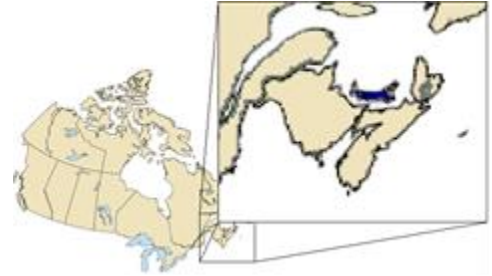




Labour Market Bulletin

Prince Edward Island



November 2017

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

OVERVIEW

Labour market conditions in Prince Edward Island (P.E.I.) continued to strengthen in November, supported by employment growth, lower unemployment and a stable participation rate. Although there was little movement in the labour force from October to November, the level of employment increased by nearly 2% and unemployment declined to a near ten-year low. The month-to-month gain in employment was full-time in nature, comprised largely of males in the core-aged group (persons 25-54 years). The unemployment rate declined to 8.8%, matching its 10 year low reached just a few months ago in August.

Prince Edward Island Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Nov 2017	Oct 2017	Nov 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	124.4	124.3	122.3	0.1	0.1	2.1	1.7
Labour Force ('000)	81.1	80.9	80.0	0.2	0.2	1.1	1.4
Employment ('000)	74.0	72.6	71.5	1.4	1.9	2.5	3.5
Full-Time ('000)	61.5	60.3	58.8	1.2	2.0	2.7	4.6
Part-Time ('000)	12.5	12.4	12.8	0.1	0.8	-0.3	-2.3
Unemployment ('000)	7.1	8.3	8.5	-1.2	-14.5	-1.4	-16.5
Unemployment Rate (%)	8.8	10.3	10.6	-1.5	-	-1.8	-
Participation Rate (%)	65.2	65.1	65.4	0.1	-	-0.2	-
Employment Rate (%)	59.5	58.4	58.5	1.1	-	1.0	-

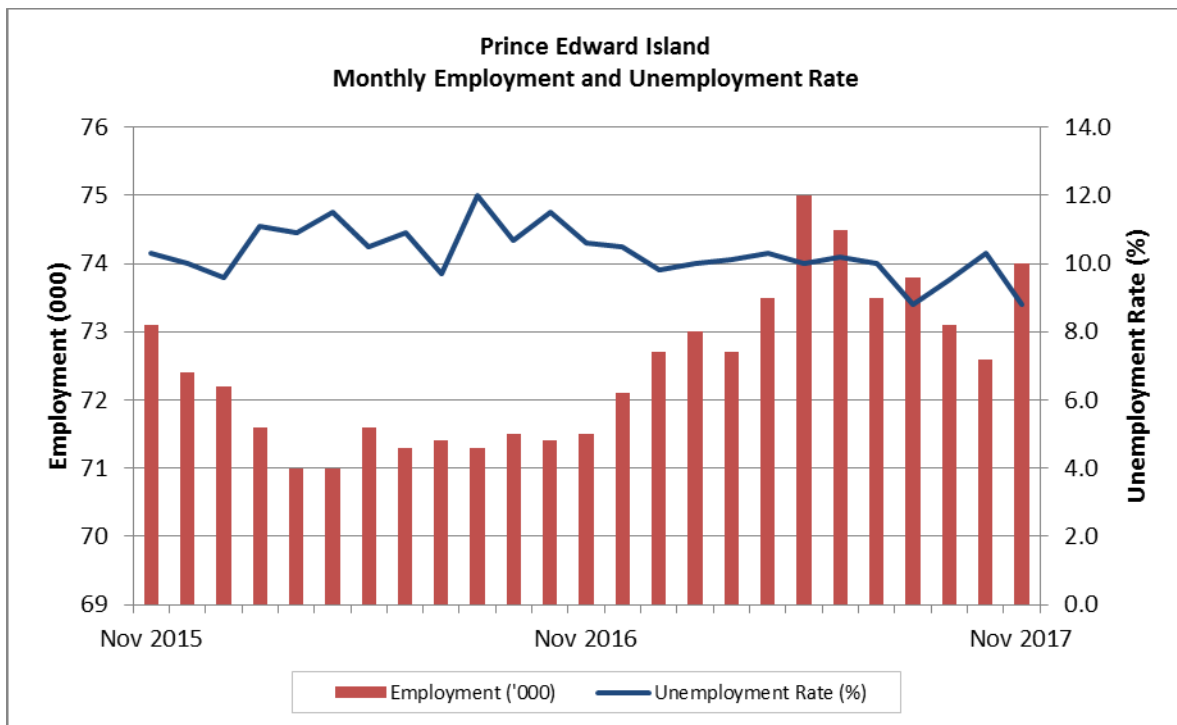
Note: Totals may not add due to rounding

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

Labour market conditions on a year-over-year basis has been improving as well. Both the labour force and employment levels have strengthened from the 5 year lows experienced in 2016. The Island labour force was up compared to the same month in 2016. Employment growth was strong year-over-year, with PEI posting the second highest gains in the country (behind British Columbia). Year-over-year employment growth was full-time in nature, offset by a small reduction in part-time employment. Males accounted for the vast majority of full-time employment gains.

The Island's participation rate slipped in November to 65.2% which is low by historical standards. The participation rate in PEI averaged a little over 67% between 2014-2016. PEI had the highest rate of growth in its working-age population in the country, outpacing labour force growth which reduced its participation rate.

Since the early 1990's, PEI's participation rate has for the most part exceeded the national rate. November 2017 is the fourth consecutive month that PEI's participation rate has fallen behind the national rate (at 65.7%). However, PEI's participation rate remained highest east of Manitoba.



The private-sector remained the key source of employment growth in November 2017, adding an additional 1,200 persons to the labour force. Also contributing to year-over-year gains were increases in the number of self-employed persons and public sector employees. The public sector in November accounted for 26% of the Island's employment base, while the private sector and self-employment comprised 59% and 14% respectively.

All of the labour market indicators for older workers (persons aged 55 years and over) showed positive changes between November 2016 and November 2017. The older worker cohort accounted for the the majority of population growth over the past year and the size of its labour force increased by 1,100 (attributed almost entirely to women). Labour force growth outpaced population growth, resulting in an increase in the participation rate for this age group (which stood at 41.3% in November). Employment for older workers increased while the unemployment rate for this cohort declined to 10.6%.

There were fewer unemployed youths (persons aged 15-24 years) compared to the previous year. The unemployment rate for this age group was 11.8% in November, down 1.6 percentage points compared to the same month a year ago. There were 900 fewer youths in the labour force in November, the decline comprised entirely of males.

For persons in the core-aged group, the labour force increased on a year-over-year basis. The level of employment increased (+1,400) due to full-time employment gains, attributed entirely to males. Limiting growth was a decline in the number of persons employed part-time. The unemployment rate for the core-age group was 7.5% in November 2017, down by 1.1 percentage points compared to a year ago.

Prince Edward Island Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Nov 2017	Oct 2017	Nov 2016	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	8.8	10.3	10.6	-1.5	-1.8
25 years and over	8.3	10.2	10.1	-1.9	-1.8
Men - 25 years and over	8.5	11.8	12.8	-3.3	-4.3
Women - 25 years and over	8.3	8.7	7.6	-0.4	0.7
15 to 24 years	11.8	9.8	13.4	2.0	-1.6
Men - 15 to 24 years	13.0	13.0	17.5	0.0	-4.5
Women - 15 to 24 years	10.7	8.6	8.9	2.1	1.8

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

EMPLOYMENT BY INDUSTRY

The year-over-year increase in employment in November were mostly concentrated in the **Goods-producing sector**, driven in large part by job gains in **Construction; Forestry, fishing, mining, quarrying, oil and gas; and Manufacturing**. The goods-producing sector accounts for about a quarter of total employment in the province, placing PEI third behind Saskatchewan and Alberta in terms of employment dependency on the goods-producing sector.

The provincial economy continues to benefit from strong construction activity which has translated into considerable employment gains year-over-year (+14%). Current indications suggest that both residential and non-residential construction activity remains strong: based on available data to September, the value of building permits is up by close to 24% year-to-date. Furthermore, the volume of new home construction is 44% higher in the first nine months of the year compared to the same period a year ago.

The Manufacturing industry continues to benefit from a favorable currency position relative to the U.S. dollar which makes Canadian exporters more competitive in world markets. To date, the value of Island-based exports between January to September 2017 totalled \$1 billion, which is 5.3% higher compared to the same period a year ago. Exports are driven by frozen food manufacturing (i.e. French fries); engine, turbine and power transmission equipment manufacturing; and pharmaceutical products.

Employment in the **Services-producing sector** was little changed year-over-year. The most notable gains were in **Trade and Health care and social assistance**. Offsetting these gains were employment declines in **Business, building and other support services** and **Information, culture and recreation**.

Prince Edward Island Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Nov 2017	Oct 2017	Nov 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	74.0	72.6	71.5	1.4	1.9	2.5	3.5
Goods-producing sector	18.4	17.4	16.3	1.0	5.7	2.1	12.9
Agriculture	3.2	2.8	2.8	0.4	14.3	0.4	14.3
Forestry, fishing, mining, quarrying, oil and gas	2.6	2.8	1.9	-0.2	-7.1	0.7	36.8
Utilities			0.3				
Construction	5.7	5.4	5.0	0.3	5.6	0.7	14.0
Manufacturing	6.7	6.3	6.3	0.4	6.3	0.4	6.3
Services-producing sector	55.6	55.2	55.3	0.4	0.7	0.3	0.5
Trade	11.1	11.5	10.5	-0.4	-3.5	0.6	5.7
Transportation and warehousing	2.8	2.7	2.5	0.1	3.7	0.3	12.0
Finance, insurance, real estate and leasing	2.5	2.6	2.8	-0.1	-3.8	-0.3	-10.7
Professional, scientific and technical services	3.8	3.6	3.3	0.2	5.6	0.5	15.2
Business, building and other support services	1.5	1.8	2.3	-0.3	-16.7	-0.8	-34.8
Educational services	5.3	5.1	5.4	0.2	3.9	-0.1	-1.9
Health care and social assistance	10.8	10.6	10.1	0.2	1.9	0.7	6.9
Information, culture and recreation	2.5	2.6	2.9	-0.1	-3.8	-0.4	-13.8
Accommodation and food services	5.3	5.0	5.5	0.3	6.0	-0.2	-3.6
Other services	3.2	3.1	3.2	0.1	3.2	0.0	0.0
Public administration	6.8	6.5	6.7	0.3	4.6	0.1	1.5

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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http://www.esdc.gc.ca/cgi-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi

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

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