsive to local and regional social priorities and labour market conditions. The agreements also provide for a greater provincial role in administration, potentially resulting in more expeditious processing of applications. PEI is the last of the provinces to negotiate such an agreement. Completion of the negotiations is pending the establishment of a provincial policy framework, currently under development.

The Panel also notes that while a provincial Multiculturalism Policy is in existence, it dates back over a decade. Among other things, it establishes a ministerial advisory structure, which, although active in the past year or so, has experienced lengthy periods of inactivity. Given the changing role and focus of some of PEI’s community-based multicultural organizations, it may be appropriate to review the policy and its public participation structures and renew them in light of current conditions.

The Panel recommends that:

22. Increased priority be placed on immigration as a means of population development. PEI should maintain its humanitarian effort, while increasing its efforts to attract independent and business-class immigrants. While newcomers from all lands should be welcomed, it should be recognized that established host communities are an attraction for newcomers and contribute to successful integration; accordingly, PEI should place particular emphasis on working with established host communities in PEI to attract new immigrants from those countries. Efforts should continue to conclude a federal-provincial agreement on immigration in support of those goals.

23. Government review and renew its multiculturalism policy, including:

- C establish a vision and goals regarding multiculturalism;**
- C develop a legislative framework and appropriate legislative amendments;**
- C establish an appropriate community engagement structure with a clear mandate;**
- C integrate the Province’s immigration policy and approaches; and**
- C develop a strategy to promote acceptance and valuing of diversity in the education system and among the public at large.**

24. Prince Edward Island’s capacity be strengthened to welcome newcomers and to assist them to establish themselves as members of our society. Particular emphasis should be placed on additional official language training supports; on means to support labour force entry by newcomers, including review of credentials and work-term placements; and on encouraging community-based initiatives to welcome and integrate newcomers.

The Panel is of the view that immigration from other countries must play an essential and growing role in

achieving the population growth targets called for in this Report. If it is to do so, PEI must be prepared to take action to ensure that it opens its doors, literally and figuratively, to a more diverse population than it has known in the past. In so doing, the Panel is convinced that Prince Edward Island will benefit in every way.

“Bring ’Em Back Home”: Islanders Away

The Panel’s Terms of Reference identify three priorities for the Population Strategy: “keep youth in the province, attract Islanders living away to return, and foster immigration to PEI.” Based on its research and consultations, the Panel believes that the inclusion of “Islanders away” as a target group is very well-advised. As described in the Backgrounder, some 47,000 people born in PEI currently live in other provinces of Canada—almost 40 per cent in Ontario, another 25 per cent in Nova Scotia and New Brunswick, smaller concentrations in Alberta, B.C., and Quebec, and a scattering in the Prairies, Newfoundland, and the Territories.

Although not all of these former Islanders wish to return home, considerable anecdotal evidence exists that many of them do. They call family and friends as to whether they “know of anything”; they visit *The Guardian* website and the PEI government website; they engage in job search during their holiday visits home. Some are successful in returning to a job; an unknown number of others take the plunge and return home to make their own futures. The Panel met with a focus group of these returned Islanders, and was deeply impressed with their commitment to PEI, their entrepreneurialism, and their spirit of opportunity. While some members of the group had struggled or were currently facing employment challenges, the majority had established themselves and saw substantial further possibilities for development in their communities. A number were active in community organizations and local development. It was apparent that for many, their time “away” had enabled them to look at PEI through new eyes and to see strengths and opportunities not always apparent to lifelong Islanders. The Panel is convinced that an increase in the number of returned Islanders is likely to bring an injection of energy, ideas, resources and skills to PEI, from people who know and care about PEI and who want to come here.

It would appear that within the category of Islanders away, two sub-groups are particularly likely to want to return to the province: young families, and “young retirees.” It was clear to the Panel that one of PEI’s most significant areas of comparative advantage, in the sense of competing for in-migration, is that it is a “great place to raise a family.” It is perceived as a caring, safe society in a beautiful and clean physical environment. These features also hold strong attraction for retirees, many of whom are still youthful by traditional standards. On the other hand, it was clear that PEI faces some disadvantages in drawing people back. Chief among those was the financial sacrifice involved, both in terms of giving up secure lifetime careers for a more uncertain future, and experiencing a drop in wages or salaries—a sacrifice that participants in the focus groups were largely prepared to make in exchange for the quality of life benefits they perceived. The quality of education and of health care were also identified as very important factors, with the lack of kindergarten and the difficulty in finding a family physician receiving particular mention as negative factors. Once here, meanwhile, one of the chief things that would make

returned Islanders leave again, according to some focus group participants, was the perceived closed-mindedness of the local population and its resistance to change, new opportunities, and new ways of doing things.

The potential benefit of the “Islanders away” community is not solely as a source of population growth for PEI. Far more can also be done, in the view of the Panel, to reach out to those former Islanders where they live and draw on them as a source of knowledge, business linkages, and investment capital. Opportunities include mentoring, youth internships and exchanges, business and trade ventures, and investor clubs.

To fulfill these possibilities, a better information base is needed on “Islanders away.” A number of potential information sources exist, including specialized census data, alumni databases, existing surveys, the Province’s Human Resource Registry, subscriber lists to Island periodicals, provincial web site queries, and so forth. While time did not permit the Panel to explore these in detail, such work is needed as a basis for any effective strategy to attract Islanders away to come home. The Panel recommends that:

25. A research initiative be conducted to define the “Islanders away” target group; to identify segments within this group; to identify PEI’s features and disincentives for these market segments; and to design information and marketing initiatives to reach out to and attract selected segments to return to PEI or to establish closer ties to PEI. The findings of this research should be used to shape and guide the priorities and approaches of the Population Strategy measures suggested in the following sections of this Report.

26. An outreach strategy be designed and carried out to develop closer economic, business, and social ties with the community of “Islanders away.” Specific initiatives could include investor clubs, business mentoring, internship placements for Island youth, work exchanges, and trade development.

Other Canadians

The Panel wishes to also address another very important group of current and potential Islanders not mentioned in its Terms of Reference: Canadians from other provinces. The analyses presented to the Panel tended to dismiss this group with the observation that net interprovincial migration has tended to be zero over the long haul and is expected to remain so. While this has been the case in the past, it should not be taken as a given that this will be the case in the future. Moreover, the Population Strategy must be about more than net quantities of people; it must also address qualitative issues.

In this regard, it is important to note that almost a fifth of today’s Islanders were born in other provinces of Canada, and that those 24,600 people are an integral part of our population, many of them having made major contributions to the province’s economic, social, and cultural development and well-being. The Panel’s focus group research suggested some very important features about this group, including

- C an intense attachment to PEI;
- C an appreciation of its positive aspects often deeper than that of lifelong residents;
- C a tolerance for its disadvantages generally greater than that of the international migrant group;
- C active engagement in community and volunteer activity and the arts; and
- C a strong commitment to PEI's future.

There also appeared to be a greater attachment to PEI among the children and youth of these interprovincial migrants than among the children of the international migrants focus group, virtually all of whom had left the province for destinations worldwide.

The focus group approach is a qualitative technique which does not yield the statistically valid quantitative data that can be generalized to the larger population. Nonetheless, the fact that this group is made up of people who chose to come here and to stay here, sometimes in the face of adversity, suggests that this sub-group of Islanders and potential Islanders has value even beyond its significant numbers. They should not be overlooked in the Population Strategy. Many of the measures and initiatives outlined in the following sections will address their concerns and priorities as well as those of Island youth, "Islanders away," and newcomers. Further work is needed, however, to better understand this segment of PEI's population. Accordingly, the Panel recommends that:

27. A research study be carried out to define the portion of PEI's population made up of people who have moved here from other provinces, to identify segments within this group, and to identify PEI's features and disincentives for these segments, as a guide to the design and implementation of Population Strategy measures and initiatives.

28. A demographic analysis be conducted of the province's summer residents, including an exploration of their interest in making PEI their permanent home someday, and the factors that might influence their decision in this regard.

5. “Be The Best We Can Be”: Key Policy Sectors

The first of the Panel’s Terms of Reference calls on the Panel to “look into PEI’s current and projected population mix and consider the implications for PEI’s economic health, the allocation of public resources, the land and resource base, the labour force, and infrastructure.”

Much of the public input to the Panel consisted of concerns and advice relevant to this task. Although the majority of presenters focused on the present, a substantial number also addressed the future implications of demographic trends for public policy, programs, services, and resources. Many of the presenters offered detailed, specific recommendations for action in those areas. As well, the Panel received much valuable background information on these policy sectors from the officials who participated in the one-day Government Research Workshop held on September 29, 1999, and in meetings with the Panel’s research staff.

This section of the Report will examine those areas of public policy, in the order of priority judged by the Panel to have been demonstrated at the public hearings.

- C Education in all its aspects was clearly the leading priority of those who presented to the Panel. Virtually every brief and submission touched on the topic, and a number were devoted solely to it.
- C Economic development and employment issues and challenges ran a close second, with the majority of briefs identifying this area as a critically important determinant of population trends.
- C Health and health care issues, while not mentioned by as many presenters, were identified as the area of public policy and public expenditure most likely to experience major impacts from population aging, especially in the longer term. Income support issues were also addressed.
- C Protection and enhancement of our natural environment, while also not a universal concern, was an issue of great intensity of concern among those presenters who addressed it.
- C Planning and development of the built environment—that is, land use management and planning, roads, infrastructure, and housing—is an area that already faces impacts from past and current population and demographic trends, and which plays a key role in any strategy to promote additional population growth.

Although the Panel did not receive public input with regard to taxation, the Panel’s research indicates that population aging will have major impacts on governments’ revenue bases, although the main impacts of these trends lie several years into the future. With the forecast decline in the workforce as the baby boom reaches retirement age, income tax revenues will decline. As seniors-driven spending shifts from goods to services, consumption taxes will be affected. The Panel also notes that many of the Province’s transfer revenues are closely linked to population level and to PEI’s share of national

population. The slowing growth predicted for PEI will affect those revenues adversely, while any enhanced population growth arising from the recommendations of this Report would have a positive impact on transfer revenues. At the same time, the level of taxation was considered by some, though not all, focus group participants to be a key factor in the province's capacity to hold its most talented people and its ability to attract people. Given the importance of a strong revenue base to PEI's ability to fulfill the recommendations of this Report, the Panel urges that priority be given to investigating these implications further and to developing alternatives for consideration regarding domestic taxation.

As a preface to this section, the Panel reaffirms its belief, as stated at the outset of this Report, that a Population Strategy must first and foremost serve PEI's existing population. It has been said that "If you take care of people, population growth will take care of itself." The Panel differs somewhat, noting that "taking care of people" may not be **sufficient** to ensure population growth—hence the strategies and interventions suggested in this Report to augment forecast levels of population growth. "Taking care of people" is, however, definitely a **necessary** condition for population stability. According to *The Economist*, former Iron Curtain countries, many of which are experiencing continued economic and social turmoil, account for nine of the world's ten fastest declining populations; ten of the world's fifteen lowest fertility rates; and eight of the world's ten highest abortion rates, both in the past decade and forecast for 2000-2015.¹⁹

The Panel is convinced that policies that maximize access to opportunity, promote human development and social justice, and maintain and enhance the quality of life for the people who live here today, will have a profoundly important effect on encouraging people to stay in Prince Edward Island or to move here. The recommendations set out below are intended to contribute to those goals.

Education: The Roots of Growth

The Panel has used the title "roots of growth" advisedly. In its internal discussions, the Panel employed the metaphor of a tree to describe its priorities: if the overall goal of steady, moderate sustainable growth is the trunk, and the twin priorities of the "where" and the "who" addressed in the foregoing sections are the branches, then education represents the roots of the tree—without which it will wither. In short, the Panel firmly believes that the critical importance of education cannot be overstated.

Government has a window of opportunity in the coming decade—a decade in which the labour force will continue to grow and the dependency ratio will continue to fall; a decade holding strong promise for growth in the economy, in productivity, and in Government revenues. It is crucial to look beyond the pressures that appear to beset the public purse on a day-to-day basis and prepare for the longer term when these favourable conditions will reverse themselves, and PEI must adapt to a shrinking labour force, a narrower revenue base, and an increasing number of dependent citizens. There can be no question, in the Panel's view, that the single best investment of public resources that can be made in preparation for that time is education, for Islanders of every age. Education will prepare our children to be productive, confident, fulfilled citizens and break the cycle of poverty and despair for those currently trapped there; it will give our youth better access to opportunity wherever their future may lead them; it

will ensure that PEI's economy has the skilled knowledge workers it needs to grow and prosper; and it will promote the health and well-being of individual Islanders, their families, and their communities.

This section now turns to an overview of the input from consultations and research, and the recommendations arising from that input, set out in a life cycle sequence.

The Early Childhood Years The Panel has already called upon Government, in recommendation 19, to place the highest priority on “developing and implementing integrated strategies and measures, in partnership with other sectors of society, to enable all Island children to grow, learn, and develop to the fullest of their potential.” Such an investment will increase the return on all subsequent investments in education, and will help to prevent ill health, dependency, illiteracy, and criminality—yielding lifelong benefits to the individual and society and substantial savings to the public purse.

The Elementary-Secondary School Years It was clear from the Panel's research and the input it received that the area of elementary-secondary education is already being significantly affected by demographic trends, and that these impacts will increase over the next several years. As noted in the Backgrounder, annual birth rates have declined year after year since the early 1990s, dropping from 2,028 in 1990 to 1,565 in 1998. The first three years of these successively smaller cohorts have entered the school system by now, and the birth rate is forecast to continue to remain low until the latter years of the next decade, before recovering slightly. The Provincial Treasury's forecast figures for PEI, and by county for the 5 to 14 age group, or the elementary and junior high age group, are set out in the following table.

Table 5: Elementary and Junior High-Aged Population, 1990–2010				
	Kings	Queens	Prince	Total
1990	3,118	9,988	6,742	19,848
1999	2,950	10,282	6,545	19,758
2010	2,170	8,548	5,104	15,820
per cent Drop 99-10	- 26.4 per cent	- 16.9 per cent	- 22 per cent	- 19.9 per cent

The impacts of this population decline are concentrated among particular communities and groups in PEI, as indicated by the input to the Panel.

The Eastern School Board described its forecasting model to the Panel, noting that experience since 1996 has shown it to be accurate to within one per cent. The model forecasts a drop of 977 students in the Eastern School District over six years, falling from 15,809 in 1997–98, to 14,832 in 2003–04. As the model is based on births by postal code area, it allows considerable geographic precision in

forecasting. The model indicates that the district's centre will hold, and the extremities, particularly Eastern and Southern Kings, will experience a substantial drop in population. Most schools will suffer a decline in enrolment, between 5 and 27 per cent. A number of rural schools will fall below 100 students, meaning increased challenges with fewer teachers and more split classes. Two high schools will fall below 300 students. Reference to the Eastern School District Facilities Review, released in 1996, indicates that most of these schools will be in the Morell and Souris families of schools.²⁰

“These challenges can only be addressed through additional funding designated to these schools with small enrolments . . . The ability to provide an equal opportunity education to all our students will be curtailed by staffing limitations and class size, unless increased funding and resources are put in place. This will impact to some extent on the post-secondary opportunities open to students unless additional resources are provided,” observed the Eastern School District, recommending that “if rural PEI is to continue to be serviced by many small schools, that a plan to maintain high quality programming, including staffing, must be funded.”

The Western School District was more optimistic, noting that, despite provincial statistical projections that the population of Prince County would experience a significant decrease in the number of school age children between 1996 and 2004, to date this has not happened; the Western Board has been holding steady at its 7,900–8,000 school population for six years in a row. However, the Board did not indicate whether there were areas of population decline within the district, nor did it provide projections for the future. As indicated by the above table, it appears that the Western School Board will likely also experience a significant decline in the school-age population in coming years, first in its primary grades and then into the higher grades over the course of the next decade.

La Commission scolaire de langue française took a proactive approach to its analysis and recommendations. Its brief outlined the history of French language education on PEI; the mandate, vision, and mission of the Commission; the relationship between French language education and the survival and vitality of PEI's Francophone community; and the threats to the Francophone community and gaps in French first-language education in PEI. French first-language schools were seen by the Commission as the primary means to ensure that the French language is preserved and flourishes in PEI. The Commission recommended that French language programs be established in all designated Acadian and Francophone areas on PEI (specifically noting Summerside, Rustico, and West Prince), before a whole culture slowly vanishes. This position was supported by the Société Saint Thomas d' Aquin in its brief to the Panel as essential to maintain PEI's Acadian and Francophone population and to encourage Francophones from other provinces to move to PEI.

The urgency of these concerns is underlined by the data noted earlier in this Report indicating the very small share of the Acadian and Francophone population accounted for by children and youth, and in particular the very small cohort aged 0 to 4, the group that will be entering the school system over the next few years. If PEI's Acadian and Francophone community is indeed to continue, it appears vital that it recruit new members, particularly in their younger years. Reaching out to members of the Acadian community who have become separated from their language and culture appears a natural and

appropriate priority, and the experience of the Carrefour d'Île-Saint- Jean in Charlottetown suggests that French language schools have a substantial impact in building or rebuilding a sense of community and cohesion among the Acadian and Francophone population. Additionally, or perhaps alternatively, the Western School Board commented, "continued support for strong French immersion programs in the dual track schools in our public education system is a necessary education support to provide the bilingual capability our province needs to provide the cultural and tourism supports necessary. These programs are also required to entice new businesses to the Island which do commerce in both official languages."

It is clear that population and demographic trends pose substantial challenges for the elementary-secondary school system, particularly in some of PEI's communities. On the other hand, these trends also offer opportunities to enhance the quality of education by freeing up resources for a greater investment in each child. According to data presented by the PEI Teachers' Federation, PEI's annual spending per elementary and secondary pupil is the lowest in Canada. When spending per pupil is measured as a proportion of per capita of provincial and municipal revenues, PEI's is the second lowest in the country, at 80 per cent, compared to a national average of 103 per cent. The coming decline in the school-age population creates an opportunity to improve on these indicators by reinvesting savings.

A number of areas for further investment were put forward in consultations as relevant in some way to the Population Strategy's goals:

- C As noted above, enrolment decline in some areas of the province will lead to a need for further investment to ensure quality education and access to post-secondary opportunities for students in those schools. In this regard, the PEI Teachers' Federation commented, ". . . the maintenance of those schools is critical to community growth and development. Not only should such schools be maintained, but the Government must ensure that they are able to offer students a good educational experience If those schools are not maintained, it will be much more difficult to attract economic development and population to those parts of our province." In short, it is apparent that investment of additional funds will be needed if the school system is to pursue goals of both quality education and rural community sustainability. In urban areas, meanwhile, the Teachers' Federation observed, with reference to growth that might result from the Population Strategy, "If, as has occurred in the past, population increase is concentrated in the greater Charlottetown and Summerside areas, there could be serious overcrowding ... Some very careful planning will be needed in future."
- C The Panel also heard a call, as noted above, for investment in three additional French language schools, in West Prince, Summerside, and Rustico, to sustain and strengthen the Island's Acadian and Francophone community, an issue given further impetus through the recent decision of the Supreme Court of Canada in support of French language education in PEI.
- C The addition of kindergarten to the public school system was noted by several presenters as an important initiative. "The institution of day care or early education opportunities for children, or

kindergarten for five-year-olds will have to be initiated to make the Island an attractive place for young families to come. Such a program would also assist with the early childhood and poverty issues,” according to the Western School Board. The Eastern School Board, meanwhile, noted, “The possible inclusion of kindergarten would have a positive impact on teacher hiring, adding up to 100 new teachers based on pre-school ratios.” Both English school boards expressed support for the kindergarten program, if instituted, to be delivered by university-trained professionals.

- C Compensation of teachers at a level more comparable to other provinces was noted by the Teachers’ Federation as deserving of consideration. The Federation expressed particular concerns about the loss of graduates of UPEI’s teacher education program. Other Canadian provinces are already experiencing teacher shortages, it was noted, and over the next ten years, 50-60 per cent of the current Canadian teaching force is expected to retire (150,000 teaching jobs). PEI may not be able to compete with other provinces for teachers, given the low salary levels in this province, the Federation indicated. Salary differentials are an especially significant factor for students with high debt. Every effort must be made by the Province to make teaching in PEI an attractive option for our youth and young adults.
- A somewhat different view was expressed by the Eastern School Board regarding the risk of teacher shortages. Based on the forecast student decline of 1,000 in the Eastern School District, and assuming a continuation of current student-teacher ratios, a decline of 50 to 60 teaching positions will take place by 2005, it was noted. The Workforce Adjustment Package has resulted in 74 new teachers, of whom 50 are part-time. Board files have over 500 people seeking employment as teachers. As well, over the next five years, UPEI will graduate over 350 students with B.Ed degrees. Therefore, despite anticipated retirements of 200 teachers over the next five years, it was indicated that the District will have limited scope to contribute to a population strategy of attracting Islanders home to teaching positions.
- C The Western School Board expressed concern that current funding structures make it difficult to accommodate young adults aged 18 to 26 who want to return to high school to finish their secondary education, rather than taking adult education courses. Underlying this issue, a broader need was expressed for an “integrated, intelligent overhaul of the staffing and funding regulations affecting public education. . . Sustained and predictable support needs to be provided at a high level for these institutions which are critical to our province’s future. Strategic planning and accountability through outcomes and targets should be a part of how both government departments and publicly funded institutions are reviewed.”
- C With regard to curriculum, a number of presenters called for increased emphasis on programs within the elementary-secondary system to promote respect for diversity and cross-cultural understanding. As well, the Teachers’ Federation noted, experience with the Kosovo refugees indicates that our schools are not now prepared to deal effectively with children who do not have English or French as a first language. If PEI is going to place more emphasis on

immigration, some major work is needed in the area of instruction for children in English or French as a second language, depending on the area of the province where immigrants settle. Such children now receive sixty hours of ESL instruction through the school system, the province's sole contribution to integration of newcomers. The Newcomers' Association of PEI also noted a need for more extensive support to such children.

- C Several presenters suggested various curriculum measures aimed at labour market needs, including training youth to meet the needs of the seniors population for health care, services, and supports; and secondary level courses in customer services relations, bookkeeping, public speaking, marketing, environment, agriculture, fisheries, and industrial and chemical management practices, with emphasis on life skills. Others, however, questioned the extent to which the elementary-secondary system should attempt to meet labour market needs rather than providing a sound core education to prepare youth for lifelong learning.
- C A number of presenters expressed concerns about disadvantaged youth, and called for more attention to their needs, including youth not served by the academic curriculum in the secondary school system; youth with low self-esteem; and youth at risk of dropping out. A need was seen for greater emphasis on career guidance; counselling related to social needs, pressures, and self-esteem; and prevention of teen pregnancy.

It is beyond the scope of the Panel's work to provide definitive advice on the comparative merits of these various investments. However, the Panel's research and consultations suggest that particular emphasis should be placed on the early childhood and primary years with emphasis on foundational literacy skills; French language education; distance learning; experimentation with innovative approaches especially for those children and youth whose needs are not well served at present; greater involvement of community; and closer school-work linkages. The Panel is aware that work is also currently in progress on a Comprehensive Education and Training Strategy for PEI, which the Panel hopes may provide further guidance on these issues. For now, then, the Panel recommends that:

29. The Province at least maintain and preferably increase its expenditures on elementary-secondary education, in real terms or as a share of provincial expenditures, whichever is higher, to achieve an annual increase in educational investment per child.

The Panel notes that, given that the school-age population is forecast to drop by almost one-fifth by 2010, this recommendation, if implemented, should result in an increase of over 20 per cent in spending per child by the end of this decade.

Post-Secondary Education In an era of rapid technological change and increasing knowledge intensity, post-secondary institutions are among the most important elements of any society. This sector of the educational system has weathered significant impacts from demographic trends, although these will moderate over the next decade. As well, the past decade has seen substantial internal shifts in terms of Island student choices between college and university education.

- C The 1980s was the peak decade for the baby boomer's post-secondary years. In 1981, youth aged 15 to 24 numbered 23,465, or 19.1 per cent of the province's population. In 1999, this group numbered 19,675, or 14.3 per cent of the population. By 2010, they are forecast to decline further in number and in share, to 18,461 and 13.1 per cent respectively.
- C Over the years, increasing participation in post-secondary education has offset the decline in numbers of youth. In 1989, 14.5 per cent of Island youth aged 15 to 24 were in university, the second-highest level in the country; on the other hand, participation of Island youth in community college was the lowest in the country. Participation in university increased to 15.5 per cent by 1996, while participation in community college increased more quickly than any other Canadian province. However, the combined rate of increase was slower than in most other Canadian provinces, and, as a result, PEI has lost ground against other Canadian provinces, except for the Prairies, during the 1990s in terms of the proportion of its youth in post-secondary education. By 1996, PEI was in the middle of the pack among Canadian provinces with regard to participation in both university and college, and lagged behind the other three Atlantic provinces with regard to university participation.²¹

These trends are borne out by data provided by UPEI in its submission. Between 1992–93, UPEI's peak year of enrolment, and 1998–99, the University's enrolment dropped from 2,507 to 2,178, a decrease of 13 per cent. UPEI has rebounded in the current year with an enrolment increase of eight per cent over 1998–99.

The data presented by UPEI also highlight interesting enrolment shifts between the University and the College. During the period from 1992–93 to 1996–97, UPEI's enrolment dropped while Holland College's increased. However, UPEI held its enrolment of females almost unchanged, with its losses almost entirely among male students. At Holland College, meanwhile, overall enrolment increased; however, this increase was composed entirely of males, with a decrease in female enrolment. These patterns may be linked to the opening or expansion of several private training institutions, coupled with an expansion by Holland College of its technology-based programs. The data are summarized in the following table:

Table 6: Post-Secondary Enrolment Patterns, 1992–93 to 1996–97			
	Males	Females	Total
UPEI 1992–93	1142 (45 per cent)	1365 (55 per cent)	2507
Holland College 1992–93	700 (43 per cent)	933 (57 per cent)	1633
UPEI 1996–97	864 (39 per cent)	1336 (61 per cent)	2200
Holland College 1996–97	880 (51 per cent)	849(49 per cent)	1729

There appeared to be general awareness among the public, and in the Panel’s focus group with youth, of the shift by youth toward non-university forms of post-secondary participation over the past decade. This shift was widely attributed to the rapid increases in the cost of post-secondary education and particularly of university education; rising levels of student debt (both issues of great concern to many presenters); the resulting emphasis by youth on securing employment to pay off those debts; and the perception by youth that college training carried less risk of unemployment or underemployment after completion of training. For many, this shift “from education to training” was cause for concern. Strong participation in university education was seen as essential to provide a basis for lifelong learning and to provide the province with the leadership and advanced skills it would need to prosper in future. “. . . this narrow view of education will come back to haunt us in the long run. PEI needs an educated population, not just a trained population, to meet the challenges of the future,” observed the PEI Teachers’ Federation. Others considered that what was needed was a fuller and more effective integration of university and college education, to provide students with the best of both.

These views by focus group participants and others were affirmed by the President of UPEI, who commented in his submission, “The general challenge for higher education in Prince Edward Island is to equip present and future generations with the knowledge, capacities, outlook, and ambition for PEI to prosper and contribute in a knowledge age . . . The main point that emerges from this document is the critical—and leading—role that UPEI plays, and must play, in a population strategy for PEI. UPEI is the key agent in forming PEI’s future and current generations.” UPEI’s main roles were described as:

- C a key window on the world for PEI in the development of a population strategy (it was noted that the University has set a target of 10 per cent international students by 2004);
- C a leader in knowledge production, in creativity, in innovation, and in research and development for the province; and

C PEI's primary site for advanced education in a knowledge age: the University mission must remain focused on general education in arts and sciences, together with high-quality professional and graduate programs.

Noting that UPEI has experienced a substantial enrolment increase this fall, at a time when most other universities in the region are facing declining enrolment, and that the University has weathered a decade of "disinvestment," the President's fundamental message was, "*It is time to reinvest.*"

A further issue of great relevance to this study is **the crucial role that the post-secondary educational system plays, for better or for worse, in shaping youth migration flows both within the province and into and out of the province. With the increased need for and level of participation in post-secondary education, these impacts are intensifying.** Within PEI, it was stated, education is the major contributor to out-migration among West Prince youth. Several presenters noted, with some indignation, that Holland College's night course schedule only included two courses in this region, GED and College Prep, of a total of 50 courses offered among Charlottetown, Montague, and Summerside. "This certainly speaks volumes as to the opinion of central PEI towards West Prince," one presenter observed. There was widespread emphasis on the need for additional post-secondary education and training programs in West Prince. Further concerns were expressed that reductions in Holland College's trades programs in the area, and reduced staffing resources for program development in West Prince, had contributed to shortages of skilled trades currently being experienced by local employers, despite the region's high unemployment levels. Considerable potential was seen in using new information technologies to expand post-secondary opportunities, as has been done by the Acadian and Francophone community in Wellington through the establishment of a distance learning site of the College de l'Acadie. The Panel identified similar, although less pervasive, concerns with regard to post-secondary training opportunities in the Eastern Kings area.

Gaps and needs were also perceived at the provincial level. "Youth must leave the province if they wish to further their education, as graduate education opportunities on PEI are very limited. Once they are gone, it is difficult to compete with the opportunities that present themselves out-of-province," stated the PEI Teachers' Federation. The Western School Board, meanwhile, saw the development of graduate programs at UPEI as "absolutely necessary to attract and keep well- educated Islanders and others here. It also allows Islanders to pursue continuing education and graduate opportunities without the economic disadvantage of having to leave the Island. The cultural, social, and economic spin-offs for PEI are obvious. More research projects and partnerships can really affect who comes to PEI. Companies linked to graduate education programs build in a permanent employment base." Such programs are also highly attractive to youth from other provinces, noted UPEI, reporting that its proposal for a graduate program in the Science Faculty had just received approval by the Maritime Provinces Higher Education Commission. In this regard, the Panel commends the Government for taking action to amend UPEI's legislation to remove restrictions on the development of graduate programs, and considers that the further expansion of such programs would be a highly positive measure.

Specific emphasis was placed on the need to expand the province's post-secondary educational capabilities in support of knowledge-intensive industries, particularly the information technology area. "An adequate supply of appropriately trained, highly skilled knowledge workers is the single most important factor in the growth of PEI's IT sector, and in realizing the broader benefits of information technology throughout PEI's economy and society," stated the Minister of Technology and Environment in a presentation to the Panel. "To accomplish this, a comprehensive, flexible, responsive range of high-quality education and training programs is fundamentally important to the development of a supply of new IT workers and the retraining and upgrading of existing IT workers." Noting the massive continent-wide skill shortages and the demand for IT workers, the Minister described his current measures in partnership with the province's IT industry and the post-secondary sector to analyze knowledge worker skill needs and to develop an action plan to ensure that those needs are met.

It was also noted by la Commission scolaire de langue française that, currently, many Acadian and Francophone youth leave PEI due to limited post-secondary options on PEI. The commission called on UPEI to work towards a goal of offering arts and science undergraduate degrees in French. Such a capacity would also help PEI attract Acadians and Francophones from outside the province to settle here.

Several presenters identified the post-secondary educational system as a key means to attract youth from other provinces and countries to PEI, a possibility explored further in the next section of this Report on strategies and interventions to attract population. Here, some issues are noted regarding those institutions' current readiness to take part in such a strategy. From the Newcomers' Association, the Panel heard a concern that there are no programs at the University that include newcomers or immigrants. The University does not necessarily have to accept them as students, it was stated, but should accept that PEI does receive immigrants who want to study at a university, and should charge them local rather than international tuition. The Panel also heard a call for expansion of Holland College's ESL programs.

Regrettably, the Panel did not receive the views of Holland College or of any of the province's private training institutions. As such, the Panel considers that these issues need to be explored in greater depth than was possible within the scope of the work. The Panel notes the current initiative to develop a Comprehensive Education and Training Strategy, and urges that it take into consideration the issues identified above.

The Panel recommends that:

30. Government reinvest in Prince Edward Island's post-secondary education sector, with particular emphasis on measures to:

- C enhance accessibility in the province's rural regions;**
- C facilitate and encourage youth participation in post-secondary education, including measures to enhance the affordability of post-secondary education and to address the**

- issue of student debt;**
- C promote co-operation and integration between the University of Prince Edward Island and Holland College, with particular emphasis on articulation of programs;**
- C improve school-to-work linkages, including increased emphasis on co-op and internship programs; and**
- C expand and strengthen advanced education opportunities in selected areas of strategic importance to PEI.**

Adult Education and Training A number of presenters commented on issues related to adult education and training, including several briefs devoted to the issue of literacy. Presenters on this issue impressed the Panel with their passionate conviction, and the strength of their vision for the future:

- C The West Prince Literacy Council told the Panel that Literacy is key to sound health policy, employment policy, youth policy, criminal justice and crime prevention policies, economic development policy, social assistance policy ... Literacy is a greater predictor of an individual's economic success than any other factor. PEI should set a goal of no less than 100 per cent literacy, and it should establish an integrated, comprehensive, accessible, affordable approach to achieve that goal.
- C Characterizing the low literacy rate as quite possibly the most important social and educational issue facing the PEI population, the PEI Youth Council stated, "If PEI is serious about participating in the knowledge economy ... we must set full literacy as a fundamental goal for the next generation. We must not make any compromises."
- C Spell Read Canada informed the Panel of a recent Statistics Canada study conducted for the Labour Market Development Agreement that indicated that only 7.7 per cent of Islanders function at literacy levels 4 and 5, compared to 23.3. per cent for Canada. That means that 92 per cent of Islanders have some problems reading. Noting Conference Board of Canada research, which showed that over a working lifetime high-literacy people will earn twice as much as low literacy people, the presenter recommended that "PEI should settle for nothing less than the highest level of reading and writing skills in the world within five years."
- C The PEI Literacy Alliance expressed its concern that recent developments in training policies and funding will result in the least literate having lowest priority for training, or be excluded altogether. The Alliance called on both orders of government to maintain their support for adult basic education courses across the province, with flexible hours and at no cost to users, and continued local input and guidance. Overall, the Alliance called on the Province to develop policy to create sustained literacy programs, rather than the current ad hoc, project-by-project approach.
- C Regarding measures to break the long-term cycle of illiteracy, the Panel was advised by the Western School Board that there are a number of new programs in the primary grades to

address and overcome reading difficulties. It was noted that the later these issues are addressed, the harder they are to overcome; by the time students have reached the junior high level, the challenge becomes much greater. The need for adequate resources to carry out testing and remedial programs in the early grades was noted. Volunteer initiatives, such as Project LOVE (Let Older Volunteers Educate), and measures aimed at the home environment, are also important parts of the solution.

The Panel also heard a number of concerns regarding training issues. At a broad level, it was noted that the federal government programs delivered by HRDC had undergone changes that shift responsibility to individuals to identify and access training with little or no support from the formal system to determine its appropriateness. Concerns were voiced that many Islanders lack the confidence and knowledge to successfully navigate this system, and that it leads to a fragmented system of skill development. Concerns were also expressed that the current system, by restricting access to training supports to those eligible for EI, misses key population groups such as youth entering the labour market. A need was seen for more training supports for non-EI youth. A more specific issue was raised by the West Prince Chamber of Commerce. They noted employer concerns that some private trainers in the information technology field teach too narrow a range of skills to meet the needs of small rural Island businesses for multifaceted employees.

A number of presenters and focus group participants spoke to the need for building a learning environment for all ages. In particular, both the organizations presenting on behalf of senior citizens called for the establishment and expansion of training and adult education programs for seniors to support their continued labour force participation. The Panel also heard praise from the Western School Board for the provincial government's recent emphasis on developing a computer literate population as "wise and essential."

Finally, the Panel heard a thoughtful presentation from PEI's Association of Community Schools, a unique institution providing high-quality, low-cost, accessible community and adult education entirely through volunteers. The Panel was told that these schools enhance community spirit and community cohesion, maintain traditional arts and crafts, deliver adult education and skills, and provide a vehicle for other community organizations to pursue their goals. It was also noted that the program provides a vehicle to help newcomers integrate into the community, and to build a broader understanding and appreciation of other cultures and customs.

In conclusion, the pace and scope of demographic, social, economic, and technological change means that lifelong learning for all is no longer a luxury; it is a necessity. The Panel recommends that:

31. Prince Edward Island establish a goal of zero tolerance for illiteracy as an overarching social goal for the new century.

32. The Comprehensive Education and Training Strategy now being proposed give consideration to this goal and to the issues outlined above, and identify and recommend means

to strengthen, stabilize, and integrate adult and life-long learning opportunities in PEI, with emphasis on community-based approaches.

Economic Development and Employment: Drivers of Population Growth

The second of the Panel's terms of reference call for it to "define in detail if and how the Province should seek to influence population growth as an economic development tool." This requirement reflects the widely held and seemingly common sense view that there is a strong correlation between population growth and economic growth. Population growth is an indicator that people view conditions in PEI as more favourable than those of other provinces. PEI's historical experience is that our two periods of sustained population growth—the early 1800s and the past several decades—have coincided with times of relative prosperity and economic expansion. Population decline, on the other hand, is associated with economic decline and with lack of opportunity. It might be noted that the conditions that draw population are relative rather than absolute; for example, PEI has experienced a substantial in-migration of Newfoundland residents over the past several years, many of whom work in the province's primary sectors, while at the same time witnessing an out-migration of its own population to other provinces perceived as offering greater opportunity.

Although the Panel concurs that there is a link between economic growth and population growth, it would suggest that the relationship is complex, with population growth an effect rather than a cause of economic growth. Economic growth causes labour market demand—resulting in increased job opportunities, falling unemployment rates, and higher wage and salary levels. In a mobile labour market, these conditions draw migrants from other provinces, whose arrival then contributes to further economic growth as they acquire housing, and consume goods and services. Increased population increases the size of the local market, providing economies of scale to businesses in the area, and spurring further growth.

It must be noted, however, that this positive cycle only holds when newcomers make a net economic contribution. There can be a tendency, in analyzing this contribution, to focus on the supply side of the economy—on the investors and entrepreneurs who establish profitable businesses and create jobs, and on the workers who meet labour market needs, earn salaries and wages, and pay taxes. This view, however, is one-sided and risks missing population groups who can make a net economic contribution on the demand side of the economy as consumers: retirees who move here from other provinces, bringing their pensions, investment earnings, and federal transfer incomes with them; students who attend our post-secondary institutions, supported by their own savings, their families, and/or student assistance supports from other provinces; "part-time Islanders" who maintain a home in the province year-round and live in PEI for the summer. These groups of consumers import dollars from elsewhere, pay taxes, and spend money on goods and services in PEI, generating economic activity and jobs. They, too, should be part of the analysis, rather than confining the focus to investors, entrepreneurs, and skilled workers.

If, on the other hand, population growth is driven by in-migration of people lacking in financial capital to

invest or the human capital needed by the labour market, or who have no independent means of support, or who have very high needs for publicly funded programs and services such as health care, then their net economic contribution may very well be negative. This is not to suggest that such individuals do not make an otherwise positive contribution in the social or cultural domains.

The Panel did not explore, and its presenters did not address, the impact of natural increase factors on economic development. This is in keeping with the Panel's view that the Population Strategy should focus on migration factors rather than birth rates and fertility rates, as being both more appropriate and more feasible. However, it might be speculated that the impact of increased fertility and birth rates on economic growth might well be negative in the short- to medium-term, in that it would increase the dependency ratio while at the same time causing some reduction in labour force participation.

Looking solely towards migration, then, it is clear that migration-driven population growth can have significant impacts on economic development, for better or for worse. **The Panel believes that it is indeed necessary and desirable for Government to “seek to influence population growth as an economic development tool,” as well as for many other social and cultural reasons.**

The Panel must note, however, that although economic and employment development bulked large in the public input, the issues discussed above received very little attention in consultations. Rather, input was focused almost entirely on the economic challenges facing the Island, and on the need for greater economic development and employment for the Island's existing population, with particular emphasis on the need for employment to stem youth out-migration. Many of these issues had already been raised in 1998 through the work of the Employment Summit Panel, whose findings and recommendations were endorsed by several presenters, including the PEI Youth Council and the PEI Federation of Labour.

A summary of the input received by the Panel follows, as an aid to current provincial efforts to develop economic and employment strategies for the province. The section opens with an outline of input received regarding the agriculture, tourism, manufacturing, information technology, and public service sectors; and then sets out advice received related to several population groups, including seniors, and the Acadian and Francophone population. The section closes with an overview of input on labour market and employment issues.

At a broad level, a number of presenters expressed support to the Panel for a primary emphasis on small and medium-sized enterprises (SMEs). Such an approach was seen as being more appropriate to PEI's scale, more achievable, and less risky than an economic development strategy oriented to a small number of major firms, many of which are controlled from outside the province. If this direction was to be taken, however, it was noted that measures are needed to support small business growth. For example, the Panel was told that the majority of businesses in rural PEI are micro-businesses, often stressed to the limit. Appropriate support initiatives to business would mean a stronger employer base, higher wages, and more capacity to increase profits. As well, the number of civil servants policing independent business should be streamlined, while every effort should be made to respond to employer inquiries on a timely basis. Praise was expressed for recent efforts by Enterprise PEI and ACOA, in

partnership with local business groups, to bring more management and business training for businesspeople, such as the 31-week Youth Mentorship Program.

Agriculture: A New Direction? Several of the Panel's briefs and submissions addressed issues related to the agricultural sector. The pressures faced by the sector were summarized by the Atlantic Veterinary College as including continued farm consolidation and increases in size; continued free trade pressures to roll back stabilization and support programs; and PEI's dependency on the world spot market in commodities, being too small to attract major contracts.

Supporting data was provided by the PEI Federation of Agriculture, whose brief noted that, between 1981 and 1996, the number of Island farms decreased by 937 to 2,217. At the same time, the value of farm cash receipts has continued to increase. While the number of farms has decreased, the size of Island farms has grown to today's average size of 296 acres.

The development model underlying these trends was strongly criticized by the National Farmers Union, which suggested that governments and the industrial sector have supported initiatives to expand farm production with a specialized, highly mechanized, and chemical input-based system of farming. The result, it was asserted, is that our food production system no longer produces food in a way that is economically and environmentally sustainable:

- C monoculture farming is not sustaining farm families;
- C monoculture farming is not sustaining rural communities;
- C monoculture farming is not sustaining the environment.

The NFU called on Government to step in with a clear vision for agriculture and with support programs needed to assist farmers in making important changes in farm practices, similar to those found in some other countries. European countries demonstrate how quickly the shift to sustainable agriculture can be made if there are a vision and policies, and there are many models upon which to draw; there is no need to reinvent the wheel. Specifically, the NFU saw a need for policies and programs that:

- C support farmers presently in financial difficulty, and who may be facing the prospect of having to quit farming, to allow them to continue farming; and
- C make small-scale farms (using fewer chemicals and more organic and sustainable farm practices) an attractive and viable way of life.

The NFU saw worldwide concern over foods produced using genetic manipulation and chemicals as a major opportunity for new approaches. A recent study for the Atlantic governments, *Marketing Opportunities for Export of Atlantic Canadian Organic Produce to New England*, was noted, showing this lucrative niche market growing ten times as fast as the market for conventionally produced foods. This represents an opportunity for PEI farmers to move away from monoculture, and calls for a strategy to increase the number of new organic farms on PEI, starting with chemical-free farming and eventually striving for organic farming. It was suggested that the strategy should include reductions in land ownership limits, redistribution of land now in corporate hands, and identification of niche markets.

A similar approach was used in the lobster fishery, it was claimed, with the implementation of a limit of 300 traps, and it was suggested that, despite the initial backlash, lobsters are now the jewel of the East Coast fishery. The Atlantic Veterinary College, while not calling for a fundamental shift in the province's approach to agriculture, also noted that increased emphasis on niche production holds promise, not just for agriculture, but also for tourism and rural population patterns.

The Panel also explored this issue in several of its focus groups. A number of participants saw considerable potential in expansion of specialty niche farming, including organic farming. However, a caution was added by some participants that such expansion, to the extent that it involved labour-intensive crops, would likely encounter difficulties in finding workers. It was noted that employers in the West Prince area are already experiencing such difficulties, and that the Annapolis Valley, a region with far longer experience of niche production than PEI, is also experiencing difficulty finding workers. In light of this, it would appear advisable to focus on niche products that lend themselves to mechanized production or that can be managed by the proprietor.

The Panel notes with approval the commitment in the recent Speech from the Throne to expand the Department of Agriculture's capability in the area of organic agriculture, and recommends that:

33. Greater emphasis be placed on creating a positive policy climate, regulatory framework, and system of supports and services for the expansion of niche and specialty agriculture in PEI, including organic agriculture.

34. Emphasis be increased on services and supports to maintain current farmers in operation, and seek means to develop new producers.

35. Farmers with expertise in niche, specialty, and organic agriculture be identified as priority target groups for in-migration.

Tourism: Beyond the Golden Triangle The Panel's input with regard to tourism focused on concerns that the Eastern and Western ends of the province were not keeping pace with the opportunities and recent strong growth in tourism visitation. For example, in Eastern Kings, while expenditures grew from \$6.6 million in 1994 to \$10.9 million in 1998, the area's share of total provincial tourism expenditures fell from six per cent to four per cent. A number of measures were recommended to address these concerns, including:

C The tourism portfolio should be given more weight. Tourism is now the province's biggest industry, and pulls in \$30 million in sales tax alone, yet the sector does not have its own Government portfolio.

C Museums and Heritage, a sector ever growing in importance to the tourism industry, is under the Minister of Education. This was seen as problematic, in that if the museums close in early fall and one calls the Department of Tourism to express concern, they refer the caller to the

Department of Education. It was suggested that funding for culture, heritage, and genealogy should be increased in recognition of their importance to the tourism industry and their potential to further increase their contribution to the economy.

C A need was seen for more and better staffing of tourism services and facilities. If we want to keep our talented young people in our communities, it was suggested, we have to offer them opportunities for summer work to fund their education. Specific priorities included:

- S open the Visitor Information Centres earlier and keep them open longer;
- S train the staff better; and
- S hire more mature, experienced people at the supervisory level.

C It was suggested that “green tourism” should be the priority in Eastern Kings. The area has plenty of traffic, it was noted—what it needs is a major destination.

C Finally, Government was asked to work with communities, rather than imposing externally designed solutions. Once a direction and priorities have been determined by the community, and the product has begun development, it was noted, it is critical that there be adherence to the plan in the longer term.

The Panel also heard an engaging scenario from La Commission scolaire de langue française regarding the potential tourism development benefits of increased bilingual capacity in the Souris area, a region annually traversed by tens of thousands of Quebec visitors en route to the Magdalen Islands ferry. More generally, it was noted that the Quebec visitor market is one of the strongest for the PEI tourism industry, and that enhanced bilingual capability would support this sector throughout the province. To achieve this, greater emphasis on bilingual education will be needed, as well as an economic development strategy to promote these opportunities.

Similar concerns were raised in West Prince, where presenters made reference to the catch-22 facing the tourism sector: If they build it, will tourists come? And how is the business to be made viable pending growth in overall and shoulder season visitation? It was noted that the region does not have the local population base to sustain high-end tourism and hospitality enterprises over the winter season. The community of Tignish’s efforts to develop the Heritage Inn in the old convent, through a partnership of local economic development groups and federal and provincial agencies, were noted as a possible model of how to address these challenges. Other priorities included the following:

C Visitor infrastructure in the area needs to be improved, for example, expanding the availability of three-way hookups in parks.

C Like Eastern Kings, this region also saw a need for a “big attractor” in the area.

C Marketing of West Prince as a destination should be strengthened.

In addition to these regional issues, presenters and focus group participants expressed concern about the low-wage, seasonal, mass tourism nature of the industry at present, some questioning whether there was a net benefit to residents of the province as it now stands. The Panel heard a number of calls for a shift in the tourism industries toward more high-end markets, including educational tourism, eco-tourism, cultural tourism, and agri-tourism, as well as an initiative to develop winter tourism in PEI. Seniors were identified as a particularly promising target group for such forms of tourism. These directions, it was suggested, would result in a longer tourism season and higher quality employment.

The Panel considers that this strategic direction has much merit, and recommends that:

36. Tourism opportunities be examined and acted upon as a population development tool, particularly in the areas of eco-tourism, cultural tourism, and agri-tourism, and in the regions of Eastern and Western Prince Edward Island. Strategic emphasis should be placed on attracting entrepreneurs who wish to establish multiple enterprises, such as niche agriculture and tourism, or crafts and tourism.

37. Visitors to PEI be considered as key target markets for in-migration, and be included in the research and interventions called for in this Report.

Manufacturing and Value-Added: Nowhere Near Our Potential The manufacturing and processing sector has played a key role in PEI's economic growth in recent years, making strong contributions to exports and to employment growth across the province. A number of presenters saw further opportunities for expansion and growth. Particular emphasis was put on the need for additional value-added to PEI's primary products. "We see tractor-trailers of lumber and potatoes leaving ... we can't afford to continue; someday the resources will be all gone and then we will have nothing. We need a strategy for local value-added in West Prince," observed the PEI Teachers' Federation. "West Prince has not reached the potential of its core industries at all," according to the O'Leary Area Development Corporation. The Panel also heard suggestions that a wealth of untapped niche opportunities existed Island-wide in the area of craft and cottage industries, such as small-scale value-added to primary products, e.g., preserves and jams, and measures should be taken to encourage production of crafts by seasonal workers during the winter months.

The need to promote the strength and competitiveness of our primary industries, as the resource base for value-added, was also emphasized. It was noted that many rural businesses serve the primary resource sector and are critically dependent on their stability. As well, the corporate concentration in those sectors can mean that an increasing amount of services are done in-house, reducing opportunities for supply and service businesses and underlining the need for diversification and expansion into value-added.

As with tourism, a need was identified for effective community-based economic development structures to support manufacturing growth and diversification. Such growth should emphasize small- and medium-

sized local enterprises, it was stated. In West Prince, presenters called for a revitalized Western Development Corporation as a key player in economic development, assisting with infrastructure, training, information, and mentorship. A need was also seen for assistance with start-up capital, possibly through new approaches such as encouraging employee investment.

At the province-wide level, the Western School Board called for economic development emphasis to be placed on jobs in the knowledge-based economy, e.g., pharmaceutical companies, aerospace, linked to the excellent faculties at the University and Holland College. Linkages with education, business, and cultural programs of other leading knowledge-based countries and provinces should be vigorously pursued. Effort should also continue to entice federal departments, research institutions, and research initiatives. This direction was affirmed by the Department of Agriculture and Forestry in its presentation at the Government Research Workshop. The Department noted that there are many ways in which the agricultural industry could add to the economy of PEI other than through primary production—particularly with regard to selling our knowledge around primary production systems. It was indicated that the Department is working with the Belvedere Group and sees scope to increase significantly agricultural R&D in PEI. This partnership of research institutions and facilities has over 200 professionals, similar in size to the Alberta Research Council, the largest provincial R&D body in Canada. It was suggested that immigration could emphasize building this skill cluster.

The Panel concludes that small and medium-sized enterprises adding value to PEI's products hold considerable potential to contribute to the goals of community sustainability, diversity of opportunity, and population growth set out earlier in this Report, and recommends that:

38. Emphasis be placed on encouraging the expansion of the manufacturing and value-added processing sectors in all regions of Prince Edward Island, particularly small- and medium-sized enterprises, including:

- C measures and supports to attract in-migrant entrepreneurs interested in such ventures;**
- C improved availability of credit for both start-up and operating purposes;**
- C training programs both in business skills and in specialized skills such as crafts; and**
- C technical and advisory supports in such areas as marketing, technology, R&D, and quality assurance.**

Information Technology: New Engine of Growth The information technology sector was seen by many as perhaps PEI's brightest opportunity for economic growth and high quality employment. "Prince Edward Island has a great opportunity to grow economically and to benefit socially from the knowledge-based economy," the Minister of Technology and Environment told the Panel. "The characteristics and strengths of the province are ideally suited to lead PEI to national and international recognition as **the** Smart Province, renowned for its knowledge-based culture, industries, workforce, training capacity, and model application of information technology." In support of this view, statistics were provided to the Panel indicating that net employment growth is concentrated in high-knowledge jobs, while low-skilled jobs are disappearing. The Minister noted, however, that the opportunities

presented by IT are also available to other jurisdictions around the world, leading to an intensely competitive environment.

The Minister described the planning process which the Department has undertaken over the past year, in partnership with the information technology industry and the post-secondary sector. This process has led to agreement on goals, including IT as a major contributor to the provincial economy; recognition of PEI as a model of electronic service delivery; benefit to all Islanders and Island businesses from knowledge-based growth; and making PEI's standard of living the highest in Canada. A process is currently under way to develop strategies and action plans in support of these goals, among which measures to expand educational and training capacity in the IT area are critically important.

There was some awareness among presenters in the public hearings, although not universal awareness, that IT and knowledge-based development represents a major opportunity for PEI, including rural areas. Government should consider infrastructure to support more high-tech opportunities, such as facilities with the technical supports to maintain a call centre, the West Prince Health Authority suggested. The O'Leary Area Development Corporation also saw opportunities, noting two local entrepreneurs who had created a glossy car club magazine which has "taken off like a rocket." It was recommended that Government should put more emphasis on IT in West Prince, and that prospecting officials need to work more closely and supportively with local economic development organizations and officials to develop IT outside the Charlottetown area. Similar opportunities were seen by the community of Belfast for knowledge-based development, particularly in the area of IT, using new technologies to overcome traditional disadvantages of remoteness. The key challenge to achieving this, perceived by Belfast, is the availability of skilled workers, and their wish to work with a group of similarly skilled people. The community of Wellington was highlighted by a number of presenters as an example of what could be achieved in rural PEI through IT development.

It appears, however, that, left to itself, IT development has a natural tendency to cluster in larger centres owing to the concentration of skilled workers and access to high-quality information infrastructure. If IT is to fulfill its potential for rural PEI, it was suggested, additional measures will be necessary to attract firms to those areas, possibly including access to the broadband network, tax incentives and holidays, or other incentives. Small call centres were seen by some as a worthwhile option, as a stepping stone to higher-level IT development as well as a significant generator of year-round employment, while others saw such a strategy as risky and called for greater emphasis on home-grown, high-end programming and software development. It was also suggested that PEI could pursue a strategy emphasizing the development of technology-based products geared to the needs of an aging population, such as the instrumentation and control systems needed for "smart houses."

The Panel concurs that IT represents a significant opportunity for PEI at large and rural PEI in particular, and expresses its support for the work under way to realize those opportunities, such as the recent achievement of a call centre in Montague. The Panel recommends that:

39. The strategy for IT development in PEI include goals and measures to promote

establishment and expansion of IT enterprises in all areas of the province.

40. Prospecting be carried out for small- and medium-sized call centres for rural areas of the province, and the potential be explored for a virtual call centre founded on home-based workers, as has been recently initiated in the province of New Brunswick.

41. The benefits of public sector employment be shared with rural PEI through a major initiative to promote tele-work by individual employees and to decentralize aspects of government operations to rural PEI where such operations can be effectively carried out through telecommunications. The potential for a partnership with the federal government in this initiative should be explored.

Cultural Industries Another area of significant and growing potential, and of particular importance to youth, the Panel heard, was the cultural sector. An amazing number of talented young people in PEI have used their talents in creative ways in the cultural sector, the Panel was told by both the PEI Youth Council and the youth focus group. This helps Islanders understand themselves, and contributes to the quality of life. It also contributes to the economy and offers youth opportunities to earn income through self-employment. More funding for the cultural sector would help stimulate its growth and would translate into more opportunity for Island young people, the Council suggested. The Western School Board, meanwhile, noted filmmaking, music, and visual arts as a priority area for future growth. Sound studios, film companies, card production, commercial arts, and graphics production could lend themselves nicely to the artistic and cultural way of life that exists here on the Island.

The Panel notes that cultural activity and development is of great value, not just in terms of economic activity, but also in terms of its contribution to the Island's quality of life, and its capacity to strengthen Islanders' sense of identity and attachment to place. It would also preserve PEI's rich and varied cultural heritage in the face of a national trend towards a homogenous North American culture. Accordingly, the Panel recommends that:

42. Emphasis be increased on fostering year-round cultural activity in communities across Prince Edward Island.

Public Service Delivery Following upon its recommendation on tele-work set out above, the Panel observes that government operations represent a significant economic driver. This effect stems not only from the local employment and payroll, but also from the improved local access to information and services and the decentralization of knowledge-based jobs. At the national level, an approach of decentralization has benefited PEI through the siting of the Department of Veterans' Affairs head office in Charlottetown and the GST Centre in Summerside.

In this regard, the Panel heard mixed input. Several presenters commended the current government for its commitment to keeping health and education facilities open in communities. However, a number of concerns were voiced, regarding perceived centralization of government services and jobs within the

civil service over the years. In addition to costing local jobs, presenters were also concerned about perceived reductions in quality and accessibility of services, most notably in West Prince. “People from West Prince accept that the majority of services and employment are concentrated in the two cities, but are infuriated by public servants’ lack of willingness to travel West to provide fair and equitable services there. ... Government services [should] leave their Charlottetown offices on occasion to travel into the communities most in need of economic revitalization and community development. Perhaps their viewing the entire province first-hand would serve to reduce the need for expensive studies,” suggested the West Prince Chamber of Commerce. It was recommended that “government services that can be as readily carried out in rural areas, should be.” Within regions, a need for an integrated approach to service delivery was noted by the West Prince Health Authority.

The Panel considers that access to government services is essential to the sustainability of rural communities, while equal distribution of public service employment across PEI, to the extent possible, should be pursued both as a matter of fairness, and as a strong contributor to the viability and growth of rural communities. Noting that electronic technologies make decentralization increasingly feasible and that Government has espoused the goal of making the Island Canada’s “Smart Province,” the Panel recommends that:

43. Government services and activities in the central areas of the province be reviewed with a view to moving selected operations into rural communities where possible.

44. Continued high priority be placed on the expansion of electronic delivery of public services, to expand and equalize access to public services and information in all parts of the province.

Services and Supports to Seniors As touched on earlier in this Report, the Panel heard a number of calls for a positive approach to realizing the economic development opportunities posed by population aging. Seniors are a potential economic engine, but they appear to be viewed by the PEI Government mostly as a liability, the Regional Cooperative Development Centre observed. There is no one in Government responsible for promoting retirement housing. If one contacts Government about a golf course or a call centre there are all manner of people to help you, but if one calls seeking assistance to develop seniors’ housing, no one can help. It was noted that regions in Ontario, BC, and the Sunbelt have build a strong economy on serving seniors, and that studies suggest that seniors are a net economic benefit. Therefore, it was recommended, PEI should seek to attract retirees. Government should develop a strategy to market PEI as a destination, promote development of seniors’ retirement housing, and put supports in place, the Panel was told.

This view was supported by a number of presenters, who noted that, although the existing population of Island seniors tends to have low consumption of goods, they are significant consumers of services, many of which are substantial employment generators. Moreover, these needs exist year-round and in every region and community of the province, creating dispersed opportunities for employment and small businesses. New seniors retiring in the province would create demand for construction of housing and

associated goods, as well as services. To complement this strategy, it was suggested, efforts should be made to train youth in areas related to serving the needs of the seniors population, and to establish incentives to young entrepreneurs to develop enterprises and jobs in areas of services to seniors. As well, it was suggested that in addition to drawing permanent residents to PEI, more emphasis needs to be put on seniors' tourism, a growing demographic group with high shoulder season visitation, in part through a longer operating season for the cultural and heritage facilities of particular interest to this group.

The Panel notes recommendation 18, earlier in this Report, for Government to conduct an in-depth study of the costs and benefits of an economic development strategy to attract retirees with independent means. Should this study indicate a net benefit, as the Panel believes likely, then the Panel recommends that:

45. Subject to the findings of the feasibility study on retirees called for in Recommendation 18, a strategy be developed to attract selected categories of retirees to specific regions of PEI and to promote the establishment of enterprises and expansion of training and employment in areas related to meeting the needs of this population.

The Acadian and Francophone Community The Panel heard encouraging descriptions of current and potential economic initiatives based on the innovativeness and bilingual capability of PEI's Acadian and Francophone population. Information technology has had a transforming influence on the Evangéline region, through the establishment of the College de l'Acadie and the expansion of IT-based enterprises and employment. It was noted that the Community Access Program has played a key role in this progress, through which Acadian and Francophone youth have gained new opportunities. "CAP sites have brought in 12 or 15 good jobs for youth, helped them find an anchor to the community, an impact, a future...."

La Commission scolaire de langue française described to the Panel an initiative by PEI's Acadian and Francophone community to secure and build on this progress. The community is working to establish a new organization, Le Centre de l'Économie du savoir appliqué de l'Île-du-Prince-Edouard (CÉSA), a partnership between community organizations, the private sector, and the educational system, to bring together education, community development, entrepreneurship, and research and development, with information technology as a common denominator. This concept is expected to have a positive effect on the Acadian and Francophone community throughout PEI, to strengthen the French language and culture in PEI, and to provide new opportunities to young Islanders, as well as attracting Francophones from other parts of Canada and even other countries to settle in PEI. It could also strengthen PEI's growing IT sector and open doors to global Francophone markets.

Generally, three key points were offered with regard to tapping the economic development potential of PEI's Acadian and Francophone population:

C Economic development should be based on a sense of the value of the language, and be

anchored in the culture.

- C Youth must have a capacity to express who they are, in their own culture.
- C Cultural tourism is a growing sector, and the Acadian and Francophone population can have a major role in that.

Employment and Labour Market Issues “Population and quality of life questions are meaningless without looking at them alongside employment. Our paid and unpaid work creates the matrix for our society,” observed the PEI Youth Council, affirming its views presented to the PEI Employment Summit in the fall of 1998. This section will address some issues related to the changing nature of work, and to the policies and programs to support employment.

Several presenters identified a need to educate the public regarding non-traditional forms of employment such as piece work, commissions, shift work, etc. It was noted that such work is resisted at present because it has not traditionally been part of the work culture in rural PEI. Among youth, it was claimed, there are “not a lot of risk-takers out there”—youth are very concentrated in old occupations such as day care workers and secretaries, despite all the new emerging opportunities. The lack of role models was seen as contributing to these characteristics of conservatism and risk aversion. As well, it was noted, securing and holding a job requires a broader range of skills and personal initiative than in the past. “Most jobs are not handed to you. You have to work for them, you need life skills and personal management skills. Those are lacking among many youth” It is perceived that there is widespread underemployment among many of the university-educated youth who do hold jobs in rural PEI. PEI’s low-wage economy was also noted as a disadvantage and a stimulus to youth out-migration.

Self-employment, although increasingly common, was seen as having made limited inroads among youth, a perception borne out by statistics. Participation of Island youth aged 15 to 24 in self-employment is close to the national average for youth, at 7.3 per cent in 1996, but lags far behind the 18 per cent overall rate for the province, one of the highest in Canada. It also lags behind the levels of youth self-employment in the other three Atlantic provinces, which range from 9.4 per cent in Newfoundland to 12.4 per cent in Nova Scotia. University education was seen as still orienting its students to a career of salaried employment within a large organization. However, rural PEI, with its entrepreneurial culture and micro-businesses, offers few such opportunities. Input from the Colonel Gray Grade 12 class indicated that, despite courses in entrepreneurship, students did not look to self-employment, expecting instead to get a job no matter what, even if it was just minimum wage. “The attitude of students is that a small business is not their idea of success ... they think success is an \$80,000 job and an office.” It was suggested that Government should make more efforts to promote small business to youth as a viable option.

Several presenters focused on measures to promote the transition from school to work. Student employment programs should be directed to subsidizing placements with employers for longer periods

of time, the West Prince Chamber of Commerce suggested. Each year, youth go through the round of government programs and on-the-job training placements, then return to a winter of unemployment. Something longer-term is needed, perhaps wage subsidies to help business keep staff on longer, according to West Prince Youth Opportunities. Co-op and internship programs were noted by several presenters as a very good way of linking learning to work. It was suggested by the West Prince Youth Employment Counsellor that Government should promote and establish more work internship options to integrate youth into a workforce in rural regions of the province.

Employer concerns about work ethic and disincentives to work were expressed by several presenters including the West Prince Chamber of Commerce—who identified it as a priority—and several of the focus groups. It was noted that West Prince is already experiencing labour shortages—labourer jobs during peak season, professionals, and skilled trades. People starting EI benefits won't accept work unless for cash, it was asserted. Customer service skills are lacking and worker commitment to the enterprise is low. Work ethic is as essential to current residents as it is to immigrants; employers are irked by those who wish to live in communities without committing to full-time employment. Related concerns about EI dependency and its disincentives to work were noted in discussion with the Eastern School Board. Prince Edward Island is already relying on migrant labour, including substantial numbers of Newfoundlanders, to meet peak seasonal labour needs, and it was suggested that this reliance may have to increase in the short- to medium-term, coupled with measures to move as quickly as possible to higher-quality, better-paid, year-round employment.

Severe concerns were noted regarding the employment issues facing PEI's aboriginal population. The Native Council observed that, while its members are active participants in various aspects of Island life, they still experience a 51.1 per cent unemployment rate. The rate is 47.9 per cent in Prince County, 60.4 per cent in Queens, and 38.9 per cent in Kings County. Among the youth population, unemployment is 50 per cent. There is a definite need to provide more research into this issue, and a great deal of work to be done especially in education and training. The federal government is legislated under the *Employment Equity Act* to provide employment for Aboriginal people, but so far many government departments in PEI have not heeded this legislation, the Council indicated. It called for a definite commitment from federal and provincial governments to hire aboriginal people in full-time positions and include current Aboriginal staff in any training and/or upgrading available.

Concerns about the need for greater emphasis on employment equity and for generally more open and accessible hiring systems were also voiced by presenters from the multicultural and newcomer groups. It was suggested that many Islanders are concerned that there are not enough jobs for all, approaching the topic from a premise of scarcity. While there is a level of acceptance of immigrants accepting marginal jobs, there is less tolerance of immigrants getting "good jobs," it was suggested. According to one of the presenters, formerly from Central America, "I wouldn't say PEI has a lack of job opportunities. It has a lack of openness. The opportunities are just for some people."

Through its focus group of clients of the Queens Region Employment Enhancement Program, the Panel also gained insights into the challenges facing some of PEI's most disadvantaged citizens. This group,

most of them single mothers, had varying hopes and dreams for employment. Some felt unable to identify a clear employment goal at this point due to health or personal difficulties. Others, many with training or experience related to their aspirations, outlined a range of occupations, including youth worker, secretarial through Compucollege, child care, nursing, accountant/bookkeeper. Still others wanted to obtain their secondary diploma and then decide. Employment challenges facing the women included a wish to ensure a stable home environment for their children; health conditions such as chronic pain due to accident injuries, and asthma; lengthy periods out of the labour force raising children and the ensuing loss of confidence: “I don’t feel I have anything to offer, I’ve been home all these years.”

A number of sometimes conflicting concerns and issues were raised in relation to the Employment Insurance program administered by Human Resources Development Canada:

- C On the one hand, the Panel heard concerns from various quarters regarding cuts to the EI program and their detrimental effect on individuals, families, and communities, including out-migration to Western Canada for winter work, not only by youth but also by family breadwinners. As noted above, the Cooper Institute in particular called for these cuts to be reversed and the EI program to be enhanced to a level that would provide a decent standard of living.
- C On the other hand, the Panel also heard the view that maximum EI is too high, well exceeding the earnings of many workers and widening the gap between the haves and the have-nots. This creates a goal of obtaining a high-wage seasonal job, to obtain maximum EI, it was noted. The Panel also heard related concerns that too many training and employment creation opportunities are restricted to those who are EI eligible, placing such eligibility in too positive a role in one’s work goals. Particular concerns in this regard were expressed by and about youth, and by the focus group of employment enhancement clients. It was suggested that EI should be more equitable in its distribution and more supportive of all labour market participants or aspiring participants.
- C The Panel was also told by the West Prince Chamber of Commerce that HRDC should review its strategies to focus on support to the employer as well as the employee.

Finally, the Panel heard about the need for open and equitable hiring policies and processes. In rural PEI, the Panel heard concerns that the best jobs (i.e., government jobs) were “going to people from outside the region who are seen as smarter than locals.” As a result, it was suggested, local youth feel shut out and discouraged from pursuing higher education and professional training. Government should try to hire locally, it was recommended. As well, the Panel heard concerns that “local hiring processes are given the impression of tampering. This patronage issue is very discouraging to youth and is a very poor role model for them.”

The Panel notes that some of its earlier recommendations have already touched on many of these issues, including its call in Recommendation 13 for expansion in the range and duration of internships and for

the establishment of training supports in areas of current and impending skill shortages.

More generally, the Panel observes that we are moving into the early stages of a demographic era in which skill shortages will be a far greater public policy concern than unemployment. It is critically important that Government move beyond a short-term reactive focus on the lingering problems of the past, to a proactive approach to prevent the problems of tomorrow. In this regard, job creation programs that provide incentives to the disadvantaged youth of PEI to curtail their education and enter into a life of dependency on social employment and seasonal work are sending the wrong messages. While social employment programs play an important role in providing a dignified income to low-skilled Islanders, such supports should be targeted at individuals who have very few other employment options open to them. Strong action should be taken to encourage youth to develop the skills, experience, and attitudes necessary for a productive and fulfilled life.

Health and Social Well-Being

Health and Health Care Two main themes were evident in the Panel's input on health and health care issues:

- C In the short-term, acute concerns were voiced by a number of presenters and focus group participants regarding perceived physician shortages.
- C Over the medium- to long-term, PEI will need to make substantial adaptations to and investments in its health care system to meet the needs of a much larger population of seniors.

From a provider perspective, the Panel was informed by the Medical Society of PEI that, with the exception of the North West Territory/Nunuvut, PEI has the highest population per physician in Canada. At present, 24 per cent of doctors are over 55 and all of these can be expected to retire in the next decade. A more startling figure is that 40 per cent are over 50. The supply of physicians entering practice has been falling since the mid-1990s when efforts to contain health care costs included controls on the number of physicians graduating from medical school.

Even today, the brief indicated, with all the approved positions for family doctors filled, over 400 people are on the list of people having extreme difficulty finding a family doctor. A further concern arises from our small size. Most specialists and all rural physicians work in small groups of two to four. The loss of even one physician in a small group is critical. The remaining doctors feel obligated to cover the call and other responsibilities of the departing or ill physician, often at the expense of their own health and well-being. As physicians age, they become less able and willing to work the frequent on-call shifts and long hours of years gone by. The same holds for younger physicians as family responsibilities and a more balanced lifestyle become more important. The Medical Society recommended that:

- C PEI needs to develop fiscal flexibility to allow us to recruit needed physicians when they are available, not when we are in crisis.

- C The Province needs to work on re-entry mechanisms to allow family physicians the opportunity to retrain as specialists if they desire a change in practice. At this point it is practically impossible to do this.
- C PEI also needs to support training and recruitment options that make rural family practice sustainable and desirable.

The Panel also heard concerns from various user groups regarding access to physician care. For example, some members of the Employment Enhancement client focus group expressed acute concern about the availability of family physicians. A number of presenters and other focus group participants identified the difficulty in getting a family physician as a major deterrent to moving here, and a significant handicap to any efforts by PEI to promote in-migration, particularly by retirees to whom quality health care is a critically important consideration.

The Panel also heard concerns, although not widespread or severe, about shortages of other categories of health care providers. These included nursing shortages in general, shortages of home care nurses in particular, and shortages of male nursing providers. A need was noted to maintain wages in the health care sector at a level adequate to hold a health care provider workforce in PEI.

Noting that the availability of a family physician is a key element in the province's capacity to attract population, the Panel recommends that:

46. The supply of health care providers, including physicians, at a minimum keep pace with population growth, and over time be increased to a level of health care providers more competitive with other Canadian jurisdictions.

The other key issue, and a much larger issue over the long-term, concerns the need to plan and prepare for population aging. The Medical Society noted in its brief that, as the general public ages, we can predict what health problems will increase in prevalence. Cancers, degenerative joint disease, osteoporosis, and its complications such as hip fractures, cataracts, dementia, and cardiovascular and cerebrovascular illness, will all increase. Many of these are already ones where difficulties exist in terms of waiting lists and other reflections of inadequate resources for diagnosis and treatment. The need for physician resources, the brief asserted, is just the tip of the iceberg when it comes to resources that will be required to care for an aging population. There is no point having orthopaedic surgeons without the operating room in which to operate, and that in turn requires anaesthetists, operating room nurses, and other support personnel. PEI will require beds and nurses, convalescent care, physiotherapy, and increased community and home support. To meet those needs, the Medical Society noted that:

- C Work is needed to predict future health care needs and plan accordingly.
- C Acceptable standards for diagnosis and treatment of major conditions need to be defined.

The PEI Senior Citizens' Federation also devoted a substantial share of its brief to health and health care issues. People are living longer and the majority of seniors consider themselves to be in good to excellent health. Nevertheless, the prevalence of chronic disease and disability increases with age. The Federation identified the following broad priorities for planning:

- C Population aging will require that we focus more research into these chronic and disabling diseases, and find more cost-effective ways to deliver necessary health services (points also made by the OECD in its Policy Brief on Maintaining Prosperity in an Aging Society, cited earlier in this Report).
- C Prevention and promotion programs instituted now can help the growing aging population stay healthier, independent, and out of institutions.
- C Social isolation of single older senior women may be the most immediate threat to population health. Priority should be put on building social support networks for single seniors.

The Federation further noted some priorities in specific areas of health care, supported as well by the International Year of Older Persons Planning Committee:

In the home care area, fiscal measures by governments have taken their toll on the health care system. Responsibility for care of the sick is being shifted onto communities, families, women and seniors themselves. Services not provided by hospitals and doctors are not insured, low-income families have seriously restricted access to extended health services, and many are falling through the cracks. Priorities include the following:

- C A variety of flexible home care and support programs are needed to help older people maintain their independence and take pressure off health care institutions.
- C These must be supported by policies and programs in communities and workplaces that allow people time and opportunity to care for each other, without compromising their own health or financial security.
- C Programs are essential to provide support to family care givers, including respite care and information.

These priorities were affirmed by the International Year of Older Persons Planning Committee, which noted it is not always the most expensive service that makes a difference. Services such as more hours of homemaking and nutrition services, volunteer respite care, and extended hours of service would make a great difference. The Committee recommended that home care be “vastly expanded,” and that barriers be removed within “the system” to facilitate easy access to information while at the same time respecting rights to privacy. The Committee also stated, “We recommend that caregiving be recognized

as valuable to society. Encouragement could be offered to caregivers, such as time off without penalty for medical appointments, leave-of-absence option without penalty, and tax exemptions for ‘elder day care.’ Respite care for caregivers needs to be considered as an essential service.”

The health care system is aware of these issues, judging by the brief presented by the West Prince Health Authority, which noted that greater emphasis is needed on home care. This also places additional demands on the system since care is required at an acuity level higher than in the past. The brief noted that, in a recent focus group of seniors, an astounding 70 per cent were caregivers themselves of parents, or disabled children. Help for caregivers is also key. Tremendous demand for home care services has already forced the Authority to limit services. A need was noted for consistent policies so as to have clear expectations among the public of what they can expect from the home care system. As well, nursing shortages are an emerging problem—home care nursing is a complex and demanding field, and not all are drawn to it. The Authority noted that training courses are needed to attract people to the field of study, and that it has taken action in this area.

In light of the growing importance of this area, the Panel recommends that:

47. Emphasis be increased on the provision of home care services and supports, including supports to independent living such as home-making and companionship. These services should be complemented by strengthening the medical capabilities of Island communities without hospitals, including tele-medicine capabilities, to provide emergency care and stabilization.

With regard to institutional care, despite the improving health of the seniors population, the Panel was told, needs will increase as the proportion of seniors increases in the next few decades. This need will also drive an increase in the requirements for health care providers. Careful planning must take place for increased acute, long-term, and palliative care, balancing this with the need for community-based services. Key concerns, according to the IYOP Planning Committee, are lack of facilities in rural home communities, and issues of elder abuse and fraud. Particular concerns exist with regard to seniors with dementias. New options have been designed by CMHC for those residents providing highly supervised care in a homelike setting. The Committee called on governments to ensure that a range of housing options is available for all residents with dementias and Alzheimer Disease, who do not require nursing home care.

Current unmet needs for institutional care would appear to vary across the province. In its brief, the West Prince Health Authority identified its already existing shortage of senior’ long-term care beds as its highest priority concern, a problem causing back-up into the acute care system. There are no private nursing homes and community care facilities are “drastically limited” in the severity of need they can meet. All residents now in long-term care are the two highest care levels (4 or 5), whereas 15 years ago many were at much more moderate care levels 2 and 3. Demographics indicate a continuation of this trend to people living longer, and then needing more extensive care when they do succumb to ill health. At least 15 more beds are needed immediately to meet the needs of the next 20 years, the Authority

indicated. More will be needed province-wide as the seniors population increases. Safety units are also needed for patients with dementias. Other presenters also placed priority on inventorying needs, and expanding long-term care facilities if necessary, with emphasis on rural areas to allow people to be cared for in or close to their home communities, and to maximize employment opportunities. In this regard, the Panel observes the timely commitments in the November 1999 Throne Speech to increase the number of long-term beds, particularly in West Prince and Southern Kings, and to undertake an initiative with the private nursing home sector regarding needs analysis and planning.

The Panel also heard that greater emphasis is and will be needed on prevention and health promotion to contain or reduce the incidence of chronic and degenerative diseases over the coming years. For example, the Panel was informed by the Department of Health and Social Services that the incidence of diabetes is rising rapidly in the public at large, with the diagnosis of over sixty new cases a month. Education and health promotion measures aimed at these and similar lifestyle-induced diseases will pay long-term dividends. In this regard, the Panel notes the call by the PEI Senior Citizens' Federation for priority to be placed on planning for availability of leisure and recreation facilities and infrastructure appropriate to the needs of an aging population.

At an overarching level, the Panel notes its Recommendations 16 and 17, concerning the need for Government to increase its capacity to carry out demographic research and analysis, to develop a long-term Strategy on Aging for Prince Edward Island, and to provide cross-departmental policy supports to this work. It is apparent that the Department of Health and Social Services must play a central role in these efforts. The Panel notes that the Department's demographic research and analysis activities currently take place in a decentralized way within various policy areas, and recommends that:

48. The Department of Health and Social Services place priority on developing its core capabilities in demographic research and analysis as a support to consistent, integrated planning and policy analysis throughout the Department and with other partners, including the health regions, other departments of government, and community organizations.

Income Support Earlier, this Report called for Government to place highest priority on early childhood development. The Province's income support programs and family services play a core role in promoting this goal among the province's most disadvantaged citizens. In this regard, the Panel heard strong support from several presenters for enhancement of those programs. The Advisory Council on the Status of Women devoted its entire presentation to an overview of the findings of its recent study, *Assessing the Impact of Social Policy Reform on Women's Health*, and recommendations arising from the study. The study investigated the health of single mothers on social assistance, and found that over four-fifths were either in poor health or had significant health problems. This was attributed by the study to the stress of having to rear their children on the income levels provided by Social Assistance, and the stress of powerlessness, uncertainty, and vulnerability arising from their dependent circumstances. The study found that areas of greatest stress included assistance policies related to transportation, shelter, and special needs.

These findings on stressors were generally affirmed by the Panel's own focus group research. While not nearly as in-depth as the Advisory Council's study, it yielded similar insights about the issues of greatest concern to single mothers, and the barriers to their achievement of independence and self-sufficiency. Key issues included transportation, housing, the need for training and employment supports (addressed in other policy sections), the financial risk for themselves and their children of leaving income support for uncertain jobs, and the overall levels of stress and worry in their lives.

With regard to extended health care, strong concerns were also expressed about dental care, or the lack thereof, as Social Assistance only covers emergencies (mostly extractions). It was noted that dental hygiene students at Holland College provide cleanings and other care, no longer free but still fairly low-cost. However, a number of the focus group members indicated a need for fillings and other more advanced dental care. Costs for more complex procedures for members' children, such as out-of-province surgery, are also a concern, as there is no provision to assist with such costs, yet some services are not available on PEI. It was indicated that many people borrow from family to meet needs such as these.

Participants were of the view that more adequate income support benefits were needed to give them a basic standard of living. They were strongly opposed to the reduction in Social Assistance benefits to offset the increased federal Child Tax Benefit. "I would like enough money to not worry where the next loaf of bread is coming from—enough to get off the system and support my son, make sure he never does without." "I heard on the radio that single mothers are the most prone to depression ... no wonder, we're thinking about how to get the next meal for our kids." An increase in shelter rates and increased investment in rent-to-own public housing was also advocated, as well as an additional increase in minimum wage to \$7.00 per hour.

The Cooper Institute also expressed deep concern about the "many people who lead miserable restricted lives below the poverty line." Further concerns were expressed about people lacking adequate access to services such as extended health care, dental care, transportation, child care, and adequate education. The Institute recommended that the PEI Government take action to alleviate the conditions of poverty, especially for people on Social Assistance.

Other concerns included a suggestion by the Newcomers' Association that the focus of the Province's employment enhancement programs should be expanded to include groups of people such as immigrants and youth, who might not be dependent on Social Assistance, but who need to get working and gain experience.

As well, the PEI Senior Citizens' Federation noted that priority should be placed on maintaining income support programs for seniors. These are keeping many seniors out of poverty today, it was noted, and will be as necessary in the future as they are now. More generally, the Federation noted, the economic security of tomorrow's seniors will be determined by our ability to overcome poverty and inequality today.

To address these issues identified in its study, the Advisory Council on the Status of Women called on Government to:

- C screen all social policies and programs from the perspective of their impact on the health of single mothers;
- C raise the level of income for single mothers on Social Assistance so that their basic needs and those of their children are met;
- C create a transparent process for policy-making and implementation that respects and enhances the dignity of single mothers on social assistance;
- C establish a process in which community and Government can enter into effective partnerships to improve the lives and health of mothers on Social Assistance.

The Panel notes that due to PEI's seasonal economy, a significant share of Island families rely on Social Assistance for income support at some point each year, and that considerable research evidence exists which indicates that low income detracts from children's health, well-being, and educational attainment. Given the Panel's recommendations regarding priority on children and on reducing child poverty, the Panel believes that the above recommendations of the Advisory Council regarding the Social Assistance Program merit serious consideration by Government.

Justice and Community Safety Demographics have an impact in the area of justice and public safety as in every other. Given that the peak age range for crime, particularly violent crime, is younger males, the aging of the population can be expected to lead to a steady decrease in rates of crime and particularly violent crime. Statistics indicate that this is indeed the case:

- C In 1998, the national homicide rate declined to its lowest point in 30 years. The 1998 rate was 1.83 homicides for every 100,000 population, a 6.2 per cent decrease from the previous year and the lowest level since 1968. The rate peaked in 1975 at 3.03 homicides for every 100,000 population and has generally been declining since then, with a brief upturn in the early 1990s.²²
- C In 1998, the crime rate, based on crimes reported by police, fell for the seventh consecutive year. The 4.1 per cent drop resulted in the lowest rate in almost 20 years, and contributes to a 21.7 per cent drop in the crime rate since its peak in 1991. Most crimes declined in 1998, including homicide, attempted murder, sexual assault, robbery, break and enter, motor vehicle theft, and impaired driving. Most provinces and territories followed the national trend, with the largest declines seen in Yukon, Prince Edward Island, and Ontario.
- C The youth crime rate, meanwhile, has been dropping since 1991, including a 4.0 per cent decrease in 1998. Youth crime continues to be more property-oriented than crimes committed by adults. Violent crimes accounted for 20 per cent of youth crime compared with 29 per cent

of all crimes committed by adults. The rate for youths charged with violent crimes fell marginally for the third year in a row.²³

With the continued aging of the population, it is probable that further declines in crime will occur. Prince Edward Island is further fortunate in being one of the safest societies in Canada, with the lowest rate of violent crimes of any province, and one of the lowest crime rates overall.

These circumstances, while positive, are not cause for complacency. Areas of particular concern include family violence, where Prince Edward Island does not compare as favourably with the rest of Canada as in other areas of crime, and the fact that many types of crime, although on the decline, are still substantially higher than in past decades. As well, public safety depends not only on reality, but also on perception. In this regard, fear of crime and fear of victimization tends to increase with age; as such, an aging society feels growing concern about crime, and demands tough measures, even as the problem itself, as objectively measured, is declining in severity overall.

These public perceptions are explored in the Criminal Justice Survey 1995, carried out by the Health and Community Services Agency.²⁴ Among its key findings of relevance to this work:

- C When asked to rate the seriousness of crime as a problem in PEI on a scale of one to ten, the public at large rated it a 7.0, while people aged 65 and over rated it at 9.6. Women and people with lower incomes were also likely to rate it a more serious problem.
- C Areas of particular concern across the province included substance abuse, youth violence, crimes against children, and family violence.
- C When asked the reasons for the increase in crime perceived by respondents, 59 per cent identified economic reasons such as unemployment, while 46 per cent named youth-related reasons, such as family breakdown, lack of proper upbringing and supervision, nothing for youth to do, and substance abuse.
- C Strong importance was placed on crime prevention, with a rating of nine on a scale of one to ten. Crime prevention was seen as involving public education, community programs, and youth programs by 52 per cent of respondents, while 39 per cent associated it with increased law enforcement and self-protection.

The Panel heard from several presenters that justice and community safety issues merit attention in the context of the population strategy. The Justice Resource Committee indicated in its submission that a safe community attracts immigrants and serves its existing population, by ensuring a high quality of life, holding down social costs, and providing a strong foundation for economic development. Economic development, a strong framework of social programs, a safe environment, and sound community planning in turn contribute to a safe community. Scope for improvement exists and should be pursued; crime is costly, and too many members of our society, particularly women and the elderly, continue to

live in fear. As such, crime prevention continues to be a sound and essential investment. According to the Justice Resource Committee, crime is rooted in the social and economic environment of individuals, and the most effective approach is increasingly recognized to be investing in children and families, nurturing and providing opportunities for youth from the beginning. The Justice Resource Committee called for priority to be placed on crime prevention through a community-based social development approach sustained and supported by Government.

The Panel is in accord with this direction, and notes that the other measures called for in this Report, particularly the priority emphasis on the early childhood years, the measures related to youth opportunities, and the integrated, community-based approaches to social and economic development will contribute to crime prevention and a safer society.

The Natural and Built Environment

Prince Edward Island's natural beauty, its landscape, its environment, and its quality of life are core elements of its image as "a special place." The Panel's focus group research suggested that these characteristics play a critically important role, in conjunction with the people and culture, in drawing people from other places to settle on the Island and make it their home. Indeed, it has often been suggested that the two elements of environment and social fabric are intertwined and interdependent. This theme, which arose over and over in the focus groups and in some of the presentations to the Panel, was very clearly expressed in a letter to *The Guardian* on December 6, 1999:

What attracted me to PEI was more than a good job and a beautiful landscape. I was drawn to the deep sense of connection that Islanders had to the land. I had never met people who felt as strongly about their place in the world, and about the uniqueness and value of their culture ... the Island was simultaneously less developed but more advanced. Islanders seemed to live better even while having less than others. PEI had a "spirit of place.

Notably, the author of this letter concluded by expressing his concern that if we cannot find ways to live sustainably, then "what is unique and precious about Greenwich, and about Prince Edward Island, is likely to erode along with the dunes, and the rare and wonderful quality that brings people to this place, and to this Island, will be endangered and then lost."

This reflects very accurately the tone and content of the considerable input received by the Panel, regarding doubts and concerns about the possible impacts of a population strategy and of population growth on the "spirit of place." While this quality is intangible and difficult to define, it is unquestionably a deeply held value, perhaps even more strongly among people who have adopted Prince Edward Island as their home than among lifelong Islanders.

At a more concrete level, the Panel also heard concerns about the impacts of population growth on the province's water resources, its transportation systems, and the implications of demographic trends for its housing stock. To address these concerns, the Panel heard strong calls for greater emphasis on

planning.

The Natural Environment The broad concerns held by the public were exemplified by the Western School Board's observations:

Issues related to land and natural resources—chemical sprays, lack of legislative protection, recent fish kills—are a concern of all Islanders. Clearly something must be done immediately by this Government if public confidence is to be restored, and if the Island is to be a safe place to come to. We see this as a critical issue. Government must make strong decisive legislative and penalty responses to mismanagement of our lands, our forests, our waste management, and our waterways.

Similar concerns were voiced by organizations such as the PEI Youth Council, who noted that environmental concerns are fundamentally important to many youth who are considering making their lives here; the PEI Federation of Labour, and several individual presenters, as well as the Environmental Network of PEI and Earth Action, and members of the various focus groups. At a grassroots level, the Panel heard the practical concerns of cottagers about deterioration of water quality in the Mill River and its impact on their enjoyment of their recreational properties.

To address this range of concerns, the Panel heard widespread support for the recommendations of the Round Table on Resource Land Use and Stewardship as set out in the Report, *Cultivating Island Solutions*, and calls for their full and timely implementation. The Panel also heard strong support for a shift to more sustainable forms of agriculture, an area in which this Report has already made recommendations. The Panel notes that Government is already moving forward on a number of fronts to address the recommendations of the Round Table Report, and recommends that:

49. Government respect the broad public consensus expressed in the Report of the Round Table on Resource Land Use, and place highest priority on implementing its recommendations.

Throughout the Panel's work, the question of PEI's "carrying capacity" arose, and was perhaps best answered at the Government Research Workshop by the Department of Environment: it depends. Some would say that PEI's carrying capacity has already been exceeded, it was noted, and in some respects there is justification for this view. The province's summer visitation results in a peak daily total population of 200,000, and water systems are beginning to fail on the north shore. PEI's water supply, although among the best on the continent, is totally dependent on groundwater and is therefore vulnerable. The waste treatment systems in the two cities are primary, an issue also in the forefront of the news in December 1999 when the federal Minister of Fisheries announced his intent to crack down on municipalities polluting ocean waters. New waste management infrastructure is urgently needed, and siting of such facilities poses major challenges, as became evident during 1999. Air quality, while excellent compared to many areas of North America, is affected by PEI's heavy reliance on private automobiles. The environmental impact of resource land use activities remains a lasting priority in public

opinion polls, enduring while fad issues come and go. To the extent that a population strategy leads to further growth in the rural non-farm population, these issues will intensify.

On the other hand, it was noted, some would say that PEI could hold far more people—and they are also correct, provided that the infrastructure and policies are in place to handle the wants of the population and the needs of environmental protection. Measures include continued emphasis on waste reduction, reuse, and recycling; planning now for more and better waste treatment infrastructure, central water systems, and waste management infrastructure; increasing the rate of protection of natural areas before the population increases further and it becomes even more difficult; consideration of public transit and alternative energy sources; and increased regulation and enforcement. On a positive note, it was pointed out that the public’s emphasis on environment also holds significant opportunities for environmental industries and for the expansion of high-end eco-tourism.

The Panel concludes that it is essential to ensure that the growth that may arise from the Population Strategy contributes to rather than detracts from the quality of Prince Edward Island’s natural environment, and urges that Government give priority to the approaches and measures noted above. Preservation and enhancement of the Island’s natural environment is fundamental both to the Island’s quality of life and to its capacity to attract people to visit or move to PEI. This goal needs to be entrenched in Government’s core priorities. The Panel recommends that:

50. Prince Edward Island set a societal goal to become Canada’s “Clean Province” as well as its “Smart Province.”

Transportation The Panel heard a helpful overview of the province’s transportation systems and issues from the Department of Transportation and Public Works at the Government Research Workshop, suggesting the following key characteristics of PEI’s transportation system:

- C a very sizeable network of roads, including 3,700 kilometres of paved roads, tying with Saskatchewan for the most metres per capita;
- C an aging highway system, with most of the road paving having taken place in the 1960s and 1970s, and virtually no new paving since 1983—meaning that, in 1976, three per cent of our roads were over 20 years old; by today, 40 per cent , and by 2011, 50 per cent;
- C varying levels of traffic across the province, with 74 per cent of PEI’s paved roads having volumes of less than 1,000 vehicles a day, while the roads around the two cities are at traffic levels that would call for four-laning in some other provinces;
- C rapid growth in tourism traffic and in truck traffic, strongest in the central areas of the province and around the two cities;
- C difficulty and high costs associated with development of new and more efficient traffic routes,

particularly around the cities; and

C excess capacity at the airport and ports.

Taken together, these trends indicate traffic problems of increasing severity around the two urban areas of the province, and point to a major challenge: the need to maintain an extensive and deteriorating rural highway system despite low levels of usage, while at the same time substantially upgrading the province's major arterial highways and routing them more efficiently around cities. If PEI undertakes initiatives to increase its population, it was suggested, such growth could best be accommodated, from a traffic point of view, in approved subdivisions, or in rural areas on local roads. However, the latter settlement pattern is very costly with regard to provision of most public services, and also maximizes environmental impacts and resource land use conflicts.

Clearly the adequacy of PEI's highway infrastructure is a significant issue facing a population strategy. In this regard, the Panel heard strong support from several presenters for increased emphasis on the provision of public transportation in PEI, as a means of addressing the concerns outlined above, as well as environmental, economic, and social goals. Transport 2000 noted that public transportation is a nearly universal public service, from the world's richest countries to its poorest, and that PEI's lack of public transportation is a critically important factor affecting both its ability to hold its young people here and its attractiveness as a destination for in-migrants:

C Youth pursuing post-secondary education take into consideration that they may need a car in PEI but can get by without a car at many other universities in the region.

C Youth in low-wage jobs are attracted to larger centres outside the province where they can afford to get around.

C Rural public housing is underutilized in part because people have no way to get around.

C Retirees are choosing not to move to PEI, or are leaving PEI, because of the lack of public transit.

C Immigrants are dismayed upon arriving to find that they must purchase vehicles.

It was noted that public transit has a number of economic development benefits, including increasing accessibility (for consumers, workers, and learners); freeing up funds now spent on cars for discretionary spending; increasing real estate values; and decreasing the cost of doing business. It also enhances the environment by reducing air pollution, and improves the quality of life by reducing traffic congestion and land use for parking lots. Following from this, pressures on Government to make costly investments in enhancing and expanding road infrastructure are lessened. Labour market efficiency is enhanced through better access by workers to jobs and training. Social well-being is also promoted through enhanced access by all Islanders to amenities and opportunities, reduced isolation for those

unable to afford or drive private vehicles, and improved highway safety. When the overall costs and benefits of public transportation are reviewed in this way, it is evident that its benefits far outweigh its costs, providing strong justification for Government to support the costs of operating a public transportation system—as is the case in virtually every other jurisdiction in the world. Transport 2000 recommended that PEI explore options for a system of publicly supported, accessible, high-quality public transit as a key element of a population strategy.

The Panel heard strong support for this recommendation from a number of other presenters. Both groups presenting on behalf of seniors noted the lack of public transit as an issue of growing concern, nearing the top of their priority list. The PEI Senior Citizens' Federation noted that transportation allows seniors to maintain social relationships, avoid dependency, and keep a sense of control over their lives. In PEI where public transportation is not available, seniors are more dependent on others and are more likely to be physically and socially isolated. Over the next decade, as the over-80 group continues to grow, the need for public transportation will increase. As baby boomers reach old age in 25 or 30 years, this need will increase further. The Federation recommended as a priority the provision of convenient, reliable, frequent alternatives to driving, to reduce transportation costs for everyone; encourage drivers to stop driving when it becomes unsafe; reduce accidents; reduce isolation of people who do not drive; and reduce pollution for all. The International Year of Older Persons Planning Committee expressed similar concerns, and recommended that accessible transportation services be available to all rural seniors to enable them to live in their own homes.

The absence of public transportation was also an issue of particular concern to youth and newcomers. The PEI Youth Council affirmed its recommendation of the previous year to the Employment Summit Panel, that provincial and municipal governments work together to develop a public transportation system on the Island. This system should include transportation in rural areas, building on small-scale transportation projects for employment, and perhaps an increased shuttle service between rural to urban areas of the province.

Public transportation was also identified as critically important to newcomers, as most newcomers are not immediately in a financial position to operate an automobile, and the lack of public transportation is a barrier to their integration into society and their access to learning and work opportunities. The effect of this gap, it was indicated, is that most newcomers are constrained to live in downtown Charlottetown. Absence of public transportation is a key factor in the decision of many newcomers to leave again, soon after their arrival.

The Panel's focus group research pointed to some differences on this issue among people who had come here from other jurisdictions or spent a number of years elsewhere, and those who had lived out their lives here. Most of the participants who had come from away and many of those who had spent time away (including most of the youth focus group participants), saw the lack of public transportation as a serious deficiency and a priority need. Many lifelong Islanders, on the other hand, did not even identify this issue. Others acknowledged it as a need, but dismissed it with the comment that Islanders would never use public transit, being too used to having their own vehicles. In response to this view,

proponents of public transportation suggest that if PEI had a public transportation system that was reliable, frequent, well publicized, accessible, and affordable—unlike the services available currently and in the recent past—then Islanders would be likely to use it.

This difference in perspective between the majority of the local population and the smaller number of Islanders who are from away, have been away, or are leaving, helps to explain why this policy issue appears to represent a collective and enduring blind spot for governments. At the Government Research Workshop, the Panel was told by the Department of Transportation and Public Works that existing public transportation, a bus and shuttle, are not used to their full extent. It was noted that these services are demand-driven; bus deregulation means that anyone who wants to start a transit service can do so, provided that he or she has a chauffeur's license. Such services do not receive a public subsidy, it was indicated—begging the question of why they are referred to as “public transportation.”

In this regard, the Panel notes the observation during its hearings, that the Department of Transportation is rated by kilometres of pavement, and that organizations respond to what they are rated on. It was pointed out that the Department is not rated on its innovative transportation solutions for youth and an aging population. The Panel is in accord with this observation. Noting that public transportation is of particular importance to the target groups that Government hopes to retain in PEI or attract to PEI, and that many innovative models exist to provide public transportation in affordable ways, the Panel recommends that:

51. A public transportation policy be established for the province, including among its goals affordable and accessible public transportation for all Islanders, and these goals be supported through the development of an Island-wide, publicly supported transportation system.

The Information Highway Another form of infrastructure of growing importance is the province's telecommunications infrastructure and system of public access points to the Internet. This infrastructure is critically important to the ability of rural Island communities to obtain equal access to specialized health care, educational programming, and public services, and to engage in the many economic opportunities rapidly emerging in the “E-economy.” In this regard, Prince Edward Island is providing national leadership. Its telecommunications provider, Island Tel, has invested \$250 million in the past decade to eliminate party lines, establish fully digital service, and build a high-bandwidth fibre optic backbone from one end of the Island to the other. This broadband network links most provincial government services in the province, including schools, libraries, and health care facilities. The province also has Canada's densest network of Community Access Program (CAP) sites—53 in total, with an average of 2,600 Islanders per site, and no Islander more than fifteen minutes by vehicle from a site.

These and other investments are providing a strong impetus to growth in the digital literacy of the population. Between 1997 and 1998, according to Statistics Canada, PEI experienced the highest growth in household computer use in Canada, as well as the highest growth in home computer ownership—despite clear evidence that computer use and ownership is strongly linked to income levels, education levels, and living in large urban centres.²⁵ Similar gains were achieved in the private sector,

according to a recent study by the Canadian Federation of Independent Businesses. Between 1998 and 1999, PEI posted one of the strongest increases in Canada in the proportion of businesses connected to the Internet, going from 43 per cent to 64 per cent, and from seventh place, below the national average to fifth place, above the national average.²⁶ The educational sector also showed progress, with another Statistics Canada survey in early 1999 indicating that Island schools led the country in the proportions of students involved in designing and maintaining web sites, and using e-mail, and was in the top three in terms of student use of information from external databases, and use of the Internet to disseminate information.²⁷

While these are laudable achievements, they cannot be a cause for complacency. Substantial potential exists to make yet greater use of the province's exceptional IT infrastructure, and needs still exist in many parts of rural Prince Edward Island for better access to bandwidth. If the full potential of the knowledge economy is to be tapped in rural Prince Edward Island, investments in this sector must continue to be a priority for Government.

Housing "The importance of demographic forces in Canada's development is widely recognized. Nowhere is this more apparent than in the housing sector . . . demographic developments will be crucial determinants of the level, composition, and location of housing demand in Canada. . . . Long-term projections of housing demand are required because of the long production cycle involved in housing. That cycle, from community planning and the provision of services to the eventual construction of housing, can take many years and involves long-term decisions that affect the natural, social, and economic environment for many decades," according to a recent publication by the Canada Mortgage and Housing Corporation.²⁸ The practical impacts of these observations were apparent in West Prince, where the Panel was told that property values are already on the decline as seniors move into smaller housing and the young families to buy their homes are not there.

According to the presentation by Canada Mortgage and Housing Corporation at the Government Research Workshop, the current and projected impacts of population and demographic trends on the housing sector can be summarized as follows:

- C The 18 to 29 age group, the target market for rentals, is down 4.6 per cent, spurred by net out-migration in the 18 to 24 age group. Youth income is flat or declining, resulting in high vacancy rates for rental accommodation, despite a decline in multiple unit starts. A balanced vacancy rate is three or four per cent, as in 1996–97; lately, PEI's has been closer to six per cent.
- C The 44 to 59 age group, a prime house-buyer market, is up 23 per cent. There is also strong in-migration of the 25 to 44 age group with children, a key first-time buyer group. Accordingly, there is increased demand for single-family dwellings, expected to continue for the next couple of years. The highest jump in demand has been for homes costing less than \$80,000, particularly in the more urbanized areas of the province. Migration is only one factor; low mortgage rates also play a role.

- C Overall, however, PEI's net migration was down in 1997 and 1998. This links to a decline in housing starts, which usually lags behind a decline in net migration by a couple of years.
- C Full-time job growth in the Charlottetown area has been strong for people over age 45, up 36 per cent in the 1990s, but has declined 12 per cent for those aged 15 to 24. This is a key factor in income loss and out-migration among youth.
- C Optimistic projections are for slight household growth over the next decade; realistic projections are for no growth. The number of households is expected to begin declining after 2010. Growth will be concentrated in non-family households. Among families, childless couples will increase and families with children at home will decrease. Some key implications are as follows:
 - S There will be stable demand for housing in the medium term.
 - S There will be a growing "empty-nester" population.
 - S PEI will need to increase its stock of smaller, one-floor housing.
 - S Safety will be of growing importance.
 - S Development will shift from building structures, to building a neighbourhood and lifestyle, a trend already apparent in many centres.
 - S The renter market will shift to include not only those who cannot afford to buy, but also affluent seniors who will want spacious, high-quality accommodations close to services.

The Panel concludes, based on the input it has received, that a clear need exists to plan and prepare now for the housing needs of an aging population. Such measures hold great potential to enhance the quality of life of seniors by maintaining their capacity for independent living. In so doing, the demands on the Province's health care system are likely to be significantly abated. The Panel was told by the International Year of Older Persons Planning Committee that research has proven that seniors who remain in their own homes or "age-in-place" have better physical and mental health, need less expensive housing, and generally are more productive and content members of our communities. While 90 per cent of PEI seniors live in a private household, many of the homes and apartments available for Island seniors are not conducive to aging in place; however, homes can be adapted. Noting that an aging population needs a range of affordable housing options such as individual homes, duplexes, condominiums, town houses, and inter-generational communities, the IYOP Planning Committee recommended that construction companies be given incentives to design homes for universal use. Also noting that PEI needs different levels of supportive housing, including co-ops, multi-care facilities, garden suites, and inter-generational housing, the IYOP Planning Committee recommended that home repairs, renovations, and security systems to meet the needs of older persons be offered at reduced prices to older residents.

The PEI Senior Citizens' Federation affirmed these views, and expressed particular concern about the growing need, in the next decade, for more publicly funded and subsidized housing to meet the needs of the rapidly growing population of very elderly single women. The dramatic increase in the numbers of elderly in 30 years will also result in increased need for supportive housing for seniors with dementia.

The Federation suggested that priority should be put on providing a range of affordable and accessible housing options for single independent older seniors over the next decade. On a related issue, the Panel's focus group of Employment Enhancement clients, as well as its input from the Advisory Council on the Status of Women, indicated a strong perceived need for more public housing for low-income Islanders.

In this regard, the Panel's research into the public housing sector indicated the following:

- C The Province's public housing portfolio currently includes a total of 1,624 units, including 450 family units and 1,174 units for seniors. Of the seniors' units, 634 are in urban areas and 540 are in rural areas.
- C CMHC owns a further 730 units, with most of its co-op housing geared to a mix of low-income tenants, and the remainder oriented to seniors. Many of those units are provided through partnerships with third parties, such as the Salvation Army, or local Legions.
- C Vacancy rates for the province's family units are virtually nil regardless of location, while vacancy rates for the province's seniors' units are 4.9 per cent in urban areas (31 vacancies) and 7.9 per cent in rural areas (41 vacancies). A recent CMHC survey suggests that these seniors units' vacancy rates are roughly comparable to private sector rental vacancy rates. The Health Regions maintain waiting lists in urban areas, although those are declining; many rural areas have no waiting lists.
- C Vacancy rates are significantly higher in some rural housing complexes than in others, a circumstance possibly linked to proximity to hospitals and other services, and/or availability of appealing private sector or CMHC seniors' accommodations.
- C Construction of provincial public housing began in the 1960s, with the most recent project completed in the early 1990s. As such, some of this housing stock is over thirty years old, and beginning to require an increasing level of maintenance and repair.²⁹
- C While no recent surveys exist, the Seniors Needs Survey on Housing, done in 1994, indicates that residents in seniors' housing are likely to be female, lower-income, very elderly, and long-term. At that time, 22.5 per cent were aged 76 to 80, 23.5 per cent were aged 81 to 85, and 7.5 per cent were aged over 85.³⁰ In effect, this population is aging in place, and indications are that this has continued to be the case since the survey was done six years ago.
- C The federal government has expressed interest in transferring responsibility for management of its housing portfolio to the Province, while retaining ownership of the units. To date, the Province has not availed itself of this option.

The Panel notes that significant changes are under way or upcoming that affect this sector, not only with

regard to demographic trends, but also in terms of income levels, technology, and expectations. Seniors' income levels are being positively affected by the growth in eligibility for Canada Pension Plan income, although a number of seniors, particularly women, will continue to be affected by poverty. Rapid advances in technology, particularly medical and information technologies, create increased opportunities for people to remain in suitably modified and equipped housing rather than being cared for in institutional settings. Seniors who in years past were satisfied with one-bedroom units may now prefer more spacious accommodations. An emphasis on a strategy of retiree in-migration would increase demand for suitable housing. Although it is anticipated that such demand would be met almost entirely by the private sector, such a trend would have demand impacts on the overall housing market for seniors. With regard to the physical infrastructure and its utilization, a comprehensive assessment has not been done for many years. The federal government's willingness to turn over management of its portfolio to the Province would appear to create opportunities for improved integration, efficiency, and quality of services, which merit exploration. To reiterate an earlier theme, it is time to "plan while we can"—in this area more than most others. The Panel recommends that:

52. An in-depth review be conducted of issues related to public housing, including measures to:

- C assess the adequacy and appropriateness of the existing housing stock;**
- C carry out market research into the needs and expectations of its current and forecast client group of senior tenants;**
- C review the need for and options to enhance the supportive housing capabilities of the existing stock;**
- C assess the implications of provincial management of all public housing in the province; and**
- C act as results of the review dictate.**

Planning for Development The key to addressing all the concerns outlined above with regard to the natural and built environment, and to managing the impacts of any population growth that might result from this strategy, is to establish and abide by sound community, regional, and provincial planning frameworks. ***“Any increase in population can be disastrous if there is not a clear planning framework for where these people are going to live and how they are going to get around,”*** was the common-sense advice of one presenter.

In this regard, the non-restrictive land use planning philosophy and approaches of past years would appear to have contributed in some measure to the environmental and traffic concerns outlined earlier in this section, as well as other concerns related to community viability and dispersal of public infrastructure and services. The Panel learned at the Government Research Workshop that, despite urban growth, urban and suburban areas still only comprise a small fraction of the Island's land base—56,000 acres out of 1.4 million. Roads take up another 29,000 acres. Settlement patterns since the Development Plan have mostly taken place in unincorporated areas, through strip development along the roads and coasts, and in a “doughnut” pattern just outside municipal boundaries. Between

1974 and 1998, 14,400 building permits were issued in PEI, 70 per cent of them in unincorporated areas, including 2,600 cottages. These have utilized 6,000 acres of land. Institutional facilities, particularly schools, have also tended to be placed outside cities and towns. Infrastructure development has responded to rather than led development.

While this approach to development has had the advantages of keeping development costs low and minimizing government intervention, it also has a number of negative implications, including significantly higher infrastructure and program costs of servicing a dispersed population, and growing conflicts over rural resource land uses. While a residence in a rural area might occupy less than an acre of land, it is estimated that its “zone of influence” with regard to neighbouring land uses is 70 acres. Moreover, such dispersed development reduces the human resources and the revenue base available to the Island’s towns and villages.

The Panel also heard presentations from the Cities of Charlottetown and Summerside at the Government Research Workshop. The presentation from the City of Charlottetown indicated that the city’s growth over the past decade has been in the order of one per cent. The recently completed Official Plan sets out a moderate growth projection of 1.5 per cent and a high growth assumption of two per cent, double the historical rate. It was noted, however, that even the historical rate of one per cent would take the population of Charlottetown itself to 40,000 by 2016. As well, as noted earlier in this Report, the communities immediately surrounding Charlottetown are experiencing continued growth.

With regard to Summerside, the Panel was informed that the City’s Official Plan, approved in 1998, extends its projections out 20 years, based on a ratio of provincial population, and establishes land use and development policies for the next 15 years to meet the growth needs arising from those projections. The City’s medium growth scenario calls for an increase of 1.45 per cent annually, adding 4,900 people over the next twenty years. To address this population increase, Summerside’s Official Plan includes an integrated growth management strategy that emphasizes avoidance of urban sprawl in order to reduce infrastructure and servicing costs, promote affordable housing, hold down property tax rates, and protect valuable agricultural lands within the urban boundary. The Plan estimates that nearly 640 acres, or one square mile, will be needed over the next fifteen years to accommodate population growth and a mix of housing types and densities.

It might be noted that both these Official Plans anticipate population growth rates considerably higher than those forecast for the province as a whole by the Provincial Treasury’s new population model. This is partly due to the fact that these assumptions call for a higher level of in-migration and of overall provincial population growth than the Provincial Treasury model. At the Government Research Workshop, however, it was also noted that Summerside’s projections include an assumption that the city will continue to draw in-migration from other parts of the province, and that its share of the province’s population will rise from 10.8 per cent in 1996 to 12.5 per cent in future. While Charlottetown did not specify the sources of its anticipated population growth of one per cent, this rate would also imply in-migration from other parts of the province and/or external sources. As such, **the population projections of both urban centres are premised on a continued population shift from**

rural to urban areas of the province.

With regard to PEI's resource lands, during the past two decades, PEI has gone from a surplus of 200,000 acres to no surplus. Land is being used both more extensively and more intensively. PEI has had several comprehensive examinations of these issues, starting with the Royal Commission on the Land in 1973, which forecast problems; the Royal Commission in 1981, which found we were experiencing problems; the Royal Commission on the Land in 1991, which found those problems had increased; and the Round Table on Resource Land Use and Stewardship, which found the problems had intensified yet more.

PEI's capacity to accommodate an increased level of in-migration is governed by its legislative framework for land use planning and management. This includes the *Planning Act*, which defines **what** use we make of the land, and various management statutes, which define **how** we use the land, based on minimum standards. The Special Planning Areas of recent years have attempted to take a more integrated approach in specified high pressure or sensitive areas. It was noted at the Government Research Workshop that this framework operates in the context of a set of broad public values and attitudes about land use in PEI:

- C a very strongly held feeling that "it's mine"; that ownership confers rights to use the land in whatever way one wants; and
- C an emphasis on equality of development opportunity. If land is zoned, this choice is removed for some. This issue was tested in the buffer zone consultations, that is, the importance attached to everyone having the same right to subdivide their land. Overwhelmingly, the response was that it was very important.

Existing rural settlement patterns, while holding many disadvantages from planning and service delivery perspectives, are also strongly supported by many Islanders, and there is significant momentum for such patterns to continue. The Panel heard from the community of Belfast, for example, that scarcity of development land is a growing challenge facing the community, and that young people are finding it hard to find a building lot. The TransCanada Highway runs past the community and no new residential accesses are permitted. A less restrictive approach was advocated, given a perception of moderate traffic levels on the arterial highway. As well, it was noted, there is scope for further development on the collector roads. While Belfast is an incorporated municipality, many other rural areas of the province are unincorporated, creating significant tax incentives for individuals to settle there.

The prevailing climate of public opinion increases the challenge of providing stronger public leadership in shaping the development patterns of the province. Nonetheless, the Panel considers it essential that such leadership be taken, if the economic and social benefits of a population strategy are to be realized without compromising the environment or the quality of life for Islanders. The Panel has already made recommendations with regard to strengthening community capacity, following through on the recommendations of the Round Table on Resource Land Use and Stewardship, and increased emphasis on planning in the areas of transportation and housing. In support of and in concert with these

measures, the Panel recommends that:

53. Pending enhancement of municipal governance and planning capacity, the Province take a stronger leadership role in shaping development patterns and activity in Prince Edward Island.

54. To prevent further urban sprawl, regulatory protections be maintained, including the buffer zones around the two urban centres, and restrictions on development along arterial highways.

55. Incentives and measures be identified and implemented to encourage further population growth to take place within municipal boundaries and serviced areas.

Conclusion

Population and demographic trends both reflect and shape the forces in our lives and our society. Any jurisdiction hoping to influence population trends must do so in the face of global competition, growing complexity, and accelerating social, economic, and technological change. The task of developing a Population Strategy for PEI, esoteric as it may have seemed at first glance, has proven to be both a challenge and a privilege for the Panel. The challenge has lain in the task of piecing together the information, advice, and views gathered through the Panel's research and consultations into a coherent blueprint to make life better on PEI. The privilege has arisen from the opportunity given the Panelists, as volunteers representing Islanders at large, to have a voice in shaping major elements of our social and community fabric over the coming years. The Panel is hopeful that its work, and the contributions of the many participants in its research and consultations, will indeed be used to help to make Prince Edward Island **"a place to stay,"** both for those who already live here, and for those who are seeking a new home.

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