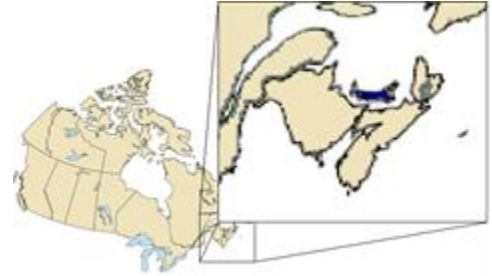




Labour Market Bulletin

Prince Edward Island



February 2021

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

OVERVIEW

The Island's labour force experienced modest growth in February 2021, driven entirely by increased numbers of people entering / returning to the labour force in search of work, while the number of people employed contracted slightly. Employment in the most recent month remains nearly 5% lower than it was in February 2020 – one month prior to the initial impact of the Coronavirus pandemic. February's employment losses were concentrated in full-time work, while an increase in the number of those working part-time helped offset the decline. The unemployment rate in the province rose by 1.3 percentage points to 9.2% in February, and compares to the pre-pandemic jobless rate of 8% a year ago. With the labour force having outpaced working-age population growth, the Island's participation rate increased slightly to 64.4%, well below what it was a year ago.

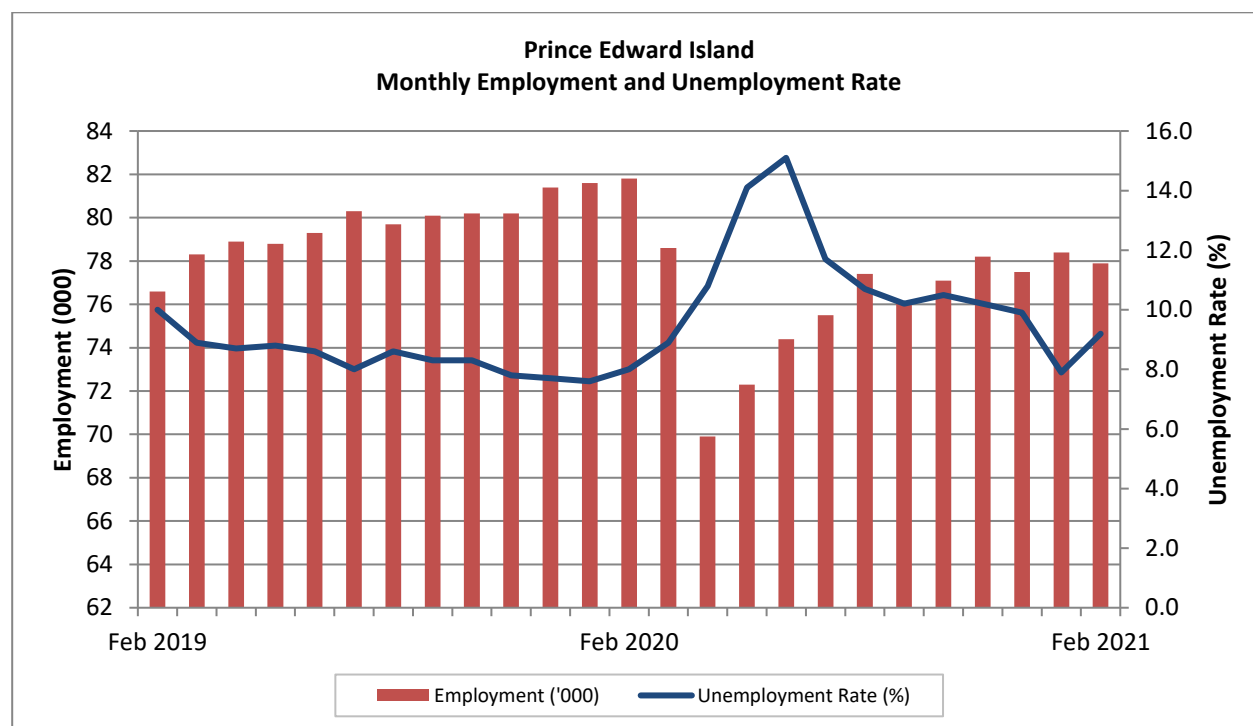
Prince Edward Island Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Feb 2021	Jan 2021	Feb 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	133.2	133.1	131.7	0.1	0.1	1.5	1.1
Labour Force ('000)	85.8	85.1	88.9	0.7	0.8	-3.1	-3.5
Employment ('000)	77.9	78.4	81.8	-0.5	-0.6	-3.9	-4.8
Full-Time ('000)	65.5	66.6	69.5	-1.1	-1.7	-4.0	-5.8
Part-Time ('000)	12.3	11.8	12.3	0.5	4.2	0.0	0.0
Unemployment ('000)	7.9	6.7	7.1	1.2	17.9	0.8	11.3
Unemployment Rate (%)	9.2	7.9	8.0	1.3	-	1.2	-
Participation Rate (%)	64.4	63.9	67.5	0.5	-	-3.1	-
Employment Rate (%)	58.5	58.9	62.1	-0.4	-	-3.6	-

Note: Totals may not add due to rounding

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

The Island’s labour force totalled 85,800 in February 2021, and remains 3.5% below what it was a year ago – the month preceding the devastating impact of COVID-19. The monthly increase in the labour force was attributed entirely to older workers (55 years and over) – evenly distributed between men and women. The number of youths (15-24 years of age) in the labour force remains considerably lower than it was a year ago (-13.5%) thanks to the lingering effects of the pandemic. Further, women account for the majority of youths out of the labour force. By contrast, the number of older workers and those in the core-aged cohort is within reach of pre-pandemic levels, just 2.7% and 1.2% below what they were in February 2020, respectively.



There were 77,900 persons employed in February 2021, down 4.8% compared to the same month a year ago. Again, female youths accounted for the majority of this decline (-22% year over year). Although employment remains well below its pre-pandemic level, the gap has shrunk considerably. The largest labour market shock from COVID-19 was experienced in April when employment on P.E.I. plunged to 86% of its pre-pandemic level in February.

Employment levels for men in the core-aged and older worker cohorts are slightly above their February 2020 pre-pandemic levels. The exception, however, is male youths, where there were 10% fewer employed in the most recent month. The number of employed women across the three major age groups remain considerably lower year-over-year.

The number of workers employed full-time in February 2021 was nearly 6% lower year-over-year, with contractions felt across all age groups – with the greatest impact attributed to youths, particularly males in this case. The number of female youth working full-time was just over 5% lower year-over-year, compared to an 18.4% contraction in the number of male youths. Labour market conditions were relatively favorable toward female youths working full-time, however, not so much with respect to older, female workers (-12.3% year-over-year and compared to a -3.2% decline for older worker males).

Part-time employment levels in the province were on par with pre-pandemic levels in February 2020, with men experiencing annual gains across all major age categories. These gains, however, were offset by fewer women working part-time, reflected across the three age categories – particularly youths.

The Island's unemployed pool in February 2021 deepened considerably compared to the previous month, and exceeded February 2020 levels by over 11%. At 9.2%, the Island's unemployment rate is 1.2 percentage points higher year-over-year. Among the major age categories, the largest monthly variation occurred for core-aged workers, with the unemployment rate for this cohort being 2 percentage points higher, at 8.6%. Female youths accounted for the largest variation, by gender (+3.8 percentage points).

Prince Edward Island Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Feb 2021 %	Jan 2021 %	Feb 2020 %	Monthly Variation (% points)	Yearly Variation (% points)
Total	9.2	7.9	8.0	1.3	1.2
25 years and over	8.6	7.0	7.5	1.6	1.1
Men - 25 years and over	8.8	6.6	8.7	2.2	0.1
Women - 25 years and over	8.4	7.3	6.3	1.1	2.1
15 to 24 years	12.5	12.9	10.1	-0.4	2.4
Men - 15 to 24 years	11.3	13.9	8.0	-2.6	3.3
Women - 15 to 24 years	13.8	10.0	11.1	3.8	2.7

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

The participation rate among youths was 61.8% in February 2021, down by over 10 percentage points year-over-year, attributed in large part to fewer women in the labour force. Overall, the Island's participation rate was 3.1% lower compared to its February 2020 pre-pandemic level, however, at 64.4% in the most recent month, P.E.I. had the highest participation rate among its Atlantic counterparts in January, and just shy of the national average (64.7%).

EMPLOYMENT BY INDUSTRY

The slight monthly contraction in employment in February 2021 was largely concentrated in the **services-producing sector**, which comprised about 95% of its February 2020 pre-pandemic level. A number of industries in the sector (where close contact is required) continue to lag behind pre-COVID levels of employment. Specifically, **wholesale and retail trade; information, culture and recreation**; and especially, the **accommodation and food services** industry. Overall **goods-sector** employment was within close proximity of pre-pandemic levels in the most recent month – the exception being **construction**. It should be noted however, that employment levels for both trade and construction, for example, were near all-time highs in February 2020, which can overstate the year-over-year contractions.

The **accommodation and food services** industry in February experienced a sharp decline of 18.2% from the previous month, and remains the furthest behind pre-COVID employment levels. Since the onset of the pandemic, the industry maintained a consistent pace of recovery up to December 2020 – when employment declined sharply, reflecting both the suspension of the Atlantic Bubble, and the “circuit breaker” measures imposed by the Chief Public Health Office. This included a ban on in-room dining at restaurants. Islanders were also advised to stay at home as much as possible, further reducing demand for restaurant services.

The “circuit breaker” restrictions were eased in the latter part of December, and eased further in early January, reflecting the rollout of Covid-19 vaccinations in the province. This allowed for the re-opening of many non-essential businesses, cultural and recreational facilities, and some in-person dining, which enabled the industry in January to recoup its December losses. The number of people working in the industry was 27% lower in February 2021 than 12 months earlier. Another circuit breaker was announced for P.E.I. on February 27 to curb and contain the spread of COVID-19 as new cases were identified. This came seven days after the February LFS reference week, and any associated labour market impacts would be captured in the March LFS data.

Employment in the **construction** industry eased in February 2021, following strong growth observed in the prior month. The industry has fared relatively well throughout the pandemic and employment continues to be supported by strong residential and non-residential construction activity. Although the number of new housing starts in the province was down by 23% in 2020, it is worth noting that total volume of new builds reached a record level in 2019. In fact, the number of new housing starts in the province has increased by 40% on an average annual basis between 2017 and 2019. Construction of multiple-units has been driving residential activity in the province. Non-residential building permits increased by nearly 32% in 2020 driven by institutional and commercial projects.

In industries where close contact with others is less necessary, more workers tended to do their job from home during the pandemic, including those in **professional, scientific, and technical services; finance, insurance and real estate**; and **public administration**. These same industries have employment levels in February 2021 at or above pre-pandemic February 2020 levels.

Prince Edward Island Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Feb 2021	Jan 2021	Feb 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	77.9	78.4	81.8	-0.5	-0.6	-3.9	-4.8
Goods-producing sector	19.9	19.7	20.4	0.2	1.0	-0.5	-2.5
Agriculture	3.8	3.4	4.5	0.4	11.8	-0.7	-15.6
Forestry, fishing, mining, quarrying, oil and gas	2.2	2.6	1.6	-0.4	-15.4	0.6	37.5
Utilities	0.2	0.2	0.2	0.0	0.0	0.0	0.0
Construction	6.5	6.6	7.2	-0.1	-1.5	-0.7	-9.7
Manufacturing	7.2	7.0	6.9	0.2	2.9	0.3	4.3
Services-producing sector	58.0	58.8	61.4	-0.8	-1.4	-3.4	-5.5
Trade	10.5	10.5	11.9	0.0	0.0	-1.4	-11.8
Transportation and warehousing	2.7	2.5	2.7	0.2	8.0	0.0	0.0
Finance, insurance, real estate and leasing	3.0	2.8	3.0	0.2	7.1	0.0	0.0
Professional, scientific and technical services	4.0	4.1	3.9	-0.1	-2.4	0.1	2.6
Business, building and other support services	1.8	2.3	2.2	-0.5	-21.7	-0.4	-18.2
Educational services	6.4	6.3	5.8	0.1	1.6	0.6	10.3
Health care and social assistance	11.4	11.5	11.6	-0.1	-0.9	-0.2	-1.7
Information, culture and recreation	2.2	2.5	2.5	-0.3	-12.0	-0.3	-12.0
Accommodation and food services	4.5	5.5	6.2	-1.0	-18.2	-1.7	-27.4
Other services	2.6	2.2	3.6	0.4	18.2	-1.0	-27.8
Public administration	8.9	8.6	7.9	0.3	3.5	1.0	12.7

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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