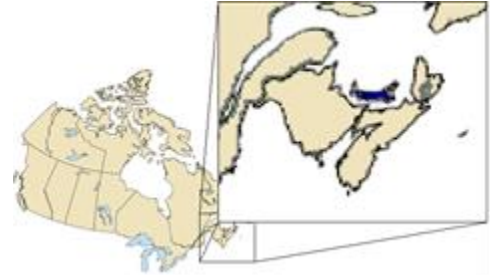




Labour Market Bulletin

Prince Edward Island



November 2018

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 remain healthy. The labour force averaged 83,800 people in November 2018, which is up by 1.1% from October. Following a record high in the previous month, the level of employment eased slightly in November due to a drop in part-time employment. However, another record high in the province's full-time employment base helped mitigate the drop. A growing labour force combined with a slight decline in employment means unemployment rose in the most recent month. Despite the higher unemployment rate in November, at 8.5%, the level of unemployment in the province was the second lowest it has been in over a decade. The participation rate in the province gained over half of a percentage point with more people seeking work in November, positioning PEI highest in the Atlantic Region and above the national average.

Prince Edward Island Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Nov 2018	Oct 2018	Nov 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	126.6	126.4	124.4	0.2	0.2	2.2	1.8
Labour Force ('000)	83.8	82.9	81.3	0.9	1.1	2.5	3.1
Employment ('000)	76.7	76.9	74.0	-0.2	-0.3	2.7	3.6
Full-Time ('000)	65.7	65.2	61.6	0.5	0.8	4.1	6.7
Part-Time ('000)	11.0	11.6	12.4	-0.6	-5.2	-1.4	-11.3
Unemployment ('000)	7.1	6.0	7.3	1.1	18.3	-0.2	-2.7
Unemployment Rate (%)	8.5	7.2	9.0	1.3	-	-0.5	-
Participation Rate (%)	66.2	65.6	65.4	0.6	-	0.8	-
Employment Rate (%)	60.6	60.8	59.5	-0.2	-	1.1	-

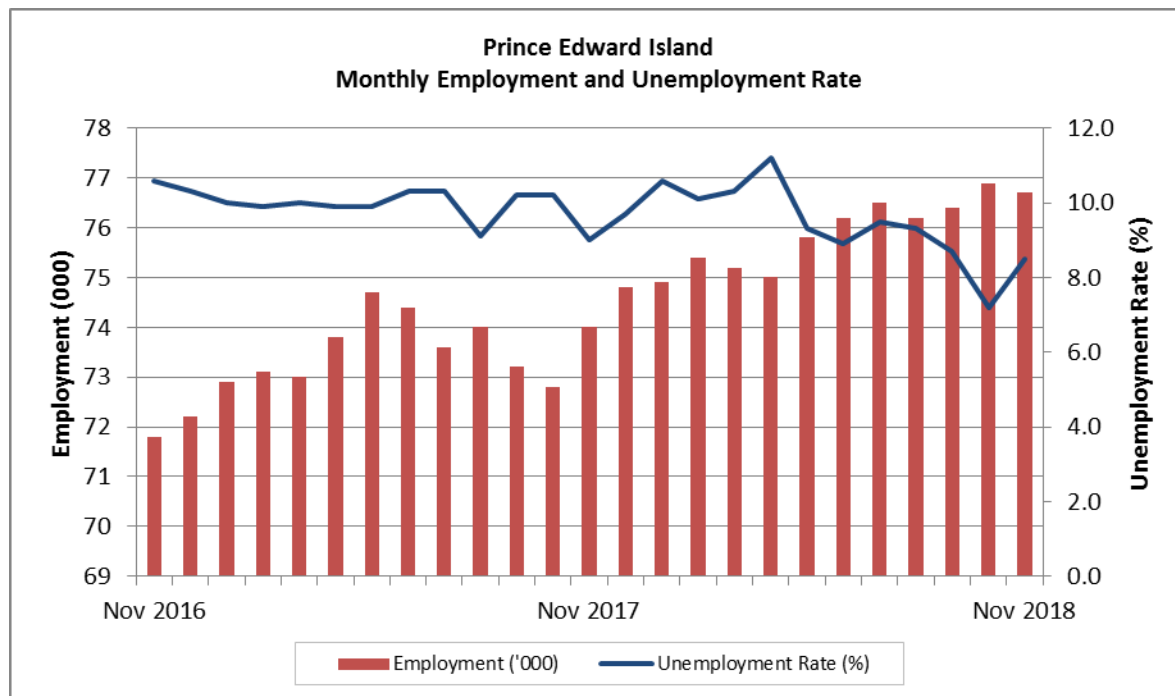
Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287

The PEI labour force showed respectable growth year-over-year, with most of the gains attributed to youths (persons 15-24 years of age) - particularly males, having expanded by 20.4%. This gain should be viewed with caution however as it is calculated from an abnormally low level of male participation in November 2017 (which was the lowest level in the history of that time series). Persons in the core-aged group (25-54 years) and older

workers (55 years +) also experienced year-over-year gains in labour force participation, of 1.4% and 2.4% respectively.

Employment in PEI expanded by 3.6% on a year-over-year basis, which was highest in the country, and three times the pace of the national average. Employment growth was widespread across the major age categories, with youths comprising most of the gain (again, due to abnormally low employment in the base year). Full-time employment in the province was up by 6.7% compared to the same month a year ago, attributed mostly to more older workers securing full-time work (+12.7%). A decline in part-time employment however, limited employment gains year-over-year. The loss in part-time employment was evenly distributed across males and females, however the underlying age categories differed. Older worker males, for example, experienced the greatest decline in part-time employment; and for females, the loss was highest for the youth cohort.



The year-over-year employment gain in October was attributed to increases in all major employment classes: private sector (+1,200), public sector (+400) and self-employed (+1,100). Growth in the latter class was 10.3% year-over-year, representing the highest rate of growth in the country. Approximately 1 in 4 persons in PEI are employed by the public sector (which includes educational services; health care and social assistance; and public administration), about six percentage points higher than the national average.

The level of unemployment in the province decreased slightly year-over-year as employment growth outpaced labour force gains. This kept the Island’s unemployment rate low (by historical standards), at 8.5%. Among the major age categories in PEI, youths exhibited the highest unemployment rate in November, at 12.1%. The unemployment rate for youth males was 12.3% and compares to 11.9% for females.

Prince Edward Island Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Nov 2018	Oct 2018	Nov 2017	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	8.5	7.2	9.0	1.3	-0.5
25 years and over	7.8	6.6	8.5	1.2	-0.7
Men - 25 years and over	8.5	6.4	8.8	2.1	-0.3
Women - 25 years and over	7.2	6.8	8.3	0.4	-1.1
15 to 24 years	12.1	10.8	11.7	1.3	0.4
Men - 15 to 24 years	12.3	13.6	11.1	-1.3	1.2
Women - 15 to 24 years	11.9	7.3	12.5	4.6	-0.6

Source: Statistics Canada Labour Force Survey – Table 14-10-0287

Year-over-year growth in the Island's labour force exceeded that of the working-age population, putting upward pressure on the participation rate (at 66.2% in November 2018). Both the youths and older workers experienced higher participation rates year-over-year, however for core-aged workers, the rate of participation slipped only slightly. The participation rate for female youths, at 69.4% in November, was highest in the country.

EMPLOYMENT BY INDUSTRY

The annual increase in PEI's employment base in November 2018 was concentrated largely in the goods-producing sector, particularly in **Agriculture, Manufacturing and Construction**. **Accommodation and Food Services** accounted for the largest gain in service-sector employment.

Although **Manufacturing** employment dipped slightly in November, compared to the previous month, the industry continues to maintain its steady climb which has spanned over the past two-plus years. At 6,900 in November, the industry's employment base fell just short of its all-time high reached in October of this year. Companies in the industry continue to benefit from a favorable currency position relative to the U.S. dollar, which makes its exports more competitive in international markets. Island-based exports year-to-date (January to October 2018) are up by 1.6% compared to the same period a year ago; 2017 was a record year for Island exports, in terms of value. Key export products driving this growth include food products (i.e. fresh potatoes and lobsters); and aerospace-related products.

There were 5,900 people employed in construction in October, representing a 3.5% gain year-over-year. There has been considerable growth in construction activity in recent months: based on available estimates, the value of building permits (residential and non-residential) for the first three quarter of 2018 was up by nearly 12% over the same period in 2017 (driven by residential building projects). Furthermore, growth in the volume of new housing starts in the province continues to grow, especially construction of multiple-dwelling projects. Growth in housing sales and population are key factors owing to the strong construction performance in the province. According to the Construction Association of Prince Edward Island, the industry is looking to hire upwards of 400 additional workers to meet existing demand. Furthermore, the association projects another 1,800 workers will need to be recruited in the province over the next ten years to fill anticipated vacancies from attrition.

Service-sector employment was up by nearly 1.4% year-over-year, driven predominantly by employment gains in **Accommodation and food services**. According to provincial tourism figures¹ up to September 2018, the province has seen increased visitations this year compared to the previous year. Tourism-related traffic was up on a year-

¹ Prince Edward Island Tourism Indicators (September 2018)

to-date basis for the Confederation Bridge (+0.8%) and Ferry (+2%), while traffic by air was virtually unchanged compared to the previous year. The volume of cruise ship visitation was also up this tourist season, by 10.4% compared to the previous year. New restaurant openings and expansions of existing food service businesses throughout 2018 contributed to employment gains in this industry.

Employment levels on a year-over-year basis were notably lower in **Professional, Scientific and technical services** and in **Health care and social assistance**.

Prince Edward Island Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Nov 2018	Oct 2018	Nov 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	76.7	76.9	74.0	-0.2	-0.3	2.7	3.6
Goods-producing sector	20.4	20.0	18.5	0.4	2.0	1.9	10.3
Agriculture	4.7	4.1	3.4	0.6	14.6	1.3	38.2
Forestry, fishing, mining, quarrying, oil and gas	2.7	2.8	2.6	-0.1	-3.6	0.1	3.8
Utilities	0.2	0.2		0.0	0.0	0.2	-
Construction	5.9	5.7	5.7	0.2	3.5	0.2	3.5
Manufacturing	6.9	7.2	6.7	-0.3	-4.2	0.2	3.0
Services-producing sector	56.3	56.8	55.5	-0.5	-0.9	0.8	1.4
Trade	11.0	11.0	11.0	0.0	0.0	0.0	0.0
Transportation and warehousing	2.9	2.7	2.8	0.2	7.4	0.1	3.6
Finance, insurance, real estate and leasing	2.9	3.0	2.5	-0.1	-3.3	0.4	16.0
Professional, scientific and technical services	3.2	3.5	3.8	-0.3	-8.6	-0.6	-15.8
Business, building and other support services	2.1	2.1	1.6	0.0	0.0	0.5	31.3
Educational services	5.3	5.3	5.3	0.0	0.0	0.0	0.0
Health care and social assistance	10.4	10.4	10.8	0.0	0.0	-0.4	-3.7
Information, culture and recreation	2.6	2.5	2.5	0.1	4.0	0.1	4.0
Accommodation and food services	6.0	6.3	5.2	-0.3	-4.8	0.8	15.4
Other services	3.1	3.0	3.2	0.1	3.3	-0.1	-3.1
Public administration	6.8	6.9	6.8	-0.1	-1.4	0.0	0.0

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0355

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.

Prepared by: Labour Market Analysis Directorate, Service Canada, Atlantic Region

For further information, please contact the LMI team at:

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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