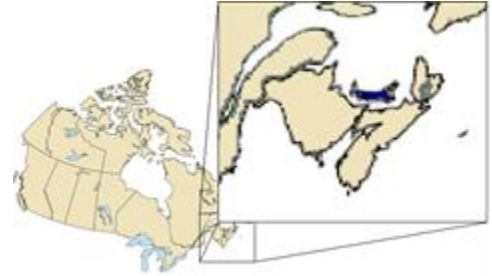




Labour Market Bulletin

Prince Edward Island



April 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 and employment levels experienced a slight contraction in April on route to recovery from the full impact of the COVID-19 pandemic felt exactly one year earlier. To date, both employment and the labour force have recovered 96% and 97% of their pre-COVID February 2020 levels, respectively, and have been idling at these rates since the fall of 2020 indicating recovery has stalled. Indeed, over this period, the province has had to impose multiple short-term circuit breaker lockdown measures in response to new cases with public exposure, as well as ongoing suspension of the Atlantic Bubble, which collectively, has limited the pace of recovery in the province.

Prince Edward Island Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	April 2021	March 2021	April 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	133.5	133.4	132.1	0.1	0.1	1.4	1.1
Labour Force ('000)	85.8	86.2	78.4	-0.4	-0.5	7.4	9.4
Employment ('000)	78.9	79.2	69.9	-0.3	-0.4	9.0	12.9
Full-Time ('000)	66.3	65.8	60.8	0.5	0.8	5.5	9.0
Part-Time ('000)	12.6	13.4	9.1	-0.8	-6.0	3.5	38.5
Unemployment ('000)	7.0	7.0	8.5	0.0	0.0	-1.5	-17.6
Unemployment Rate (%)	8.2	8.1	10.8	0.1	-	-2.6	-
Participation Rate (%)	64.3	64.6	59.3	-0.3	-	5.0	-
Employment Rate (%)	59.1	59.4	52.9	-0.3	-	6.2	-

Note: Totals may not add due to rounding

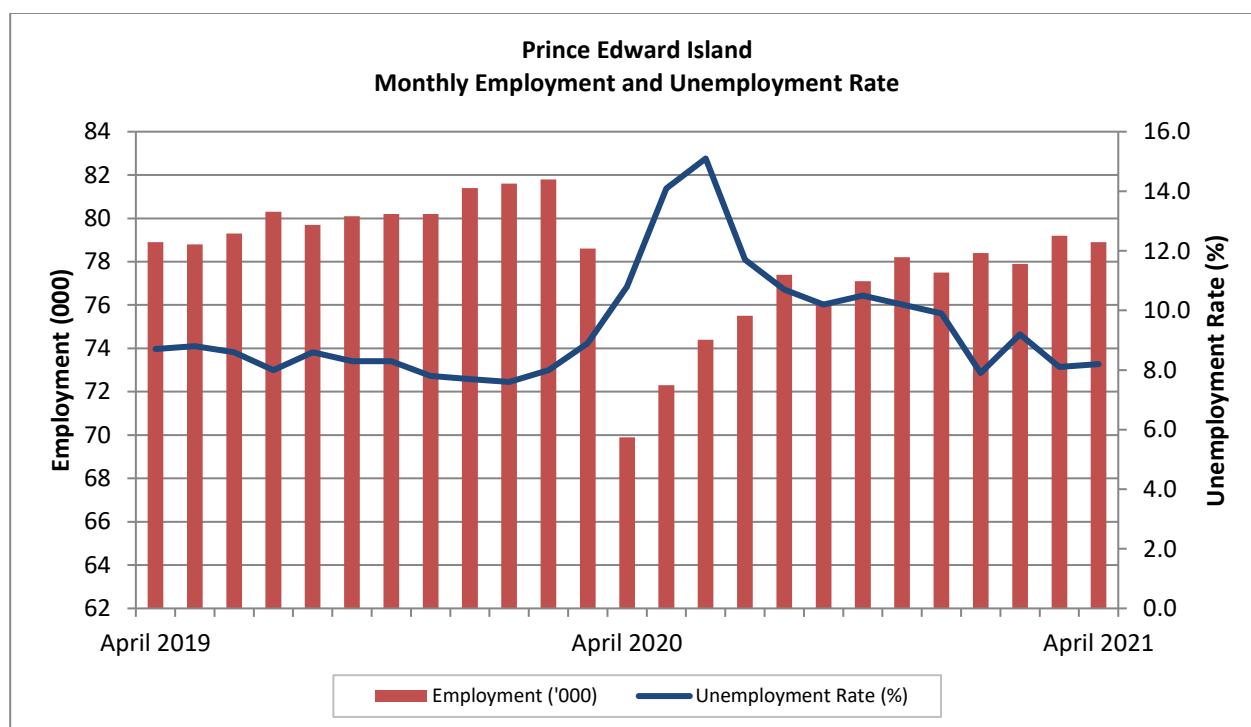
Source: Statistics Canada Labour Force Survey – Table 14-10-0287

There were some full-time employment gains in April 2021; however, a relatively larger contraction in part-time work offset these gains. The unemployment rate in the province edged up to 8.2%, which is down 2.6 percentage

points below what it was in April 2020 – the month in which the full-force of the pandemic was felt. The Island’s participation rate slipped slightly to 64.3%.

The Island’s employment base totalled 78,900 in April 2021, and has regained 9,000 of the nearly 12,000 lost at the onset of the pandemic. The recovery to date has not been even among gender and age groups. Men have accounted for the majority of the annual gain (+5,100), half of which attributed to the core-aged cohort (25-54 years of age), followed by youths (15-24 years of age) and older workers (55 years and over). To date, the number of employed men is above pre-pandemic levels for both core-aged and older workers, and for male youths, employment levels are near what they were prior to the pandemic.

Progress has been relatively slower for women, especially for the youths cohort. Overall, the level of female employment in April 2021 is 92% of what it was prior to the pandemic, with women in the core-aged group near full recovery. For youths, however, employment levels are just 83% of what they were before the pandemic; and for female older workers, recovery has been relatively better, with employment at 88% of pre-pandemic levels.



The Island’s unemployed pool in April 2021 was unchanged from the previous month. At 8.2%, the Island’s unemployment rate is in line with what it was at the dawn of the pandemic in February 2020. However, distorting this is a sustained and elevated number of people who remain out of the labour force altogether. In February 2020, just before the economic shutdown, there were close to 43,000 people not participating in the Island labour market. By April 2020, that number jumped to nearly 54,000, or an increase of 18%. Since then, the number of people out of the labour force remains 11% higher than pre-pandemic levels.

Prince Edward Island Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	April 2021	March 2021	April 2020	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	8.2	8.1	10.8	0.1	-2.6
25 years and over	7.6	7.4	10.2	0.2	-2.6
Men - 25 years and over	8.3	8.2	8.9	0.1	-0.6
Women - 25 years and over	6.5	6.1	11.3	0.4	-4.8
15 to 24 years	11.4	13.0	14.7	-1.6	-3.3
Men - 15 to 24 years	9.7	12.5	15.5	-2.8	-5.8
Women - 15 to 24 years	13.1	11.9	14.0	1.2	-0.9

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

The participation rate among youths was 63.8% in April 2021, down by over 8 percentage points year-over-year, attributed in large part to fewer women participating in the labour force. Overall, the Island's participation rate was 3.2% lower compared to its February 2020 pre-pandemic level, however, at 64.3% in the most recent month, P.E.I. had the highest participation rate among its Atlantic counterparts.

EMPLOYMENT BY INDUSTRY

The slight monthly contraction in employment in April 2021 was largely concentrated in the **services-producing sector**, which comprised about 96% 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, the **wholesale and retail trade** industry and the **accommodation and food services** industry. Overall **goods-producing sector** employment was within close proximity of pre-pandemic levels in the most recent month – the exception being the **construction** industry. 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 April contracted for the third consecutive month, and remains the furthest behind industries on the road to recovery to pre-COVID employment levels. After having generated some momentum from the rollout of the province's pandemic related recovery phases earlier in the year, and the Atlantic Provinces Travel Bubble, the industry maintained a respectable pace of recovery up until November's suspension of the Atlantic Bubble and December's circuit breaker. Easing of restrictions later in December and the rollout of COVID-19 vaccinations helped the industry rebound in January 2021, when employment surged by 22% (having recouped its December losses). However, in February, the province announced another circuit breaker resulting in a sharp decline in employment. Public health restrictions were eased in mid-March however travel restrictions remaining in place and the Atlantic Bubble was suspended due to a third wave affecting its Maritime counterparts.

Employment in the **wholesale and retail trade** industry contracted by 3.6% from the previous month and with respect to recovery, the level of employment is 90% of what it was just prior to the pandemic. Categories of retail trade that have fared relatively well throughout the pandemic include electronics and appliances, building

supplies, health and personal care, and grocery stores. By contrast, clothing retailers, gas stations, and motor vehicle sales and parts dealers experienced reduced sales. With respect to this latter category, the volume of new motor vehicle sales in the province declined by 14% in 2020, to an 8 year low.

Employment in the **construction** industry rose for the third consecutive month in April 2021. The industry has fared relatively well throughout the pandemic and employment continues to be supported by strong residential and non-residential construction activity. Indeed, for the first quarter of 2021, the number of new single dwelling housing starts are up considerably year-over-year, complemented by an 80% rise in the value of residential building permits. Non-residential permits are up by 230% in the first quarter of this year, 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 the **professional, scientific, and technical services** and **public administration** industries. These same industries have employment levels in April 2021 at or above pre-pandemic February 2020 levels.

Prince Edward Island Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	April 2021	March 2021	April 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	78.9	79.2	69.9	-0.3	-0.4	9.0	12.9
Goods-producing sector	19.8	19.9	17.9	-0.1	-0.5	1.9	10.6
Agriculture	3.7	3.5	3.7	0.2	5.7	0.0	0.0
Forestry, fishing, mining, quarrying, oil and gas	2.5	2.4	1.5	0.1	4.2	1.0	66.7
Utilities	0.2	0.2	0.2	0.0	0.0	0.0	0.0
Construction	6.8	6.7	6.0	0.1	1.5	0.8	13.3
Manufacturing	6.7	7.0	6.5	-0.3	-4.3	0.2	3.1
Services-producing sector	59.1	59.3	52.0	-0.2	-0.3	7.1	13.7
Trade	10.7	11.1	9.5	-0.4	-3.6	1.2	12.6
Transportation and warehousing	2.5	2.6	2.4	-0.1	-3.8	0.1	4.2
Finance, insurance, real estate and leasing	2.8	3.0	2.7	-0.2	-6.7	0.1	3.7
Professional, scientific and technical services	4.5	4.4	3.9	0.1	2.3	0.6	15.4
Business, building and other support services	2.1	1.9	2.2	0.2	10.5	-0.1	-4.5
Educational services	6.3	6.2	5.4	0.1	1.6	0.9	16.7
Health care and social assistance	11.2	11.5	10.0	-0.3	-2.6	1.2	12.0
Information, culture and recreation	2.7	2.6	2.1	0.1	3.8	0.6	28.6
Accommodation and food services	4.1	4.3	2.6	-0.2	-4.7	1.5	57.7
Other services	3.2	2.8	3.3	0.4	14.3	-0.1	-3.0
Public administration	9.0	8.9	7.9	0.1	1.1	1.1	13.9

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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