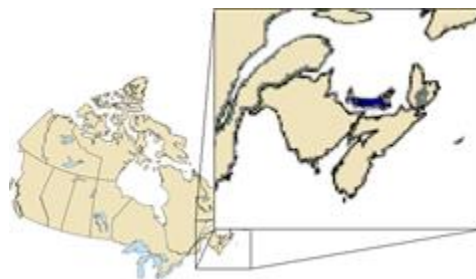




# Labour Market Bulletin

## Prince Edward Island

August 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 remained stable in August, with most indicators changing by small increments from the previous month. The first half of 2017 was marked by strong gains in labour force and employment levels, before easing in July. A slight decline in full-time employment was offset by growth in part-time work, as a result total employment was up marginally in August compared to the previous month.

The number of unemployed persons in the province fell significantly month-over-month, resulting in a drop in the Island's unemployment rate to 8.8% in August—the lowest it has been since October 2007. This was a combination of more job seekers securing employment, and the departure of 900 individuals from the labour force. After reaching a three-year high of 83,300 in May, labour force participation has declined in each subsequent month, falling to 80,900 in August.

Prince Edward Island Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Aug 2017	July 2017	Aug 2016	Monthly		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	124.1	124.0	122.1	0.1	0.1	2.0	1.6
<b>Labour Force ('000)</b>	80.9	81.8	81.0	-0.9	-1.1	-0.1	-0.1
<b>Employment ('000)</b>	73.8	73.5	71.3	0.3	0.4	2.5	3.5
Full-Time ('000)	60.7	60.9	58.3	-0.2	-0.3	2.4	4.1
Part-Time ('000)	13.1	12.6	13.0	0.5	4.0	0.1	0.8
<b>Unemployment ('000)</b>	7.1	8.2	9.7	-1.1	-13.4	-2.6	-26.8
<b>Unemployment Rate (%)</b>	8.8	10.0	12.0	-1.2	-	-3.2	-
<b>Participation Rate (%)</b>	65.2	66.0	66.3	-0.8	-	-1.1	-
<b>Employment Rate (%)</b>	59.5	59.3	58.4	0.2	-	1.1	-

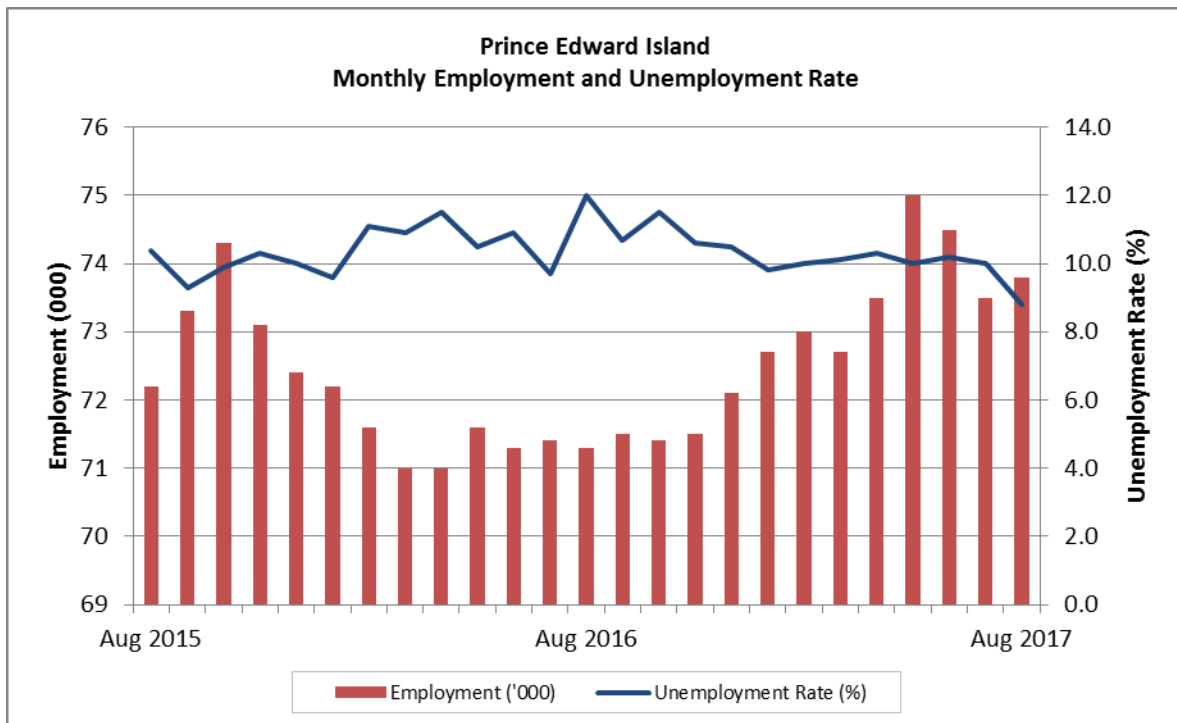
Note: Totals may not add due to rounding

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

On a year-over-year basis, labour market conditions continue to be strong. While there was little change in the Island's labour force, employment was up by 2,500 jobs compared to the same month a year ago. The

unemployment rate was a notable 3.2 percentage points lower, while the participation rate was down by 1.1 percentage points over the same period. Nonetheless, PEI's participation rate remains the highest among the four Atlantic Provinces.

Nearly all of the employment gains in the province were in full-time work. The private-sector remained the key driver of employment growth in August (+2,300 employed), with an additional 600 persons added by the public sector. Partially offsetting this growth was a decline in the number of self-employed workers (-400). The public sector in August accounted for 26% of the Island's employment, while the private sector and self-employment comprised 60.3% and 13.7% respectively.



The older worker cohort (persons aged 55 years and over) experienced the greatest population growth, in both percent and absolute terms. The labour force for this age group increased by 300 and there were 1,000 more employed year-over-year, with the entire gains in part-time work.

Among the core working-age group (persons aged 25-54 years), all of the labour market indicators showed positive changes between August 2016 and August 2017. The size of the labour force for the core working-age group increased by 900 individuals, which outpaced population growth, resulting in a higher participation rate for this age group. Employment for this cohort increased by 1,600 jobs year-over-year, outpacing labour force growth, and this resulted in a decline in the unemployment rate. Labour force and employment gains were concentrated almost entirely among males, and were largely unchanged for females.

Prince Edward Island Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Aug 2017	July 2017	Aug 2016	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
<b>Total</b>	8.8	10.0	12.0	-1.2	-3.2
<b>25 years and over</b>	8.8	9.8	11.0	-1.0	-2.2
Men - 25 years and over	10.0	11.6	13.1	-1.6	-3.1
Women - 25 years and over	7.4	7.5	8.8	-0.1	-1.4
<b>15 to 24 years</b>	8.8	12.2	17.3	-3.4	-8.5
Men - 15 to 24 years	8.5	15.6	21.5	-7.1	-13.0
Women - 15 to 24 years	9.3	8.5	13.1	0.8	-3.8

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

Year-over-year changes among youths (persons aged 15-24 years) paint a mixed picture of labour market outcomes for this cohort. While the population for this age group remained essentially unchanged, there were 1,300 fewer youths in the labour force, which caused a significant drop in the participation rate, by nearly 7 percentage points. Employment was unchanged for this age group, however the composition of employment shifted with 500 fewer employed part-time and 500 more employed in full-time work. The large year-over-year drop in the youth labour force, coupled with stable employment, resulted in a significant decline in the unemployment rate.

## EMPLOYMENT BY INDUSTRY

Between August 2016 and August 2017, employment in both the **Goods-producing sector** and **Services-producing sector** increased by about the same amounts (+1,200 and +1,300 respectively). Given the relatively smaller size of the Goods-producing sector, this translates to a strong 7.4% increase, compared to 2.4% in the Services-producing sector.

Within the **Goods-producing sector**, **Construction** and **Manufacturing** continue to drive employment growth. Despite the completion of the P.E.I.-N.B. Interconnection Upgrade project this month, employment in the sector increased by 400 positions over the past year as both residential and non-residential building investment have been stronger than expected. During the first two quarters of 2017, non-residential investment was up 24% and residential investment was up by 62%, compared to the same period in 2016.

Manufacturing employment increased by 1,100 positions year-over-year. This increase may be attributable to several positive factors such as the low Canadian dollar stimulating international demand for P.E.I. products; and the continued investment in the province's aerospace cluster. In **Agriculture**, employment edged down. Island producers have reported that while some crops such as cereals are doing well this year, wild blueberry prices have declined to a level which renders harvesting financially unsustainable.<sup>1</sup>

In the **Services-Producing sector**, **Wholesale and retail trade** was the strongest performing industry, adding 1,100 jobs year-over-year. On a year-to-date basis, retail sales during the first half of 2017 were approximately 9% higher compared to the same period in 2016, with some easing in May and June, which may suggest that the

<sup>1</sup> Sara Fraser. "I've never seen prices this low': P.E.I. blueberry crop smaller, worth less." *CBC News*. August 19, 2017.

sector is stabilizing. Employment levels were higher in **Transportation and Warehousing, Finance, insurance, real estate, rental and leasing, and Other services**, each experiencing gains of 400 jobs, year-over-year.

Partially offsetting employment growth in the services-sector were employment declines in **Professional, scientific and technical services; Business, building and other support services, and Accommodation and food services**. Employment in **Health care and social assistance and Public administration** edged down compared to the previous year.

Prince Edward Island Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Aug 2017	July 2017	Aug 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	73.8	73.5	71.3	0.3	0.4	2.5	3.5
<b>Goods-producing sector</b>	17.5	16.8	16.3	0.7	4.2	1.2	7.4
Agriculture	3.0	3.3	3.1	-0.3	-9.1	-0.1	-3.2
Forestry, fishing, mining, quarrying, oil and gas	2.4	1.7	2.4	0.7	41.2	0.0	0.0
Utilities			0.3				
Construction	5.2	5.3	4.8	-0.1	-1.9	0.4	8.3
Manufacturing	6.8	6.4	5.7	0.4	6.2	1.1	19.3
<b>Services-producing sector</b>	56.3	56.8	55.0	-0.5	-0.9	1.3	2.4
Trade	11.4	11.4	10.3	0.0	0.0	1.1	10.7
Transportation and warehousing	2.9	3.0	2.5	-0.1	-3.3	0.4	16.0
Finance, insurance, real estate and leasing	2.9	2.6	2.5	0.3	11.5	0.4	16.0
Professional, scientific and technical services	3.5	3.7	3.9	-0.2	-5.4	-0.4	-10.3
Business, building and other support services	2.0	2.0	2.4	0.0	0.0	-0.4	-16.7
Educational services	5.2	4.9	4.9	0.3	6.1	0.3	6.1
Health care and social assistance	10.4	10.6	10.5	-0.2	-1.9	-0.1	-1.0
Information, culture and recreation	2.7	2.7	2.7	0.0	0.0	0.0	0.0
Accommodation and food services	5.4	5.6	5.8	-0.2	-3.6	-0.4	-6.9
Other services	3.4	3.4	3.0	0.0	0.0	0.4	13.3
Public administration	6.4	6.9	6.5	-0.5	-7.2	-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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**For information on the Labour Force Survey, please visit the Statistics Canada Web site at:** [www.statcan.gc.ca](http://www.statcan.gc.ca)

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