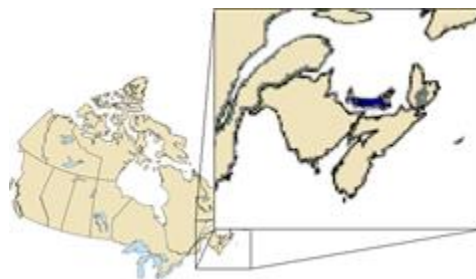




# Labour Market Bulletin

## Prince Edward Island

July 2019



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 remained strong in July. Both the labour force and employment levels reached record highs in the province. The majority of the employment gains were in full-time work, which reached a new record high at 65,900 in July. A notable month-to-month growth in employment outpaced relatively small gains in the labour force, resulting in lower unemployment. The unemployment rate fell by almost 1 percentage point to 8.4% for the month which is close to a record low and representing the fourth lowest monthly rate on record since 1976. There were similar gains in both the labour force and working-age population, as a result, the participation rate was unchanged at 66.4%. The Island's participation rate was third highest in the country and exceeded the national average by nearly a percentage point.

Prince Edward Island Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	July 2019	June 2019	July 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	129.0	128.6	125.7	0.4	0.3	3.3	2.6
<b>Labour Force ('000)</b>	85.7	85.4	84.1	0.3	0.4	1.6	1.9
<b>Employment ('000)</b>	78.5	77.5	76.3	1.0	1.3	2.2	2.9
Full-Time ('000)	65.9	65.1	63.8	0.8	1.2	2.1	3.3
Part-Time ('000)	12.7	12.4	12.4	0.3	2.4	0.3	2.4
<b>Unemployment ('000)</b>	7.2	7.9	7.9	-0.7	-8.9	-0.7	-8.9
<b>Unemployment Rate (%)</b>	8.4	9.3	9.4	-0.9	-	-1.0	-
<b>Participation Rate (%)</b>	66.4	66.4	66.9	0.0	-	-0.5	-
<b>Employment Rate (%)</b>	60.9	60.3	60.7	0.6	-	0.2	-

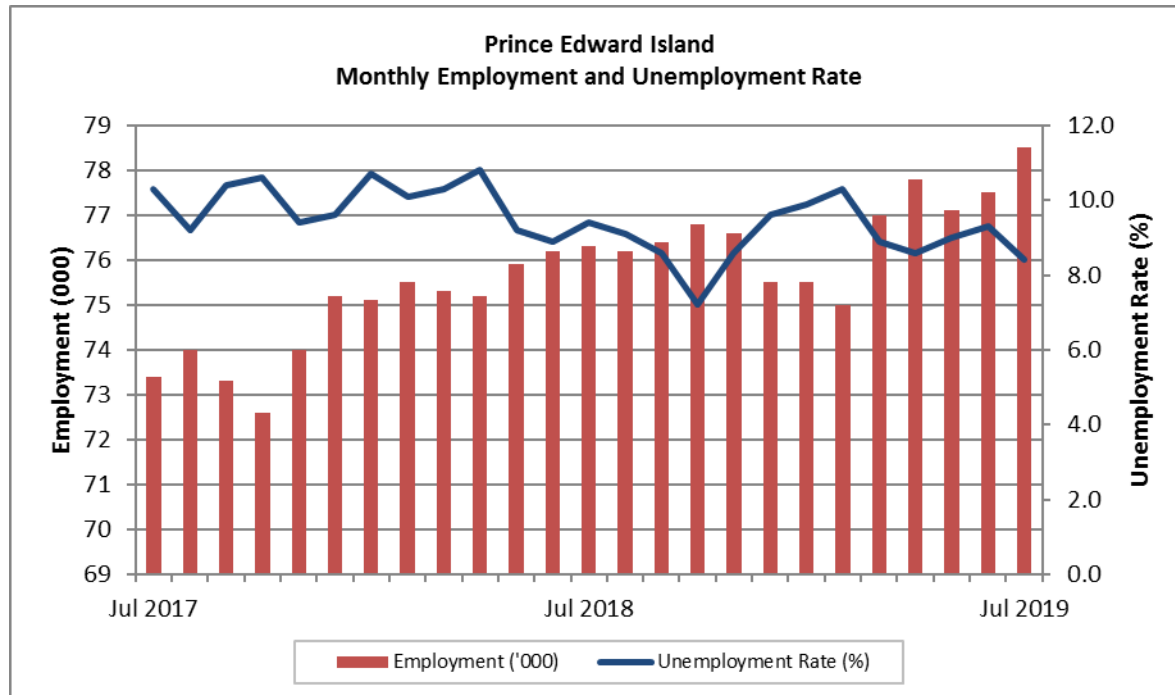
Note: Totals may not add due to rounding

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

Relative to the same period a year ago, the Island's working-age population was 2.6% higher in July 2019, while the labour force increased by 1.9%. More than half of the gains in the labour force was attributed to growth in the number of core-aged workers (aged 25-54 years) most of which were women. The number of older workers (aged

55 years and over) increased by 1.8%, and this was evenly distributed between men and women. The youths cohort (aged 15-24 years) edged up slightly by 0.8%.

PEI’s employment base increased by 2.9% (or 2,200 persons) in July with the majority of the gains split between the core working-age group and youths. With respect to the youth cohort, all of the employment gains were in full-time work. The number of older workers employed also increased year-over-year, by 600, and similar to the other major age categories, most of these gains were full-time in nature.



The entire year-over-year gains in employment in July 2019 were attributed to both the private and public sectors, while the number of those self-employed in the province declined. Public sector employment increased by 1,900 compared to the same period a year ago, while private sector employment rose by 1,500. Public sector employment comprised 28% of PEI’s employment base in July which is amongst the highest in the country (second only to Newfoundland and Labrador at 29%).

The level of unemployment was lower in July 2019 compared to a year ago due to robust growth in employment, which outpaced labour force growth. The unemployment rate decreased by one percentage point to 8.4% from a year ago. Among the major age categories in PEI, youths experienced the greatest change in their unemployment rate, with a decline of 6.4 percentage points year-over-year to 8.7% in July 2019. The unemployment rate for both male and female youths fell by over 6 percentage points during this period.

## Prince Edward Island Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	July 2019	June 2019	July 2018	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
<b>Total</b>	8.4	9.3	9.4	-0.9	-1.0
<b>25 years and over</b>	8.4	8.9	8.4	-0.5	0.0
Men - 25 years and over	10.1	11.6	10.5	-1.5	-0.4
Women - 25 years and over	6.2	6.0	6.1	0.2	0.1
<b>15 to 24 years</b>	8.7	11.0	15.1	-2.3	-6.4
Men - 15 to 24 years	11.9	14.9	18.2	-3.0	-6.3
Women - 15 to 24 years	5.0	6.7	11.5	-1.7	-6.5

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

## EMPLOYMENT BY INDUSTRY

Compared to the previous year, the increase in PEI's employment base was fairly evenly distributed between both the goods and services-producing sectors. Goods-sector employment rose by 5.7% compared to the same period a year ago, driven by growth in **Agriculture** and **Construction**. Employment gains in government-related industries accounted for the majority of the growth in the service-sector which was offset in part by year-over-year job losses in **Information, culture and recreation** and **Accommodation and food services** industries.

**Construction** employment in PEI remains at the high end of the spectrum, totalling 6,200 in July and just 400 short of the all-time high for this industry. Following a banner year in 2018, the construction industry has maintained its momentum throughout the first half of 2019. The value of residential building permits for the first five months of the year is up 50% compared to the same period in 2018; and the volume of new housing construction is up by 8% in the first half of 2019 (driven by construction of multiple-units). In the first five months of this year (January-May 2019) the value of both residential and non-residential building permits was 34% higher than they were over the same period last year, hence suggesting the Island's construction industry is showing little sign of slowing down.

A limiting factor for the industry however, is the unavailability of skilled labour to meet not only growing demand pressures, but to mitigate the effects of impending retirements. According to BuildFORCE Canada, current indications suggest that the industry is experiencing shortages across most construction-occupations. Furthermore, BuildFORCE states that the "...industry will need to replace more than 600 workers projected to retire over the next four years...there is a projected gap of almost 900 additional workers that will need to be recruited from outside the local construction labour market."<sup>1</sup>

PEI's Agriculture industry has been benefitting from increased funding and investment in its aquaculture sub-sector. Funding through the Quality Oyster Aquaculture Program was announced last Fall for projects to promote quality control and innovative technology; and by way of The Atlantic Fisheries Fund, some shellfish companies in PEI have expanded operations and invested in new capital equipment.

Like the construction industry, farmers are experiencing difficulty in finding workers and the industry expects its labour gap will continue to widen over the next few years, according to a report by the Canadian Human Resource Council - "In 2014, the province saw a small gap of 200 unfilled jobs... By 2025, there will be 1,100 more jobs than

<sup>1</sup> BuildFORCE Canada, *Construction & Maintenance Looking Forward, Prince Edward Island* (January 2019)

the domestic workforce can fill...due to attrition and fewer young people entering the agricultural workforce”<sup>2</sup>. Although the industry has shown greater dependence on temporary foreign labour to fill vacancies (with the number of farm worker positions having increased by 26% between Q1 2018 and Q1 2019), the report stated that increased productivity will be a key factor to help limit demand pressures for the industry.

Service-sector employment gains were driven almost entirely by notable increases in **Public administration** and **Health care and social assistance**. These gains were partially offset by job losses in **Accommodation and food services**. The traditional May to October tourist season is underway for 2019 and follows a strong 2018 performance. According to provincial tourism figures for May 2019<sup>3</sup>, visitation by bridge, air and ferry has been on par with 2018, complemented by a slight up-tick in cruise ship visitation. However, a near 50% decline in motorcoach visitation was a limiting factor for the industry.

Prince Edward Island Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	July 2019	June 2019	July 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	78.5	77.5	76.3	1.0	1.3	2.2	2.9
<b>Goods-producing sector</b>	20.4	20.4	19.3	0.0	0.0	1.1	5.7
Agriculture	4.6	4.3	4.0	0.3	7.0	0.6	15.0
Forestry, fishing, mining, quarrying, oil and gas	2.5	2.6	2.7	-0.1	-3.8	-0.2	-7.4
Utilities	0.3	0.3	0.3	0.0	0.0	0.0	0.0
Construction	6.2	6.4	5.7	-0.2	-3.1	0.5	8.8
Manufacturing	6.8	6.8	6.7	0.0	0.0	0.1	1.5
<b>Services-producing sector</b>	58.2	57.1	57.0	1.1	1.9	1.2	2.1
Trade	10.9	10.8	11.2	0.1	0.9	-0.3	-2.7
Transportation and warehousing	2.9	2.6	2.7	0.3	11.5	0.2	7.4
Finance, insurance, real estate and leasing	2.9	2.9	2.9	0.0	0.0	0.0	0.0
Professional, scientific and technical services	3.4	3.5	3.4	-0.1	-2.9	0.0	0.0
Business, building and other support services	2.5	2.2	2.0	0.3	13.6	0.5	25.0
Educational services	5.7	5.7	5.6	0.0	0.0	0.1	1.8
Health care and social assistance	11.1	11.3	10.1	-0.2	-1.8	1.0	9.9
Information, culture and recreation	2.0	2.1	2.9	-0.1	-4.8	-0.9	-31.0
Accommodation and food services	5.7	5.3	6.4	0.4	7.5	-0.7	-10.9
Other services	3.1	3.2	3.2	-0.1	-3.1	-0.1	-3.1
Public administration	7.9	7.6	6.6	0.3	3.9	1.3	19.7

Note: Totals may not add due to rounding

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

<sup>2</sup> Labour Market Forecast: Prince Edward Island Agriculture sector (2014-2025), Canadian Agricultural Human Resource Council.

<sup>3</sup> Prince Edward Island Tourism Indicators, Tourism Industry Association of PEI (June 28, 2019).

**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 further information,** please contact the LMI team at:

[http://www.esdc.gc.ca/cgi-bin/contact/edsc-esdc/eng/contact\\_us.aspx?section=lmi](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](http://www.statcan.gc.ca)

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