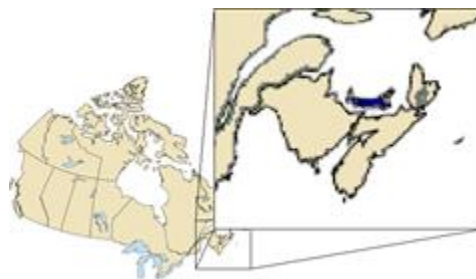




Labour Market Bulletin

Prince Edward Island



March 2019

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

OVERVIEW

Labour market conditions remain healthy in Prince Edward Island. The labour force averaged 83,900 in the first quarter of 2019, just short of an all-time quarterly high for the province. Employment in PEI averaged 75,800 in the most recent quarter, again, just below its record level set in Q4 2018. Though elevated by historical standards, employment fell slightly quarter-to-quarter. The loss was concentrated in full-time work, mitigated by a slight gain in the number of persons working part-time. A growing labour force in Q1 2019 coupled with reduced employment elevated the unemployment rate in the province to 9.7%. The gain in the labour force kept pace with population growth resulting in a stable participation rate, at 66.0%. The Island's participation rate remains above the national average, suggesting a healthy level of optimism about employment prospects in the province.

Prince Edward Island Quarterly Labour Force Statistics

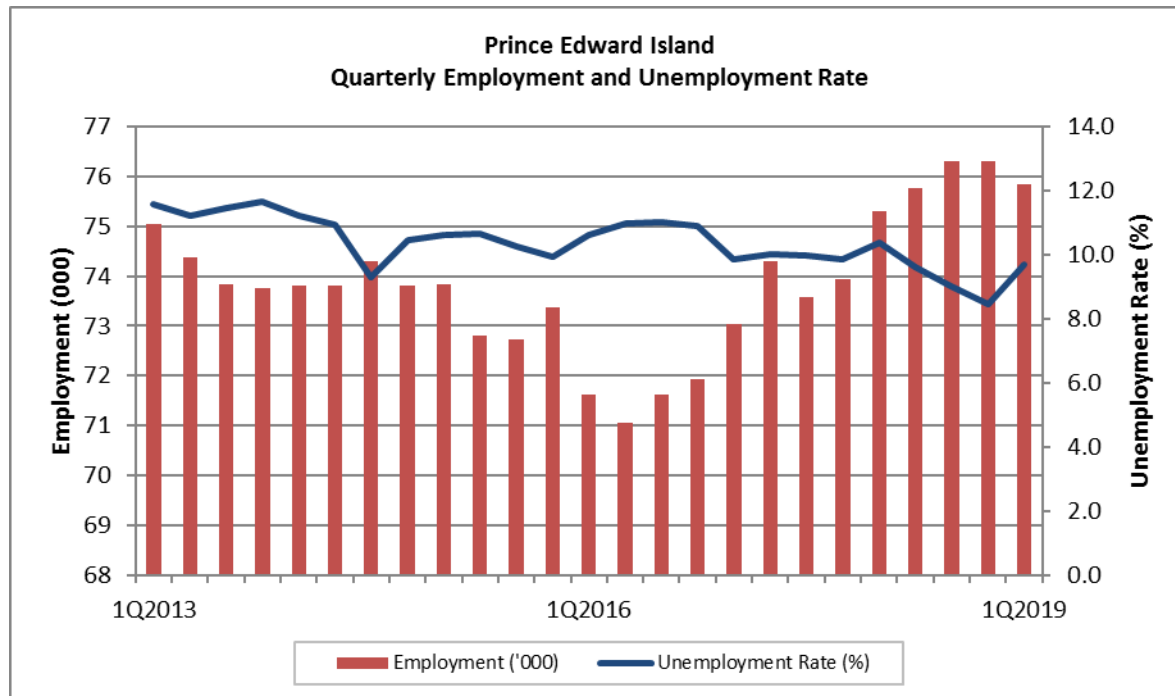
Seasonally Adjusted Quarterly Data	1st Quarter 2019	4th Quarter 2018	1st Quarter 2018	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	127.2	126.6	124.7	0.6	0.5	2.5	2.0
Labour Force ('000)	83.9	83.4	84.0	0.5	0.6	-0.1	-0.1
Employment ('000)	75.8	76.3	75.3	-0.5	-0.7	0.5	0.7
Full-Time ('000)	64.2	65.0	62.6	-0.8	-1.2	1.6	2.6
Part-Time ('000)	11.6	11.3	12.7	0.3	2.7	-1.1	-8.7
Unemployment ('000)	8.1	7.1	8.7	1.0	14.1	-0.6	-6.9
Unemployment Rate (%)	9.7	8.5	10.4	1.2	-	-0.7	-
Participation Rate (%)	66.0	65.9	67.4	0.1	-	-1.4	-
Employment Rate (%)	59.6	60.3	60.4	-0.7	-	-0.8	-

Note: Totals may not add due to rounding

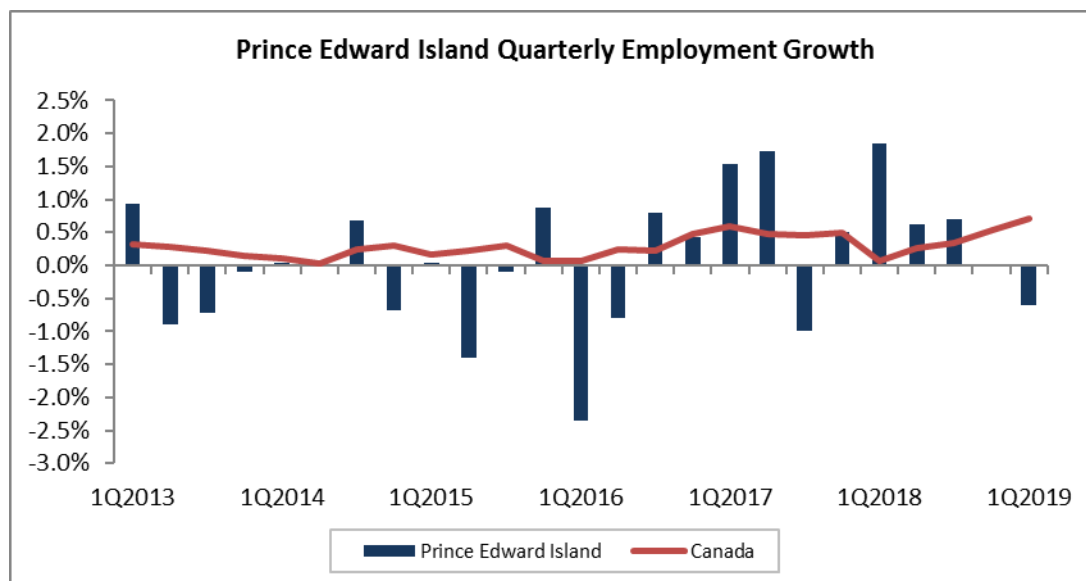
Source: Statistics Canada Labour Force Survey – Table 14-10-0287

The Island's labour force in Q1 2019 was unchanged from a year earlier, at a level close to its all-time high. There were 300 more youths (persons 15-24 years) and older workers (persons 55 years and over) available and seeking work in the most recent quarter. Unfortunately, this was completely offset by fewer core-aged workers (persons 25-54 years) in the labour force. The Island's labour force overall is about equally distributed among men and women.

PEI’s employment in the most recent quarter increased by just under 1% year-over-year. This was attributed entirely to gains in full-time employment, limited by a contraction in the number of persons employed part-time. Women accounted for all of the growth in full-time employment in Q1 2019, as well as the entire loss in part-time employment.



Nearly all of the year-over-year gain in employment in the first quarter was attributed to growth in the number of self-employed persons (+5.3%), which surpassed the national average (+0.1%). There were more persons employed in the public sector in Q1 2019 (+400), but fewer in the private sector (-600). Prince Edward Island experienced the highest rate of growth in self-employment in the country – influenced in part by strong growth in immigration.



The level of unemployment was lower in Q1 2019 compared to a year ago due to employment growth outpacing that of the labour force. The unemployment rate in Q1 2019 dipped by 0.7 of a percentage point from the same quarter a year ago. Among the major age categories in PEI, youths exhibited the highest unemployment rate in the first quarter, at 13.8%. The unemployment rate for youth males remains relatively high (at 16.4%), however it is down compared to the first quarter a year ago, by 2 percentage points.

Prince Edward Island Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	1st Quarter	4th Quarter	1st Quarter	Quarterly	Yearly
	2019 (%)	2018 (%)	2018 (%)	Variation (% points)	Variation (% points)
Total	9.7	8.5	10.4	1.2	-0.7
25 years and over	9.0	7.8	9.6	1.2	-0.7
Men - 25 years and over	10.7	8.6	10.0	2.2	0.8
Women - 25 years and over	7.2	7.0	9.3	0.3	-2.1
15 to 24 years	13.8	12.6	14.4	1.2	-0.6
Men - 15 to 24 years	16.4	13.5	18.4	2.9	-2.0
Women - 15 to 24 years	9.9	11.4	10.4	-1.5	-0.5

Note: Totals may not add due to rounding

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

The labour force failed to keep pace with that of PEI's working-age population, resulting in a lower participation rate in Q1 2019 (ranking PEI fourth in the country behind the Prairies and Alberta). The participation rate for youth males in PEI, at 71.2% in the most recent quarter, was highest in the country.

In the first quarter (Q1) of 2019, the total population aged 15+ in the Atlantic Provinces was 2 million. The Indigenous population living off reserve accounted for 3.6% of that, or 71,200 people. Employment among Indigenous people in the Atlantic provinces reached 37,500, representing an increase of 2700 (7.8%) from a year earlier (Q1 2018). The increase was in full-time positions (+1,100 or +3.9%) and especially in part-time positions (+1,600 or 24.6%).

The unemployment rate among the Indigenous population was 12.4% in Q1 2019, down 3.6 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate was also relatively stable at 9.4% (-1.3pp). Year-over-year, the participation rate among Indigenous people increased to 60% (+0.1pp), at par with the participation rate for the non-Indigenous population at 60.1% (+0.1pp). The employment rate of the Indigenous population increased year-over-year to 52.6% (+2.3pp), and the employment rate amongst the non-Indigenous population reached 54.4% (+0.9%), compared to a year earlier.

Atlantic - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q1 2019	Q1 2018	number	%	Q1 2019	Q1 2018	number	%
Population 15 + ('000)	71.2	69.2	2.0	2.9%	1,930.1	1,922.5	7.6	0.4%
Labour Force ('000)	42.8	41.4	1.4	3.4%	1,160.2	1,153.0	7.2	0.6%
Employment ('000)	37.5	34.8	2.7	7.8%	1,050.9	1,029.4	21.5	2.1%
Full-Time ('000)	29.4	28.3	1.1	3.9%	865.3	850.4	14.9	1.8%
Part-Time ('000)	8.1	6.5	1.6	24.6%	185.6	179.0	6.6	3.7%
Unemployment ('000)	5.3	6.6	-1.3	-19.7%	109.2	123.6	-14.4	-11.7%
Unemployment Rate (%)	12.4	16.0	-3.6	-	9.4	10.7	-1.3	-
Participation Rate (%)	60.0	59.9	0.1	-	60.1	60.0	0.1	-
Employment Rate (%)	52.6	50.3	2.3	-	54.4	53.5	0.9	-

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 annual increase in PEI's employment base in Q1 2019 was largely concentrated in the goods-producing sector. Growth was about evenly distributed across most industries with the exception of **Forestry and Fishing**, which was unchanged.

Construction employment reached 6,100 in Q1 2019, just 100 shy of an all-time quarterly record. The construction industry had a banner year in 2018 and that momentum is expected to carry on into 2019. Based on available estimates, the value of building permits (residential and non-residential) increased by 20% in 2018, driven by residential construction activity. Furthermore, there was a record high 1,092 new urban and rural housing projects started in 2018; and further, construction of multiple-dwelling projects surged by 40%. Growth in new and existing home sales and population were key factors behind 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 over the next few years to meet demand in the residential construction sector. Furthermore, the association projects that an additional 1,800 workers will need to be recruited in the province over the next ten years in order to fill anticipated vacancies arising from attrition.

The **Manufacturing** industry's employment base totalled 6,800 in Q1 2019, which again, is just shy of a quarterly high for the province. The industry continues to thrive thanks in part to a favorable currency position making Island exports more competitive in international markets. Island-based exports grew another 5% on top of a record year in 2017 (in terms of value). The top export products that drove growth include aerospace-related goods and food products (i.e. fresh potatoes).

For the service-sector overall, employment was unchanged in Q1 2019. However, there were some significant changes at the industry level: **Transportation and Warehousing**, for example, experienced the single largest year-over-year gain, supported by robust construction; and manufacturing and export activity.

Employment gains were also noticeable for **Public Administration**; and **Business, Building and Other Support Services**, however growth in these industries were largely offset by wide-spread contractions in most other service industries. Despite being lower year-over-year, employment levels in certain industries, like **Trade**; and **Finance, Insurance and Real Estate**, remain high by historical standards (each falling short of their respective record highs).

Prince Edward Island Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	1st Quarter	4th Quarter	1st Quarter	Quarterly Variation		Yearly Variation	
	2019	2018	2018	Number	%	Number	%
Total employed, all industries	75.8	76.3	75.3	-0.5	-0.6	0.5	0.7
Goods-producing sector	19.4	19.9	19.0	-0.5	-2.3	0.4	2.1
Agriculture	3.7	4.3	3.7	-0.6	-13.8	0.1	1.8
Forestry, fishing, mining, quarrying, oil and gas	2.6	2.7	2.6	-0.1	-4.9	0.0	0.0
Utilities	0.3	0.2	0.2	0.1	50.0	0.1	50.0
Construction	6.1	5.8	5.9	0.3	5.2	0.1	2.2
Manufacturing	6.8	6.8	6.7	0.0	-0.5	0.1	1.5
Services-producing sector	56.4	56.4	56.2	0.0	-0.1	0.1	0.2
Trade	11.3	11.0	11.4	0.3	3.0	-0.1	-0.6
Transportation and warehousing	3.0	2.9	2.1	0.0	1.1	0.9	41.3
Finance, insurance, real estate and leasing	2.7	2.8	2.8	-0.1	-4.8	-0.2	-5.9
Professional, scientific and technical services	3.1	3.3	3.5	-0.2	-6.1	-0.4	-12.3
Business, building and other support services	2.5	2.1	1.8	0.4	20.6	0.8	43.4
Educational services	5.0	5.2	5.4	-0.2	-3.8	-0.4	-6.8
Health care and social assistance	10.6	10.4	10.8	0.1	1.3	-0.3	-2.5
Information, culture and recreation	2.3	2.4	2.8	-0.2	-6.8	-0.6	-20.0
Accommodation and food services	5.4	6.0	5.8	-0.5	-8.9	-0.3	-5.8
Other services	3.0	3.1	3.2	-0.1	-3.2	-0.2	-5.2
Public administration	7.4	7.1	6.6	0.4	5.2	0.8	12.6

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.

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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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