

Province of Prince Edward Island

Ministry of Fisheries and Communities COVID-19 Response

March 2020 – March 2021





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Table of Contents

INTRODUCTION	1
POLICY	2
PERFORMANCE MONITORING	3
RESPONSES AND INTERVENTIONS	3
REFERENCES	11

List of Tables

Table 1. Issues encountered by municipal governments, and clients and stakeholders of the Ministry of Fisheries and Communities	1
Table 2. COVID-19 responses and interventions from the Employment Development Agency	4
Table 3. COVID-19 responses and interventions from the Department of Fisheries and Communities	6

List of Figures

Figure 1. Issues that required COVID-19 responses and interventions from the Ministry of Fisheries and Communities	3
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INTRODUCTION

The World Health Organization (WHO) declared a global pandemic on March 11, 2020 due to the spread of a coronavirus disease, referred to as COVID-19. To date, Prince Edward Island (PEI) has been fortunate in containing and mitigating the spread of COVID-19; however, the virus has undoubtedly interrupted life in PEI.

The province's response to COVID-19 has been first and foremost a public health response, based on the pandemic plan, to ensure Islanders are kept safe and have the best chance to recover quickly and safely from the virus.

Government of PEI, 2020a, p. 3



At the beginning of the COVID-19 pandemic, schools and non-essential businesses were closed, while essential businesses were restricted in their operations, and day-to-day life in PEI was severely constrained in an effort to ensure the safety of Islanders (Government of PEI, 2020b). Although restrictions have since eased in the past several months, the threat of COVID-19 continues to affect Island residents, businesses, municipalities, community groups, and the economy. Municipal governments, and clients and stakeholders of the Ministry of Fisheries and Communities encountered issues such as, but not limited to, the following:

Table 1. Issues encountered by municipal governments, and clients and stakeholders of the Ministry of Fisheries and Communities

ISSUES	SOURCE	SUMMARY
Restricted the movement of labour across borders, including TFWs ¹ , causing labour shortages .	March 21, 2020 <i>Ocean 100.3 FM</i>	Canada's Fisheries Ministers discussed potential TFW shortages due to the ongoing impacts of the COVID-19 pandemic.
Placed financial strain on Municipal Governments to offer local services.	April 18, 2020 <i>CBC News</i> ²	Municipalities experienced revenue losses (i.e., due to reduced or cancelled services), challenges with respect to public consultations, and incurred additional costs due to the COVID-19 pandemic.
Delayed opening of commercial fishing seasons and created reduced or loss of revenue .	April 28, 2020 <i>CBC News</i> ³	Fishing seasons were delayed due to safety concerns and a reduced demand for products.

¹ Temporary Foreign Workers

² CBC News, 2020a

³ CBC News, 2020b

Reduced global demand for PEI seafood products and created reduced or loss of revenue.	May 1, 2020 <i>CBC News</i> ⁴	The Island's three biggest seafood exports – lobster, oyster, and mussel – heavily rely on the restaurant market and were significantly impacted by the closing of restaurant dining rooms across the continent.
Significantly impacted the tourism sector.	May 1, 2020 <i>CBC News</i> ⁴	Due to border controls, non-essential travelers outside of Atlantic Canada were restricted.
Interrupted cultured shellfish production cycles for future crops.	November 26, 2020 <i>Journal Pioneer</i>	Due to the closure of key shellfish markets, the COVID-19 pandemic created surplus product and reduced space for future crops, thus disrupting the production cycle.
Created a high amount of short-term unemployment.	February 5, 2021 <i>Government of PEI</i> ⁵	The unemployment rate was below 8% pre-pandemic (i.e., February) and peaked above 15% in mid-June.

The Ministry of Fisheries and Communities implemented several interventions in response to these issues to address the impacts of COVID-19. The purpose of this COVID-19 Response Report is to provide information with respect to the performance of the initiatives on municipal governments, and clients and stakeholders of the Ministry.

POLICY

In March of 2020, the Government of PEI established Special Cabinet Committees to focus on responding to the community and economic challenges created by the COVID-19 pandemic. Shortly after, the Province of PEI declared a State of Public Health Emergency, thus prompting the establishment of the COVID-19 Emergency Contingency Fund. The Special Cabinet Committees were also responsible for ensuring that Islanders, workers, and industries were supported during challenging times and that delivery of government's essential services were maintained (Government of PEI, 2020c). The Special Cabinet Committees worked rapidly to create programming to get much needed funding and relief to Islanders through government departments and agencies.

“We are implementing government policy and spending assistance at a rate or pace that was not normally done in the past and we really just wanted to make sure those oversights were in place.”

***Dennis King, Premier of PEI.
CBC News, 2020d***

⁴ CBC News, 2020c

⁵ Government of PEI, 2021a

PERFORMANCE MONITORING

In April of 2020, the Auditor General was asked by the Premier of PEI to review the COVID-19 relief investments to assess the performance of the initiatives (CBC News, 2020d). PEI Treasury Board policies direct Departments to spend public funds carefully, particularly to ensure value for public money and transparency. For the purposes of this report, Treasury Board policy on contract management, conditional grants, and funding agreements have been considered. Furthermore, the PEI Auditor General's 2018 report contained several recommendations that encouraged government to institutionalize better performance measurement for programs and services. "Performance audits, sometimes referred to as value-for-money audits, provide a high level of assurance and are objective assessments" (PEI Auditor General, 2018, p. 1).



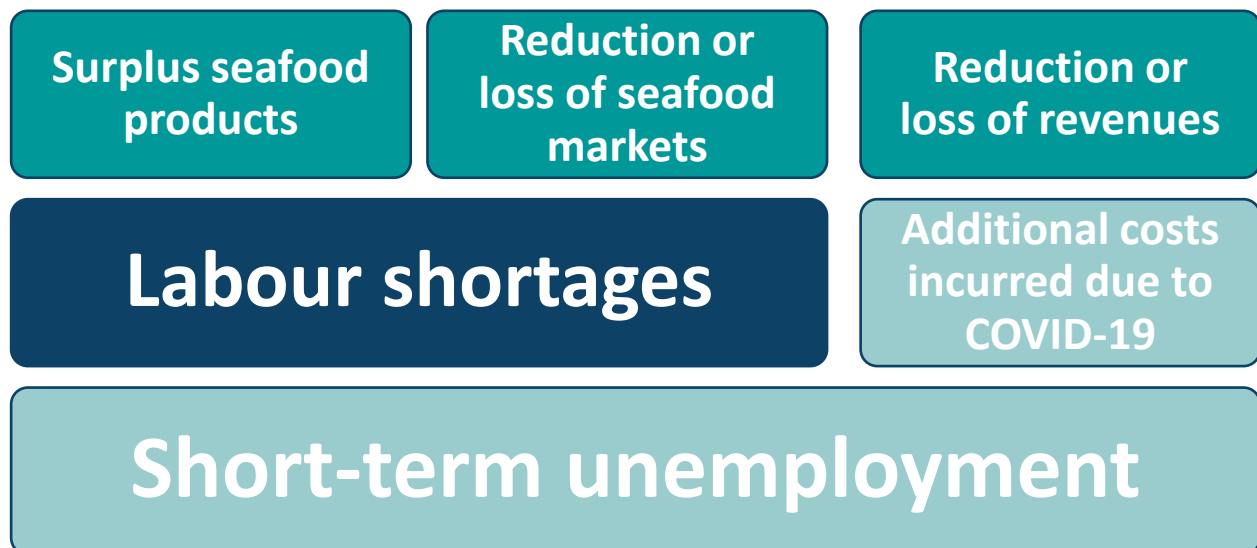
Performance: The extent to which economy, efficiency and effectiveness are achieved by a program.

Government PEI, 2020d

RESPONSES AND INTERVENTIONS

The Government of PEI stated that the secondary response to the COVID-19 pandemic has been to address the economic and social impacts on individuals, businesses, sectors, and industries (Government of PEI, 2020a). Premier King stated that government will "**continue with our efforts to address ... economic impacts of this situation [i.e., the pandemic] in a meaningful way**" (Government of PEI, 2020c).

Figure 1. Issues that required COVID-19 responses and interventions from the Ministry of Fisheries and Communities



Working across Government and in coordination with the Special Cabinet Committees as well as the Federal Government, **the Ministry of Fisheries and Communities established a total of nine interventions to mitigate the impacts of the COVID-19 pandemic on municipal governments, and clients and stakeholders of the Ministry.** The following tables provide a summary of the various initiatives implemented, which is comprised of the Employment Development Agency and the Department of Fisheries and Communities.

The information provided in the tables is current to March 31, 2021 (as reported May 3, 2021) unless noted otherwise.

Table 2. COVID-19 responses and interventions from the Employment Development Agency

PUBLIC POLICY: ADDRESSING THE ECONOMIC IMPACTS IN A MEANINGFUL WAY	
EMPLOYMENT DEVELOPMENT AGENCY	
Jobs for Youth Program	
<p>Status: Closed COVID-19 Budget Approved: \$1,193,000 Budget Source: COVID-19 Contingency Fund</p> <p>Intervention Description: The Jobs for Youth program offered wage support for employers to create employment opportunities for PEI students. Eligible employers included non-profit organizations, municipalities, private businesses and some public sector organizations. Any type of legal work activity could be assigned to the position, with some exceptions, and positions would normally be approved for eight weeks (some up to twelve).⁶</p> <p>The Jobs for Youth budget was revised to provide funding for a potential addition of 280 positions to offset the impacts of COVID-19 on the decreased employment opportunities faced by students.</p>	<p>POLICY OBJECTIVES: Addressing SHORT-TERM UNEMPLOYMENT and LABOUR SHORTAGES</p> <p>PROGRAM SPENDING by Sectors: Private: \$578,008 Non-Profit: \$317,078 Public: \$114,846 TOTAL: \$1,009,932</p> <p>RESULTS: An additional 317 positions were created and a total of 479 projects were completed in the following regions: Prince – 178; Queens – 167; Kings – 134.</p>

⁶ Government of PEI, 2021b

Rural Jobs Initiative

Status: Ongoing

COVID-19 Budget Approved: \$1,448,000

Budget Source: COVID-19 Contingency Fund

Intervention Description: The Rural Jobs Initiative was designed to stimulate business development, provide real and practical assistance to rural businesses, and enhance employment opportunities in rural communities. The Rural Jobs Initiative will also assist non-governmental organizations that focus on rural community economic development and rural resources to strengthen capacity and enhance the focus on developing the rural economy.⁷

The Rural Jobs Initiative budget was revised to provide funding for a potential addition of 200 positions to offset the impacts of COVID-19 on employers and job seekers in rural PEI.

POLICY OBJECTIVES:

Addressing SHORT-TERM UNEMPLOYMENT and LABOUR SHORTAGES

PROGRAM SPENDING:

\$409,235

RESULTS:

An additional 123 positions were created for a total 223 positions in the following regions: Prince – 96; Queens – 47; Kings - 80.

⁷ Government of PEI, 2020e

Table 3. COVID-19 responses and interventions from the Department of Fisheries and Communities

PUBLIC POLICY: ADDRESSING THE ECONOMIC IMPACTS IN A MEANINGFUL WAY	
DEPARTMENT OF FISHERIES AND COMMUNITIES	
COVID-19 OYSTER ENHANCEMENT FUND	
<p>Status: Closed</p> <p>COVID-19 Budget Approved: \$2,000,000</p> <p>Budget Source: COVID-19 Contingency Fund (\$2,000,000); Atlantic Canada Opportunities Agency (\$500,000)</p> <p>Total Program: \$2,500,000</p> <p>Intervention Description: The COVID-19 Oyster Enhancement Fund was developed in response to the disruptions of key seafood markets caused by the COVID-19 pandemic. The fund was designed to purchase surplus oysters from PEI water-column oyster growers to enhance commercially fished oyster beds, as part of the provincially funded Shellfish Enhancement Program, develop a new oyster bed, and improve spat collection and water quality in strategic areas in PEI.</p> <p>The COVID-19 Oyster Enhancement Fund was a one-time emergency measure administered through two third-party industry organizations, which includes the PEI Aquaculture Alliance (PEIAA) and the PEI Shellfish Association (PEISA).⁸</p>	<p>POLICY OBJECTIVES: Addressing PRODUCT SURPLUS and providing FINANCIAL RELIEF</p> <p>PROGRAM SPENDING: \$746,911</p> <p>RESULTS: A total of 3,541,438 oysters (2 – 3 inches and > 3 inches in size) were purchased from 53 growers and spread in 15 river systems across PEI.</p> <p>PEISA staff (5) were responsible for spreading oysters, PEIAA staff (3) organized, received, and audited oysters, and Departmental staff (2) monitored the spreading.</p>

⁸ Government of PEI, 2020f

COVID-19 Mussel Retail Promotional Support Initiative

Status: Closed

COVID-19 Budget Approved: \$300,000

Budget Source: COVID-19 Contingency Fund (\$300,000);
Innovation PEI (\$200,000); Industry (\$100,000)

Total Program: \$600,000

Intervention Description: The COVID-19 Mussel Retail Promotional Support Initiative was designed to assist PEI mussel processors in increasing sales through the retail market in the immediate term through the Food Island Partnership. This initiative allowed PEI mussel processors to expand and diversify their markets while simultaneously limiting disruptions in the market and production cycles by making room for future crops.

POLICY OBJECTIVES:

Addressing PRODUCT SURPLUS and EXPANDING/DIVERSIFYING EXISTING AND NEW MARKETS

PROGRAM SPENDING:

\$298,497

RESULTS:

Over 2.3 million pounds of PEI mussels sold, increased sales for participating companies year-over-year and created new sales opportunities.

Fisheries Emergency Loan Program

Status: Ongoing (open until June 30, 2021)

COVID-19 Budget Approved: \$2,400,000

Budget Source: COVID-19 Contingency Fund

Note: Revised budget projection is \$950,000 over 3 fiscal years (2020/2021 to 2022/2023).

Intervention Description: The Fisheries Emergency Loan Program was designed to provide funding in the form of a repayable loan offered through Finance PEI.⁹ The Department will pay interest on behalf of the borrower for the first 18 months to assist fisheries and aquaculture operators who may be negatively impacted by economic conditions related to COVID-19.¹⁰

POLICY OBJECTIVES:

Providing FINANCIAL RELIEF

PROGRAM SPENDING:

\$16,679

RESULTS:

A total of 38 new loans were granted as of April 15, 2021.

⁹ Government of PEI, 2021c

¹⁰ Government of PEI, 2020g

Fisheries Interest Relief Program

Status: Closed

COVID-19 Budget Approved: \$12,500,000

Budget Source: COVID-19 Contingency Fund

Intervention Description: The Fisheries Interest Relief Program was designed for the Department to reimburse interest expense incurred by PEI fish harvesters, including aquaculture operators, on owing or owed existing term credit with their financial institutions.¹¹ The purpose of the Fisheries Interest Relief Program was to assist fisheries and aquaculture operators who may have been negatively impacted by economic conditions related to COVID-19.¹²

POLICY OBJECTIVES:

Providing FINANCIAL RELIEF

PROGRAM SPENDING:

\$10,068,509

RESULTS:

A total of 842 applications were approved for interest relief.

COVID-19 NGO Tourism Operational Support Program

Status: Closed

COVID-19 Budget Approved: \$175,000

Budget Source: COVID-19 Contingency Fund (\$175,000);
Atlantic Canada Opportunities Agency (\$347,500)

Total Budget: \$522,500

Intervention Description: The COVID-19 NGO Tourism Operational Support Program was designed to provide non-repayable working capital grants through the Central Development Corporation on behalf of government partners. The purpose of the program was to provide financial assistance to not-for-profit organizations operating tourism facilities in PEI who were facing financial difficulties, because of the COVID-19 pandemic, in covering fixed costs associated with operations.

POLICY OBJECTIVES:

Providing FINANCIAL RELIEF
and PROTECTING IMPORTANT
COMMUNITY ASSETS

PROGRAM SPENDING:

\$173,581

RESULTS:

A total of 30 tourism NGOs
approved for funding.

¹¹ Government of PEI, 2021d

¹² Government of PEI, 2020g

COVID-19 Operational Support Program for Community Halls

Status: Closed

COVID-19 Budget Approved: \$250,000

Budget Source: COVID-19 Contingency Fund

Intervention Description: The COVID-19 Operational Support Program for Community Halls was designed to provide financial support for community halls to help with ongoing expenses and recognizing a reduction in revenue as a result of the COVID-19 pandemic.¹³

POLICY OBJECTIVES:

Providing FINANCIAL RELIEF
and PROTECTING IMPORTANT
COMMUNITY ASSETS

PROGRAM SPENDING:

\$124,248

RESULTS:

A total of 64 applications have
been approved.

¹³ Government of PEI, 2021e

Safe Restart Agreement

Status: Closed

COVID-19 Budget Approved: \$4,481,000

Budget Source: COVID-19 Contingency Fund

Intervention Description: The purpose of the Safe Restart Agreement was to mitigate the additional costs related to the COVID-19 pandemic. The funding was available to support the following: provide a full range of local services, precautions for public access, personal protective equipment, technology enhancements, additional cleaning and sanitizing protocols, enhanced communication and community outreach, safe delivery of core services, and adjustments required for safe public transit in addition to supporting emergency management planning and administrative capacity building training.¹⁴

POLICY OBJECTIVES:

Mitigate ADDITIONAL COSTS INCURRED due to COVID-19

PROGRAM SPENDING by Type:

Base Level: \$2,063,569

Service Level: \$1,671,407

FPEIM¹⁵: \$60,000

TOTAL: \$3,794,976

RESULTS:

A total of 50 municipalities received the Base Level Funding and of those, 15 received additional Service Level Funding. The distribution of the funds required approximately 100 hours of Departmental staff time.

The funds allocated to the FPEIM were used to hire consultants to provide emergency management planning assistance and deliver training for municipal governments.

¹⁴ Government of Canada, 2020

¹⁵ FPEIM: Federation of PEI Municipalities

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