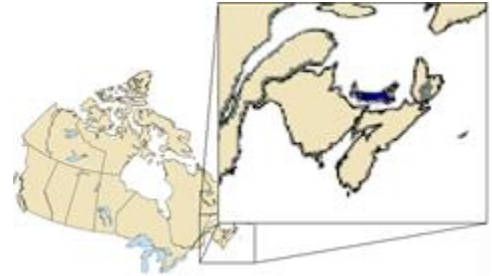




Labour Market Bulletin

Prince Edward Island

June 2017



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

OVERVIEW

During the second quarter (Q2) of 2017, the majority of Prince Edward Island's (P.E.I.) labour market indicators showed a marked improvement over the previous quarter. An additional 1,500 people were employed compared to the first quarter of 2017 (Q1), with full-time and part-time positions contributing roughly equal gains of 700 and 800 jobs, respectively. The unemployment rate edged upward to 10.2% as the growth in the size of the labour force slightly outpaced increases in employment. The participation rate went up to 66.9% and remains the highest in Atlantic Canada.

Prince Edward Island Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	2nd Quarter 2017	1st Quarter 2017	2nd Quarter 2016	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	123.6	122.8	121.7	0.8	0.7	1.9	1.6
Labour Force ('000)	82.7	80.9	80.1	1.8	2.2	2.6	3.2
Employment ('000)	74.3	72.8	71.3	1.5	2.1	3.0	4.2
Full-Time ('000)	62.6	61.9	59.6	0.7	1.1	3.0	5.0
Part-Time ('000)	11.7	10.9	11.7	0.8	7.3	0.0	0.0
Unemployment ('000)	8.4	8.1	8.8	0.3	3.7	-0.4	-4.5
Unemployment Rate (%)	10.2	10.0	11.0	0.2	-	-0.8	-
Participation Rate (%)	66.9	65.9	65.8	1.0	-	1.1	-
Employment Rate (%)	60.1	59.3	58.6	0.8	-	1.5	-

Note: Totals may not add due to rounding

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

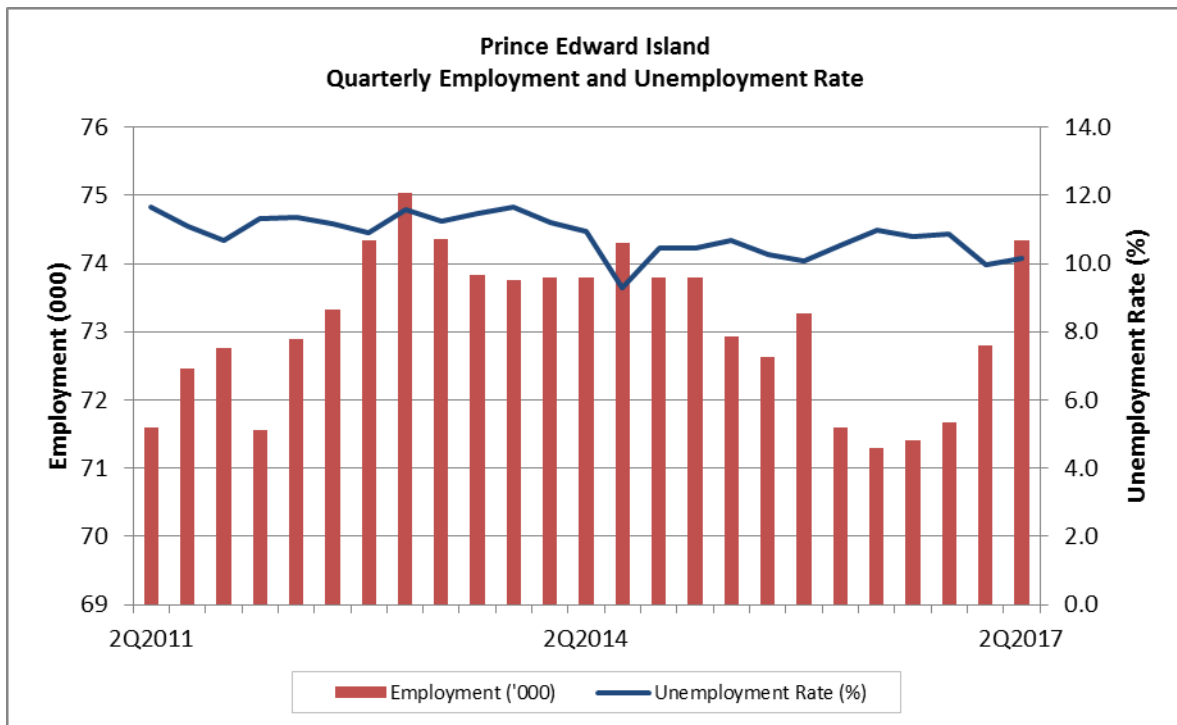
On an annual basis, all of the labour market indicators also showed improvement from Q2 2016. Year-over-year, employment increased by 3,000, while the participation rate increased by 1.1 percentage points (pp) and the unemployment rate fell by 0.8pp. This compares favourably with persistently soft labour market conditions since Q1 2013, which saw employment decline to a six-year low in Q2 2016.

Quarterly employment growth accelerated from 0.1% in Q3 2016 to 2.1% this quarter, driving employment to a three-year high of 74,300, and reversing a persistent trend of static or negative growth rates seen between Q1 2013 and Q2 2016. Full-time employment expanded by 3,000 jobs, while part-time employment was unchanged. Job gains were shared almost evenly between men and women. Males experienced growth in both full-time

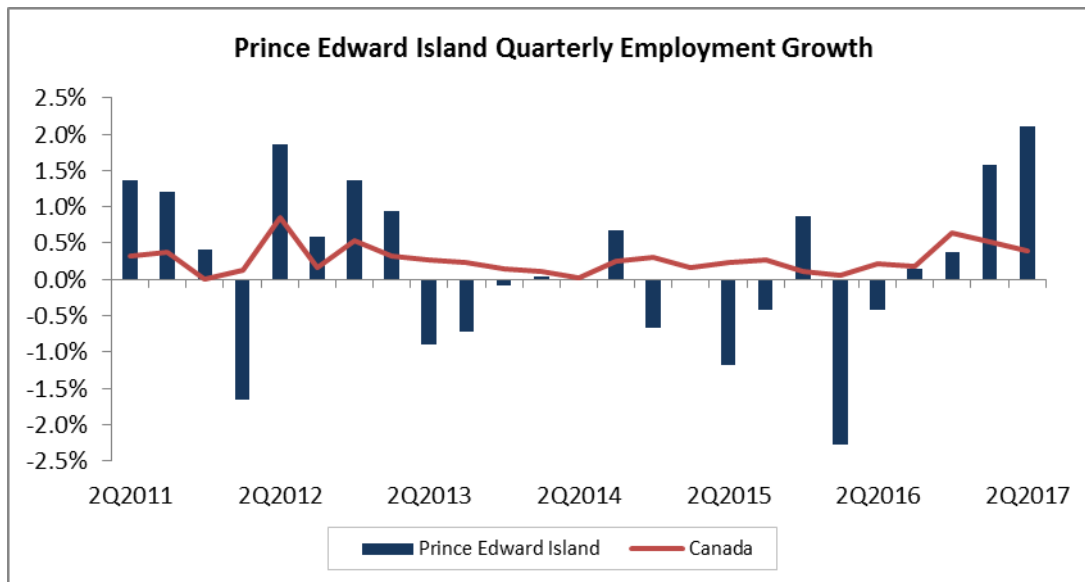
(+1,300) and part-time employment (+300), while female full-time positions increased by a greater degree (+1,900), which more than offset losses in part-time positions (-500).

Year-over-year, employment increased in both the public and private sectors, while self-employment remained little changed at 10,700 positions (+200). Public sector jobs grew to 19,500 positions, an increase of 600 jobs, while private sector employment went up by 2,300 jobs to reach 44,200.

Employment gains over the 12 month period were spread among all three major age groups: youths (15-24 years of age), prime working-age (25-54 years of age), and older workers (55 years and older). Youth employment went up by 800 with females in full-time positions comprising the majority of the gains, while male youth employment increased by a lesser extent, and this occurred solely in part-time positions. Among the prime working-age group, full-time employment increased by 1,900 positions while part-time employment declined by 400 positions, resulting in net gains of 1,500 jobs. Both males and females in the prime working-age cohort experienced gains in full-time positions and declines in part-time work. Employment among older workers increased by 800 jobs to 17,800.



Employment gains slightly exceeded the increase in the number of labour market participants, causing the number of unemployed workers to edge down, from Q2 2016 to Q2 2017. Correspondingly, the overall unemployment rate decreased from 11.0% to 10.2%, with improvements being observed among youths and older workers. Conversely, the unemployment rate rose from 8.9% to 9.3% among prime working-age group, as the number of unemployed males in that age group increased. Employment gains over the past year has provided much-needed relief for the youth unemployment rate, which declined from 16.7% to 13.7%. Male youths continue to have a significantly higher unemployment rate (17.7%) than female youths (10.0%), a disparity which is noted to a lesser degree among the other age groups as well.



The Island's participation rate in Q2 2017 was 1.1pp higher than one year prior. Since Q2 2016, the participation rate increased by 3.7pp among youths to 72.6%, and by 2.1pp among the prime working-age group to 88.8%. Among older workers, the participation rate declined by 0.6pp to 39.9%. While all three age groups had participation rates that were close to their long-term averages, the overall participation rate has trended downward in recent years, as older workers account for a growing share of the working age population. Keeping older workers engaged in the labour force has been identified as a priority by the provincial and federal governments, as well as certain industry associations.¹

Prince Edward Island Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	2nd Quarter	1st Quarter	2nd Quarter	Quarterly	Yearly
	2017 (%)	2017 (%)	2016 (%)		
Total	10.2	10.0	11.0	0.2	-0.8
25 years and over	9.4	8.9	10.0	0.5	-0.6
Men - 25 years and over	11.2	11.2	11.7	0.0	-0.5
Women - 25 years and over	7.5	6.6	8.1	0.9	-0.6
15 to 24 years	13.7	15.6	16.7	-1.9	-3.0
Men - 15 to 24 years	17.7	20.3	20.2	-2.6	-2.5
Women - 15 to 24 years	10.0	10.9	12.4	-0.9	-2.4

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

In Q2 of 2017, the total population aged 15+ in the Atlantic Provinces was around 2 million. The Indigenous population living off-reserve accounted for 3.4% of that, or 67,900 people. Employment among Indigenous people in the Atlantic provinces was 37,600, representing an increase of 4,400 (+13.3%) from a year earlier (Q2 2016). The increase was primarily driven by full-time positions (+4,000 or +14.9%). Part-time positions also saw an increase over the same time period (+500 or +7.9%).

The unemployment rate among the Indigenous population was 12.0% in Q2 2017, representing a decrease of -7.8pp from the previous year. For the non-Indigenous population, the unemployment rate was 9.6% (+0.3pp). Between Q2 2016 and Q2 2017, the participation rate of Indigenous people stood at 63.0% (+1.0pp) while among non-Indigenous population, it was 62.0% (-0.5pp). The employment rate of Indigenous people increased year-over-year to 55.5% (+5.8pp); for the non-Indigenous population, it was 56.7% (-0.7pp).

¹ Carroll, Lindsay. "P.E.I. tourism sector looking for more senior workers." *CBC News*. March 16, 2016.

Atlantic - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q2 2017	Q2 2016	number	%	Q2 2017	Q2 2016	number	%
Population 15 + ('000)	67.9	66.7	1.2	1.8%	1,917.5	1,910.7	6.8	0.4%
Labour Force ('000)	42.8	41.4	1.4	3.4%	1,188.2	1,194.4	-6.2	-0.5%
Employment ('000)	37.6	33.2	4.4	13.3%	1,074.1	1,083.1	-9.0	-0.8%
Full-Time ('000)	30.9	26.9	4.0	14.9%	901.8	901.9	-0.1	0.0%
Part-Time ('000)	6.8	6.3	0.5	7.9%	172.3	181.3	-9.0	-5.0%
Unemployment ('000)	5.1	8.2	-3.1	-37.8%	114.1	111.3	2.8	2.5%
Unemployment Rate (%)	12.0	19.8	-7.8	-	9.6	9.3	0.3	-
Participation Rate (%)	63.0	62.0	1.0	-	62.0	62.5	-0.5	-
Employment Rate (%)	55.5	49.7	5.8	-	56.0	56.7	-0.7	-

EMPLOYMENT BY INDUSTRY

Employment in the **Services-producing sector** stood at 56,900 in Q2 2017, representing an increase of 1,000 positions over the previous quarter and an increase of 2,000 positions from Q2 2016. Employment gains were spread across many sectors, led by **Wholesale and retail trade** which expanded by 1,300 positions (+12.6%) year-over-year. Between January and April of 2017, both retail and wholesale trade sales in P.E.I. exceeded what they were compared to the same period one year earlier by more than 9%, outpacing the national average during the same time period. Other sectors which experienced strong annual employment growth were **Transportation and warehousing, Information, culture and recreation, and Public administration**, with each industry adding 400 jobs. Employment losses were more pronounced in **Professional, scientific and technical services**, which declined by 500 positions (12.1%), as well as **Business, building and other support services** (-300). The majority of the remaining Services-producing sectors enjoyed more modest employment gains.

Employment in the **Goods-producing sector** expanded to 17,500 in Q2 2017, 1,100 positions more than one year prior, and 600 additional positions compared to the previous quarter. On a yearly basis, this growth was driven mostly by **Construction and Manufacturing**, which added 600 jobs each. While an employment level of 5,100 in the Construction sector is close to the sector average in recent years, the provincial government states that there is an immediate need for 500 more workers.² The sector is much more active on a year-to-date basis than in 2016: From January to May 2017, 50% more residential building permits had been issued than during the same period in 2016, with a cumulative dollar value that is 46% greater. Similarly, the value of industrial building permits more than doubled during the same period in 2017 compared to 2016. Meanwhile, Manufacturing reached an employment level of 6,600, which is notably higher than the sector's average of 5,900 from Q1 2014 to Q1 2017. While food manufacturing, which comprises the lion's share of P.E.I.'s manufacturing sector, is anticipated to enjoy strong international demand throughout the year, non-durable manufacturing sales associated with transportation products are also predicted to perform well.³

² "Construction workers needed on P.E.I., says industry." *CBC News*. March 16, 2016.

³ "Provincial Outlook: Prince Edward Island Economic Forecast." *The Conference Board of Canada*. Spring 2017.

Prince Edward Island Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	2nd Quarter 2017	1st Quarter 2017	2nd Quarter 2016	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	74.3	72.8	71.3	1.5	2.1	3.0	4.3
Goods-producing sector	17.5	16.9	16.4	0.5	3.1	1.1	6.5
Agriculture	3.0	3.0	2.9	0.0	-1.1	0.0	1.1
Forestry, fishing, mining, quarrying, oil and gas	2.6	2.4	2.7	0.2	9.9	-0.1	-2.5
Utilities	0.2	0.2	0.3	0.0	-14.3	-0.1	-40.0
Construction	5.1	5.1	4.5	0.0	0.7	0.6	13.2
Manufacturing	6.6	6.2	6.0	0.4	5.9	0.6	10.1
Services-producing sector	56.9	55.9	54.9	1.0	1.8	2.0	3.6
Trade	11.3	10.4	10.0	0.9	8.3	1.3	12.6
Transportation and warehousing	2.7	2.9	2.3	-0.2	-5.8	0.4	15.7
Finance, insurance, real estate and leasing	2.5	2.5	2.7	0.0	0.0	-0.2	-6.2
Professional, scientific and technical services	3.4	3.4	3.9	0.0	1.0	-0.5	-12.1
Business, building and other support services	2.0	2.1	2.3	-0.2	-7.8	-0.3	-13.2
Educational services	5.1	5.4	4.8	-0.3	-6.1	0.3	5.5
Health care and social assistance	10.6	10.4	10.3	0.2	1.6	0.3	2.9
Information, culture and recreation	2.9	2.7	2.5	0.2	7.3	0.4	17.3
Accommodation and food services	6.0	5.8	6.2	0.2	4.0	-0.2	-2.7
Other services	3.3	3.2	3.0	0.0	1.0	0.2	7.7
Public administration	7.2	6.9	6.8	0.3	3.9	0.3	4.9

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

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