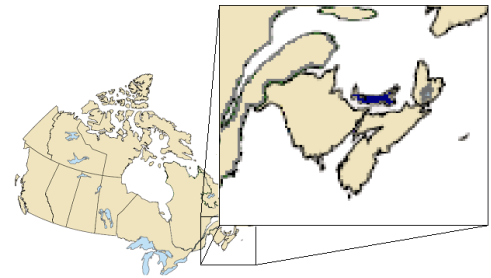




Labour Market Bulletin

Prince Edward Island



November 2016

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

OVERVIEW

Labour market outcomes in Prince Edward Island (P.E.I.) somewhat improved in November with more people working accompanied by a drop in the number of active job seekers. The number of full-time positions rose in November following five consecutive months of declines while the unemployment rate decreased by almost one percentage point compared to October's rate. However with 400 fewer people in the Island's labour force, the labour force participation rate in November declined to 65.6% which is low compared to recent years.

Prince Edward Island Monthly Labour Force Statistics

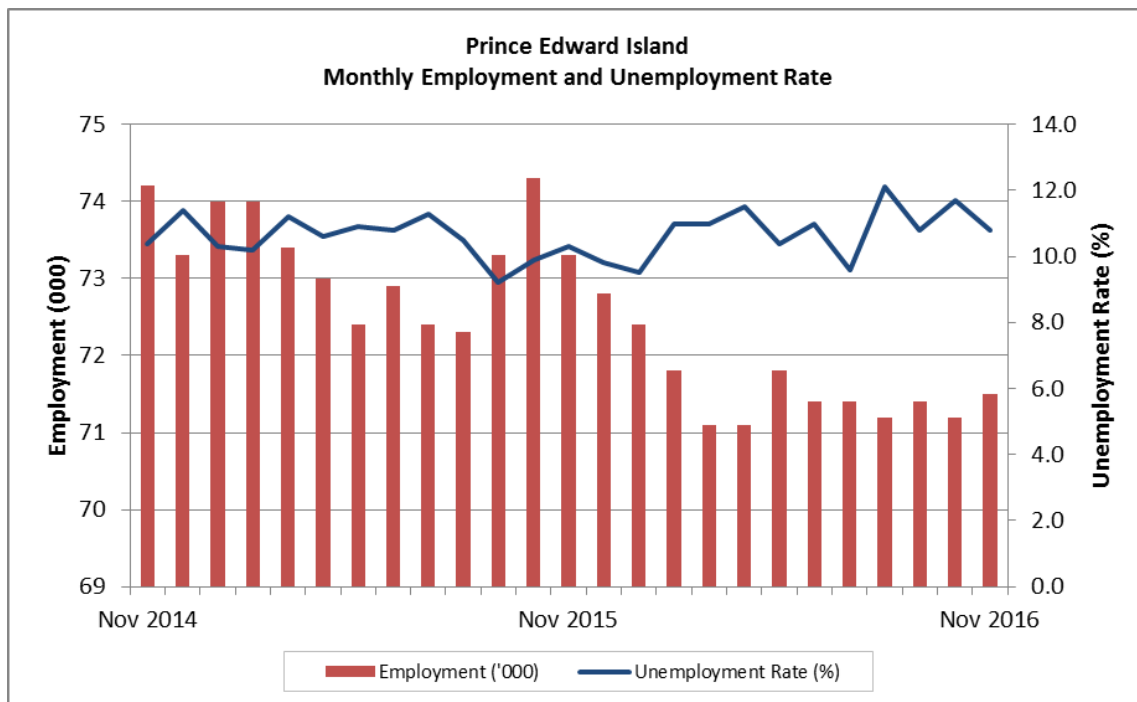
Seasonally Adjusted Monthly Data	Nov 2016	Oct 2016	Nov 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	122.3	122.2	121.1	0.1	0.1	1.2	1.0
Labour Force ('000)	80.2	80.6	81.7	-0.4	-0.5	-1.5	-1.8
Employment ('000)	71.5	71.2	73.3	0.3	0.4	-1.8	-2.5
Full-Time ('000)	58.8	57.6	61.2	1.2	2.1	-2.4	-3.9
Part-Time ('000)	12.7	13.7	12.1	-1.0	-7.3	0.6	5.0
Unemployment ('000)	8.7	9.4	8.4	-0.7	-7.4	0.3	3.6
Unemployment Rate (%)	10.8	11.7	10.3	-0.9	-	0.5	-
Participation Rate (%)	65.6	66.0	67.5	-0.4	-	-1.9	-
Employment Rate (%)	58.5	58.3	60.5	0.2	-	-2.0	-

Note: Totals may not add due to rounding

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

From an annual perspective, the story is less encouraging as there were notable decreases in both the number of people participating in the labour force and in overall employment compared to a year earlier. In addition, the number of unemployed workers rose over the 12 month period. The downward trend in annual average participation rates over the past three years may suggest a more pessimistic view about job prospects on the Island. The participation rate averaged 69.8% in 2013, dropping to 65.9% in 2015. The number of full-time jobs was down 2,400 (-3.9%) relative to November 2015; whereas, there were 600 additional part-time jobs. On a year-to-date basis (January-November) employment levels contracted by 1,730, with the vast majority being full-time jobs. The public sector accounted for approximately half of the job losses this year, with steep declines recorded in **Public administration**. It is unlikely that these losses will be reversed in the near term with lower

than expected revenue which will limit the provincial government’s room to increase spending or public sector payrolls.



Employment gains in November were primarily concentrated within the older-worker age group (aged 55 and over). More people in this age category were employed on a full-time basis than during October and also compared to November of last year. Women in this age category had the largest increase in employment relative to the previous month. However, compared to 12 months ago, there was no change in employment levels for men 55 years and over whereas employment was up by 1.3% for their female counterparts. No other demographic group in the province recorded employment gains over the same time period. Since the number of older-workers actively seeking employment increased year-over-year, their unemployment rate rose to 13.3%, up from 10.6% compared to a year ago.

Although employment levels for the core working-age population (25-54 years) changed little in November compared to the previous month, there were 1,000 fewer positions year-over-year. The number of people working part-time rose by 500, however, these gains were insufficient to offset the loss of 1,500 full-time jobs. Even though employment growth for the core working-age population has been fairly stagnant over the past two years, current levels are nonetheless comparable to those recorded prior to the 2008-2009 economic downturn. At 8.9%, the unemployment rate recorded for people in this age group was unchanged from 12 months ago.

Prince Edward Island Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Nov 2016	Oct 2016	Nov 2015	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	10.8	11.7	10.3	-0.9	0.5
25 years and over	10.1	10.6	9.3	-0.5	0.8
Men - 25 years and over	12.8	12.3	10.0	0.5	2.8
Women - 25 years and over	7.3	8.8	8.6	-1.5	-1.3
15 to 24 years	14.2	16.5	15.2	-2.3	-1.0
Men - 15 to 24 years	18.5	16.7	24.3	1.8	-5.8
Women - 15 to 24 years	8.9	16.4	4.8	-7.5	4.1

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

The number of youth aged 15 to 24 years of age in the labour force in P.E.I. decreased both on a monthly and on a year-over-year basis. Although the participation rate for youth (67.8%) was five percentage points lower in November than a year ago, it was the second highest rate in Canada, after Alberta. Reflecting a more challenging labour market for youth on the Island, the number of youth employed in November (10,300) was the lowest monthly level since 2000. Since fewer youth actively searched for work, the unemployment rate edged down to 14.2%, or by one percentage point, compared to November 2015.

EMPLOYMENT BY INDUSTRY

Compared to the previous year, the decline in the province's employment base resulted primarily from job losses within the **Goods-producing sector**. Employment in this sector was down by 1,300 jobs or 7.4% year-over-year. The number of job losses was largest in the **Agriculture and Forestry, fishing, mining, quarrying, oil and gas** industry groups. Manufacturing was the only industry group in the goods sector to record job gains in November relative to 12 months earlier. Manufacturing has been the largest employer within the Goods-producing sector averaging 6,800 jobs thus far this year. A weaker Canadian dollar combined with stronger demand for agricultural food products has helped increase the value of overall Manufacturing shipments from the province. Recent estimates for the period January-to-August indicated the value of seasonally adjusted manufacturing shipments from the Island increased by 2.4% compared to the same period last year.¹

Although the number employed in the **Construction** industry declined slightly year-over-year, construction activity on the Island appears to be experiencing some growth after facing several challenges over the past number of years. As of July 1, 2016, the Island's population increased by 1.3% compared to a year earlier. Prince Edward Island not only recorded the fastest population growth in Atlantic Canada, but it also surpassed the national growth rate (1.2%). The increase in the population on the Island is having an impact on housing demand, both new construction and resale. On the non-residential side and engineering construction side, increased spending by all levels of government for infrastructure projects is driving growth.²

Employment in the **Services sector** totalled 55,300 in November which is approximately 1% lower than it was a year ago. The largest year-over-year job losses occurred in **Accommodation and food services**. By comparison, notable gains have occurred in **Information, culture, and recreation**. After a two-year period of steady job losses, this industry group has added 900 jobs since the start of 2016, recovering much of the earlier losses.

¹ Prince Edward Island Economic Update, https://www.princeedwardisland.ca/sites/default/files/publications/pei_economic_update_2016_1.pdf

² Ibid.

Prince Edward Island Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	Nov 2016	Oct 2016	Nov 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	71.5	71.2	73.3	0.3	0.4	-1.8	-2.5
Goods-producing sector	16.2	16.2	17.5	0.0	0.0	-1.3	-7.4
Agriculture	2.7	3.3	3.5	-0.6	-18.2	-0.8	-22.9
Forestry, fishing, mining, quarrying, oil and gas	1.9	2.0	2.3	-0.1	-5.0	-0.4	-17.4
Utilities	0.4	0.3	0.4	0.1	33.3	0.0	0.0
Construction	5.0	4.8	5.1	0.2	4.2	-0.1	-2.0
Manufacturing	6.3	5.8	6.2	0.5	8.6	0.1	1.6
Services-producing sector	55.3	55.0	55.8	0.3	0.5	-0.5	-0.9
Trade	10.5	10.3	11.1	0.2	1.9	-0.6	-5.4
Transportation and warehousing	2.5	2.3	2.1	0.2	8.7	0.4	19.0
Finance, insurance, real estate and leasing	2.8	2.7	2.5	0.1	3.7	0.3	12.0
Professional, scientific and technical services	3.3	3.6	3.3	-0.3	-8.3	0.0	0.0
Business, building and other support services	2.4	2.5	2.7	-0.1	-4.0	-0.3	-11.1
Educational services	5.4	5.4	5.4	0.0	0.0	0.0	0.0
Health care and social assistance	10.1	9.7	10.0	0.4	4.1	0.1	1.0
Information, culture and recreation	2.9	2.9	2.3	0.0	0.0	0.6	26.1
Accommodation and food services	5.5	5.7	6.2	-0.2	-3.5	-0.7	-11.3
Other services	3.2	3.2	3.2	0.0	0.0	0.0	0.0
Public administration	6.7	6.8	7.1	-0.1	-1.5	-0.4	-5.6

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.

Prepared by: Labour Market Analysis Directorate, Service Canada, Atlantic Region

For further information, please contact Labour Market Analysis Directorate at:

NC-LMI-IMT-GD@hrsdc-rhdcc.gc.ca

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

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