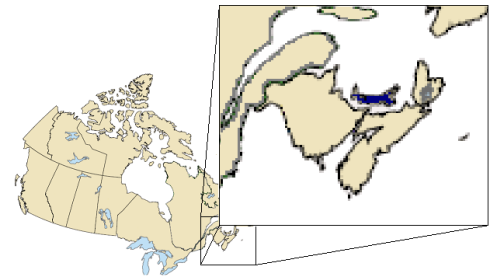




Labour Market Bulletin

Prince Edward Island



March 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.) improved in the first quarter of 2017 compared to the fourth quarter of 2016. The labour force rose to 80,900 and there were 1,100 additional people employed compared to the previous quarter. The increase in employment resulted solely from gains in full-time jobs while the number of part-time positions declined from 2016 fourth-quarter levels. The unemployment rate averaged 10.0% during the first three-months of 2017, a decrease of almost one percentage point relative to the previous three-month period. The labour force participation rate edged up somewhat to average 65.9% during the 2017 January-to-March period. However, the average participation rate for the first quarter was at its lowest first quarter level since 1998.

Prince Edward Island Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	1st Quarter	4th Quarter	1st Quarter	Quarterly Variation		Yearly Variation	
	2017	2016	2016	Number	%	Number	%
Population 15+ ('000)	122.8	122.3	121.2	0.5	0.4	1.6	1.3
Labour Force ('000)	80.9	80.4	80.0	0.5	0.6	0.9	1.1
Employment ('000)	72.8	71.7	71.6	1.1	1.6	1.2	1.7
Full-Time ('000)	61.9	58.5	60.3	3.4	5.8	1.6	2.7
Part-Time ('000)	10.9	13.2	11.4	-2.3	-17.2	-0.5	-4.1
Unemployment ('000)	8.1	8.8	8.4	-0.7	-8.0	-0.4	-4.3
Unemployment Rate (%)	10.0	10.9	10.5	-0.9	-	-0.6	-
Participation Rate (%)	65.9	65.7	66.0	0.1	-	-0.1	-
Employment Rate (%)	59.3	58.6	59.1	0.7	-	0.2	-

Note: Totals may not add due to rounding

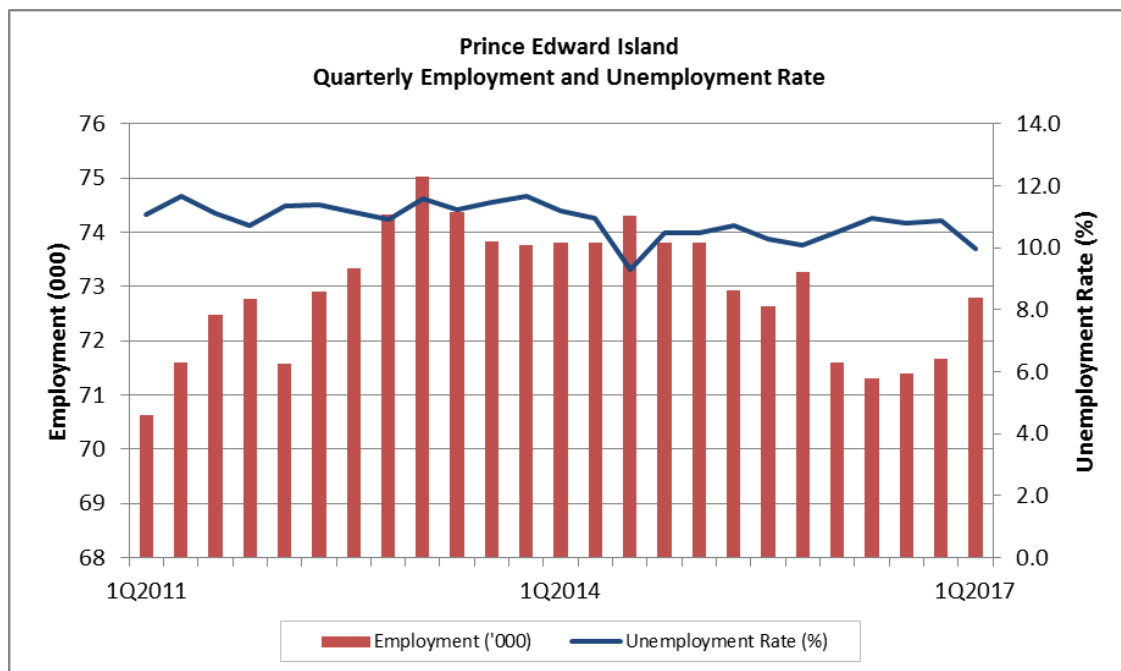
Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

From an annual perspective, labour market outcomes were more positive in the first quarter of 2017 relative to the same period 12 months earlier. There were 900 additional people participating in the labour force while overall employment levels rose by 1,200 positions or 1.7% on a year-over-year basis. The labour force participation rate in P. E. I., at 65.9%, was identical to the national rate. At 71.2%, the participation rate on a year-over-year basis was a percentage point higher for youth (aged 15-24 years), unchanged for the core working-age group (aged 25-54 years) at 88.4%, and edge down by just under a percentage point for older workers (aged 55

years or over) to reach 38.2%, its lowest level since the first quarter of 2011. At 72.3%, the participation rate for female youth in the first three months of 2017 was the highest in the country.

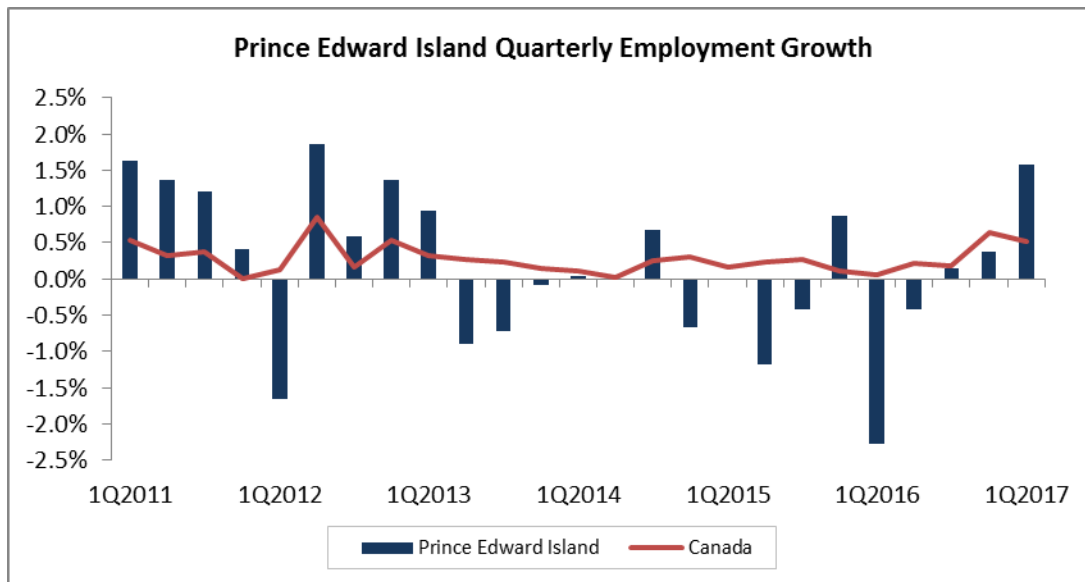
The number of full-time jobs rose by 1,600 or 2.7% compared to the first three months of 2016. In contrast, the number employed in part-time positions declined by 500 or 4.1% during the same period. Employment gains were distributed equally between men and women. Older males recorded job gains whereas employment levels for their younger counterparts were unchanged from 2016 first-quarter results. For females the story is somewhat different as it was the core working-age group which registered employment gains. Older females recorded job losses while employment levels for female youth were unchanged on a year-over-year basis.

Employment gains in the first quarter resulted from an increase in the number of public-sector employees (+400 positions) compared to the previous quarter; whereas, there were 300 additional public-sector employees compared to a year earlier. The private-sector added 1,000 jobs in the first three months of 2017 compared to the same quarter in 2016. The number of self-employed workers was down somewhat relative to 12 months ago.



Year-over-year, there was a small decline in the unemployment rate as the growth in employment levels outpaced the growth in the number of labour force participants. At 10.0%, the average unemployment rate during the first quarter of 2017 was below the quarterly average (10.9%) over the 2011 to 2017 period.

Unemployment rates were higher for youths (+0.6 percentage points) and lower for older workers (-2.8 percentage points), on a year-over-year basis. At 8.4%, there was little change in the unemployment rate for the core working-age group. With respect to youths, the unemployment rate for this cohort averaged 15.6% in the first quarter of 2017. The unemployment rate for male youth averaged 20.3% and compares to 10.9% for their female counterparts, a difference of 9.4 percentage points. This represents the largest gender gap in the unemployment rate since the fourth quarter of 2015.



Prince Edward Island Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	1st Quarter	4th Quarter	1st Quarter	Quarterly	Yearly
	2017 (%)	2016 (%)	2016 (%)	Variation	Variation
				(% points)	(% points)
Total	10.0	10.9	10.5	-0.9	-0.6
25 years and over	8.9	10.2	9.7	-1.3	-0.7
Men - 25 years and over	11.2	12.6	11.0	-1.5	0.1
Women - 25 years and over	6.6	7.9	8.2	-1.3	-1.6
15 to 24 years	15.6	14.5	15.0	1.1	0.6
Men - 15 to 24 years	20.3	16.7	16.5	3.6	3.8
Women - 15 to 24 years	10.9	12.3	13.4	-1.3	-2.5

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

In the first quarter of 2017, 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 67,300 people. Employment among Indigenous people in the Atlantic provinces stood at 32,800, representing an increase of 1,100 (+3.5%) from a year earlier. The increase was all in full-time positions (+1,400 or +5.5%), partially offset by a decline in part-time positions (-300 or -4.8%).

The unemployment rate among the Indigenous population was 13.8% in the first quarter of 2017, representing a decrease of -10.1 percentage points from the previous year. For the non-Indigenous population, the unemployment rate was 11.2% (-0.3 percentage points). Year-over-year, the participation rate among Indigenous people declined to 56.5% (-6.0 percentage points); whereas, the participation rate for the non-Indigenous population stood at 60.2% (-0.2 percentage points). The employment rate of the Indigenous population increased year-over-year to 48.7% (+1.1 percentage points), and the employment rate amongst the non-Indigenous population remained unchanged at 53.5%, compared to a year earlier.

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	%
Population 15 + ('000)	66.5	1,908.3	65.0	1.5	2.3%
Labour Force ('000)	41.6	1,152.8	42.5	-0.9	-2.1%
Employment ('000)	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%
Unemployment ('000)	9.9	132.7	6.7	3.2	47.8%
Unemployment Rate (%)	23.9	11.5	15.8	8.1	-
Participation Rate (%)	62.5	60.4	65.3	-2.8	-
Employment Rate (%)	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.

EMPLOYMENT BY INDUSTRY

The year-over-year increase in employment was concentrated solely in the **Services-producing sector**. Employment in this sector totalled 55,900 in the first quarter of 2017 which is 2.1% higher than it was a year ago. The largest job gains occurred in the **Health care and social assistance** and the **Information, culture and recreation** industry groups, where each industry group added 500 positions. The **Information, culture and recreation** industry group has been the main driver of employment growth within the services sector during four of the past five quarters. The **Professional, scientific and technical** industry group recorded the biggest decline in employment levels with 200 job losses compared to the same quarter in 2016.

Employment in the **Goods-producing sector** totalled 16,900 in the first quarter of 2017, down somewhat from the first three months of 2016. With the exception of **Construction** and **Forestry, fishing, mining, quarrying, oil and gas**, each industry group recorded job losses relative to 12 months earlier. The **Construction** industry group experienced a 9.3% increase in its employment base year-over-year. The level of employment in the **Construction** industry has edged up in each of the last four quarters. Current indications suggest construction activity in the province is stabilizing following three consecutive years declines in the dollar value of building permits. For example, the value of construction permits in P.E.I. totalled \$219 million in 2016 which is up from \$196 million in the previous year. Nonetheless, it is down considerably from an average of \$261 million in building permits between 2010 and 2012. The number of urban and rural housing starts in P.E.I. totalled 556 units in 2016, virtually unchanged from 2015 levels. While the number of housing starts appears to be stabilising, it is significantly less than the 880 units constructed, on average, between 2010 and 2012.

Prince Edward Island Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	1st Quarter 2017	4th Quarter 2016	1st Quarter 2016	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	72.8	71.7	71.6	1.1	1.6	1.2	1.7
Goods-producing sector	16.9	16.2	16.9	0.7	4.3	0.0	0.2
Agriculture	3.0	3.0	3.2	0.0	1.1	-0.2	-7.2
Forestry, fishing, mining, quarrying, oil and gas	2.4	2.1	2.2	0.3	14.5	0.1	6.0
Utilities	0.2	0.3	0.4	-0.1	-22.2	-0.2	-41.7
Construction	5.1	4.9	4.7	0.2	4.8	0.4	9.3
Manufacturing	6.2	6.1	6.3	0.1	2.2	-0.1	-2.1
Services-producing sector	55.9	55.5	54.7	0.4	0.7	1.2	2.1
Trade	10.4	10.4	10.4	0.0	0.0	0.0	0.3
Transportation and warehousing	2.9	2.5	2.5	0.3	13.2	0.3	13.2
Finance, insurance, real estate and leasing	2.5	2.8	2.6	-0.3	-9.5	-0.1	-2.6
Professional, scientific and technical services	3.4	3.4	3.5	0.0	-1.0	-0.2	-4.7
Business, building and other support services	2.1	2.3	2.2	-0.2	-8.6	-0.1	-4.5
Educational services	5.4	5.4	5.4	0.0	0.0	0.0	0.6
Health care and social assistance	10.4	10.0	9.9	0.4	4.3	0.5	4.7
Information, culture and recreation	2.7	2.9	2.3	-0.2	-5.7	0.5	20.6
Accommodation and food services	5.8	5.6	5.8	0.2	3.0	-0.1	-1.1
Other services	3.2	3.3	3.1	-0.1	-3.0	0.2	5.4
Public administration	6.9	6.7	6.8	0.2	2.5	0.1	1.5

Note: Totals may not add due to rounding

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

The outlook for employment in the Construction industry group looks somewhat positive. The April 2017 release from the Canada Mortgage and Housing Corporation suggests housing starts in P.E.I. were up 84% during the first quarter of 2017 relative to the same quarter last year.¹ The announcement of the redevelopment of the Mill River Resort and the expansion of the Buddhist monastery in Heatherdale, in addition to ongoing road and bridge work, for example, are expected to add a few hundred jobs over the next 12 to 48 months.²

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 further information, please contact Labour Market Analysis Directorate at:

¹<https://www03.cmhcschl.gc.ca/catalog/productDetail.cfm?cat=58&itm=1&lang=en&sid=rxH1YSNQokd4IyyUclIdouZS6gA009hqS7e6LEYPhskUSJolak2pLzMQYhRsCGNCI&fr=1491832932704>

² <https://www.princeedwardisland.ca/en/news/revitalized-mill-river-resort-spur-economic-growth-region-under-new-ownership>; <http://www.theguardian.pe.ca/news/local/2017/1/5/monastery-in-heatherdale-growing--while-same-is-planned-in-brude.html>

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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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