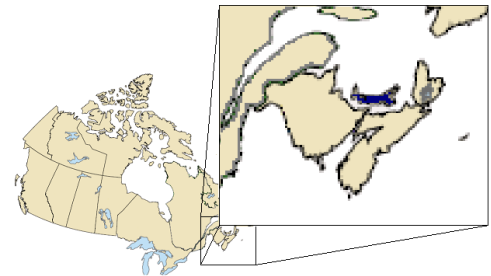




# Labour Market Bulletin

## Prince Edward Island



September 2015

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

### OVERVIEW

Labour market conditions in PEI remained soft in the third Quarter of 2015. The labour force declined for the second consecutive quarter and the unemployment rate was slightly lower due to people leaving the labour market. There were slightly fewer people employed and unemployed on a quarter-over-quarter basis. An increase in the number of full-time workers in the third quarter was more than offset by the considerable decline in part-time employment. The unemployment rate averaged 10.6% in the third quarter and with fewer people in the labour force, the participation rate declined, to 67.2%.

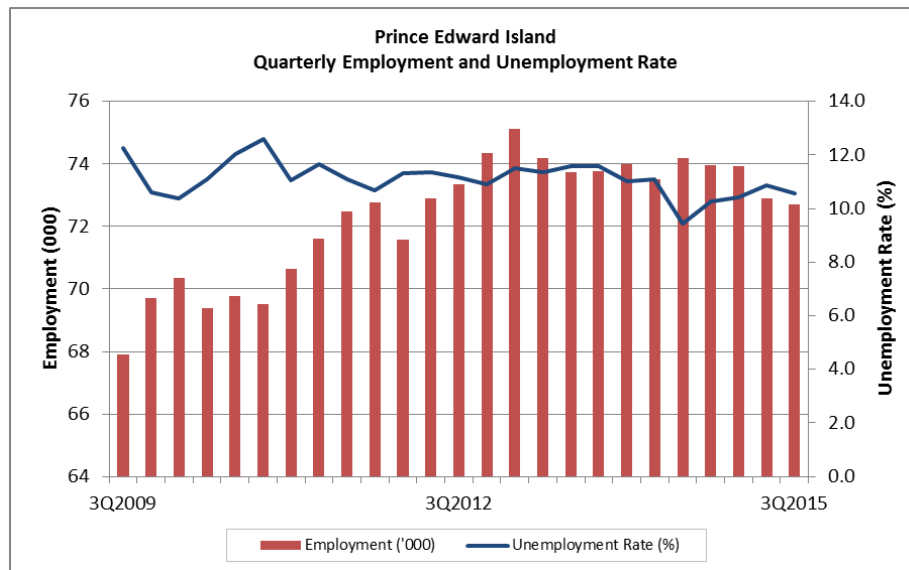
Prince Edward Island Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	3rd Quarter 2015	2nd Quarter 2015	3rd Quarter 2014	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	121.0	120.8	120.7	0.2	0.1	0.3	0.2
Labour Force ('000)	81.3	81.8	81.9	-0.5	-0.6	-0.6	-0.8
Employment ('000)	72.7	72.9	74.2	-0.2	-0.3	-1.5	-2.0
Full-Time ('000)	60.5	60.0	62.3	0.5	0.8	-1.8	-2.9
Part-Time ('000)	12.2	12.9	11.9	-0.7	-5.4	0.3	2.5
Unemployment ('000)	8.6	8.9	7.7	-0.3	-3.4	0.9	11.2
Unemployment Rate (%)	10.6	10.9	9.4	-0.3	-	1.1	-
Participation Rate (%)	67.2	67.7	67.9	-0.5	-	-0.7	-
Employment Rate (%)	60.1	60.3	61.5	-0.3	-	-1.4	-

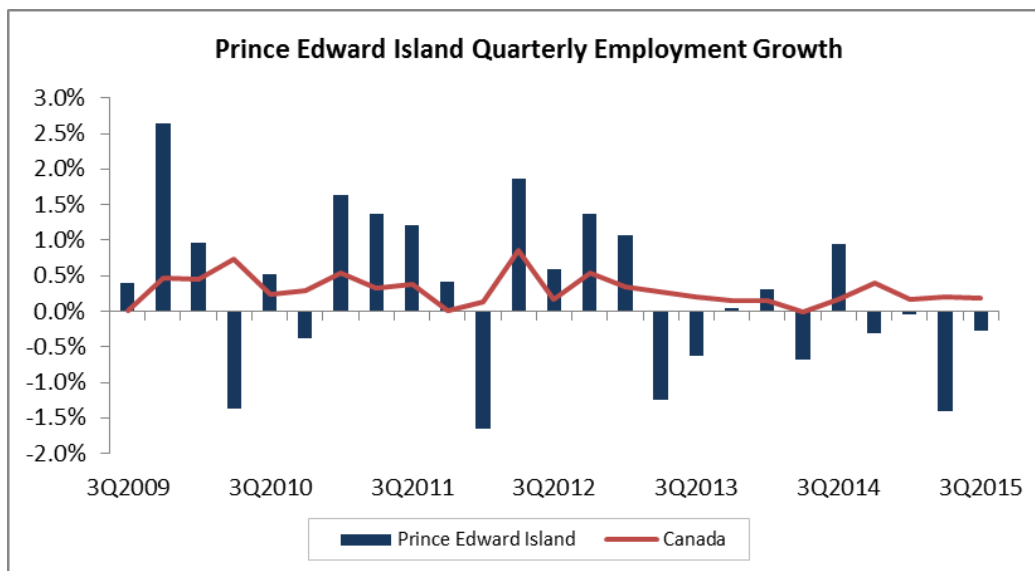
Note: Totals may not add due to rounding

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

The PEI labour force averaged 81,300 in the third quarter of 2015 which was 600 fewer compared to the same quarter in 2014. Employment levels were 2% lower than they were year-over-year however, an increase in the number unemployed helped to moderate the decline in the overall labour force. Employment in the third quarter of 2015 averaged 72,700 which was 1,500 less compared to a year ago. Women accounted for the majority of the decrease (-1,000) which was concentrated in the core-age group of female workers (25-54 years). Employment was slightly lower for women in the youth age group (15-24 years of age) while those in the older worker category (55 years of age and over) experienced a slight gain year-over-year (+1.7%).



The number of full-time employment positions fell in the order of 3% on a year-over-year basis (-1,800) which muted the slight gain in part-time jobs over this period (+300). Men accounted for the majority of the decline in full-time jobs and all of the part-time gains.



The level of unemployment in Prince Edward Island averaged 8,600 in the third quarter of 2015, which was 900 more unemployed compared to the same period in 2014. Women accounted for the slight majority of the increase (500) and all were in the core-aged group. For males, the year-over-year increase in unemployment was concentrated in the older-worker cohort.

Over the past five quarters, the unemployment rate in PEI has been hovering around 10.3 percent, on average, which is typically low for the province. Since the 2008-09 recession, and prior to the previous five quarters, the unemployment rate in PEI has averaged 11.3% on a quarterly basis. Labour market conditions have been soft in recent quarters, owing to the declining trend in labour force participation (i.e. more people leaving the labour force) and subsequently, lower unemployment.

At 14.6% in the third quarter of 2015, the unemployment rate for the youth age cohort in PEI was the lowest it has been in nearly four years. The unemployment rate for youth males is still relatively high, at 17.7%, but is an improvement compared to the 22% average in the previous two quarters. This was the result of a shift of 100 youth males from unemployed to employed status in the third quarter of 2015. Similarly, the unemployment rate for youth women is also lower in the most recent quarter, by 2.5 percentage points compared to a year ago. This was due to a reduction in labour force participation by this demographic (-1.9%).

Prince Edward Island Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly Variation	Yearly Variation
	2015 (%)	2015 (%)	2014 (%)	(% points)	(% points)
<b>Total</b>	10.6	10.9	9.4	-0.3	1.1
<b>25 years and over</b>	9.9	9.6	8.2	0.3	1.7
Men - 25 years and over	9.8	10.8	8.4	-1.0	1.3
Women - 25 years and over	10.1	8.4	7.8	1.7	2.3
<b>15 to 24 years</b>	14.6	18.1	16.2	-3.5	-1.6
Men - 15 to 24 years	17.7	23.7	19.2	-5.9	-1.5
Women - 15 to 24 years	10.6	12.3	13.1	-1.7	-2.5

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

With fewer labour force participants in the third quarter, the participation rate in PEI fell by 0.7 of a percentage point to 67.2%, the lowest it has been in over a decade. Despite this low point, the PEI participation rate continues to exceed the national average, which was 65.8% in the third quarter 2015.

## EMPLOYMENT BY INDUSTRY

There were 72,700 employed in the second quarter 2015 which was 1,500 fewer compared to the same quarter a year ago. The vast majority of this decline occurred in the **Goods-producing sector** (-1,300 jobs).

**Goods-producing sector** employment averaged 17,000 in the third quarter which was down by 7.1% compared to the same quarter in 2014. Most of the decline was concentrated in **Agriculture** (-700) and in the **Construction** industry (-500). Current indications suggest that both residential and non-residential (commercial) construction activity is weaker on a year-to-date basis in 2015. The value of commercial building permits to August 2015 is down by close to 40% compared to the same period in 2014. Additionally, the number of urban and rural housing starts in the province is also lower year-to-date 2015, by nearly 15%.

There were 55,700 workers employed in the **Services-producing sector** in the third quarter of 2015, about 200 less than the same quarter a year ago. The most notable year-over-year employment declines occurred in **Transportation and Warehousing** (-700 jobs) and **Educational services** (-400 jobs). Offsetting these were notable employment gains in **Accommodation and Food Services** (+600 jobs) and **Finance, Insurance, Real Estate and Leasing** (+500). The third quarter of 2015 encompasses peak tourism months in PEI (July and August) and based on current tourism indicators<sup>1</sup>, the number of room nights sold in PEI (of fixed roof accommodations) was up by close to 2% in July and August, on average. Similarly, tourism-related traffic on the Confederation Bridge was up by 10% in each of the peak tourism months, on average, which may have contributed to higher year-over-year employment in the food services sub-industry.

<sup>1</sup> Prince Edward Island Tourism Indicators, August 2015 ([http://www.gov.pe.ca/photos/original/current\\_tourism.pdf](http://www.gov.pe.ca/photos/original/current_tourism.pdf))

## Prince Edward Island Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	3rd Quarter 2015	2nd Quarter 2015	3rd Quarter 2014	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	72.7	72.9	74.2	-0.2	-0.3	-1.5	-2.0
<b>Goods-producing sector</b>	17.0	17.5	18.3	-0.5	-2.9	-1.3	-7.1
Agriculture	3.2	3.5	3.9	-0.3	-7.7	-0.7	-17.9
Forestry, fishing, mining, quarrying, oil and gas	2.5	2.5	2.6	-0.1	-2.6	-0.1	-5.1
Utilities	0.4	0.3	0.3	0.1	20.0	0.1	50.0
Construction	5.4	5.2	5.8	0.2	3.9	-0.5	-8.0
Manufacturing	5.7	6.0	5.7	-0.3	-5.0	0.0	-0.6
<b>Services-producing sector</b>	55.7	55.4	55.9	0.3	0.5	-0.2	-0.4
Trade	10.9	10.8	11.1	0.1	0.6	-0.2	-1.5
Transportation and warehousing	2.3	2.8	3.0	-0.5	-18.8	-0.7	-23.3
Finance, insurance, real estate and leasing	2.5	2.6	2.0	-0.1	-2.6	0.5	24.6
Professional, scientific and technical services	3.1	2.9	2.8	0.2	6.8	0.3	10.6
Business, building and other support services	2.4	2.2	2.3	0.2	9.0	0.2	7.4
Educational services	5.2	5.3	5.5	-0.1	-1.9	-0.4	-6.6
Health care and social assistance	10.0	9.6	10.4	0.4	4.5	-0.3	-3.2
Information, culture and recreation	2.3	2.5	2.6	-0.2	-9.2	-0.3	-12.7
Accommodation and food services	6.3	5.4	5.7	0.9	16.0	0.6	10.5
Other services	3.3	3.5	3.5	-0.2	-6.6	-0.2	-4.8
Public administration	7.4	7.6	7.0	-0.2	-2.6	0.4	5.7

Note: Totals may not add due to rounding

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

**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](http://www.statcan.gc.ca)

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