

2.0 Key Findings

While each of the four thematic areas will influence or be influenced by land use planning and sustainable development principles, some variables and existing trends have been more influential than others. The following highlights some of the key findings from the current investigation. More information for each area's respective application to planning can be found in [Section 4.0: Thematic Implications for Land Use Planning](#).





1. **As a province, PEI is growing at its fastest rate in history**, with a growth rate that has exceeded the Canadian average since 2016.¹ As of October 1, 2023, PEI's population is estimated at 175,853 people. With an increase of 4.0% over October 1, 2022, the most recent addition of 6,707 people is the largest year-over-year population increase for PEI since 1951.¹ Immigration and interprovincial migration are the leading factors for PEI's population increase. That said, the Island has a high proportion of transient immigrants, with the lowest immigrant retention rate of any province, which indicates more can be done to retain residents.²
2. **PEI's inconsistent local governance (municipal) framework provides challenges for growth management.** The lack of province-wide municipal governance has significantly influenced land use planning and sustainable development in PEI. Currently, the Land Division of the Department of Housing, Land and Communities has direct planning authority for 82% of the land area within the province (with the exception of First Nation or Federal land). This includes both unincorporated lands and incorporated municipalities that do not have Official Plans or bylaws. The remaining 18% of land consists of 29 municipalities, each with their own municipal land use planning authority. Most small municipalities on the Island do not have the capacity to own and/or maintain infrastructure, or to undertake local land use planning. The resulting regulatory framework provides inconsistencies for how growth and development is managed across the Island.
3. **PEI experienced higher rates of relative cost increases from May 2021 to January 2023** compared to the rest of Canada.³ When looking at historic Consumer Price Index rates, in times of inflation PEI residents appear to be impacted more than other Canadians. With shelter, food, and service costs increasing across the country, PEI has Canada's highest rates of child food insecurity, and a benchmark home price that far outpaces the Island's average

increase in household income since 2017.^{4,5} Recent nation-wide increases in interest rates have also impacted the housing market through an increased cost of materials.⁶ With the highest inflation rates in PEI seen in the costs of basic life necessities, inflation disproportionately impacts vulnerable populations. These individuals cannot absorb the increases, particularly those who are already food insecure or who are in precarious housing situations.

4. **PEI has experienced a loss in agricultural lands over time, and is at risk of losing up to 50% of its current agricultural land by 2050.** Since 1921, the number of farms on PEI has decreased by 91%.⁸ The gradual shift away from small family farms has resulted in fewer but significantly larger, more intensive farming operations. In 2021, there were just 1,195 farms, but the average size of each farm had increased 374%, from a modest 89 acres to an average of 422 acres.⁸ In 2023, the PEI Federation of Agriculture noted that based on the rate of loss of agricultural land between 2016 and 2021, the Island will lose 50% of its farmland by 2050 unless more action is taken to preserve it.⁷ Agriculture and its related economic sectors of agri-tourism, manufacturing, and distribution make up a large portion of PEI's economic profile. Continued farmland loss will significantly impact the Island's economy.
5. **PEI has lost significant forest lands.** Sprawling development, paired with the impacts of climate change, have contributed to the perpetual loss of PEI's forestry lands. Covering approximately 43.2% of the Island in 2020, PEI's forests have seen a net decrease in area since 2010.⁹ Estimates show that 5,350 ha of forest have been created, but concurrently, 9,350 ha have been lost.⁹ In reality, the Island's forested land area has been decreasing since the 1990s, indicating a consistent trend.⁹ Factors contributing to this decline include land conversion for agriculture and development. Without proper land use strategies that prioritize ecological conservation

alongside development needs, the Island may continue to lose these ecologically and economically valuable landscapes.⁷

6. **Income and associated living costs are not equally distributed across the Island.** PEI's highest median income is found outside of **urban areas**. The greatest inequality exists in urban areas and Kings County.¹⁰ The urban areas of Charlottetown, Summerside and Stratford have more households spending 30% or more of their total income on shelter costs than rural areas, with 33% of urban area households consisting of people living alone.¹⁰ Social supports as well as a variety of housing forms across the Island are important from a land use perspective, but must be concentrated in those areas that best support populations experiencing inequalities.
7. **A significant urban-rural divide has land use implications for PEI.** Compared to the rest of Canada, where more than 80% of Canadians live in **urban areas**, fewer than half of Islanders live in urban areas.¹¹ While long-term trends have led to urbanization in communities like Charlottetown, Stratford, and Summerside, a visible social and economic urban-rural divide has led to significant land use impacts. For example, taxation is higher per acre and per property for urban and municipal planning municipalities when compared to unincorporated areas, or municipalities without planning jurisdictions.¹² Combined with PEI's high frequency of leapfrog development, this reality poses challenges for those centres providing services which are used by residents from areas with lower taxes.

8. **The majority of the Island’s subdivision development has been happening in unincorporated areas.** Over the past 10 years, the Province and the municipal planning authorities have approved in excess of 4,000 subdivision requests for more than 6,500 new lots, primarily for residential purposes.¹³ In the same time period, 70% of subdivision applications were for the future development of rural lands in unincorporated areas. Only 30% of the applications were for lands in municipalities, half of which were located within municipal planning authorities.¹³ Uncoordinated growth and development can deter the creation of vibrant and accessible spaces, and often inhibits small municipalities from providing local services for their residents.
9. **PEI has a disproportionately high proportion of secondary houses (“investment properties”) (27%) in comparison to other provinces.** This is particularly true for out-of-province (6.4%) and non-residents (5.5%).¹⁴ Many of these secondary homes are cottages existing on private or seasonal roads and are not accessible year-round for housing. There are a series of policies in place to limit off-Island ownership in the *Lands Protection Act*, and differential rates are used in property taxation. Secondary housing investment must remain appropriate to the services available to an area, to ensure emergency and other services are not strained by development on seasonal or private roads.
10. **PEI’s seasonal economy puts pressure on workers in times of crisis.** PEI has a substantial seasonal economy in the tourism, aquaculture, fishing, and agriculture sectors. The Island experiences year-over-year changes that are more dramatic than the Canadian average, leading to increased vulnerability in times of inflation.³ The furthest eastern and western points on the Island, as well as the area surrounding Borden-Carleton, have a labour force that is more than 26.9% casual or seasonal.¹¹ Those employed in agriculture, forestry, fishing and hunting (9% of labour force), retail (11%), or accommodation and food services (11%) are among the most vulnerable to seasonal economic pressures.¹¹ Planning will need to consider the housing and economic accommodations necessary to support those in the seasonal workforce, as well as ways to support a four-seasons economy.
11. **PEI has the highest proportion of private land ownership (88%) of any province in Canada.** This is particularly significant considering only 11% of Canada is privately owned.¹⁵ As a result, the Island also has the lowest proportion of protected lands of any Canadian province or territory. The land use plan is necessary to ensure the Island-wide protection of natural resources on private lands.¹⁶ Stewardship strategies will need to be considered in tandem with land protection policies to effectively preserve PEI’s natural viewsapes and heritage.

12. **There is inherent vulnerability in being an Island during climate change.** PEI's natural vulnerabilities stem from its geographical and environmental characteristics. The coastline is susceptible to coastal erosion and flooding, which is exacerbated by rising sea levels and storm surges. PEI's sole reliance on groundwater for its fresh water puts significant pressure on water resources, making them vulnerable to contamination and over-extraction. The land use plan will need to ensure the protection of the Island's coastlines, with increased resilience measures and socioeconomic supports, as well as policy protection for future servicing and groundwater.

13. **PEI spends a substantial amount of money per capita maintaining public roadways.** PEI has 4,411 km of paved public roadways, the highest per capita of all Canadian provinces.¹⁷ The public cost of maintaining and upgrading PEI's roads is significant, and continues to rise each year. The Province spends approximately \$445 per capita / per year to maintain the Island's road network.¹⁸

Car travel is the primary form of commuting for 92.4% of Islanders. In 2021, only 1.4% of Islanders used public transit as their main mode of commuting, compared to 7.7% nationally.¹¹ With nearly half of these individuals commuting for less than 15 minutes, there is a significant opportunity to encourage more active forms of transportation.



Endnotes



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3. Statistics Canada. Table 18-10-0004-01 Consumer Price Index, monthly, not seasonally adjusted.
4. Statistics Canada (2023). Table 11-10-0012-01 Distribution of total income by census family type and age of older partner, parent or individual.
5. Yarr, K. (2023, October 18). "Home prices on PEI back on the rise after 6-month dip in 2022." CBC News, <https://www.cbc.ca/news/canada/prince-edward-island/pei-house-prices-september-2023-1.6999763>.
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7. Federation of Agriculture (2023) Farmland Loss. Presentation to the Government of PEI Standing Committee on Natural Resources and Environmental Sustainability. September 21, 2023. Available at: <https://www.assembly.pe.ca/committee-archive>
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14. Statistics Canada. (2023, October 18). Canadian Housing Statistics Program: Real estate investors, 2021. The Daily. <https://www150.statcan.gc.ca/n1/daily-quotidien/231018/dq231018b-eng.htm>
15. Government of PEI (2019, December 10). "Public Lands", <https://www.princeedwardisland.ca/en/information/environment-water-and-climate-change/public-lands>.
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18. Prince Edward Island, Canada (2023). Estimated Maintenance Costs Per year/Per Km Based on Road Classification.