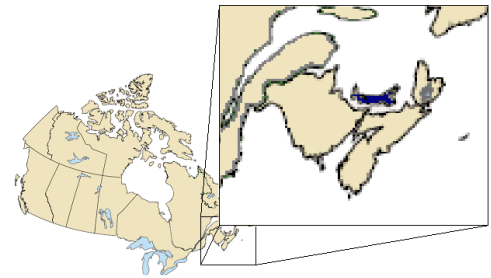




Labour Market Bulletin

Prince Edward Island



August 2016

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

OVERVIEW

The Prince Edward Island labour force rebounded in August after declining to a near five-year low in July. The gains were entirely attributed to more people being unemployed in the province which pushed the unemployment rate to its highest level in over two years. The level of employment in the province declined slightly. With more people actively seeking work in August, the participation rate rose by 1.6 percentage points to reach over 66%. This represented the highest monthly increase in labour force participation in the country.

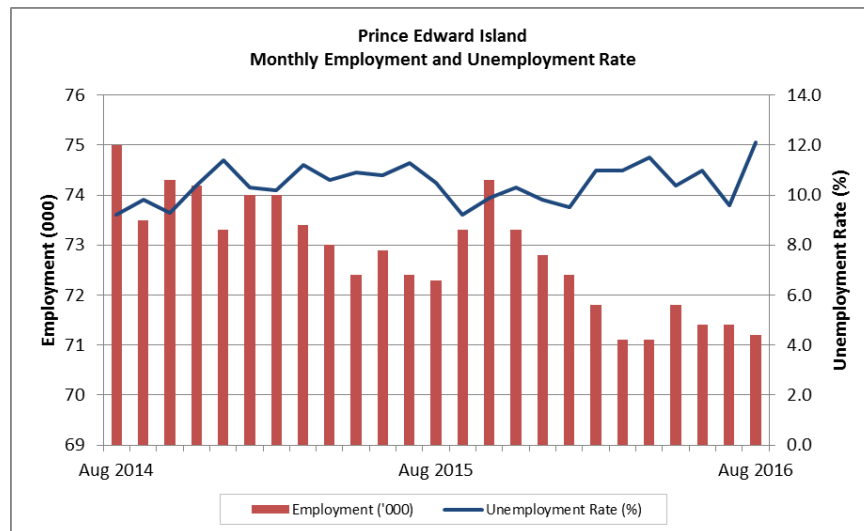
Prince Edward Island Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Aug 2016	July 2016	Aug 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15+ ('000)	122.1	122.1	121.1	0.0	0.0	1.0	0.8
Labour Force ('000)	81.0	79.0	80.9	2.0	2.5	0.1	0.1
Employment ('000)	71.2	71.4	72.3	-0.2	-0.3	-1.1	-1.5
Full-Time ('000)	58.5	59.2	59.8	-0.7	-1.2	-1.3	-2.2
Part-Time ('000)	12.7	12.2	12.5	0.5	4.1	0.2	1.6
Unemployment ('000)	9.8	7.6	8.5	2.2	28.9	1.3	15.3
Unemployment Rate (%)	12.1	9.6	10.5	2.5	-	1.6	-
Participation Rate (%)	66.3	64.7	66.8	1.6	-	-0.5	-
Employment Rate (%)	58.3	58.5	59.7	-0.2	-	-1.4	-

Note: Totals may not add due to rounding

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

From an annual perspective, the labour force in August 2016 was about the same as it was a year ago. The Island's labour force was evenly distributed between men and women. The core working-age group (25-54 years) comprised 60% of the labour force, while older workers (55 years and over) and youths (15-24 years) made up the remainder, at 25% and 15% respectively.



There were 1,100 fewer people employed in August compared to a year ago. Males in the core working-age group accounted for most of the decline which more than offset the slight gains experienced by females. The year-over-year decline was in full-time employment, while part-time jobs increased slightly. Men accounted for a slight majority of full-time positions in the province (54%) while more women worked part-time (66%).

There were 1,300 more unemployed persons in August 2016 compared to the same month a year ago. Again, men accounted for the entire gains, mostly in the core-working-age group. The Prince Edward Island labour market has experienced a shrinking labour force over the past few years. This in part suggests that people have been less optimistic about finding employment, resulting in the decision to leave the labour market altogether. The August increase in job search efforts may suggest improved optimism about finding work in PEI.

With more people actively looking for work, the unemployment rate in August rose by 1.6 percentage points year-over-year, to 12.1%. The increase was especially high for males of the core-working-age group, which increased by nearly 4 percentage points. The unemployment rate for this group was 12% in August 2016, the highest it has been in three years. The unemployment rate for male youths was nearly 23% in August (10 percentage points higher than females of the same cohort); and at almost 14%, the unemployment rate for older workers was the highest in two years.

Prince Edward Island Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Aug 2016	July 2016	Aug 2015	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	12.1	9.6	10.5	2.5	1.6
25 years and over	11.0	8.7	9.8	2.3	1.2
Men - 25 years and over	13.1	8.0	9.4	5.1	3.7
Women - 25 years and over	8.8	9.7	10.4	-0.9	-1.6
15 to 24 years	18.1	14.9	14.8	3.2	3.3
Men - 15 to 24 years	22.7	19.0	16.9	3.7	5.8
Women - 15 to 24 years	13.1	10.3	12.1	2.8	1.0

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

EMPLOYMENT BY INDUSTRY

Compared to the previous year, the decline in the province's employment base was largely concentrated in the **Services-producing sector**. Employment in this sector totalled 54,900 in August which is slightly lower than it was a year ago, due in large part to job losses in **Public Administration, Educational services, and Trade**.

Employment in the **Goods-producing sector** was down by 2.4% year-over-year. Most of the job losses in this sector were concentrated in the **Construction** industry while employment in **Agriculture** and **Manufacturing** increased. Although the level of employment in the **Construction** industry is down from a year ago, current indications suggest that both residential and non-residential construction activity in the province is stabilizing following a period of weak activity (measured by falling construction permits and housing starts). For example, the value of construction permits in PEI is up by nearly 20% on a year-to-date basis and the number of urban and rural housing starts in the province is up by 17% in the first half of 2016.

Prince Edward Island Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	Aug 2016	July 2016	Aug 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	71.2	71.4	72.3	-0.2	-0.3	-1.1	-1.5
Goods-producing sector	16.3	16.9	16.7	-0.6	-3.6	-0.4	-2.4
Agriculture	3.1	3.2	2.8	-0.1	-3.1	0.3	10.7
Forestry, fishing, mining, quarrying, oil and gas	2.5	2.5	2.5	0.0	0.0	0.0	0.0
Utilities	0.3	0.3	0.4	0.0	0.0	-0.1	-25.0
Construction	4.8	4.8	5.4	0.0	0.0	-0.6	-11.1
Manufacturing	5.7	6.1	5.5	-0.4	-6.6	0.2	3.6
Services-producing sector	54.9	54.5	55.7	0.4	0.7	-0.8	-1.4
Trade	10.4	10.3	10.9	0.1	1.0	-0.5	-4.6
Transportation and warehousing	2.5	2.3	2.3	0.2	8.7	0.2	8.7
Finance, insurance, real estate and leasing	2.5	2.6	2.5	-0.1	-3.8	0.0	0.0
Professional, scientific and technical services	3.9	4.0	3.1	-0.1	-2.5	0.8	25.8
Business, building and other support services	2.3	2.2	2.4	0.1	4.5	-0.1	-4.2
Educational services	4.8	4.5	5.3	0.3	6.7	-0.5	-9.4
Health care and social assistance	10.5	10.5	10.1	0.0	0.0	0.4	4.0
Information, culture and recreation	2.6	2.6	2.2	0.0	0.0	0.4	18.2
Accommodation and food services	5.8	5.7	6.1	0.1	1.8	-0.3	-4.9
Other services	3.0	2.9	3.4	0.1	3.4	-0.4	-11.8
Public administration	6.5	6.9	7.2	-0.4	-5.8	-0.7	-9.7

Note: Totals may not add due to rounding

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

With respect to **Manufacturing**, the industry continues to benefit from the depreciation of the Canadian dollar which makes domestic exports cheaper and more competitive in international markets. This is especially true for the processed food market, which is a key export driver for the province. The industry rebounded from the 2009 recession, with shipments reaching an all-time high of \$1.62 billion in 2015.

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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