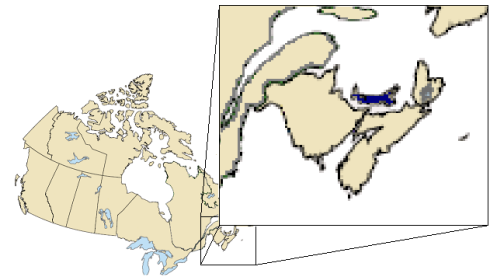




Labour Market Bulletin

Prince Edward Island



December 2015

This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Prince Edward Island.

OVERVIEW

There was a slight improvement in labour market conditions in the fourth quarter compared to the third quarter of 2015. The labour force in Prince Edward Island rose to 81,700 in the fourth quarter with 900 more people employed and 400 fewer unemployed than in the previous quarter. All of the employment gains were in full-time positions. The unemployment rate in Prince Edward Island averaged 10% in the fourth quarter, down by 0.6 of a percentage point from the third quarter. The participation rate in Prince Edward Island edged up to 67.5% in the fourth quarter of 2015.

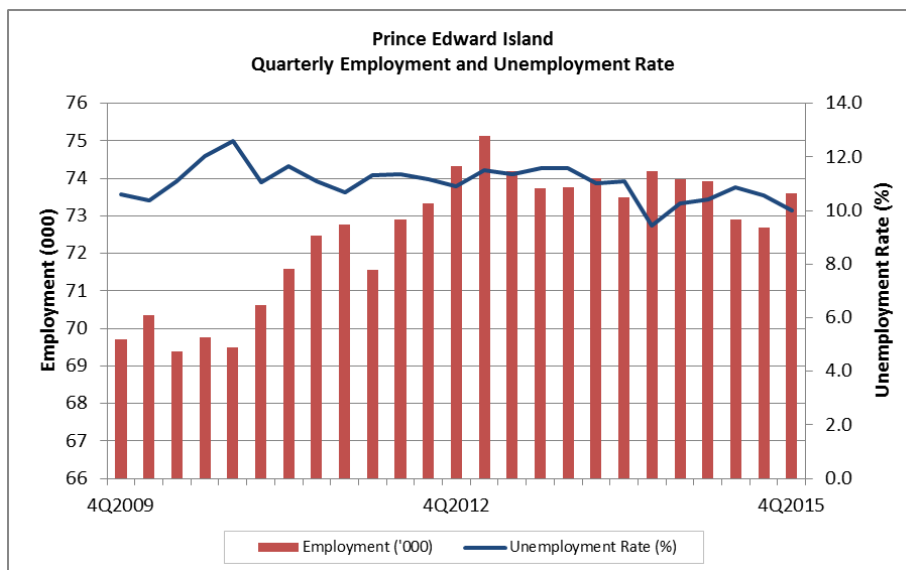
Prince Edward Island Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	4th Quarter 2015	3rd Quarter 2015	4th Quarter 2014	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	121.1	121.0	120.7	0.1	0.1	0.5	0.4
Labour Force ('000)	81.7	81.3	82.4	0.4	0.5	-0.7	-0.8
Employment ('000)	73.6	72.7	74.0	0.9	1.2	-0.4	-0.5
Full-Time ('000)	61.4	60.5	62.8	0.9	1.5	-1.5	-2.3
Part-Time ('000)	12.2	12.2	11.1	0.0	0.0	1.1	10.2
Unemployment ('000)	8.2	8.6	8.4	-0.4	-5.0	-0.3	-3.2
Unemployment Rate (%)	10.0	10.6	10.3	-0.6	-	-0.3	-
Participation Rate (%)	67.5	67.2	68.3	0.3	-	-0.8	-
Employment Rate (%)	60.7	60.1	61.3	0.7	-	-0.6	-

Note: Totals may not add due to rounding

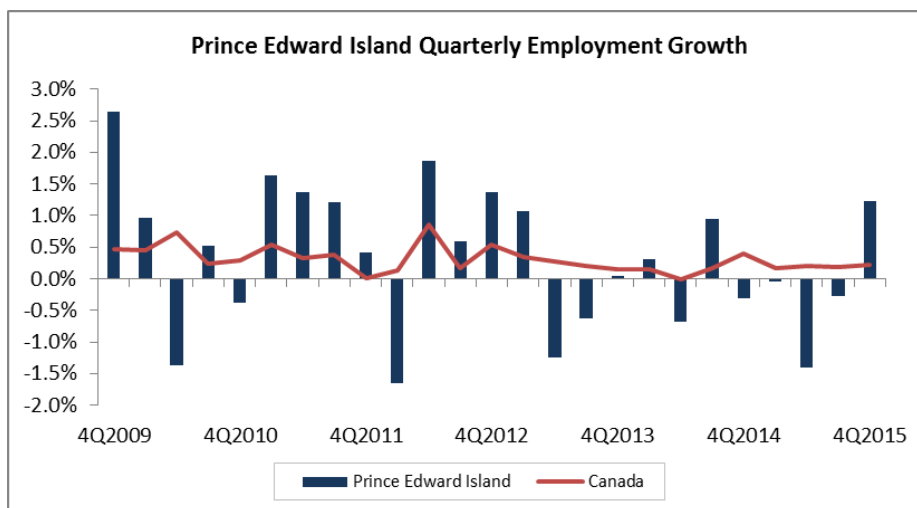
Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

From an annual perspective, labour market conditions were not so favorable in the fourth quarter of 2015. There were 700 fewer people participating in the labour force in the most recent quarter compared to the same quarter in 2014. Both employment and unemployment levels were lower in the fourth quarter of 2015, by 0.5% and 3.2% respectively. The number of part-time workers was 10.2% higher than a year ago (+1,100 positions) while full-time employment levels were lower (-1,500). Males accounted for the entire increase in part-time employment with nearly half of the gains attributed to the core-working age group (25-54 years). The remainder was dispersed between the older worker group (55+ years of age) and youths (15-24 years of age).



Males also accounted for the entire year-over-year decline in full-time employment levels, particularly those in the core-working age group. On the positive side, younger females (women aged 15-24 years) experienced the greatest labour market success among all age and gender cohorts, with a year-over-year gain of 700 full-time jobs.

The unemployment rate in the province was slightly lower than it was compared to the fourth quarter of 2014, in spite of fewer people employed in the province. The implication is that more people left the labour force altogether, putting downward pressure on the unemployment rate. For example, over the past six quarters, the labour force has lost 200 persons per quarter, on average, with no change in employment over this period. As illustrated in the graph above, this has resulted in a lower unemployment rate trend since the second quarter of 2014.



At 10%, the unemployment rate in the fourth quarter of 2015 was the lowest it has been since the third quarter of 2014. On a year-over-year basis, unemployment rates were lower for youths (-2.4 percentage points) and older workers (-1.2 percentage points to 10.4% in the fourth quarter), but higher for the core-working age group (+0.6 percentage points to 8.7%). The unemployment rate for youth females in Prince Edward Island was 4.8% in the fourth quarter of 2015, which was not only the lowest in the country, but the lowest quarterly average ever

for this demographic in the province. It was the other extreme for youth males however, whose unemployment rate, at 22.9%, was the highest in the country and nearly 8 percentage points higher than the national average.

Prince Edward Island Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	4th Quarter	3rd Quarter	4th Quarter	Quarterly Variation	Yearly Variation
	2015 (%)	2015 (%)	2014 (%)	(% points)	(% points)
Total	10.0	10.6	10.3	-0.6	-0.3
25 years and over	9.1	9.9	9.0	-0.8	0.1
Men - 25 years and over	9.8	9.8	9.2	0.0	0.6
Women - 25 years and over	8.5	10.1	9.2	-1.6	-0.7
15 to 24 years	14.4	14.6	16.8	-0.2	-2.4
Men - 15 to 24 years	22.9	17.7	20.6	5.1	2.2
Women - 15 to 24 years	4.8	10.6	11.6	-5.8	-6.8

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

The participation rate in Prince Edward Island was 67.5% in the fourth quarter of 2015, and compares to 65.9% nationally. Labour force participation on a year-over-year basis was higher for youths (+5.6 percentage points), but lower for the core-working age group and older workers (by -0.8 percentage points and -2.5 percentage points respectively). At 71.4%, the participation rate for female youths in the fourth quarter of 2015 was the highest in the country.

EMPLOYMENT BY INDUSTRY

The year-over-year decline in employment was fully concentrated in the **Goods-producing sector**. Employment in this sector totalled 17,300 in the fourth quarter of 2015 which is about 5% lower than it was a year ago. The **Construction** industry is shown to have experienced a 15.4% reduction in its employment base year-over-year, however it should be pointed out that there was an unexplained spike in the industry's employment level in November 2014 which would have inflated the fourth quarter average that year. Nevertheless, **Construction** employment averaged 5,100 workers in the fourth quarter of 2015 which is the lowest level for the industry since the second quarter of 2012.

Although employment levels for the **Construction** industry are relatively low compared to previous quarters, current indications suggest that both residential and non-residential construction activity are strengthening in the province. On a year-to-date basis, the value of non-residential building permits is up by nearly 4% in the first ten months of 2015, driven largely by a boost in institutional projects (such as expansion projects at the University of Prince Edward Island). The number of urban and rural housing starts in the first three quarters of 2015 is up by 14% compared to the same period a year ago, driven largely by urban projects (+26% on a year-to-date basis). One such project is the construction of a 64 unit seniors' complex in Summerside, PEI. Although these indicators suggest a positive direction for the **Construction** industry, it should be noted however that the current level of housing production is about 35% lower than it has been in recent years, on average.

Prince Edward Island Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	4th Quarter 2015	3rd Quarter 2015	4th Quarter 2014	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	73.6	72.7	74.0	0.9	1.2	-0.4	-0.5
Goods-producing sector	17.3	17.0	18.2	0.3	1.6	-0.9	-4.9
Agriculture	3.2	3.2	3.4	0.0	0.0	-0.2	-5.9
Forestry, fishing, mining, quarrying, oil and gas	2.4	2.5	2.4	-0.1	-4.1	0.0	0.0
Utilities	0.4	0.4	0.3	0.0	-8.3	0.1	22.2
Construction	5.1	5.4	6.1	-0.2	-4.3	-0.9	-15.4
Manufacturing	6.2	5.7	6.1	0.5	8.8	0.1	1.1
Services-producing sector	56.3	55.7	55.7	0.6	1.1	0.5	1.0
Trade	11.0	10.9	10.9	0.1	0.6	0.1	0.9
Transportation and warehousing	2.3	2.3	3.1	0.0	0.0	-0.8	-25.8
Finance, insurance, real estate and leasing	2.5	2.5	2.2	0.0	0.0	0.3	13.4
Professional, scientific and technical services	3.2	3.1	3.0	0.1	3.2	0.3	9.0
Business, building and other support services	2.6	2.4	2.4	0.1	5.5	0.1	5.5
Educational services	5.5	5.2	5.4	0.3	6.5	0.1	1.2
Health care and social assistance	10.0	10.0	9.8	0.0	-0.3	0.2	1.7
Information, culture and recreation	2.2	2.3	2.5	-0.1	-2.9	-0.2	-9.5
Accommodation and food services	6.5	6.3	5.7	0.2	3.7	0.8	14.0
Other services	3.2	3.3	3.6	-0.1	-3.0	-0.4	-11.9
Public administration	7.2	7.4	7.1	-0.2	-2.7	0.0	0.5

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

Employment levels were higher in the **Services-producing sector** in the fourth quarter of 2015 compared to a year ago. The largest year-over-year gains occurred in the **Accommodation and Food Services** industry (+800) followed by **Professional, scientific and technical services** (+300) and **Finance, insurance, real estate and leasing** (+300). Limiting gains in this sector was a reduction in **Transportation and Warehousing** employment (-800).

Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

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For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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