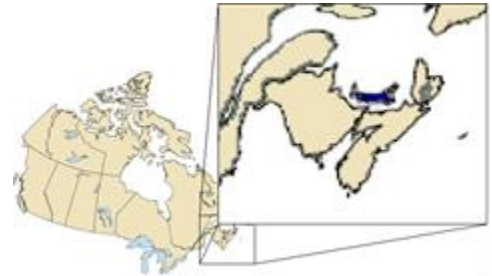




Labour Market Bulletin

Prince Edward Island

July 2017



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

OVERVIEW

The Prince Edward Island (P.E.I.) labour market cooled somewhat in July after several consecutive months of improvements. From June to July, employment levels dropped by 1,000 as the gains in part-time positions (+500) were insufficient to offset the loss of 1,000 full-time positions. Since the labour force declined by slightly more than employment, the unemployment rate decreased by 0.2 percentage points (pp) to 10.0%. Despite slipping to 66% from 67% in the previous month, the participation rate remains the highest in Atlantic Canada.

Prince Edward Island Monthly Labour Force Statistics

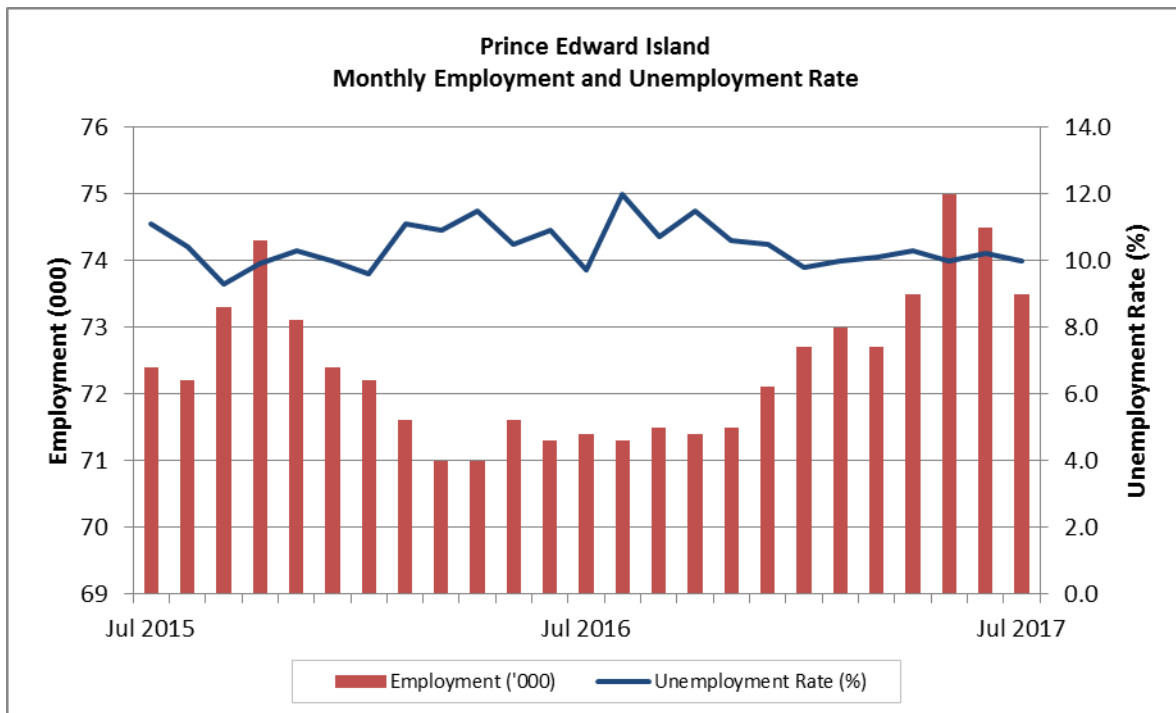
| Seasonally Adjusted Monthly Data | July 2017 | June 2017 | July 2016 | Monthly | | Yearly Variation | |
|-------------------------------------|--------------|--------------|--------------|---------|------|------------------|-----|
| | | | | Number | % | Number | % |
| Population 15 + ('000) | 124.0 | 123.8 | 122.1 | 0.2 | 0.2 | 1.9 | 1.6 |
| Labour Force ('000) | 81.8 | 83.0 | 79.1 | -1.2 | -1.4 | 2.7 | 3.4 |
| Employment ('000) | 73.5 | 74.5 | 71.4 | -1.0 | -1.3 | 2.1 | 2.9 |
| Full-Time ('000) | 60.9 | 62.7 | 59.0 | -1.8 | -2.9 | 1.9 | 3.2 |
| Part-Time ('000) | 12.6 | 11.8 | 12.4 | 0.8 | 6.8 | 0.2 | 1.6 |
| Unemployment ('000) | 8.2 | 8.5 | 7.7 | -0.3 | -3.5 | 0.5 | 6.5 |
| Unemployment Rate (%) | 10.0 | 10.2 | 9.7 | -0.2 | - | 0.3 | - |
| Participation Rate (%) | 66.0 | 67.0 | 64.8 | -1.0 | - | 1.2 | - |
| Employment Rate (%) | 59.3 | 60.2 | 58.5 | -0.9 | - | 0.8 | - |

Note: Totals may not add due to rounding

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

On a year-over-year basis, 2,700 more people participated in the labour force in P.E.I. in July 2017 compared to the same month a year ago. The rise in the size of the labour force is comprised of increases in the number those employed (+2,100 jobs) and in the number of individuals actively seeking work (+500). This pushed the unemployment rate up to 10.0% in July compared to 9.7% in the same month last year. The growth in the number of labour force participants outpaced the growth in the working-age population (aged 15 years and over), which caused the participation rate to rise from 64.8% to 66% during this period.

Full-time positions accounted for the majority of the employment increase with the addition of 1,900 jobs, while part-time employment rose by 200 jobs. Private-sector employment was the main driver of job growth, rising by 1,900 from one year prior. The number of public-sector jobs rose somewhat (+300), while self-employment declined (-200) over the same period.



While older workers (55 years of age and older) accounted for the largest increase in the working-age population—rising by 1,400 to 49,700 between July 2016 and July 2017—the change in the number of labour force participants in this age group was small, and employment declined by 400 jobs.

The majority of employment and labour force growth occurred among the core working-age group (aged 25 to 54 years). The size of the labour force for this age group increased by 2,400 individuals, while their employment levels rose by 1,900 jobs. While males represented the majority of the additional labour force participants in this age-group (+2,100), job growth was divided evenly between men and women. With more males in the core working-age group in the labour force, their participation rate increased by 6.1pp to reach 91.3%, and their unemployment rate went up by 3.2pp to 11.5%. In contrast, the 1,000 job gains among females of core working-age and little change in labour force participation caused their unemployment rate to decline from 9.2% to 6.6%.

In July 2017 there were 10,800 youths (aged 15-24 years) employed in P.E.I., with employment divided evenly between males and females. Although employment gains coupled with a slowly declining population have resulted in improvements in most of the labour market indicators for both young males and females in the province, some differences exist in their labour market outcomes. The unemployment rate among males was 15.6% compared to 8.5% for their female counterparts.

Prince Edward Island Monthly Unemployment Rates, by Gender and Age

| Seasonally Adjusted Data | July 2017 | June 2017 | July 2016 | Monthly Variation | Yearly Variation |
|---------------------------|-----------|-----------|-----------|-------------------|------------------|
| | % | % | % | (% points) | (% points) |
| Total | 10.0 | 10.2 | 9.7 | -0.2 | 0.3 |
| 25 years and over | 9.8 | 9.7 | 8.8 | 0.1 | 1.0 |
| Men - 25 years and over | 11.6 | 10.8 | 8.0 | 0.8 | 3.6 |
| Women - 25 years and over | 7.5 | 8.5 | 9.6 | -1.0 | -2.1 |
| 15 to 24 years | 12.2 | 12.6 | 14.9 | -0.4 | -2.7 |
| Men - 15 to 24 years | 15.6 | 18.2 | 17.7 | -2.6 | -2.1 |
| Women - 15 to 24 years | 8.5 | 6.5 | 12.1 | 2.0 | -3.6 |

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

EMPLOYMENT BY INDUSTRY

Compared to the previous year, the **Services-producing sector** accounted for virtually all of the job gains in the province, with the addition of 2,100 positions, while the **Goods-producing sector** was relatively unchanged during this period.

Within the **Goods-producing sector**, **Construction** and **Manufacturing** added 500 (+10.4%) and 400 (+6.7%) positions, respectively, continuing a long-term positive trend. Construction has been supported throughout the past year by the P.E.I.-N.B. Interconnection Upgrade project which is currently winding down; however, it is anticipated that booming residential housing starts will ensure additional employment growth going forward.¹ Robust international demand for products manufactured on the Island, particularly in the aerospace industry, is also expected to continue to drive activity and employment in that industry group. These job gains were mostly offset by 700 job losses in **Forestry, fishing, mining, quarrying, oil and gas**, as well as minor employment declines in **Utilities**.

In the **Services-producing sector**, more than half of the increase in employment was attributed to **Wholesale and retail trade** which increased by 1,200 positions (+11.8%) compared to the previous year. From January to May 2017 (the most recent month with available data), total retail sales were 8.0% higher than during the same period in 2016, while wholesale sales were 14.6% higher.² The relatively small Transportation and Warehousing industry experienced 700 job gains, representing an increase of 30.4%. **Other services** added 400 positions (13.3%), while more modest gains were posted by **Educational services** (+300), **Health care and social assistance** (+200), and **Information, culture and recreation** (+100). Small declines were observed in **Professional, scientific and technical services** (-300), **Business, building and other support services** (-200), and **Accommodation and food services** (-100). Both **Finance, insurance, real estate, rental and leasing** and **Public administration** remained stable at 2,600 and 6,900 positions respectively.

¹ Kevin Yarr. "P.E.I. needs 100s of construction workers immediately." *CBC News*. June 2, 2017.

² Statistics Canada, *Tables 080-0020, 081-0011*, last updated July 20, 2017.

Prince Edward Island Monthly Employed Labour Force, by Industry

| Seasonally Adjusted Data ('000) | July 2017 | June 2017 | July 2016 | Monthly Variation | | Yearly Variation | |
|---|-----------|-----------|-----------|-------------------|-------|------------------|-------|
| | | | | Number | % | Number | % |
| Total employed, all industries | 73.5 | 74.5 | 71.4 | -1.0 | -1.3 | 2.1 | 2.9 |
| Goods-producing sector | 16.8 | 17.7 | 16.7 | -0.9 | -5.1 | 0.1 | 0.6 |
| Agriculture | 3.3 | 3.2 | 3.2 | 0.1 | 3.1 | 0.1 | 3.1 |
| Forestry, fishing, mining, quarrying, oil and gas | 1.7 | 2.6 | 2.4 | -0.9 | -34.6 | -0.7 | -29.2 |
| Utilities | | | 0.4 | | | | |
| Construction | 5.3 | 5.1 | 4.8 | 0.2 | 3.9 | 0.5 | 10.4 |
| Manufacturing | 6.4 | 6.7 | 6.0 | -0.3 | -4.5 | 0.4 | 6.7 |
| Services-producing sector | 56.8 | 56.8 | 54.7 | 0.0 | 0.0 | 2.1 | 3.8 |
| Trade | 11.4 | 11.7 | 10.2 | -0.3 | -2.6 | 1.2 | 11.8 |
| Transportation and warehousing | 3.0 | 2.9 | 2.3 | 0.1 | 3.4 | 0.7 | 30.4 |
| Finance, insurance, real estate and leasing | 2.6 | 2.5 | 2.6 | 0.1 | 4.0 | 0.0 | 0.0 |
| Professional, scientific and technical services | 3.7 | 3.4 | 4.0 | 0.3 | 8.8 | -0.3 | -7.5 |
| Business, building and other support services | 2.0 | 1.9 | 2.2 | 0.1 | 5.3 | -0.2 | -9.1 |
| Educational services | 4.9 | 5.0 | 4.6 | -0.1 | -2.0 | 0.3 | 6.5 |
| Health care and social assistance | 10.6 | 10.4 | 10.4 | 0.2 | 1.9 | 0.2 | 1.9 |
| Information, culture and recreation | 2.7 | 2.6 | 2.6 | 0.1 | 3.8 | 0.1 | 3.8 |
| Accommodation and food services | 5.6 | 5.8 | 5.7 | -0.2 | -3.4 | -0.1 | -1.8 |
| Other services | 3.4 | 3.3 | 3.0 | 0.1 | 3.0 | 0.4 | 13.3 |
| Public administration | 6.9 | 7.3 | 6.9 | -0.4 | -5.5 | 0.0 | 0.0 |

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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