

Prince Edward Island 6 December 2011

Scenario Planning Report

December 2011



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Prince Edward Island Scenario Planning - Executive Summary

Background

The scenarios developed during this Scenario Planning Process and outlined in this report are important to provide a "vehicle" to be used in the process of building a shared vision for the future of Prince Edward Island. In addition, the deliberations can assist in identifying key actions and identify how various stakeholders might best contribute to future developments — in part by identifying possibilities for collaboration.

Scenario Planning Process

- A critical early step in this process is initiating a wide-ranging discussion about different possibilities for the future of the island. To begin this exploratory conversation about the future, Prince Edward Island has engaged in an innovative Provincial-wide Scenario Planning process. This involved nearly 100 stakeholders working together at the Scenario Planning Workshop: 'Working Together Prince Edward Island'.
- The scenario planning process involved Prince Edward Island stakeholders exploring the future and developing a range of plausible future scenarios, looking out as far as 2030. The four plausible scenarios were built around a critical cluster of drivers, which are the basis for two axes on the scenario matrix that define four scenario "spaces," with quadrants either toward or away for each driver cluster. These quadrants were used to formulate four plausible scenarios. The axes were **"Natural Resource Sector's ability to respond" and "Provincial Systems to Harness Change"**.
- The four plausible scenarios were defined and described in detail. Participants speculated about the characteristic of the island against the triple bottom line dimensions of society, environment and economy.

Discussion on island scenarios

- The participants were asked to review the scenarios, consider their implications, and select a scenario that most reflected their preferred future. The overwhelming view was that the preferred scenario was **"Local Model; Global example"** which envisages a vibrant future of the island. More work is required to explore the preferred scenario and to extract the key elements that would reflect a shared vision for the island.

Focus for the Future

Prince Edward Island has its own unique history, values, strengths and challenges. The scenario planning process has highlighted a number of important perspectives and Island strengths to be considered when planning for the future. These include:

- A strong focus on local self-sufficiency and sustainability. Throughout the scenario planning workshop, people expressed a desire for the Island to coalesce as a strong community that develops the networks, approaches and models for local empowerment, community engagement and building a culture of self determination.
- The reputation and obvious charm of the natural landscape was very important to people. There was considerable discussion about the potential to further harness this natural resource base with innovative approaches to value-adding; renewable energy projects, food self-sufficiency and tourism. There appears to be considerable potential to build economic vitality in manner sympathetic to the values and ideals expressed by the citizens.

Introduction

To begin a conversation about the future of the island and commence the process of defining a shared vision, Prince Edward Island elected to engage in an innovative Scenario Planning process. This involved nearly 100 island leaders and stakeholders working together in a day long session on December 6, 2011. The objectives of these events were to:

- Deepen an understanding of how external events and regional conditions shape decision-making;
- Identify and understand the key influences, trends, and dynamics that will shape Prince Edward Island over the next 20 years;
- Create and describe four plausible long-term scenarios for the island; and,
- Begin exploring possible alignment around a shared island vision.

The scenarios developed during this Scenario Planning Process and outlined in this report are important to provide a "vehicle" to be used in the process of building a shared vision for the future of Prince Edward Island. In addition, the workshop deliberations can assist in identifying key actions for the island and assist in identifying how various groups might best contribute to future developments — in part by identifying possibilities for collaboration.

Setting the stage

The scenario planning process as applied in PEI, offers an excellent opportunity for the Provincial community to examine the future in a thoughtful and structured manner. The design of the workshop included:

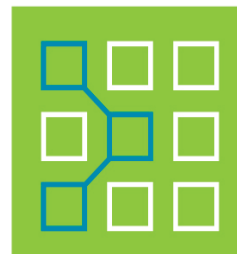
- Playing the Future Game – as a way to explore scenario thinking and future shaping decisions.
- Presentation and discussion about key forces shaping the future, at a global and regional level.
- Examining the results of the network mapping done on PEI – leading up to the workshop.
- Exercise on 'Attributes' to examine areas of strength and weakness within the Island community.

These exercises and work were aimed to build a robust basis for the scenario shaping sessions.

What is *The Future Game*?

The Future Game is a simulation tool designed to explore how regional and local decisions can shape long-term economic, environmental, and community well-being. It is a great way to stimulate meaningful discussion and debate about future regional and community scenarios, and to explore decision pathways.

The highly interactive and participatory game provides an enjoyable and accessible way for citizens and community leaders to engage in robust discussions about contemporary challenges of community and economic development. Over 98% of people who play the game report it as a challenging and enjoyable experience which provides real benefit to critical thinking about the future and local decision making.



FutureGame

| SIMULATION
| LEARNING |

How Networked is PEI?

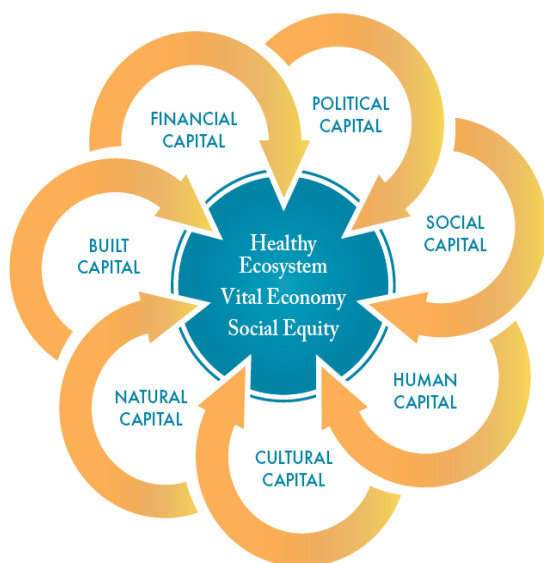
Before the workshop, a representative group of stakeholders from Prince Edward Island completed a social network survey. Selection of those stakeholders was based on the Community Capitals Framework to ensure diversity and representation of people across critical areas of the island.

This network analysis was focused on examining the structure of island working relationships and informal connections between people. This helps illuminate areas where a better social connections could help create successful outcomes toward common goals. Knowing where the connections are, and are not, allows the community to know where to suggest local interactions.



PeopleLink

NETWORK
ANALYSIS



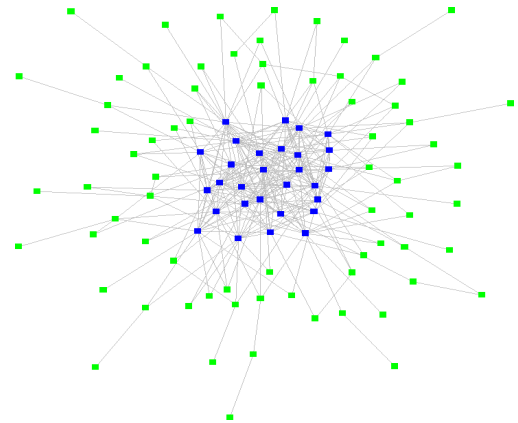
Community Capitals Framework (adapted from North Central Regional Center for Rural Development)

This process highlighted critical areas that may be optimal to address. It is important to know the network in an ongoing way by taking network mapping snapshots and to evaluate the process regularly.

Maps were based on the Community Capitals Framework asset areas, as this well demonstrates how the island is connected based on the research around essential assets areas of a community. A well-connected community has been linked to effective networks for individual, group and community growth and vitality of community initiatives.



PEI Network Map



Smart Network (from Valdis Krebs
www.orgnet.com)

Legend							
							
Social	Natural	Cultural	Political	Financial	Human	Built	Nominated

The Smart Network Map (shown above) portrays a network that has a core of overlapping clusters of individuals from diverse areas of the community (blue) and a sizeable loose periphery of connectors (green) that bring in new ideas to core. The PEI Network Map is colour coded with individuals in asset areas (see legend) and as compared to the smart network map reveals some interesting options to move this map toward a smart network.

PEI can start to connect together the necessary skills and resources to build robust networks. A more robust network – maximized for learning, implementation and innovation. The network maps revealed potential action areas to improve the networking power of the island, including:

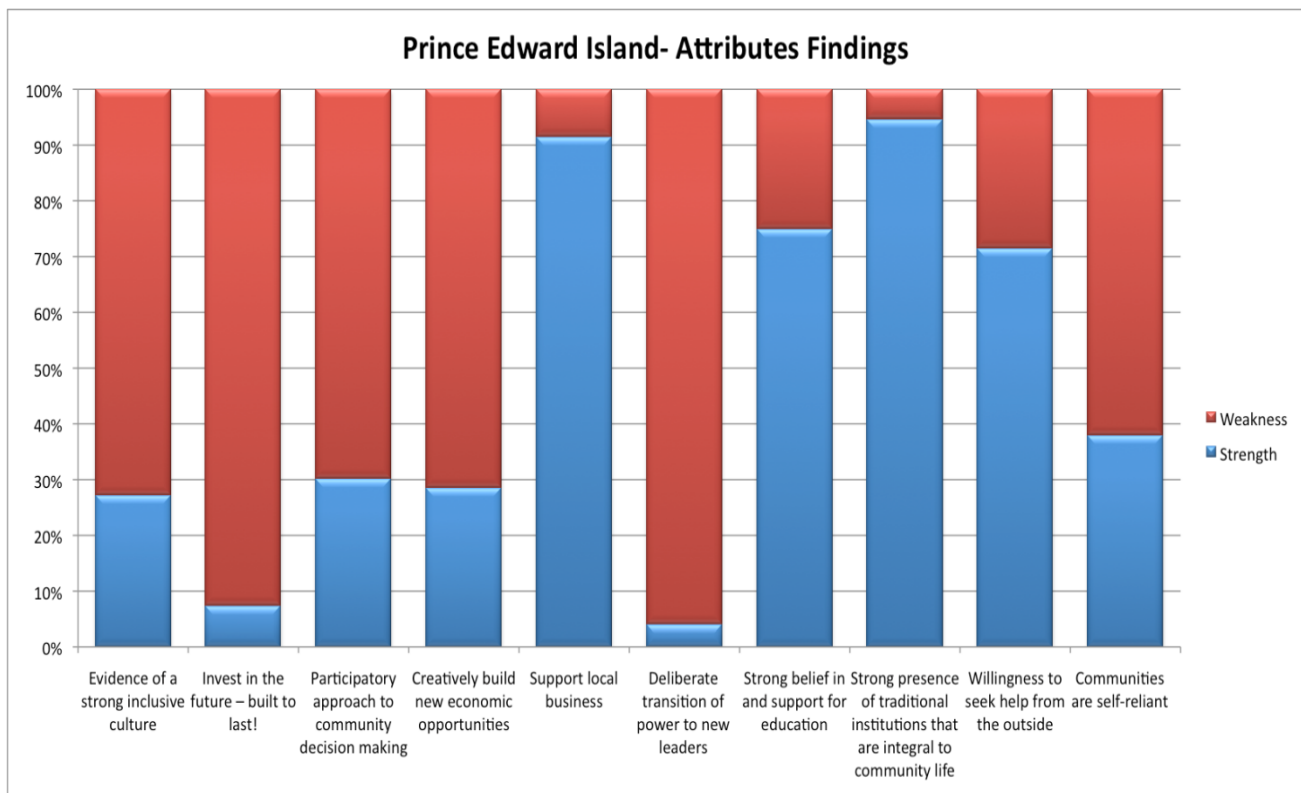
- There is little evidence of collaboration; there seems to be groups of people working in isolated clusters. Intentional collaboration is key to the network; diverse groups need to be brought together on common goals.
- There is an overall need to develop a core network. The network core is suggested to contain the key island members and have developed strong ties between themselves. These strong ties are limited at the moment and new ways of partnership is key to bringing together a core network. In addition, projects that bring together various “connectors” – people who connect the otherwise unconnected to the central core of people. Connectors have the power and access to what information flows and the potential for synthesizing and interpreting messages. PEI could utilize current initiatives as a way to build a dense core of leaders that take responsibility for building networks across the island and are intentionally connected outside the island.
- Utilize ongoing actions as a conduit to build connections across asset areas (community capitals) – this will relieve the insular effect and move the island towards becoming a smart network.

Prince Edward Island community attributes

The participants examined the current context of PEI utilizing research on the 'Ten Attributes of Successful Communities'. Participants considered the attributes in which they thought PEI is currently strong and those in which it is currently weak. Each participant was given four blue adhesive dots (to indicate the 'strong' attributes) and four red adhesive dots (to indicate 'weak' attributes). Each person was able to allocate his/her 'votes' in any manner he/she chose, i.e. spread across four attributes, concentrated over one or a few attributes or not used at all.

The Ten Attributes of Successful Communities

1. Evidence of a strong inclusive culture
2. Invest in the future – built to last!
3. Participatory approach to community decision making
4. Creatively build new economic opportunities
5. Support local businesses
6. Deliberate transition of power to new leaders
7. Strong belief in and support for education
8. Strong presence of traditional institutions that are integral to community life
9. Willingness to seek help from the outside
10. Communities are self-reliant



Attributes - continued

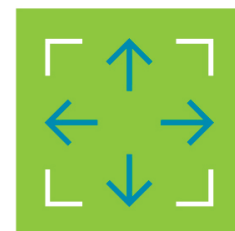
Some of the observations and implications from the attributes exercise include:

- There was a strong orientation towards traditional values and beliefs – for example ‘Strong belief in and support for education’; ‘Strong presence of traditional institutions’ and ‘Willingness to seek help from outside’; were all rated as strong attributes in the community. These could be considered traditional rural community strengths and values.
- There was a noticeable weakness around the attributes that are more orientated towards the future such as; ‘Invest in the future’, ‘Participatory approach to community decision making’, ‘Creatively building new economic opportunities’, ‘Deliberate transition of power to new leaders’ and ‘Communities are self-reliant’. These attributes are more orientated towards building a future.
- There was an assessed weakness in the attribute about ‘Evidence of a strong inclusive culture’ – this is a critical issue for the community given the need for rural communities to adapt to changing demographics and ethnic make-up.
- Of importance to the future work on PEI and any regional innovation process, there was an identified weakness in the major economic attribute of ‘Creatively building new economic opportunities’. This is partially offset by strength in the attribute of ‘Support Local Business’. In order to build a responsive community that is able to adapt to a changing world and actively shape its own future, then PEI will have to consider building additional strength and capacity around innovative new economic development.

Addressing some of the attribute areas will be important to build the capacity for the island citizens to shape a preferred future. In particular, the development of a system to build new leadership will be critical. This was defined, both in the attributes exercise, and in general discussion to be a critical factor for the future success.

Scenario Planning Process

This report presents the background, results, and recommendations from the Prince Edward Island Planning process. This process aimed to explore the future directions and opportunities for the island, and commence work on creating a Provincial-wide vision. People from across the island attended the workshop held on 6 December 2011. At these events, participants discussed the island's future and developed plausible scenarios for the island in 2030.



DecisionPath

SCENARIO
PLANNING

The participants were guided through a scenario planning process to develop four plausible scenarios for the future of Prince Edward Island. This process has been applied by **Future iQ Partners** in regional scenario planning events in numerous settings across North America, Australia and Europe.

The process, which is described in detail below, involves exploration and discussion of global, regional, and local trends and forces of change; identification and ranking of drivers and influences that will likely shape the future of the island; development of a scenario matrix defining four plausible scenarios spaces for the future; and the development of descriptive narratives of each scenario. The event concluded with discussion of the scenarios and their desirability in contributing to an island vision of the future. An important part of the scenario planning process is that it aims not merely to develop plausible scenarios for the future, but to identify how they may be turned into tangible actions in the island and compiled in an island innovation planning strategy.

Why Scenario Planning?

Scenario planning is a method that is used to develop plausible scenarios for the future. Scenarios are not predictions, but are a way of exploring plausible futures and of learning from them. The method differs from traditional strategic planning as it allows the exploration of many factors, or drivers of the future, concurrently. It does so by using local knowledge and expectations about the drivers to produce a framework that defines and explores a range of plausible futures. In this manner the approach enables people to explore the impacts and consequences of a range of different future pathways.

Generally, Scenario Planning processes are run over several days, weeks, or even months. A condensed form of scenario planning developed by **Future iQ Partners** was used in this project so that the scenario session was completed in a one-day session. This design is intended to allow otherwise busy and committed people to contribute and participate in a future planning process in an effective and efficient manner.

This design relies on sufficient background information being presented to enable realistic and informed evaluation by the participants. It also requires participants who are broad-minded and free-thinking, and who collectively and individually can bring their experience to the identification of the key drivers and to the development of the scenarios.

Developing Four Plausible Scenarios for the Future

Prince Edward Island stakeholders explored the future and developed plausible future scenarios, looking out as far as 2030. To set the context for their thinking, the planning session included discussion of global, national, and regional forces that could impact the island. The project facilitators presented an overview of global, regional and local trends. Participants reviewed and discussed these trends, considering how they could impact on the future direction of the island.

Drivers shaping the future

With the background of the global, national, and regional forces and how they relate to Prince Edward Island, the participants identified drivers that they considered most likely to shape the future of the island. The drivers were then discussed by all of the participants. The scope of each driver was clarified, and any similar drivers were grouped and new drivers added, until a list of twenty unique, key drivers were identified.



Key drivers shaping the future of Prince Edward Island as identified by participants

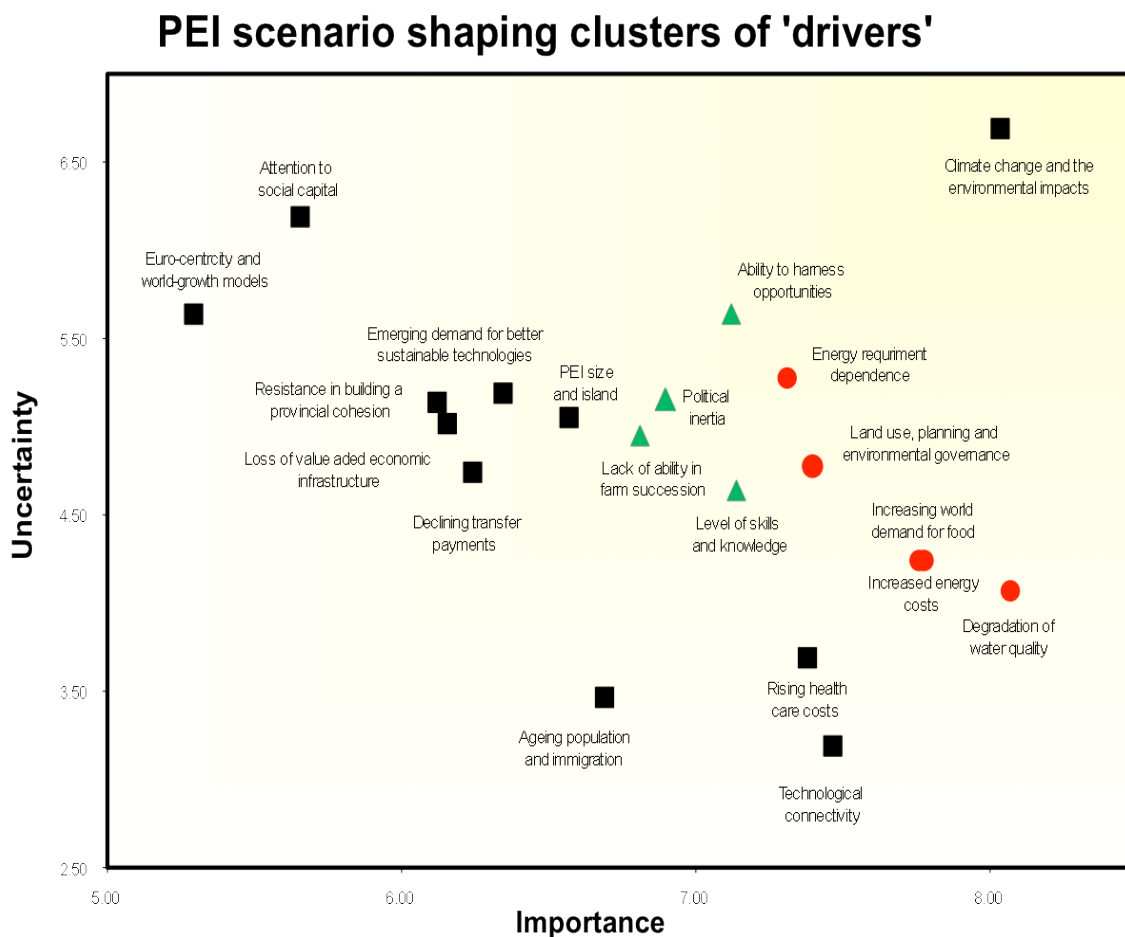
- Technological connectivity
- Climate change and the environmental impacts
- Increasing energy costs
- Aging population & immigration
- Declining transfer payments
- Lack of ability in farming succession
- Resistance in building a provincial cohesion
- Degradation of water quality
- Rising health care costs
- Attention to social capital
- Political inertia – long-term planning
- Loss of value added economic infrastructure
- Energy requirement dependence
- Land use, landscape planning and environmental governance
- Ability to harness opportunities in the economy
- Level of skills and knowledge
- Increasing world demand for food
- Euro-centricity & world growth models
- PEI size & island – creating a sense of place & harnessing jurisdictional opportunities
- Emerging demand for better sustainable technologies

Identifying scenario shaping clusters of drivers

The participants rated each of the twenty key drivers for its "Importance" and "Uncertainty." "Importance" refers to how important the participant considers the driver will be in shaping the future of Prince Edward Island. "Uncertainty" refers to the degree of uncertainty associated with the driver in terms of its future level of uncertainty, impact, or both. The individual ratings by each participant were pooled and averaged, providing an overall rating for each driver by the entire group of stakeholders. Then, a scatter diagram of the drivers, based on importance and uncertainty, was developed. The scatter diagram allows the identification of clusters of which are relatively high in "Importance" and "Uncertainty". This process illustrates the clusters of the drivers that were seen as critical in shaping the future – these clusters were termed "Scenario shaping clusters of drivers."

Creating scenario spaces – four plausible scenarios for the future

The clusters of drivers were identified by grouping similar drivers under two categories, then adding a name that represented a general theme linking the drivers in the clusters. These themes became the basis for two axes on the scenario matrix that define four scenario 'spaces,' with quadrants either towards or away for each driver cluster. These quadrants were used to formulate four plausible scenarios.



Cluster themes

Provincial systems to harness change

- Ability to harness opportunities in the economy
- Political inertia – long-term planning
- Lack of ability in farming succession
- Level of skills and knowledge

Natural resource sector's ability to respond

- Energy requirement dependence
- Increasing world demand for food
- Degradation of water quality
- Increasing energy costs
- Land use, landscape planning and environmental governance

The four quadrants (scenario spaces), based on increase and decrease directions of the two cluster themes, were reviewed and discussed with the participants. This discussion explored the drivers included in each scenario-shaping cluster, the scope of each cluster, and how they formed the axes that defined the four scenario spaces. The participants were asked to consider the main attributes of each of the quadrants and to begin to speculate about how Prince Edward Island would look in a future based on each of the quadrants.

Creating detailed narratives for each scenario quadrant

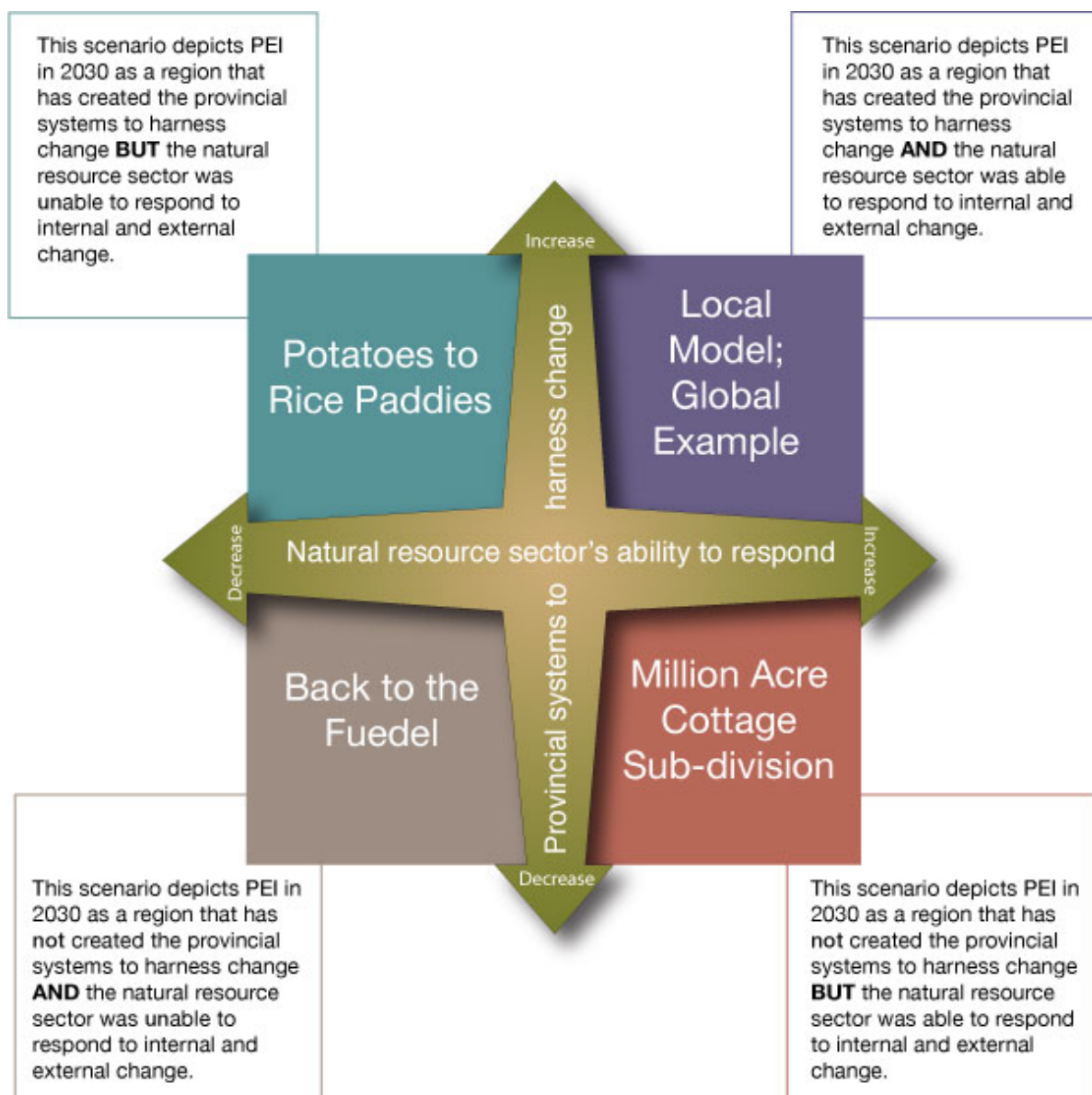
Event participants were randomly allocated to one of four groups and asked to formulate a scenario for their respective quadrant. Each group was facilitated by local facilitators to describe Prince Edward Island in 2030 under the conditions of the scenario quadrant that they had been given in terms of the triple-bottom line of social, economic, and environmental characteristics.

In addition, they were asked to devise a timeline of how the scenario occurred using the years 2015, 2020, and 2030 and to give their scenario a descriptive name. Once the scenarios had been developed, each group reported back, describing their scenario to the symposium participants.

This allowed for clarification, questions, and an assessment of the plausibility of each scenario. Each group's notes for their scenario and the description of it when it was presented to the other participants were used to produce the detailed narrative for each scenario that is presented in the next section of this report.

Each group was guided to describe Prince Edward Island in 2030 under the conditions of the scenario quadrant.

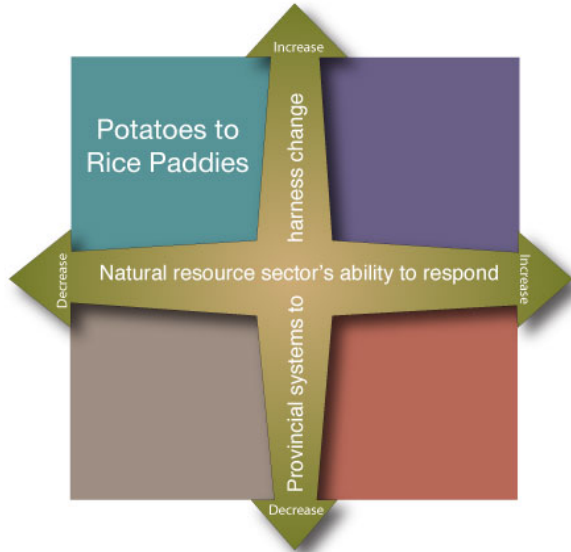
The scenario quadrants defined by the cluster themes showing the names of each scenario as created by the participants.



Detailed descriptions of the scenarios for Prince Edward Island

Scenario A - Potatoes to Rice Paddies

This future sees a high regard for PEI collaboration, which demonstrates an emphasised ability to focus of building provincial systems to harness change, but natural resources sectors ability to respond to changing opportunities has been continuing to decline and as a result has largely been lost to new industries. In this scenario, the local people are working together to create the systems for the development of their own future, and embrace new economic opportunities that allow them to build a truly sustainable future. The unfortunate loss is the natural resource sector, which as been reduced to a minimal percentage of the overall island economy and replaced by a growing green and information technology based economy. The lost natural resource based industries represent much of what was considered the historical values of the island.



to

This scenario defines a future for PEI that is collaborative and intentional in planning and creating the systems to take advantage of changing external and internal conditions. With the highly attuned focus on future thinking, the island is well positioned to leverage themselves for opportunities and challenges externally. This is a very adaptable context for PEI positioning the island for self-sufficiency. This high-networked system affects all areas of the island with common voice, goals and actions. The economy has shifted to new emerging areas such as green and information technologies; with newly created start-ups and cluster development to support these industries. Education is highly regarded and the systems are strong and aligned with the goals for the island.

The reality that the island's natural resource sector has not been able to respond indicates that little of their voice and needs have been translated to the provincial systems, which are designed the systems for the future. As a result much of the natural resource's ability to sustain them has been slowly eroded and replaced by new industries that the youth are more aligned to. With the strong economic outcomes of these new industries, agriculture has little power to seek support for their industries. This has had a serious impact on the elderly that considers agriculture as the historical backbone of values and culture of the island. The economic shift to new economies is devastating to agriculture, which now feels like the island has turned their backs on the industries that have gotten them to a high prosperity in the past

Potatoes to Rice Paddies: Scenario Characteristics 2030

Social and Cultural Characteristics:

- Poverty rates increase across the island with high unemployment rates affecting the most traditional and depended upon sectors of the island.
- Political structures are focused on streamlining operations that are more responsive to island needs and increasing immigrant patterns.
- Rural island communities are losing population to the larger cities.
- Optimism is twofold with high optimism in the 'new economy' industries and low in the traditional, natural based sectors.
- Urban growth is planned for and regulated based in the values of the island at large. There is a focus on sustainable land use planning and allocation.
- Education is highly supported and encouraged throughout the island; the system is recognized for innovative thinking and industry creation.
- There is an urban demographic shift of an increase in the aging population and youth retention created by the economic growth in new industries.

Economic Characteristics:

- Natural resource industries are straining from the attention to the development toward new economic industries in green and information technology; agriculture faces challenges of land-use competition, nitrate level regulations and difficulty in attracting local seasonal labour.
- Strong economic systems help build island-wide co-operation across different economic areas such as agriculture, energy and tourism.
- There is a strong island economic development plan, which addresses current and new economies and support systems.
- Energy independence is strong and provides the island economic choices that are not dependent on the fluctuations of global energy patterns.
- New and existing businesses are highly collaborated and networked value chains.
- Eco-tourism increases and helps provide a buffer for the natural resource decline as local agriculture seeks new ways to generate income sources.

Environmental Characteristics:

- Regulations over nitrate levels have resulted in less production from natural resource based industries. This is considered a win for the environment and a loss for agriculture.
- Water is high managed and water conservation strategies are an adopted island-wide.
- Rising sea levels have reduced the productivity for fish and shellfish fisheries; the number of working harbours is reduced.
- There is an increase in flooding along the coastal communities further damaging the rural communities viability.
- With a strong culture of environmental stewardship and collaboration, PEI has faced the harsh realities to balance the environment and production with a comprehensive planning system created by residents, governments and businesses.
- The local ecosystem focus is the basis for a strong local food movement that focuses on sustainable locally grown and prepared high-quality products, but does not come close to the economic viability of agriculture of the past.

Potatoes to Rice Paddies: Headline News from the Future

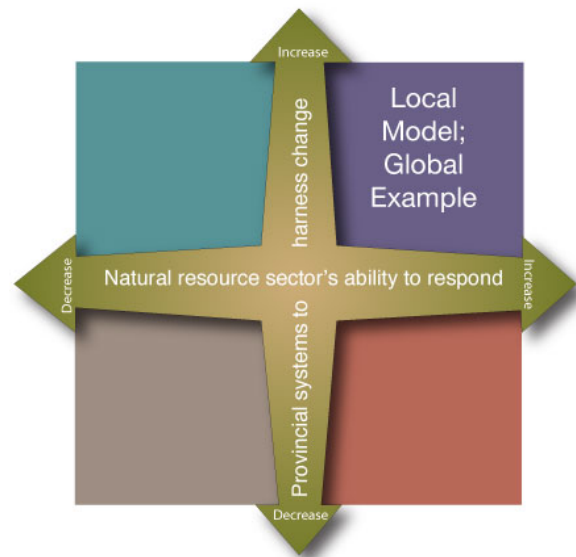
Social
2015 “FARMERS AND FISHERMAN FACING RECORD UNEMPLOYMENT RATES”
2020 “POLITICS NOT AS USUAL; PEI BECOMES THE NATIONAL MODEL FOR GOVERNMENT STREAMLINING”
2030 “ISLAND EDUCATION SYSTEM RATED BEST IN CANADA”

Economic
2015 “PEI DEVELOPS FISCAL ACTION PLAN TO DEAL WITH GLOBAL WARNING”
2020 “PEI RANKED #1 IN ‘GREEN EDUCATION’ AND ECO-TOURISM”
2030 “PEI REACHES STATUS AS A NET EXPORTER OF GREEN ENERGY”

Environmental
2015 “NITRATES BECOME A SERIOUS PROBLEM FOR PEI; HOUSEHOLDS GET SUBSIDY FOR NITRATE PURIFICATION”
2020 “BRIDGE FOOTING WASHES OUT IN STRATFORD DUE TO RISING SEA LEVELS”
2030 “80% OF DRINKING WATER ON PEI IS NOW DESALINIZED”

Scenario B - Local Model; Global Example

This future sees a highly successful PEI emerging, which continues to demonstrate an ability to balance the combined focus of building provincial systems to harness change, and enhancing the natural resources sectors ability to respond to changing opportunities. In this scenario, the local people are very much in charge of their own future and create the systems, focus and economic activity, which allow them to build a truly sustainable future. The provincial community is engaged and highly focused on building true sustainability – exemplified by the ability to operate as a self sufficient and empowered provincial community.



This scenario defines a future of the Province that proactively designs the systems to take advantage of changing circumstances - and is therefore able to see and take advantage of external and global influences, and build resilience and adaptability within the Island community. This is complemented with a strong focus on enhancing the natural resource based sector's ability to respond. This combination creates a future where future thinking and planning is built on the triple bottom line concepts; creating and managing a balance of the economic, environmental and social dimensions. This drives the economic development towards locally owned and managed businesses; investment in renewable energies and value adding of the productive natural resources of water, forests and farmland. In particular the Provincial community is seen as highly engaged and active in creating a cohesive and collaborative future. The population is dispersed across the Island, with vibrant smaller rural communities and a strong emphasis on creating opportunities for youth.

However, this future is not without its challenges. It will require sophisticated and capable leadership to help meld and knit various competing voices and sectors into a cohesive Island strategy. There will be continued strains in the local systems as it tries to ride the fine line between the sometimes competing triple bottom line dimensions. It will also require visionary leadership, and the capacity for the Island to sometimes put aside short term gains for longer-term outcomes. However, the Island has built its internal capacity and governance and community engagement systems sufficiently to be able to reconcile these matters and keep the island on a steady course towards the preferred future.

Local Model; Global Example: Scenario Characteristics 2030

Social and Cultural Characteristics:

- Political processes are radically different – it has become an inclusive, accessible and localised process that is based on consensus.
- Education and learning are valued and sought after with high quality and easy access learning opportunities.
- Island population is engaged and empowered, with active governance and participation. Boundaries and decision making processes adapt to changing needs.
- Poverty is virtually eliminated, with good social services and support systems.
- Happiness levels are high and youth return to create a home and future.

Economic Characteristics:

- Less seasonal economic dependence – with greater economic resilience and diversity.
- Shift from commodity based products to value-added products with a PEI reputation for high quality which is driving increased exports. Tourism is up – as people want to connect to the image and experience of PEI.
- Newer higher value use of natural resources – taking advantage of climate change.
- Higher average wages and more even distribution of wealth across population – driven by more entrepreneurial and business activity. Lower unemployment rates.
- Government operates balanced budgets and transfer payments have ceased.
- Local renewable energy production has reduced energy and heating costs
- Healthier lifestyles reduce the stress on the medical system.

Environmental Characteristics:

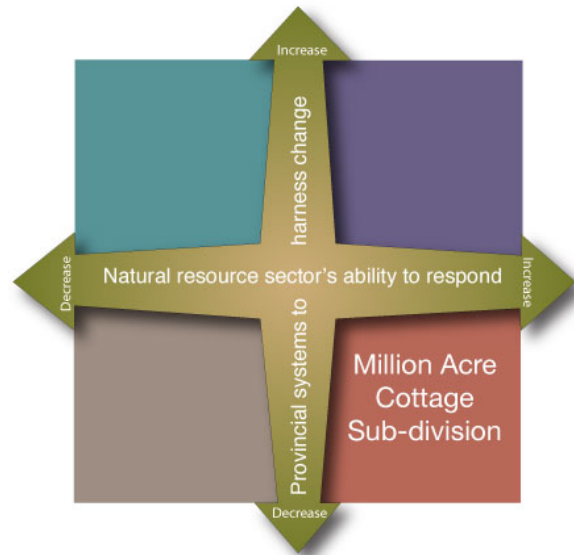
- The rural landscape is a well balanced system between high value farming, forestry and recreation use. Smaller scale farms have returned to profitability due to innovative value adding and connection to local food systems.
- The population is diversified and has repopulated some rural centres. There is a strong focus on recycling and sustainable water use systems.
- Natural resources are used to highest purpose and value – with value adding that drives the economy and adds to the appealing landscape image.
- PEI is self-sufficient in food and energy and has become a net energy exporter.
- Important landscape zones and habitat is protected land use planning creates important buffer zones around the coastline.

Local Model; Global Example: Headline News from the Future

Social	
2015	“ALL ISLANDERS ENGAGED IN MAKING PEI A BETTER PLACE”
2020	“YOUTH EXODUS NOW HISTORY – YOUTH RETURNING IN RECORD NUMBERS”
2030	“PEI VOTED ONE OF TOP TEN PLACES TO LIVE IN THE WORLD!”
Economic	
2015	“PLAN ANNOUNCED TO FOCUS ON FIVE CENTRES OF EXCELLENCE TO DEVELOP A KNOWLEDGE BASED ECONOMY; ENERGY, TOURISM, FOOD, TECHNOLOGY AND EDUCATION”
2020	“OUTLOOK POSITIVE; INCREASED POPULATION; RENEWABLE ENERGY PRODUCTION UP; FOOD SELF-SUFFICIENCY CLOSE. HAPPINESS INDICATORS AT ALL TIME HIGH”
2030	“LAST TRANSFER PAYMENT RECEIVED – PEI NOW SELF-SUFFICIENT PROVINCE”
Environmental	
2015	“MAJOR FARMS GO ORGANIC”
2020	“FISH AND CHIPS ANYONE? – REGULATORY SUCCESS STORY – PEI INSHORE FISHERY REBOUNDS”
2030	“PEI VOTED INTERNATIONAL MODEL FOR SELF SUFFICIENCY AND SUSTAINABLE LOCAL ACTION”

Scenario C – Million Acre Cottage Sub-division

This scenario depicts an interesting future for the Island. The valuable natural resource based sector of agriculture, forestry and energy has expanded but is dominated by large multinational corporate entities. The local population has lost its entrepreneurial small-business philosophy and has been largely relegated to being the workforce for the industrial agriculture and resource sector. The Provincial system and Government struggles to remain relevant and has diminished ability to be able to maintain a cohesive Island community. Many of the major economic decisions are made by outside players, and much of the wealth generated accrues to shareholders outside the Island community.



This scenario defines a future of the Island where the Provincial systems to harness change have declined, and where the natural resource sectors ability to respond has increased. This creates a power shift on the Island – where the local Government and community systems are unable to affect change in a meaningful manner resulting in conflict, stagnation and declining prosperity. The Provincial government struggles to provide the basic social services and education, resulting in the Island continuing to slip behind in important social metrics. As a result, the Island loses some of its natural appeal. Tourists, entrepreneurs and young people ultimately leave to seek their futures elsewhere. Overall, the Island prosperity and sense of optimism declines, and much of the important social and community infrastructure begins to decay and in some cases is abandoned. The Island population consolidates around the major centres and many smaller rural communities suffer significant decline and loss of vitality..

On the other hand – this future is likely to see a very strong economic outcome in key natural resource based sectors. The industries associated around agriculture, forestry, fishing and renewable energy are likely to expand. However, because of the lack of provincial systems – the benefit of these commodity based industries is likely to flow to large corporate and multinational investors, who have the financial capacity and resources to adapt to new opportunities and situations. Farms are likely to expand in size; renewable energy investments will flourish and even high-end coastal resort complexes will found on premium locations. In many ways, these new large corporate entities will be the ‘game-makers’ who dictate Island priorities and directions, as the Provincial system is unable to achieve a cohesive plan for the future.

Million Acre Cottage Sub-division: Scenario Characteristics 2030

Social and Cultural Characteristics:

- Population – wealth leaves the province; there is no immigration draw or strategies resulting in decrease in youth population as young people migrate away from Island.
- Poorer education levels across Island community – greater number of minimum wage jobs and people working multiple jobs.
- Greater divide between the wealthy and the poor; with smaller towns closing up and overall weaker rural communities. Larger numbers of people are marginalised and disenfranchised and disengaged from being an active part of Island life.
- Less concern for social services and community infrastructure and lifestyle.

Economic Characteristics:

- Less independent entrepreneurial businesses and emergence of more large corporations.
- Fewer farms; and dominated by large corporate agriculture and resourced based industries – which at first produces prosperity, but declines as overall tax base reduces.
- Emergence of mega bio-resource based farms; with the disappearance of family farming operations due to lack of succession and innovation.
- More big-box stores and loss of unique local boutique businesses.
- Reduced access to land as control shifts to outside ownership.
- Tourism season is longer – but shift in tourists to inbound resort based tourism as ‘feel and character’ of Island life declines.
- Increased difficulty for new businesses to start as Provincial systems can’t adapt to change quickly – increased red-tape and processes; which inhibit innovation and new business creation.

Environmental Characteristics:

- Longer growing seasons as climate change reduces depth and severity of winter seasons.
- New crops and cropping systems result in new pest and disease issues that affect natural resource and wildlife.
- Greater use of renewable energy and natural gas – but investment is privatised and little benefit accrues to local population.
- Changes occur to fishing season and fish stocks are unstable and affected by changing water temperatures.

Million Acre Cottage Sub-division: Headline News from the Future

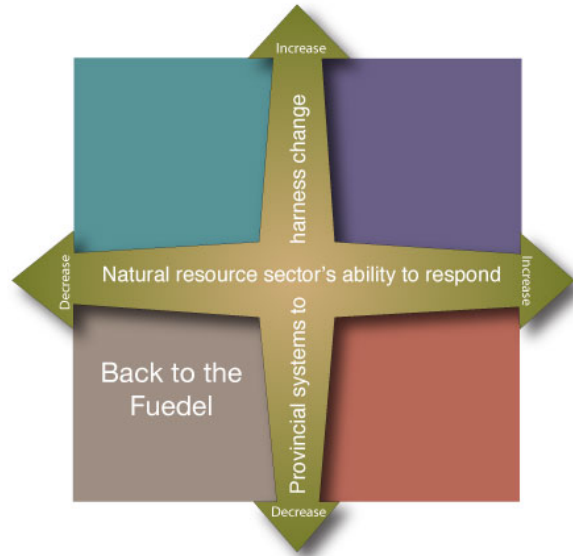
Social
<p>2015</p> <p>“RURAL PEI BOOMING – MULTINATIONAL OPENS LOBSTER PLANT IN SOURIS – NEW JOBS PROMISED”</p> <p>“PLANT CLOSURE ANNOUNCED”</p>
<p>2020</p> <p>“NEW SUPER BOAT TO PROCESS LOBSTER OFF-SHORE; HUNDREDS OUT OF WORK”</p> <p>“RECORD NUMBER OF ISLANDERS USE FOOD BANK”</p>
<p>2030</p> <p>“2500 JOBS LOST AS POTATO PLANT MOVES TO IDAHO”</p> <p>“INADEQUATE WELFARE SYSTEM UNABLE TO RESPOND – SUICIDE LEVELS UP IN RURAL PEI”</p>

Economic
<p>2015</p> <p>“COMMODITY PRICES UP AND RURAL POPULATION DECLINING”</p> <p>“RICH AMERICANS FIND HAVEN IN PEI COTTAGES”</p>
<p>2020</p> <p>“INFRASTRUCTURE COLLAPSES AND NO MONEY FOR REPAIRS”</p> <p>“CONFERENCE CENTRE UNDER WATER”</p>
<p>2030</p> <p>“LAST INDEPENDENT BUSINESS ON PEI GOES BUST AND OWNER WORKING AT WALMART”</p> <p>“GOVERNMENT IN DEFAULT”</p>

Environmental
<p>2015</p> <p>“GOVERNMENT ISSUES HEALTH ORDER – USE ONLY BOTTLED WATER OR BOILED WATER FOR PRINCE AND KING COUNTIES”</p>
<p>2020</p> <p>“IRVING DISCOVERS NATURAL GAS – TO BE USED TO RUN FRY PLANTS”</p>
<p>2030</p> <p>“RIP FARMS – MONSANTO BUYS LAST FAMILY FARM – ALL ISLAND CROPS ARE ROUND-UP READY”</p>

Scenario D - Back to the Feudal

This scenario depicts PEI that cannot find the motivation to come together to develop provincial systems to harness external or internal change; and the natural resource sector is also unable to respond to change. The island is accustomed to having the natural resource sector's strength to rely upon and has found them in a struggling position when that backbone is not leading them into the future. Increasing internal disputes ultimately reduce the island's ability to be competitive and attract investors and businesses. There may be some pockets of optimism or benefit in this scenario. Affluent people will still be able to afford to live in relative isolation from the broader community and enjoy the quality of life the natural landscape affords. There is a good potential that the island is positioned for developers and large industries to take advantage of the lack of cohesion and be able to engage in very profitable ventures, which may not be in the ultimate long-term interests of the island and may result in eventual overall decline.



The overall result is economic, social and environmental stagnation, breakdown of community and loss of island unity. The island loses the opportunity to maintain its heritage, its values and the high quality of agriculture and natural landscape. Particularly important in this scenario is the consequence of not being able to create the provincial systems for harness change. This results in the island falling into internal disputes that ultimately reduce its ability to collaborate and plan for a common future – reducing its ability to be self-sustaining. Population cannot be sustained and the youth is leaving to away.

The island is unable to depend on the natural resource sector's historical strength to sustain them into the future that they are unable to respond to the global, national and local changes that are major challenges to their viability. Increased fuel prices and the inability to have a locally controlled energy source also helps to erode the ability for the natural resource to rally to the defence of the island as a whole.

Back to the Feudal: Scenario Characteristics 2030

Social and Cultural Characteristics:

- Population has decreased particularly in the youth, which are moving away for employment. The demographics are increasingly older as retirees are attracted to the simple lifestyle. There is a growing wealth gap between the rich and poor and quality of life.
- Poverty index is high and a class system has emerged between land owners and land lords with larger holdings.
- Faith groups and organizations have strong communities of support, but struggle with less population and prosperity and many are now closing their doors.
- Due to a lower tax base with less overall industry, there are fewer municipal and provincial services to serve a population that is in higher need of these services.
- Rural towns and villages disappear in favour of centralisation and urbanisation.
- Less focus and healthy choices as the people of PEI are in survival mode and health services are overwhelmed.
- There is talk of amalgamation as the federal government is reducing funding to the province due to decreased population and viability.

Economic Characteristics:

- The poor economic conditions erode the ability to maintain a sustainable economy. Internal friction on the island makes it unattractive for investors.
- The high price the fuel and the island's lack of energy self-sufficiency triggers processors to increase prices to a non-competitive high; as a result many farms are going bankrupt.
- All industries are struggling and there is a desperate "we will take any business you want to bring to PEI" perspective on the island.
- The youth representation is mainly in temporary populations for seasonal labour. Brain Drain is dramatic.
- There is division between communities, and this conflict results in decreased international tourism, as the island cannot develop a cohesive message or package. Tourism continues to be affected by drought, contaminated water, and a less inviting landscape.
- Consolidation of farmland by foreign investors who use the land as a currency hedge.

Environmental Characteristics:

- Lack of common focus and natural fish stocks decline threaten aquaculture as a viable industry.
- Family farms are no longer viable as agriculture operations become more expensive as there is little water for irrigation and salt water intrusion; and land becomes more attractive as regulations for foreign ownership are relaxed.
- Forests are clear-cut and more erosion is seen across the island.
- The island sees more extreme weather; increased flooding – putting coastal communities at risk; increased soil erosion; nitrate water levels become extreme.

Back to the Feudal: Headline News from the Future

Social
2015 “WHERE’S THE YOUTH? BRAIN-DRAIN TAKES PEI’S BEST”
2020 “THE SELLING OF PEI, WILL THE TREND END BEFORE ITS TOO LATE?”
2030 “THE END OF AN ERA, PEI IS CLOSED FOR BUSINESS OCT 15 – MAY 15”

Economic
2015 “McCAINS AND CAVENDISH CLOSE PEI OPERATIONS DUE TO RECORD HIGH TRANSPORTATION COSTS”
2020 “FEDERAL DVA OFFICES MOVED TO OTTAWA FOLLOWING YEARS OF DOWNSIZING” “PEI DECLARES BANKRUPTCY DUE TO OUT OF CONTROL HEALTHCARE”
2030 “MARITIME UNION POSSIBLE; END OF CONFEDERATION” “FOREIGN ‘MYSTERY’ CARTEL NOW OWNS 50% OF PEI LAND”

Environmental
2015 ‘MAJOR DROUGHT CONTINUES – AGRICULTURE PLEADS FOR SUPPORT”
2020 “CHINESE INVESTORS BUY LAST LOCALLY OWNED FARM ON PEI”
2030 “ATOMIC ENERGY APPROVED BY PEI”

Preparing for the Future

This scenario planning report is a first step in providing a resource to help extend the conversation about Prince Edward Island's future beyond the workshop. It also serves as a tool to create a shared vision for the future. This resource can be used to prompt discussions amongst the wider region as to possible implications of various future events and island-wide strategies needed to ensure sustainability and prosperity for the island in light of various future events.

Just like the scenarios, the actual future will develop from a combination of action and inaction by the "players" involved as well as external forces. However, the scenario process allows us to think about the future in a new way; to examine a range of plausible futures and ultimately identify critical actions that may assist us move to the preferred future.

Prince Edward Island has its own unique history, values, strengths and challenges. The scenario planning process has highlighted a number of important perspectives and island strengths to be considered when planning for the future. These include:

- There is a lot of good will and enthusiasm being expressed for the process and the need for a shared vision. In particular, there was recognition of the need to extend the conversation more broadly into the Island community.
- A strong focus on local self-sufficiency and sustainability. Throughout the scenario planning workshop, people expressed a desire for the Island to coalesce as a strong community that develops the networks, approaches and models for local empowerment, community engagement and building a culture of self determination.
- The reputation and obvious charm of the natural landscape was very important to people. There was considerable discussion about the potential to further harness this natural resource base with innovative approaches to value-adding; renewable energy projects, food self-sufficiency and tourism. There appears to be considerable potential to build economic vitality in manner sympathetic to the values and ideals expressed by the citizens.

Report and scenario planning workshop prepared by:



David Beurle and **Juliet Fox**, Future iQ Partners – December 2011

Future iQ Partners specialises in assisting communities, regions and organizations to plan and prepare for their future. With staff in Australia, USA and Europe, the company develops the tools and approaches to allow regional communities to think about their future in a new way and to respond to a rapidly changing world. Future iQ Partners is a market leader in the field of regional scenario planning and has undertaken projects across Australia, USA, Canada and Europe.

About The Authors:

David Beurle holds a degree in Agricultural Science from Sydney University and has worked in industry, organizational and regional scenario planning projects across USA, Canada, Australia and Europe.

Juliet Fox did her graduate work in Human and Organizational Systems was focused on rural economic development and regional resilience to change. In addition to her twenty years of experience, she served Dunn County Wisconsin as an elected board member.



For more information on the Scenario Planning Process, please contact:

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