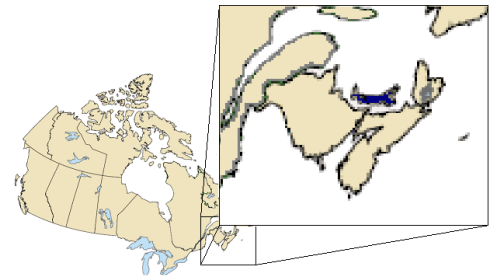




# Labour Market Bulletin

## Prince Edward Island

March 2016



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

### OVERVIEW

Labour market conditions weakened in the first quarter of 2016 compared to the fourth quarter of 2015. The labour force in Prince Edward Island declined to 80,200 in the first quarter with 1,700 fewer people employed. The reduction in employment was about evenly distributed between full-time and part-time jobs. The unemployment rate averaged 10.5% in the first quarter, up by 0.5 of a percentage point from the fourth quarter of 2015. The participation rate slipped to 66.2% in the first quarter of 2016.

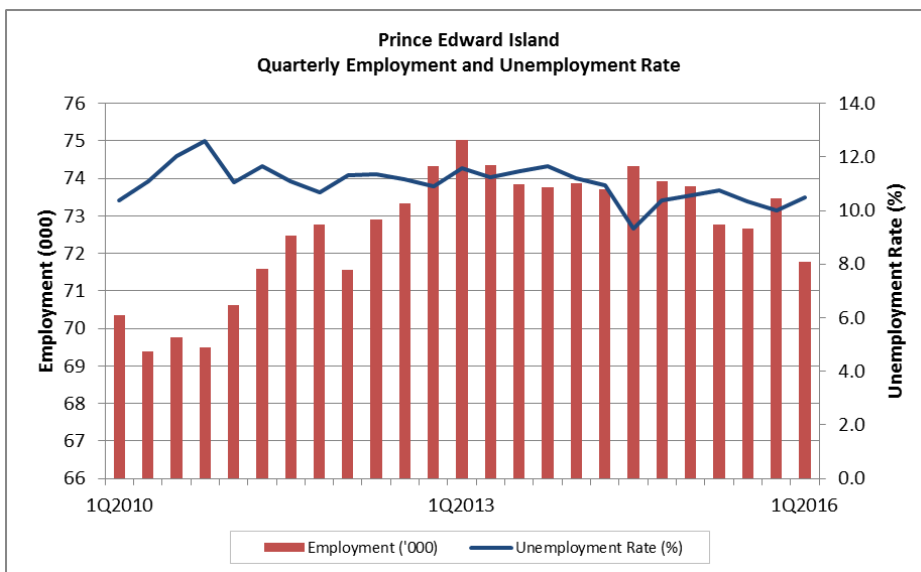
Prince Edward Island Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	1st Quarter 2016	4th Quarter 2015	1st Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15+ ('000)	121.2	121.1	120.8	0.1	0.1	0.5	0.4
Labour Force ('000)	80.2	81.6	82.5	-1.4	-1.7	-2.3	-2.8
Employment ('000)	71.8	73.5	73.8	-1.7	-2.3	-2.0	-2.8
Full-Time ('000)	60.4	61.3	61.7	-0.9	-1.5	-1.3	-2.1
Part-Time ('000)	11.4	12.2	12.2	-0.8	-6.3	-0.8	-6.6
Unemployment ('000)	8.4	8.2	8.7	0.3	3.3	-0.3	-3.4
Unemployment Rate (%)	10.5	10.0	10.6	0.5	-	-0.1	-
Participation Rate (%)	66.2	67.4	68.4	-1.2	-	-2.2	-
Employment Rate (%)	59.2	60.7	61.1	-1.5	-	-2.0	-

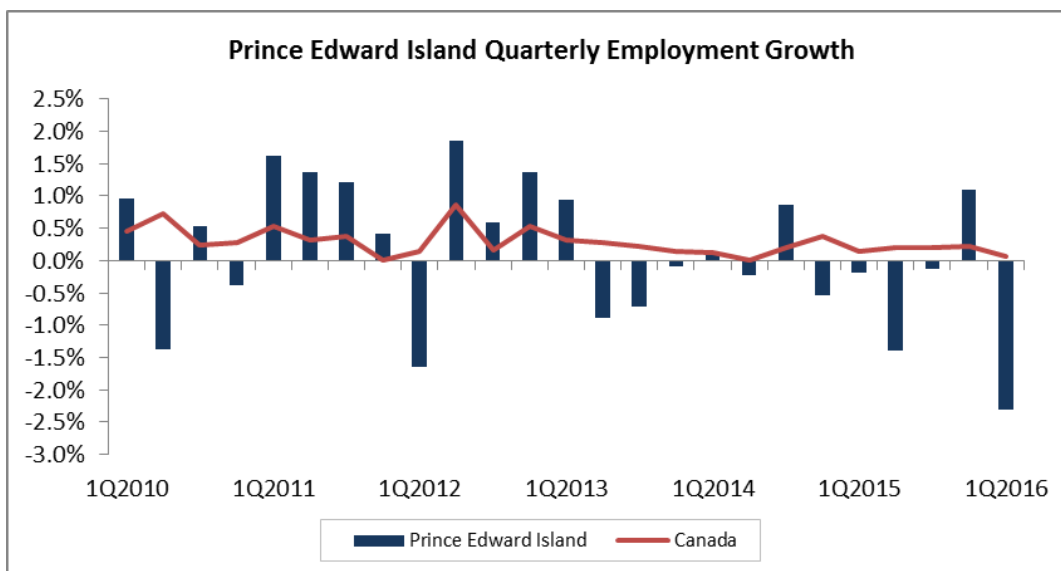
Note: Totals may not add due to rounding

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

From an annual perspective, labour market conditions were not favorable in the first quarter of 2016. There were 2,300 fewer people participating in the labour force in the most recent quarter compared to the same quarter in 2015. The labour force in the first quarter of 2016 was the lowest it has been since the first quarter of 2011. Both employment and unemployment levels were lower in the first quarter of 2016, by 2.8% and 3.4% respectively. The number of full-time workers was 2.1% or 1,300 positions lower than a year ago while part-time employment was 6.6% lower or 800 positions lower. Males accounted for the entire decrease in full-time employment with the majority of the losses attributed to the older worker age group (55+ years). With respect to part-time employment, women accounted for the entire loss year-over-year, again, with the majority attributed to older workers.



There was little change in the unemployment rate year-over-year even though there were fewer people employed in the province. The implication is that more people left the labour force altogether which kept the unemployment rate stable on an annual basis. Over the past six quarters, the level of employment declined by 400 persons on an average quarterly basis, and the labour force shrunk by 300 leaving a relatively fewer number unemployed over this period. As illustrated in the graph above, this has resulted in a stable unemployment rate trend since the second quarter of 2014.



On a year-over-year basis, unemployment rates were lower for youths (-2.1 percentage points) and higher for older workers (+1.7 percentage points). At 8.5%, there was little change in the unemployment rate for the core-working age group (25-54 years). With respect to youths, the unemployment rate for this cohort averaged 14.9% in the first quarter of 2016. The unemployment rate for youth males averaged 17.4% and compares to 13.3% for females, which is a difference of 4.1 percentage points. This represents the smallest gender gap in the unemployment rate since the second quarter of 2013.

## Prince Edward Island Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	1st Quarter	4th Quarter	1st Quarter	Quarterly Variation	Yearly Variation
	2016 (%)	2015 (%)	2015 (%)	(% points)	(% points)
<b>Total</b>	10.5	10.0	10.6	0.5	-0.1
<b>25 years and over</b>	9.7	9.1	9.4	0.6	0.3
Men - 25 years and over	11.0	9.7	10.3	1.3	0.7
Women - 25 years and over	8.2	8.5	8.4	-0.3	-0.2
<b>15 to 24 years</b>	14.9	14.7	17.0	0.2	-2.1
Men - 15 to 24 years	17.4	23.1	19.7	-5.7	-2.3
Women - 15 to 24 years	13.3	4.8	13.8	8.5	-0.5

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

The participation rate in Prince Edward Island, at 66.2% in the first quarter of 2016, compares to 65.9% nationally. Labour force participation on a year-over-year basis was higher for youths (+1.6 percentage points), but lower for the core-working age group and older workers (by -1.5 percentage points and -3.7 percentage points respectively). At 71.9%, the participation rate for female youths in the first quarter of 2016 was the highest in the country.

## Atlantic Canada - Labour Market Indicators for Indigenous People

Not Seasonally Adjusted Data	1st Quarter 2016		1st Quarter 2015	Yearly Variation	
	Indigenous	Non-Indigenous	Indigenous	Number	%
<b>Population 15 + ('000)</b>	66.5	1,908.3	65.0	1.5	2.3%
<b>Labour Force ('000)</b>	41.6	1,152.8	42.5	-0.9	-2.1%
<b>Employment ('000)</b>	31.7	1,020.1	35.8	-4.1	-11.5%
Full-Time ('000)	25.4	837.5	29.5	-4.1	-13.9%
Part-Time ('000)	6.3	182.6	6.2	0.1	1.6%
<b>Unemployment ('000)</b>	9.9	132.7	6.7	3.2	47.8%
<b>Unemployment Rate (%)</b>	23.9	11.5	15.8	8.1	-
<b>Participation Rate (%)</b>	62.5	60.4	65.3	-2.8	-
<b>Employment Rate (%)</b>	47.6	53.5	55.0	-7.4	-

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.

In the first quarter of 2016, the total working-age population (15+ years) in the Atlantic Provinces was 1.97 million. The Indigenous population (living off-reserve) accounted for 3.4% of that, or 66,500 people. Employment among the Indigenous population stood at 31,700 representing a decline of 4,100 (-11.5%) year-over-year. The entire decline was concentrated in full-time positions (-4,100 or -13.9%), while a slight increase in the number of part-time jobs helped to offset the decline in Indigenous employment in the first quarter of 2016.

The unemployment rate among the Indigenous population increased significantly from a year earlier, to 23.9% (+8.1 percentage points) and compares to 11.5% for the non-Indigenous population. The participation rates among both the Indigenous and non-Indigenous populations declined slightly year-over-year to 62.5% and

60.4%, respectively. In addition, the employment rate of both the Indigenous population and non-Indigenous population decreased to 47.6% and 53.5%, respectively.

## EMPLOYMENT BY INDUSTRY

The year-over-year decline in employment was concentrated largely in services-producing industries. Employment in this sector totalled 54,900 in the first quarter of 2016 which is 2.8% lower than it was a year ago. The largest year-over-year declines in employment levels occurred in **Trade** (-700), **Public Administration** (-700) and **Information, culture and recreation** services (-500). The **Professional, scientific and technical** services industry experienced an increase of 600 compared to the first quarter of 2015, which helped to mitigate the overall decline in service-sector employment.

Prince Edward Island Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	1st Quarter 2016	4th Quarter 2015	1st Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	71.8	73.5	73.8	-1.7	-2.3	-2.0	-2.8
<b>Goods-producing sector</b>	16.9	17.2	17.3	-0.3	-1.9	-0.4	-2.5
Agriculture	3.2	3.2	3.1	0.0	1.0	0.2	5.4
Forestry, fishing, mining, quarrying, oil and gas	2.2	2.4	2.5	-0.2	-7.0	-0.3	-12.0
Utilities	0.4	0.4	0.3	0.1	18.2	0.1	44.4
Construction	4.7	5.1	5.4	-0.4	-7.2	-0.6	-11.8
Manufacturing	6.4	6.2	6.1	0.2	3.2	0.3	4.4
<b>Services-producing sector</b>	54.9	56.2	56.5	-1.3	-2.4	-1.6	-2.8
Trade	10.5	11.0	11.2	-0.5	-4.6	-0.7	-6.5
Transportation and warehousing	2.6	2.3	2.9	0.3	14.5	-0.2	-8.1
Finance, insurance, real estate and leasing	2.6	2.5	2.4	0.1	2.6	0.2	9.9
Professional, scientific and technical services	3.5	3.2	3.0	0.3	9.3	0.6	19.1
Business, building and other support services	2.3	2.6	2.6	-0.3	-12.8	-0.4	-13.9
Educational services	5.5	5.5	5.3	0.0	0.0	0.2	4.4
Health care and social assistance	9.9	9.9	9.9	0.0	0.0	0.0	0.3
Information, culture and recreation	2.2	2.2	2.7	0.0	-1.5	-0.5	-17.5
Accommodation and food services	5.8	6.5	5.6	-0.7	-10.7	0.3	4.8
Other services	3.1	3.3	3.6	-0.1	-4.1	-0.5	-13.0
Public administration	6.8	7.2	7.5	-0.4	-5.1	-0.7	-8.9

Note: Totals may not add due to rounding

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

Employment in the **Goods-producing sector** totalled 16,900 in the first quarter of 2016. The **Construction** industry experienced an 11.8% reduction in its employment base year-over-year, to 4,700 the lowest quarterly level in eight years. Although the level of employment in the **Construction** industry is relatively low compared to previous quarters, current indications suggest that both residential and non-residential construction activity in the province is stabilizing following a period of declining activity (measured by falling construction permits and housing starts). For example, the value of construction permits in PEI totalled \$196.1 million in 2015, which is about the same as in 2014. This is down considerably from an average of \$261 million in residential and non-residential building permits between 2010 and 2012. Similarly, the number of urban and rural housing starts in PEI totalled 558 units in 2015, up from 511 in 2014. This is considerably fewer than the 880 units constructed, on average, between 2010 and 2012.

Although data is limited on a year-to-date basis (at the time of writing) with only January 2016 available, current indicators show that the value of building permits and urban housing starts are weaker than they were compared to January 2015. This may in part explain the decline in construction employment year-over-year.

**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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