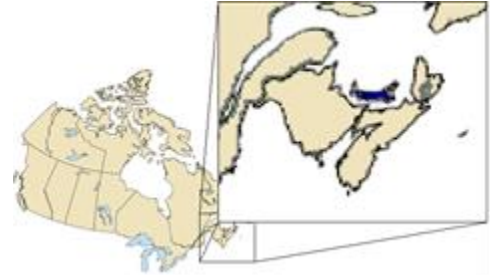




Labour Market Bulletin

Prince Edward Island



November 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 November. The labour force went down a bit from the previous month, however, it is still close to its all-time high reached in September 2019. The level of employment rose modestly in November, to a record 79,000 persons. This was supported by part-time employment growth which offset the month-to-month contraction of those working full-time. With more people working in November and less participating in the labour force, the number of those unemployed declined. P.E.I.'s unemployment rate eased to 8% which is well below normal for the province (which, over the post-recession to 2017 period, has hovered around 11%). With slightly fewer people engaged in the labour market in November, the Island's participation rate edged down slightly. Despite the decline, P.E.I.'s participation rate was the highest east of Saskatchewan.

Prince Edward Island Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Nov 2019	Oct 2019	Nov 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	129.9	129.8	126.6	0.1	0.1	3.3	2.6
Labour Force ('000)	85.9	86.1	83.8	-0.2	-0.2	2.1	2.5
Employment ('000)	79.0	78.9	76.6	0.1	0.1	2.4	3.1
Full-Time ('000)	66.9	67.7	65.6	-0.8	-1.2	1.3	2.0
Part-Time ('000)	12.1	11.2	11.1	0.9	8.0	1.0	9.0
Unemployment ('000)	6.9	7.2	7.2	-0.3	-4.2	-0.3	-4.2
Unemployment Rate (%)	8.0	8.4	8.6	-0.4	-	-0.6	-
Participation Rate (%)	66.1	66.3	66.2	-0.2	-	-0.1	-
Employment Rate (%)	60.8	60.8	60.5	0.0	-	0.3	-

Note: Totals may not add due to rounding

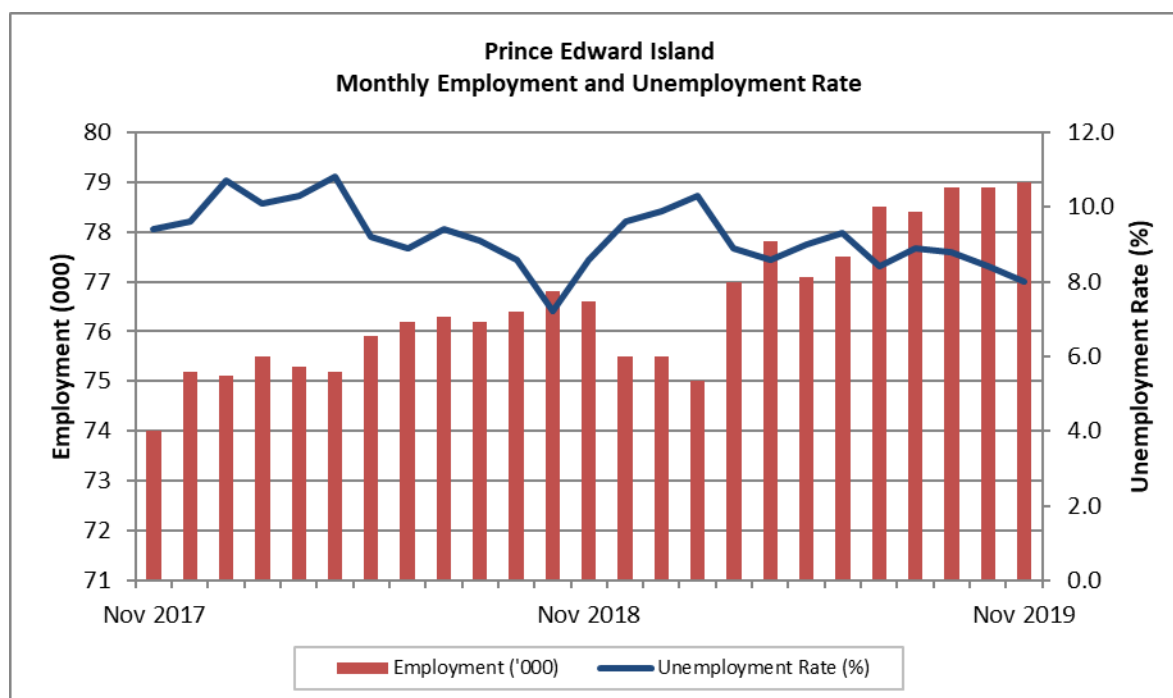
Source: Statistics Canada Labour Force Survey – Table 14-10-0287

The Island's labour market continued to gain traction year-over-year as both labour force and employment levels were higher compared to the same month a year ago. Employment growth outpaced that of the labour force which resulted in a lower level of unemployment. P.E.I.'s labour force rose by 2.5% in November 2019 compared

to a year ago, with significant gains experienced across all major age categories – the majority of which were shared between youths (persons 15-24 years of age) and core-aged workers (25-54 years). The vast majority of labour force growth was attributed to men, particularly those in the core-aged group.

Employment in the province expanded by 3.1% with the majority of the gains explained by more persons in the core-aged group securing employment compared to a year ago. More than half of all workers who found employment year-over-year were core-aged workers, with the slight majority being male.

There were 1,300 more persons employed on a full-time basis in November, and again, the majority were in the core-aged cohort, and males. Following three consecutive months of decline, the number of those working part-time rebounded by 9% in November, with the majority attributed to youths, particularly males.



The year-over-year employment gains were concentrated largely in private sector employment (+4.9%) and the public sector (+8%). A partial offset to these gains were a 12% reduction in the number of self-employed persons in November 2019. More than 1 in 4 persons are employed by the public sector (which includes educational services; health care and social assistance; and public administration) in Prince Edward Island, and this is seven percentage points higher than the national average. British Columbia had the lowest dependence on public sector employment (18%) while Newfoundland and Labrador, the highest (31%).

Employment growth was greater than the increase seen in the labour force which put downward pressure on the Island's unemployment rate. The number of unemployed persons in the province decreased by 4.2% in November 2019, compared to the same month a year ago. A closer inspection reveals that women accounted for the entire decrease in unemployment, particularly among the core-aged and youth cohorts.

The overall unemployment rate in P.E.I. fell to 8% in November. The core-aged cohort experienced the greatest year-over-year decrease in its unemployment rate, having declined by 1.3 percentage points to 6.1% which is just shy of the all-time low for this age group. Youths also experienced a reduction in their unemployment rate compared to the previous year, having dropped by 0.7 of a percentage point. This was attributed largely to an

unemployment rate decrease among youth females. By contrast, the unemployment rate for older workers (aged 55 years +) increased to 10.6% from November 2018.

Prince Edward Island Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Nov 2019	Oct 2019	Nov 2018	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	8.0	8.4	8.6	-0.4	-0.6
25 years and over	7.6	8.2	8.0	-0.6	-0.4
Men - 25 years and over	9.5	10.3	8.7	-0.8	0.8
Women - 25 years and over	5.2	6.0	7.2	-0.8	-2.0
15 to 24 years	11.4	9.0	12.1	2.4	-0.7
Men - 15 to 24 years	14.1	11.1	12.3	3.0	1.8
Women - 15 to 24 years	8.1	6.6	13.6	1.5	-5.5

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

The year-over-year increase in the labour force was about on par with working-age population growth, resulting in a stable participation rate for the province. Youths accounted for the largest increase in labour force participation, which was driven in large part by youth males and to a lesser extent, youth females. This was the only female age category to experience year-over-year growth in November 2019. P.E.I. was one of only two provinces with female youth participation rates in excess of 70% in November 2019, behind Nova Scotia (at 72.9%).

EMPLOYMENT BY INDUSTRY

The year-over-year increase in P.E.I.'s employment base in November 2019 was concentrated entirely in the **Services-producing sector**, particularly in government-related services. The **Goods-producing sector** experienced a contraction in employment, largely attributed to declines in **Forestry, fishing, mining, quarrying, oil and gas** (which could be associated with reduced oil and gas activity out west and in Newfoundland and Labrador); and in **manufacturing. Construction**, however, continues to be a bright spot for the local economy, having increased in employment by 12% year-over-year.

There were 6,500 people employed in construction in November which is just shy of its all-time high recorded in January 2010 (6,600). Residential construction activity has been, and continues to be strong. The value of residential building permits in the province is up over 60% year-to-date (in the three quarters of 2019) while non-residential construction permits are up 5% which follows a robust performance in the previous year. Further to this, growth in the volume of new housing starts in the province is up by 50% to date (compared to the first three-quarters of 2018). Growth in multiples-type complexes in both urban and rural settings continues to drive activity in the industry.

Manufacturing employment declined for the fourth consecutive month, slipping to 5,900 in November. This is the first time employment dipped below 6,000 in three years. Despite the trend in job losses, the industry continues to thrive thanks in part to a favorable currency position, making Island exports more competitive in international markets. Island-based exports are up over 10% year-to-date to September 2019, supported by strong market demand for packaged seafood, pharmaceutical, and electrical equipment products.

Employment growth in the service-sector was primarily attributed to job gains in **Public Administration and Health Care and Social Assistance**. With respect to the former industry, employment levels were at an all-time high for

P.E.I.. This could be in part attributed to growth in administrative work associated with population aging – specifically, the baby-boom generation which is entering the traditional retirement age of 65. This has resulted in higher volumes of applications for programs, such as Canada Pension Plan and Old Age Security.

Employment in **Accommodation and Food Services** has remained on par with the previous year's strong performance. According to provincial tourism figures¹, visitation in 2019 was on par with the previously strong tourism years of 2018 and 2017 (the latter supported by Canada 150 celebrations). For the first nine months of this year, both bridge and air traffic were up by 1.6% and 3.3% respectively. Reduced ferry traffic slightly offset these gains. Cruise ship visitation was up nearly 24% on a year-to-date basis in 2019.

Prince Edward Island Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Nov 2019	Oct 2019	Nov 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	79.0	78.9	76.6	0.1	0.1	2.4	3.1
Goods-producing sector	18.4	19.0	20.4	-0.6	-3.2	-2.0	-9.8
Agriculture	4.3	4.2	4.9	0.1	2.4	-0.6	-12.2
Forestry, fishing, mining, quarrying, oil and gas	1.5	1.9	2.7	-0.4	-21.1	-1.2	-44.4
Utilities	0.3	0.3	0.2	0.0	0.0	0.1	50.0
Construction	6.5	6.5	5.8	0.0	0.0	0.7	12.1
Manufacturing	5.9	6.1	6.8	-0.2	-3.3	-0.9	-13.2
Services-producing sector	60.6	59.9	56.2	0.7	1.2	4.4	7.8
Trade	11.3	11.0	10.9	0.3	2.7	0.4	3.7
Transportation and warehousing	2.8	3.0	2.9	-0.2	-6.7	-0.1	-3.4
Finance, insurance, real estate and leasing	3.2	3.2	2.8	0.0	0.0	0.4	14.3
Professional, scientific and technical services	4.0	3.8	3.2	0.2	5.3	0.8	25.0
Business, building and other support services	2.1	2.2	2.1	-0.1	-4.5	0.0	0.0
Educational services	5.4	5.3	5.3	0.1	1.9	0.1	1.9
Health care and social assistance	11.2	11.4	10.4	-0.2	-1.8	0.8	7.7
Information, culture and recreation	2.4	2.3	2.5	0.1	4.3	-0.1	-4.0
Accommodation and food services	6.4	6.3	6.0	0.1	1.6	0.4	6.7
Other services	3.5	3.4	3.1	0.1	2.9	0.4	12.9
Public administration	8.1	8.1	6.9	0.0	0.0	1.2	17.4

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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¹ Prince Edward Island Tourism Indicators (Release date: November 18, 2019)