

Pioneers in Local Government? A Case for Municipal Reform in West Prince

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Mr. Premier, Minister Shea, citizens of West Prince --

I am delighted to be with you here today, on this historic occasion. I have a strong sense that important developments are afoot in West Prince. . . . Certainly, I have been impressed with the recent work of Resources West: with the *Five Year Business Plan* and the Labour Market Strategy and the ambition to create "2000 new, permanent, non-governmental jobs" in the area. I sense here a strong resolve that West Prince can become, once again, a leader in innovation and opportunity in Prince Edward Island.

Later in my talk I shall be making some suggestions which may strike many of you as rather bold -- even audacious. Moreover, my remarks will not deal directly with a labour market strategy for the area, the main purpose of this Employment Summit. Rather, I shall be proposing that you consider adopting a new governance model for West Prince -- one which will provide sufficient authority and capacity and accountability to the general populace so that, in fact, this ambitious strategy can be implemented effectively.

But before I proceed to that part of my talk, I feel that I should attempt to ingratiate myself with you by declaring that I am no stranger to your community! In fact, I was conceived here -- if you are willing to agree that the boundary of West Prince extends far enough south to include Lot 13. I may also be considered an example of early West Prince "Brain Drain." In my case, I hasten to assure you, the defection was entirely involuntary. When I was but two years old, my parents took me and my (then) five brothers and sisters to live on a farm near Summerside. Part of the reason for the move was to be closer to the superior educational opportunities then available at Summerside High School.

My family history is also tied up with the business heritage of this part of the Island. My first Island ancestor on my mother's side -- William Ellis -- arrived at Port Hill as a ship builder in the first decades of the 19th century. More than 100 years later, my parents moved from Richmond to Northam Station, where they were brave -- or foolish! -- enough to start a store at the beginning of the Great Depression. But they worked hard there, and prospered -- becoming one of the most successful mercantile operations in western PEI.

But not only do I claim for *myself* special status as a "son of West Prince": the organization I represent, the Institute of Island Studies at the University of Prince Edward Island, has long been active in this part of the province. Our earliest initiative here was the memorable "Island Folk Festival," held at Westisle Theatre on November 6, 1982. That event resulted directly in the production of a commercial recording of Festival highlights. And it led indirectly to the founding of the Larry Gorman Folk Festival (and Bus Tour), now an annual fixture in the summer cultural itinerary of Tyne Valley. Our Institute co-sponsors this Festival with the local community, thus

providing me the opportunity to work in cahoots with my cousin Myles Ellis, a long-time resident of "the Valley." The Island Folk Festival also helped to inspire a book -- *Drive Dull Care Away: Folksongs from Prince Edward Island*, authored by Sandy Ives and published by the Institute of Island Studies. This elegantly-written volume pays particular attention to the folk tradition in West Prince -- and with very good reason, because of the number and quality of the folksongs created here.

The 1982 Island Folk Festival was but the beginning of the Institute's involvement with West Prince. In the two decades which have passed since then, we've sponsored more than a dozen initiatives featuring the area, either directly or indirectly. These include: the production, for the Economic Council of Canada, of a 1988 case study based on the work of the West Prince Industrial Commission; the hosting of a Public Forum, entitled "Living Together: The Environment and the Economy in West Prince," at Westisle Theatre on May 2, 1995; the organization of a national conference of the Canadian Rural Restructuring Foundation, held here at the Mill River Resort from October 15-18, 1997; and the commission and publication of an HRDC-funded report entitled *From UI to EI in PEI: Local Economies and the Impacts of Employment Insurance*, by Dr. Doug House, of Memorial University, and Janice Ployer (1999). This last project compared the Palmer Road area -- Lots 1-3 -- with the Belfast district in Queen's County, covering the area roughly from Orwell to Wood Islands.

Our Institute has also produced an unpublished manuscript -- long in the making and soon to go to the printer - taking a comprehensive look at the history of co-ops and credit unions in the province. In fact, this project was initiated by Emily Elizabeth Cran from Tignish, a co-operative community which itself figures as a hero in the story. Few Islanders know that the great Moses Coady himself, a founder of the Antigonish Movement in the Maritimes, came to Tignish in the late 1920s to learn first-hand about an important local experiment in fisheries co-operation, Tignish Fisheries. The Manager, a local lawyer named Chester McCarthy, went on to become the first President of the United Maritime Fishermen.

Well that's enough -- for now -- about the past activities of the Institute. I do, though, want to take advantage of this opportunity to urge you to attend our next event in the region. This is a lecture by my good friend and colleague John Cousins, who lives just across the way here in Bloomfield; it's one of about 15 talks held across the Island in the annual Island Lecture Series, which we co-sponsor with the PEI Museum and Heritage Foundation. The title of John's lecture is "Great Expectations: The Gold Rush of 1883 in Cape Wolfe." Now, John has informed me that this event raised hopes in the area very, very high; in fact, pretty well the whole coastline from West Cape to Howard's Cove -- comprising some 15 farms -- was bought up by a mining company. The prime movers behind the gold enterprise were two Peters brothers, grandsons of the redoubtable Sir Samuel Cunard, founder of the Cunard Shipping Lines and at one time the proprietor of more than 200,000 acres of land in Prince Edward Island. I hope it doesn't detract from the drama of John's lecture to tell you that this gold rush was rather a flash-in-the-pan affair -- and the whole frenzy soon petered out. . . . But that didn't prevent either of the Peters brothers from going on to become Premier of the province.

This lecture takes place next Wednesday, March 13, at the O'Leary Community Centre, beginning at 7:30. Don't be late, if you want to get a seat!

If the theme of the Island Lecture Series in 2002 is gold, last year it was *silver*. On March 29, 2001, Allan Rankin gave a talk in Montrose on the glorious era of silver fox breeding and ranching in Prince Edward Island. This was a world industry which traced its origins to West Prince -- to experiments by two local men, Charles Dalton and Robert Oulton, in raising wild foxes in the 1880s. They succeeded; and through brilliant management and marketing, they and some business colleagues grew rich. By 1929, the industry had spread to the rest of the Island -- and far beyond. That year -- 1929 -- there were 727 registered fur farms in the province, with 23,472 animals valued at \$3.8 million. In today's dollars, this would likely amount to hundreds of millions. . . .

I think it could be argued that the fox industry in PEI provides a brilliant example of a successful early "knowledge industry." Money was made not only from the marketing of fox pelts -- the raw commodity -- but also from the sale of breeding stock and the special knowledge about how to raise them. John Cousins tells me about a man named John Warren from the Dock Road who worked for 20-25 years as manager of a fox ranch in Pennsylvania. There would have been many more like him.

And so today -- while we consider the doleful statistics about the present employment and income levels in this region of the province -- we should bear in mind that the most successful single example of business innovation and marketing in Island history occurred right here, in West Prince, beginning with very simple experiments about how to breed wild foxes in captivity more than a century ago.

Nor do we need to confine ourselves to the past to find West Prince success stories. A quick scan around the area today will reveal wonderful examples of thriving new enterprises -- such as Troika Potato International in Alberton, exporting Island potato expertise to Russia; *Canadian Classics Magazine*, a local internet-based business; Trout River Industries, a rapidly growing company which produces live- bottom trailers; and the West Cape Lighthouse project, seen by many in the Maritimes as a model for community-based cultural enterprise. In the health field, the local tele-hospice project has gained national and international recognition -- as has the Atlantic Wind Test Site at North Cape, working in the area of alternative energy research and production.

Thus, we are brought face to face with an apparent contradiction: on the one hand, we have a part of the Island which has a long tradition of successful enterprise, extending to the present day; on the other hand, we are faced with some very discouraging statistics indicating economic stagnation and youth out-migration. In my opinion, at least part of the problem has to do with the very fractured nature of local governance in West Prince. And if you solve this problem, you'll have in your grasp a major tool for addressing the major development and employment issues. . . .

Let's look at the situation a bit more closely. If we include Tyne Valley, there are some 13 incorporated communities in the West Prince region. The largest of these is Alberton, with a population of just over 1,000. But, at the same time, the great bulk of the territory -- perhaps more than 80% -- is entirely outside incorporated areas and thus falls under the direct jurisdiction

of the Province. Of these 13 communities, only five are members of the Federation of Prince Edward Island Municipalities. In addition to these municipal units, there are numerous other governing authorities in the area, many of them boards or commissions dealing with matters such as health, education, economic development, tourism promotion, and cultural activities. In most cases, these are appointed bodies, not directly elected by the people. Moreover, the geographic boundaries seem to be different for each activity. Some are under federal control, some are run by the Province, some have more local authority. To an outsider, like myself, this whole governance apparatus appears to suffer from excessive complexity and overlap -- leading to probable impasse. I should stress that this situation is by no means unique to West Prince; it is, in fact, fairly typical of the whole of rural Prince Edward Island. I therefore feel strongly that the entire province, outside the two main urban areas, is overdue for local governance reform. Moreover, I see a splendid opportunity for West Prince to take the lead -- to initiate a model for the rest of the Island to follow!

My thinking about this matter -- as with much else to do with public policy -- has been greatly influenced by the example of Iceland. As many of you will know, this tiny Nordic country of about 270,000 people -- just twice that of PEI -- is an extraordinarily successful small society. It's situated in the middle of the North Atlantic Ocean -- on the edge of the Arctic Circle and very far from any major concentration of population. And yet it can boast one of the highest standards of living in the world and an unemployment rate of about three per cent. For those of us from Atlantic Canada, one remarkable thing about this latter statistic is that jobs seem to be as plentiful in the rural areas as in the capital city of Reykjavik. In fact, workers from Eastern Europe have been recruited to work in the fish plants in some remote Icelandic communities.

Over the past couple of decades, Iceland has been undergoing a process of local government reform. This is a voluntary, democratic process, with the overall objective of strengthening governance at the local level and assisting community development throughout the country. The man who more than anyone else has guided this process -- Sigfus Jonsson -- is a friend of the Institute of Island Studies and has visited this Island many times. He has business interests in PEI -- including the importation of our mussel-growing expertise to Iceland.

Some of you may have met Sigfus. He attended the Canadian Rural Restructuring Foundation Conference held here at Mill River in 1997. And he's given several talks in Charlottetown on the subject of local government reform, one of them sponsored by the PEI Federation of Municipalities. At the first of these workshops -- held on March 29, 1999 -- I asked him to provide some advice to Islanders, assuming a will to reform local government in the province. Here are a few of his suggestions:

1. the municipal level of government should be strengthened;
2. there should be no unincorporated areas in PEI;
3. the municipal level should take on some areas of responsibility now assumed by the Province;
4. ABCs (agencies, boards and commissions) should be discouraged -- perhaps even phased out -- with their responsibilities shared between the local and the provincial, two levels of government directly accountable to the people;
5. larger governance units should be established through a democratic process;

6. the Nordic experience identifies 5,000 people -- at least -- as the critical mass of population necessary to assume effective responsibility for key areas;
7. and, if reform were to be attempted in PEI, an incremental approach might be best, limited to one or more "pilot projects" set up for an initial period of no more than five years in duration.

With regard to these "pilot projects" -- an important feature of the local governance reform process in Scandinavia -- I shall now quote verbatim from the notes of the March 29, 1999 workshop: "The approach of a pilot municipality or municipalities was seen as holding potential, particularly in areas of the province such as West Prince or Evangeline, which have a historical or cultural motivation for greater autonomy over their affairs."

This, then, is the project I am urging on your attention today: ***that you consider a pilot project in local government reform, both to increase your capacity to control your own destiny here in West Prince, and to provide a dynamic model for the rest of the province.***

I don't have time, today, to go into detail about what such a local government structure might look like, its specific areas of responsibility, and so on. And, indeed, I claim no particular expertise in these matters. But I do have a couple of ideas -- or notions -- which I shall share with you.

First, I think that you should include the whole area of West Prince as one regional municipal unit -- at least from Portage to North Cape. This will seem to many of you to be the most radical feature of my talk today. But, if you think about it, you'll see that you're already half way there. . . . Consider, for a moment, the geographic area covered by Access O'Leary, by the West Prince Chamber of Commerce, by Resources West, by the Western Tourism Board, by West Prince Ventures, by the West Prince Health Board, by Westisle Composite High School, by the West Prince Literacy Council, by the West Prince Arts Council, by the West Prince Graphic. . . . See what I mean? People living here already identify with West Prince as your area.

Second, I think that you should be ambitious in this and look to a municipal authority with up to a dozen employees. You could thus engage some of the bright young graduates who might otherwise leave the area.

Third, you should go at this with a serious intent to follow it through fully -- or not at all. The worst outcome, in my opinion, would be a half-reform, so that still another level of government is added to the many rather ineffectual units already in place.

At the end of this Employment Summit, the responsibility for moving things forward -- for implementing your recommendations -- will rest primarily with Resources West. And that's as it should be. But you might also consider that Resources West itself rests on rather a flimsy funding foundation; that it hardly knows now what resources it will have at its disposal in the upcoming fiscal year; and that it follows in the footsteps of two deceased predecessors, the West Prince Industrial Commission and the Western Development Corporation. Now while I feel certain that if competence and energy rule the day, Resources West will prosper -- I do suggest that the agency may have a more secure and effective future if it were to serve as the economic

development arm of the regional municipal council. This would also make it directly accountable to the people of West Prince, who would elect the Council.

Before ending my talk, I want to mention an interesting idea proposed by my friends John Cousins and Bethany MacKay. Now, it's a well-known fact that fewer than 20% of Westisle graduates attend UPEI, about a third the percentage for Charlottetown area schools. Also, a very high proportion of UPEI graduates do remain and work in the province. Why not, say John and Bethany, approach the University to see if some way could be found to enable first-year UPEI students from West Prince to attend the initial year of university while living at home? This seems to me to be an idea worth exploring -- although I hasten to add that I haven't discussed this with President MacLauchlan and he may well shoot me for mentioning it first in public. . . . But it does strike me as the sort of promising idea which a strong West Prince regional council could raise with the President of the Island University -- a regional council which would, I assume, have attained for itself some powers over the coordination and implementation of education policies in the region.

And I can't resist putting in just one more plug for the Institute of Island Studies. Between June 17th and 21st, Dr. Sigfus Jonsson and Dr. David Cook will be giving a course at UPEI, entitled "Globalization and Local Economic Development." I do hope that some individuals from this area will be able to attend. The course may be of particular interest to those of you interested in local government reform. I should add that Sigfus will be remaining on the Island until the end of June, to attend an international conference we are organizing at the University (Islands of the World VII: New Horizons in Island Studies).

In conclusion, I wish you every success with the remainder of your Employment Summit -- and particularly with your efforts to create those 2,000 jobs!!

And just remember that -- to be successful -- you need to be able to distinguish between the flash-in-the-pan shiny metal of the Cape Wolfe Gold Rush and the sterling silver that comes from the sort of ingenuity, applied intelligence, and sheer stamina that made such a success of the fox farming industry.

Good luck!

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