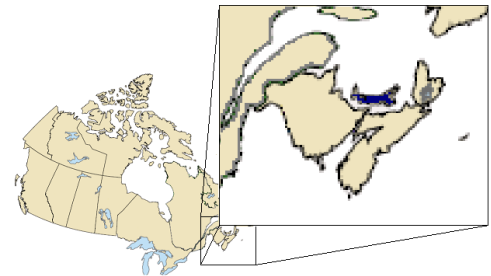




Labour Market Bulletin

Prince Edward Island



December 2016

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

OVERVIEW

The labour market in Prince Edward Island ended the year showing some signs of improvement. Labour market conditions on the Island rallied somewhat in the fourth quarter of 2016 compared to the previous three quarters. The number of labour force participants rose from the previous three months as did the number employed. The level of employment edged up slightly, on a quarter-over-quarter basis, as the gains in part-time jobs more than offset the decline in full-time positions. The unemployment rate averaged 11.1% in the fourth quarter and now is at its highest quarterly rate in over two years.

Prince Edward Island Quarterly Labour Force Statistics

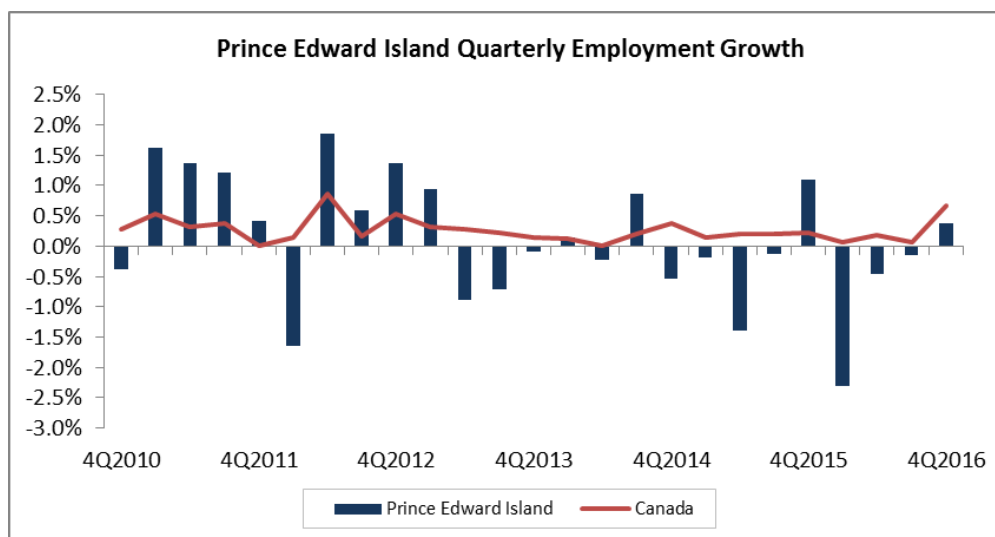
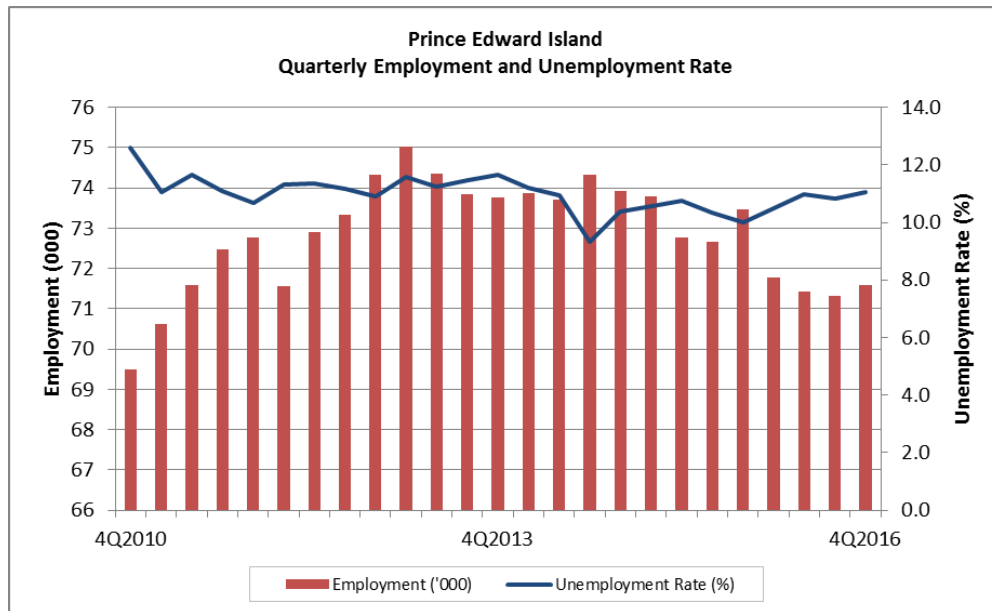
Seasonally Adjusted Quarterly Data	4th Quarter 2016		3rd Quarter 2016		4th Quarter 2015		Quarterly Variation		Yearly Variation	
	Number	%	Number	%	Number	%	Number	%	Number	%
Population 15+ ('000)	122.3		122.1		121.1		0.2	0.1	1.2	1.0
Labour Force ('000)	80.5		80.0		81.6		0.5	0.6	-1.1	-1.3
Employment ('000)	71.6		71.3		73.5		0.3	0.4	-1.9	-2.5
Full-Time ('000)	58.5		58.7		61.3		-0.2	-0.4	-2.8	-4.6
Part-Time ('000)	13.2		12.6		12.2		0.5	4.2	1.0	8.2
Unemployment ('000)	8.9		8.7		8.2		0.2	2.7	0.7	9.0
Unemployment Rate (%)	11.1		10.8		10.0		0.2	-	1.1	-
Participation Rate (%)	65.8		65.5		67.4		0.3	-	-1.5	-
Employment Rate (%)	58.6		58.4		60.7		0.2	-	-2.1	-

Note: Totals may not add due to rounding

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

Labour market conditions in the fourth quarter were less favourable compared to the same three-month period a year ago. There were 1,100 fewer people participating in the labour force and 1,900 less people employed relative to the fourth quarter of 2015. The reduction in employment resulted solely from a decline in the number of full-time positions, the number of people holding part-time jobs rose compared to a year ago. Although annual average 2016 data indicate that overall employment levels in P.E.I. have declined for the third straight year, the average number of people employed in 2016 (71,500) is still higher than pre-2008/09 recessionary levels.

Employment gains in the fourth quarter resulted mostly from an increase in the number of public-sector employees (+500 positions) compared to the previous three months. However, there were 1,500 fewer public-sector employees compared to a year earlier; whereas, employment levels within the private-sector were unchanged over the same period.¹ The number of self-employed declined during the fourth quarter of 2016 and is also down relative to 12 months ago (-400 positions).



The bulk of the job gains were concentrated in the core working-age group (25-54 years of age). Fourth-quarter data suggests that women in this age category fared better than their male counterparts as women gained the majority of the jobs created. Youth (aged 15-24 years) employment levels also increased compared to the previ-

¹ While employment data for small provinces can be extremely volatile, the data shows a 7% drop in public-sector jobs which may be an over estimation of the number of positions lost.

ous quarter, but by a much smaller amount relative to their core working-age counterparts. In contrast to the core working-age group, men accounted for all of the jobs gained by youth. By comparison, the number of workers aged 55 years or over employed declined over the same time period. Regardless of age group, employment numbers were lower compared to 12 months earlier.

On average, there were 8,900 persons unemployed in the fourth quarter of 2016, an increase of 700 compared to the same period a year ago. With fewer people in the labour force combined with an increase in the number of individuals actively looking for work, the unemployment rate in the province went up by over 1 percentage point compared to a year ago to average 11.1% for the 2016 October-to-December period. Regardless of age category, males recorded higher unemployment rates than females. Older males (aged 55 or over) registered the highest unemployment rate in the fourth quarter, at 19.4%, while core working-age females had the lowest unemployment rate (6.0%).

Prince Edward Island Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	4th Quarter	3rd Quarter	4th Quarter	Quarterly Variation	Yearly Variation
	2016 (%)	2016 (%)	2015 (%)	(% points)	(% points)
Total	11.1	10.8	10.0	0.2	1.1
25 years and over	10.2	9.8	9.1	0.4	1.1
Men - 25 years and over	12.5	11.2	9.7	1.3	2.8
Women - 25 years and over	7.8	8.4	8.5	-0.6	-0.7
15 to 24 years	14.8	16.4	14.7	-1.7	0.1
Men - 15 to 24 years	17.0	19.8	23.1	-2.8	-6.1
Women - 15 to 24 years	12.3	12.7	4.8	-0.5	7.5

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

In the fourth quarter (Q4) of 2016, the total population aged 15+ in the Atlantic Provinces was 1.98 million. The Indigenous population living off-reserve accounted for 3.4% of that, or 66,900 people. Employment among the Indigenous population stood at 36,600 representing a decline of -2,900 (-7.9%) from a year earlier. The declines were all in full-time (-2,900) positions.

The unemployment rate among the Indigenous population was 14.7% in Q4 2016, representing a +0.9 percentage point (pp) increase from the previous year. Among the non-Indigenous population, the unemployment rate edged up slightly to 9.2% in Q4 2016 (+0.2pp year-over-year). Between Q 2015 and Q4 2016, the participation rate among the Indigenous population declined to 58.9% (-5.0pp), and that of the non-Indigenous population edged down to 61.4% in Q4 2016 (-0.3pp year-over-year). Over the same time period, the employment rate of the Indigenous population declined to 50.2% (-4.9pp), and the employment rate amongst the non-Indigenous population fell slightly to 55.7% (-0.4pp).

Atlantic - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q4 2016	Q4 2015	number	%	Q4 2016	Q4 2015	number	%
Population 15 + ('000)	66.9	66.1	0.8	1.2%	1,913.7	1,906.1	7.6	0.4%
Labour Force ('000)	40.8	41.6	-0.8	-1.9%	1,180.7	1,186.6	-5.9	-0.5%
Employment ('000)	34.2	36.2	-2.0	-5.5%	1,079.2	1,085.5	-6.3	-0.6%
Full-Time ('000)	27.4	29.3	-1.9	-6.5%	891.7	910.4	-18.7	-2.1%
Part-Time ('000)	6.8	6.9	-0.1	-1.4%	187.6	175.1	12.5	7.1%
Unemployment ('000)	6.6	5.4	1.2	22.2%	101.5	101.2	0.3	0.3%
Unemployment Rate (%)	16.2	12.9	3.3	-	8.6	8.5	0.1	-
Participation Rate (%)	60.9	62.9	-2.0	-	61.7	62.3	-0.6	-
Employment Rate (%)	51.1	54.8	-3.7	-	56.4	56.9	-0.5	-

Notes: The Labour Force Survey excludes those living on-reserve.

Estimates are based on three-month moving averages.

Totals may not add due to rounding.

Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.

Source: Statistics Canada Labour Force Survey - ESDC custom table.

EMPLOYMENT BY INDUSTRY

Employment levels in the **Goods-producing sector** averaged 16,200 in the fourth quarter of 2016, which is almost 6.0% below what it was 12 months ago. Employment levels in the **Services-producing sector** was also lower, but the percentage decline in the number of jobs lost was significantly less than the decline in the goods sector (-1.5%). The largest year-over-year decline in positions was by far in the **Accommodation and food** industry group (-900 jobs). Despite a robust year for tourism on the Island, employment levels trended downwards during the last two quarters of 2016 compared to a year earlier.² However looking back over past fourth-quarter results for this industry group, the average number of people employed this year is similar to historical averages. In comparison, the **Information, culture and recreation** industry group registered notable job gains over the same period.

In the **Goods-producing sector** each industry group recorded job losses relative to 2015 fourth-quarter results. **Manufacturing** and **Construction** related industries registered the smallest percentage drop in employment levels within the sector. Although the number of people employed in **Manufacturing** declined in the fourth quarter compared to 12 months earlier, the number of overall jobs in the industry has been increasing over the past three years aided by a weaker Canadian dollar and a stronger U.S. economy.³

Construction employment averaged 4,900 workers in the fourth quarter of 2016 which is the lowest fourth quarter level since 2007. Current indicators suggest that both residential and non-residential activity is improving in

² Early projections from the Prince Edward Island tourism industry indicate that 1.5M visitors came to the island in 2016, a 6.9% increase from last year. Guardian, 2016-12-01, <http://www.theguardian.pe.ca/opinion/editorials/2016/12/1/strong-tourism--strong-island--vision-2021.html>

³ The value of Manufacturing-shipments from the Island increased by 5.3% during the first 10 months of 2016 compared to the same period in 2015. <https://www.princeedwardisland.ca/en/publication/summary-selected-economic-indicators>

the province. On a year-to-date basis, (January – October), the value of total building permits is up by almost 10% compared to the first 10 months of 2015. Although this suggests a positive direction for the **Construction** industry, it should be noted that the current value of building permits is about 23% lower than it was four years ago. Going forward, employment in the industry should receive a boost with the recent funding announcement of \$20.8M for research infrastructure in P.E.I. The funds will be used to renovate UPEI's Dalton Hall into an eHub and student centre.⁴

Prince Edward Island Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	4th Quarter 2016	3rd Quarter 2016	4th Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	71.6	71.3	73.5	0.3	0.4	-1.9	-2.5
Goods-producing sector	16.2	16.6	17.2	-0.4	-2.4	-1.0	-5.8
Agriculture	3.0	3.3	3.2	-0.3	-9.2	-0.2	-7.3
Forestry, fishing, mining, quarrying, oil and gas	2.1	2.4	2.4	-0.4	-15.1	-0.3	-12.7
Utilities	0.3	0.3	0.4	0.0	0.0	0.0	-9.1
Construction	4.9	4.8	5.1	0.1	1.4	-0.2	-4.6
Manufacturing	6.0	5.9	6.2	0.2	2.8	-0.1	-2.2
Services-producing sector	55.4	54.7	56.2	0.7	1.2	-0.9	-1.5
Trade	10.4	10.3	11.0	0.1	1.3	-0.6	-5.2
Transportation and warehousing	2.5	2.4	2.3	0.1	5.6	0.2	10.1
Finance, insurance, real estate and leasing	2.8	2.6	2.5	0.2	6.4	0.2	9.2
Professional, scientific and technical services	3.4	3.8	3.2	-0.4	-10.5	0.2	5.2
Business, building and other support services	2.4	2.3	2.6	0.1	4.3	-0.2	-7.7
Educational services	5.4	4.8	5.5	0.6	13.2	-0.1	-1.2
Health care and social assistance	10.0	10.3	9.9	-0.4	-3.5	0.0	0.3
Information, culture and recreation	2.9	2.7	2.2	0.2	8.7	0.7	29.9
Accommodation and food services	5.6	5.8	6.5	-0.2	-2.9	-0.9	-14.3
Other services	3.3	3.0	3.3	0.3	8.8	0.0	1.0
Public administration	6.7	6.7	7.2	0.1	1.0	-0.4	-6.0

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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⁴ <http://www.gov.pe.ca/newsroom/index.php?number=news&newsnumber=11036&dept=&lang=E>