

## **RURAL DEVELOPMENT ISSUES IN PRINCE EDWARD ISLAND, CANADA**

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### **Abstract**

Historical background and contemporary rural area differences in Prince Edward Island is represented. The effects of some development projects are analysed taking into account the changes of activity orientation of different parts of the island.

*Key words: Prince Edward Island, rural development, tourism.*

## **RAZVOJNI PROBLEMI PODEŽELJA NA OTOKU PRINCA EDVARDA, KANADA**

### **Izveček**

Predstavljeno je zgodovinsko ozadje razlik na sodobnem podeželju Otoka princa Edvarda. Analizirani so učinki nekaterih razvojnih problemov predvsem z vidika sprememb v gospodarski usmerjenosti različnih delov otoka.

*Ključne besede: Otok princa Edvarda, razvoj podeželja, turizem.*

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## Uvod ali karkoli v angleščini

Prince Edward Island (PEI) must be Canada's most unusual province. By Canadian standards it is tiny at only 5,660 sq km and it has by far the smallest population, only 139,000, the size of a large town. Uniquely its population is more rural than urban, but, despite that, PEI is the most densely populated of Canada's provinces, it lacking the areas of wilderness that characterise the others.

Before European penetration the island, like most of the rest of what became the Maritime Provinces was the territory of the Mi'qmaq Indians. The island then became caught up in the rivalry between France and Britain and belonged to both at different times. It ended up, like the rest of Canada (two tiny islands excepted) as British before independence, but with a minority francophone population made up of Acadians, an early French settler group in eastern Canada. After peace PEI was divided into lots and the lot owners encouraged settlement on their holdings. Those moving to the island were principally from the British Isles, some English, many Scots and Irish.

PEI has some of the best agricultural land in Eastern Canada, with a red soil based on the island's sandstone geology. Agriculture, fishing in the Gulf of St Lawrence and forestry became the economic mainstays. The forest products were during the 19th century the basis an extensive wooden shipbuilding industry, but that did not translate into modern shipbuilding and the island throughout the 20th century relied largely on its primary sector traditions. Its bucolic life was celebrated in the Anne of Green Gables novels of Lucy Maud Montgomery which have become very popular in recent decades in Japan. As a result, they have become part of another important economic sector, tourism, along with some beautiful beaches, very popular in Eastern North America during the brief eight weeks of the summer season. High transport costs associated with insularity, peripherality, limited resources and, inevitably, a small scale of production were factors that gave rise to economic problems. It was not possible to develop a prosperous modern economy to Canadian standards based on the production of potatoes, the principal crop, some fish and seasonal tourism and islanders reacted throughout much of the 20th century by leaving for more prosperous parts of Canada or the US. PEI has always been one of the poorest parts of 'Down East', the term sometimes used dismissively for this part of Canada, a nation some have seen as stretching all the way from Vancouver

to Montreal, PEI being 'always on the outside looking in' as one commentator put it.

Canada, a liberal democracy, has had long traditions of trying to use government policy to bring PEI and other failing regions up to scratch by regional policy measures. Indeed PEI's decision to join Canada in 1871 rested upon achieving a favourable subsidy on transportation rates from this hinterland into the Canadian heartland.

There is not space here to discuss the whole decades-long saga of Canadian regional policy, I want to look at what is happening now. Suffice it to say that the policy has progressed from a desire to attract large outside industries to one more attuned to the need to develop human capital at the small scale by encouraging bottom-up development from within the local community. Always, though, there has been the constant of state support, and much of the official and voluntary action within what is now more community economic development than regional development is focused on trying to access Federal or Provincial funds to support development projects. Thus the presence of a dependency culture is one of the major issues confronting rural development here.

The responsible Federal development agency is the Atlantic Canada Opportunities Agency (ACOA) and the Provincial Government (with political powers equivalent to the governments of Ontario or Quebec) also has development responsibilities, especially through the Department of Development. From the mid-1990s the Federal and Provincial governments co-operated in setting up four local development arms, usually known as Rural Development Corporations (RDCs). There were alternative arrangements made for the islands' two towns of Charlottetown and Summerside, which will not be considered here.

Each RDC has a regional focus. There was one for the East (originally Opportunities East); one for the rural centre (Central Development Corporation); one for the west (originally Western Development Corporation) and the final one in the southwest for the island's Evangeline Region (La Société de Développement de la Baie Acadienne), where most of the Acadian francophone population lives. The RDCs were developers themselves and were also designed to be a conduit between local people and groups and the governments. The RDCs have had a very chequered history. Funded by the two governments and reporting to them, nonethe-

less they had a local board and a certain degree of autonomy. In fact in my interviews with the RDCs there were complaints that they were left too well alone by ACOA who did not attend their board meetings despite their having a place thereon.

Opportunities East was soon disbanded and had to be relaunched under the name Active Communities.

Western Development Corporation made some injudicious investment decisions, particularly in sponsoring a particularly unsuccessful fun park and failing with a retirement complex scheme and, after being run directly by ACOA for a spell, was disbanded, to be replaced by Resources West. The other two were much more successful.

Central Development Corporation benefits from having in its area the two towns which have stronger economies than the rest of the Island, which spills over into the neighbouring rural areas; also the principal tourist attractions including many of the beaches and the Anne of Green Gables site. Also, the 1997 Confederation Bridge, which joins the Island to New Brunswick on the Mainland, enters here and thus this is the most accessible part of PEI. Thus Central Development has been able to set up industrial units, an economic sector absent from most of the rest of rural PEI, other than some multinational food processing factories. Also there is the reception area for visitors coming over the bridge.

The francophone RDC has made much of its people's skills. Though francophone, they are all reasonably bi-lingual and this has helped the RDC bring in small scale call centre work and also set up a specialised computer company and develop within their own building a small technical college which links into the larger francophone network elsewhere in Canada. The RDC also built up a small shopping centre which enable the locals to shop within their area and within their language, rather than having to go into Summerside and shop in English.

Most of the other projects sponsored by the RDCs in rural PEI have been tied in with tourism: welcome centres, craft and other shops, small resort areas etc., although such developments are very seasonal in the impacts they make on opportunities in their areas. Their small scale is a marker of the level at which community development works in these rural areas; safeguarding or providing a handful of jobs, even one or two is significant in rural PEI.

The RDCs' sponsors, the two governments, were aware of the mixed record of their RDCs, especially after a report was commissioned into their activities. This found, as might have been expected, that the Baie Acadienne and the Central Development Corporations were performing satisfactorily but the other two, despite both having been relaunched, were not effective. The Provincial government withdrew funding from the RDCs and ACOA placed them under short-term emergency funding as soon as their five year contract expired in 2001.

In addition, there has been a new community development approach initiative from the Provincial Government. PEI has never had proper local government at a tier below that of the Province itself. There are three counties but they have no local government role. Some of the villages are incorporated and have councils, but much of the island is without local organization. From 1998, the Provincial Government established a programme of identifying local communities of about 2000 people or more. These were usually based around the catchment of a primary school or the area served by a volunteer fire district. Surveyors were sent round and people in the country were asked to where they belonged. The result was 33 areas outside the two towns. These areas were then grouped into six larger Community Development Areas and a community development worker was appointed and assigned to each area. The provincial government and to a lesser extent ACOA are now prepared to work directly with people from the 33 areas, with, perhaps the help of the community development worker. Before local people were supposed to go through their region's RDC. Now they no longer have to do so and the role of the RDC has thus been downgraded. The projects worked on are similar to before, however and still rely largely on tourist developments.

Some RDCs see this new initiative as a threat, not all were prepared to speak of themselves co-operating fully with the workings of the new system, although co-operation is certainly feasible. There were some accusations that the new system operated more favourably in those parts of the island represented by powerful politicians. None of the RDCs viewed this alternative road to rural development projects and funding especially favourably. In return, the Provincial government no longer regarded the RDCs with favour as demonstrated by their cancelling their funding as well as through statements made in interviews. The RDCs try to carry on, but with no certainty as to their funding future, perhaps forlornly. The Central Development Corporation has property and viable ventures to sustain it to

some extent; those on the edges of the island are less secure. Resources West has recently relaunched its policy to try not for tourist projects (which their predecessor, Western Development Corporation) focused upon, but a manufacturing strategy. They are developing a data base on the skills of their workers and the strengths of their area, they have a target to try and attract by 2005 2000 jobs which will be permanent, not seasonal, and pay at least Can\$10 per hour (about US\$7). I asked how many jobs they had attracted so far: none. Their population is very isolated, their area is remote, there are few natural resources and considerable problems of poor education and limited literacy.

By contrast, the Baie Acadienne corporation in the Evangeline region has recently extended its offices. It has a college and a computer company, it opened in August 2001 a small call centre, has high hopes for a new resort area, La Village, which they think will now include a golf course (a project proposed and rejected in the past for this area). The area here has, as noted before, a good range of useful skills, especially in languages and, through its locally responsive French language education board, instils a greater degree of education than has often been the case in rural PEI. But perhaps the major factor is that as a francophone area, the Evangeline Region and its agencies are able to apply for special funding from the Canadian Federal Government and also to bid for projects offered only to francophone areas (outside Quebec).

Thus in sum we see in this small disadvantaged Canadian island province a considerable variation in the regional expression of community economic development. This is predicated upon the usual geographical factors, especially accessibility, but also upon a non-level playing field of differential opportunity depending, allegedly on factors such as the input of local politicians, as well as the different ethnic make up of the regions. There is also, despite the strong identity of Islanders (always with a capital letter) with their home province, something of a turf war, not just between the Federal and Provincial governments-an issue that has bedevilled Canadian Governance since independence-but between different groups of development workers in this tiny island. That Canada, with all its wealth and resources, and many decades of honest endeavour has not yet been able to set up a development paradigm to bring forward together the rural population of its smallest, least diverse and most unified province just goes to demonstrate something of the difficulties of dealing with contemporary rural development even in the Western world. RAZVOJNI PROBLEMI

## PODEŽELJA NA OTOKU PRINCA EDVARDA, KANADA

### Povzetek

Otok princa Edvarda s 5 660 km<sup>2</sup> in 139 000 prebivalci je dalež najmanjša kanadska provinca. Čeprav je več podeželskega kot mestnega prebivalstva, je najgosteje naseljena provinca. Živahno gospodarstvo v 19. stoletju (kmetijstvo, gozdarstvo, gradnja lesenih ladij) se ni nadaljevalo z industrializacijo. Otok je zaradi perifernosti industrija obšla, zaradi česar se je uvrstil med najrevnejše province.

V 90. letih 20. stoletja sta zvezna in provincijska oblast oblikovali štiri družbe za razvoj podeželja, ki so bile zadolžene za razvoj posameznih delov otoka. Uspehi posameznih družb so bili različni, od neuspešnih vlaganj v izgradnjo zabaviščnega parka pa do zelo uspešnega delovanja frankofonskega območja, ki z gospodarstvom (računalniška firma, trgovsko središče) krepi tudi narodnostno istovetnost.

Večina razvojnih projektov družb je bila povezana s turizmom (sprejemna središča, trgovine, majhna letovišča), čeprav sezona traja le nekaj tednov.

Ker dve družbi (ali polovica vseh) nista bili uspešni, je provincijska vlada umaknila iz družb svoj kapital in do konca petletne pogodbe zagotavljala sredstva za kratkoročne nujne posege. Provincijska vlada je osnovala nov razvojni pristop. Vzpodbudila je razvoj lokalnih skupnosti, ki jih pred letom 1998 skoraj ni bilo. Skupnosti so se običajno vezale na šolske okoliše ali na območja, ki so jih pokrivala prostovoljna gasilska društva. Oblikovalo se je 33 podeželskih skupnosti, ki so bile združene v šest večjih razvojnih območij. S tako organiziranostjo naj bi lokalna vlada dosegla neposredno povezavo s prebivalci. Ne preseneča, da je nova organiziranost razvojnih usmeritev vzbudila odpor pri obstoječih institucionalnih ustanovah (družbe za razvoj podeželja). Tako se na podeželju soočata močna lokalna identiteta prebivalcev, ki poskušajo preživeti v domačem okolju ter kljub bogastvu države neučinkovitost posegov kanadske vlade.