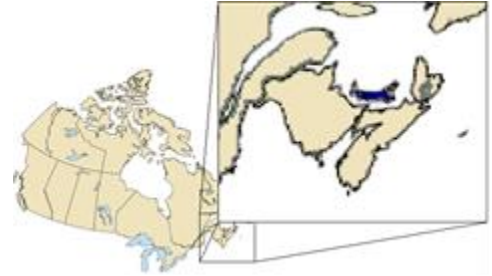




Labour Market Bulletin

Prince Edward Island



December 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 the fourth quarter of 2019. Both the labour force and employment reached record (quarterly) highs. Most of the job gains were in full-time work, which reached 68,200 for the quarter. Employment growth outpaced labour force gains in Q4 2019 resulting in lower unemployment in the province. The unemployment rate averaged 8.1% in the fourth quarter which is the province's lowest quarterly unemployment rate on record. At 66.4%, the Island's labour force participation rate remains above the national average and the third highest in the country, suggesting a healthy level of optimism about employment prospects in the province.

Prince Edward Island Quarterly Labour Force Statistics

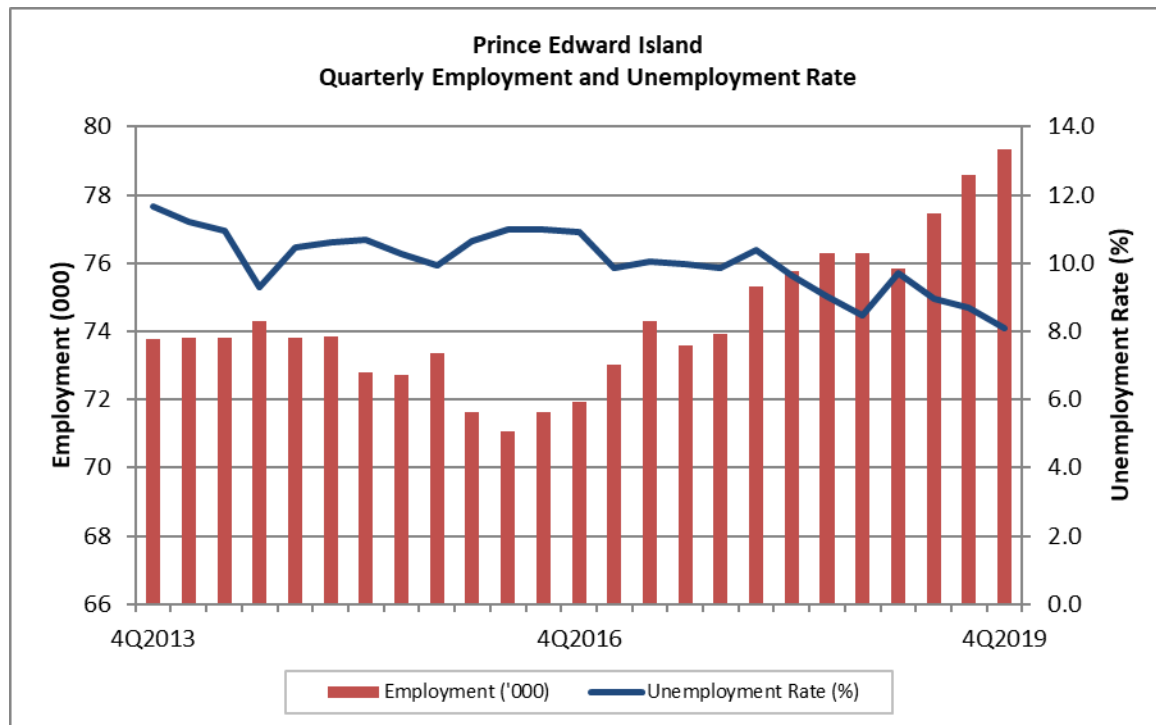
Seasonally Adjusted Quarterly Data	4th Quarter 2019	3rd Quarter 2019	4th Quarter 2018	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	129.9	129.3	126.6	0.6	0.5	3.3	2.6
Labour Force ('000)	86.3	86.1	83.4	0.2	0.2	2.9	3.5
Employment ('000)	79.3	78.6	76.3	0.7	0.9	3.0	3.9
Full-Time ('000)	67.6	66.5	65.0	1.1	1.7	2.6	4.0
Part-Time ('000)	11.7	12.2	11.3	-0.5	-4.1	0.4	3.5
Unemployment ('000)	7.0	7.5	7.1	-0.5	-6.7	-0.1	-1.4
Unemployment Rate (%)	8.1	8.7	8.5	-0.6	-	-0.4	-
Participation Rate (%)	66.4	66.6	65.9	-0.2	-	0.5	-
Employment Rate (%)	61.1	60.8	60.3	0.3	-	0.8	-

Note: Totals may not add due to rounding

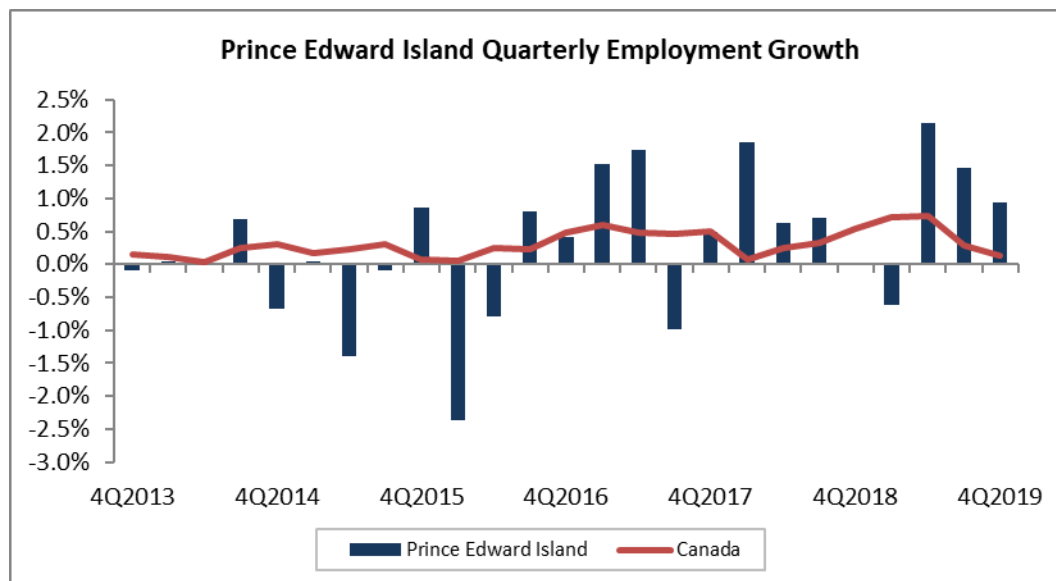
Source: Statistics Canada Labour Force Survey – Table 14-10-0287

The Island's labour force increased by 2,900 or 3.5% compared to the fourth quarter of 2018, attributed mainly to growth in the number of those in the core working-age group (25-54 years) and youth (aged 15-24 years). This represented the largest percentage increases across the country. The number of older workers (aged 55 years and over) participating in the labour force also saw a modest increase.

P.E.I.’s employment in the most recent quarter increased by 3.9% compared to the same quarter a year ago, attributed mainly to full-time employment gains. This was the fastest growth in the country. All of the major age categories experienced gains in full-time employment, with core-aged workers accounting for the largest increase (+1,200). The job gains were split between males and females.



Compared to the fourth quarter in 2018, the gains in employment were primarily among public sector employees. Public sector employment increased by 2.2% and private sector employment fell by 0.5%. Public sector employment makes up 27% of P.E.I.’s employment base which is amongst the highest in the country (second to Newfoundland and Labrador at 30%). The number of self-employed in the province grew 5.3% during this period.



The level of unemployment was slightly lower in the fourth quarter of 2019 compared to a year ago due to employment growth outpacing that of the labour force. The unemployment rate during this period decreased by 0.4 of a percentage point, reaching the lowest quarterly rate on record at 8.1%. Among the major age categories in P.E.I., the unemployment rate among youths was not the highest for only the third time on record, with the highest rate among older workers. The unemployment rate for youth females fell by five percentage points year-over-year (to 6.5% in Q4 2019) and for male youths, the unemployment rate averaged 7.5%, the lowest since 1977. The unemployment rate among older workers grew by 1.2 percentage points relative to a year earlier, to 10.4%, while the rate for the core-working age group was 6.7%.

Prince Edward Island Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	4th Quarter	3rd Quarter	4th Quarter	Quarterly	Yearly
	2019 (%)	2019 (%)	2018 (%)	Variation (% points)	Variation (% points)
Total	8.1	8.7	8.5	-0.6	-0.4
25 years and over	7.9	8.5	7.8	-0.6	0.1
Men - 25 years and over	9.6	10.5	8.6	-0.9	1.0
Women - 25 years and over	5.9	6.3	7.0	-0.4	-1.1
15 to 24 years	9.6	9.7	12.6	-0.1	-3.0
Men - 15 to 24 years	12.3	12.9	13.5	-0.6	-1.2
Women - 15 to 24 years	6.5	6.0	11.4	0.5	-4.9

Note: Totals may not add due to rounding

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

In the fourth quarter (Q4) of 2019, the total population aged 15+ in the Atlantic Provinces was approximately 2 million. The Indigenous population living off reserve accounted for about 3.6% of that, or 72,800 people. Employment among Indigenous people in the Atlantic Provinces was 41,200, unchanged from a year earlier (Q4) 2018. There was a slight increase in full-time positions (+300 or +0.9%) offset by a decrease in part-time positions (-300 or -3.6%).

Atlantic - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q4 2019	Q4 2018	number	%	Q4 2019	Q4 2018	number	%
Population 15 + ('000)	72.8	70.7	2.1	3.0%	1,942.5	1,928.3	14.2	0.7%
Labour Force ('000)	47.1	47.0	0.1	0.2%	1,176.7	1,163.7	13.0	1.1%
Employment ('000)	41.2	41.2	0.0	0.0%	1,083.5	1,074.0	9.5	0.9%
Full-Time ('000)	33.2	32.9	0.3	0.9%	899.8	894.7	5.1	0.6%
Part-Time ('000)	8.0	8.3	-0.3	-3.6%	183.8	179.2	4.6	2.6%
Unemployment ('000)	5.9	5.8	0.1	1.7%	93.2	89.8	3.4	3.8%
Unemployment Rate (%)	12.6	12.3	0.3	-	7.9	7.7	0.2	-
Participation Rate (%)	64.7	66.4	-1.7	-	60.6	60.3	0.3	-
Employment Rate (%)	56.5	58.2	-1.7	-	55.8	55.7	0.1	-

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.

The unemployment rate among the Indigenous population was 12.6% in Q4 2019, up 0.3 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate increased to 7.9% (+0.2pp). Year-over-year, the participation rate among Indigenous people decreased to 64.7% (-1.7pp), while the participation rate for the non-Indigenous population increased slightly to 60.6% (+0.3pp). The employment rate of the Indigenous population decreased year-over-year to 56.5% (-1.7pp), and the employment rate amongst the non-Indigenous population reached 55.8% (+0.1%).

EMPLOYMENT BY INDUSTRY

The annual increase in P.E.I.'s employment base in the fourth quarter of 2019 was almost entirely in the services-producing sector (+7.0%), particularly in **Public administration** and **Healthcare and social assistance**. Goods-sector employment decreased (-4.5%) as a result of job losses in **Forestry, fishing, mining, quarrying, oil and gas** and **Manufacturing**, though there was strong growth in **Construction**.

Employment in the services-producing industries on P.E.I. reached a record high of 60,300 in the fourth quarter of 2019. Job gains were widespread, increasing in all but two industries. There was a notable increase in **Public administration** of 1,000, which reached an all-time high of 8,100. This could be in part attributed to higher volumes of applications for programs, such as Canada Pension Plan and Old Age Security as a result of the baby-boom generation entering the traditional retirement age of 65. Record highs were also reached in **Health care and social assistance** at 11,300, **Finance, insurance, real estate, rental and leasing** at 3,300 and **Professional, scientific, and technical services** at 4,000. The only two service industries to see employment declines were **Transportation and warehousing**, down by 200, and **Information, culture and recreation**, which fell by 100.

Employment in **Accommodation and Food Services** has improved on previous year's strong performance, growing by 700. 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 ten months of this year, both bridge and air traffic were up by 1.9% and 3.0% respectively. Reduced ferry traffic slightly offset these gains. Cruise ship visitation was up over 28% on a year-to-date basis in 2019.

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 employment grew by 900 year-over-year to 6,700, reaching a record level. Following a banner year in 2018, the construction industry has maintained its momentum throughout 2019. As immigration levels reach new highs and the population continues to age, the demand for new housing construction continues to surge on the Island. A limiting factor for the industry however, is the unavailability of skilled labour to the growing demand for workers and to mitigate the affects of impending retirements. According to BuildFORCE Canada, current indications suggest that the industry is experiencing shortages across most construction-occupations. Furthermore, BuildFORCE states that "...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."²

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

² BuildFORCE Canada, *Construction & Maintenance Looking Forward, Prince Edward Island* (January 2019)

Prince Edward Island Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	4th Quarter 2019	3rd Quarter 2019	4th Quarter 2018	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	79.3	78.6	76.3	0.7	0.9	3.0	4.0
Goods-producing sector	19.0	19.8	19.9	-0.8	-4.2	-0.9	-4.5
Agriculture	4.3	4.4	4.3	0.0	-0.8	0.0	0.0
Forestry, fishing, mining, quarrying, oil and gas	1.7	2.4	2.7	-0.7	-29.6	-1.1	-39.0
Utilities	0.3	0.3	0.2	0.0	-11.1	0.1	33.3
Construction	6.7	6.3	5.8	0.4	6.9	0.9	16.2
Manufacturing	6.0	6.5	6.8	-0.5	-7.2	-0.8	-11.7
Services-producing sector	60.3	58.8	56.4	1.5	2.5	3.9	7.0
Trade	11.3	11.0	11.0	0.3	2.7	0.3	3.0
Transportation and warehousing	2.8	3.0	2.9	-0.2	-6.7	-0.2	-5.7
Finance, insurance, real estate and leasing	3.3	3.0	2.8	0.3	8.9	0.5	16.7
Professional, scientific and technical services	4.0	3.5	3.3	0.5	13.3	0.7	20.2
Business, building and other support services	2.2	2.4	2.1	-0.3	-11.0	0.1	3.2
Educational services	5.4	5.5	5.2	-0.1	-1.8	0.2	3.2
Health care and social assistance	11.3	11.2	10.4	0.1	1.2	0.9	8.6
Information, culture and recreation	2.3	2.2	2.4	0.1	4.5	-0.1	-4.1
Accommodation and food services	6.4	6.0	6.0	0.4	6.7	0.4	6.7
Other services	3.4	3.2	3.1	0.2	6.3	0.2	7.4
Public administration	8.1	7.8	7.1	0.2	3.0	1.0	14.2

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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