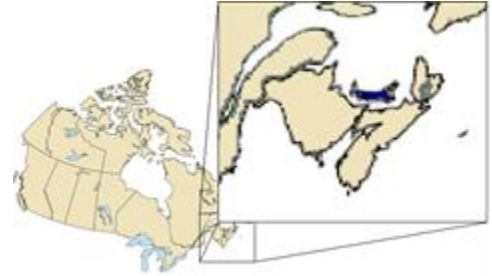




Labour Market Bulletin

Prince Edward Island



November 2021

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

OVERVIEW

Prince Edward Island's labour market has been resilient in its recovery from the lingering effects of the COVID-19 pandemic since its onset in early 2020. In the most recent month, the Island's labour force and employment bases reached record levels, at 90,200 and 82,900 respectively, and both surpassed their pre-pandemic February 2020 levels. Although full-time employment in the province remains just short of full recovery, the number of those working part-time was also at a record-high in November 2021. The number of people who have not yet returned to the labour force since the onset of the pandemic remains elevated, however, there was greater labour force participation in November compared to the previous month, which helped boost the Island's participation rate to 66.4% (the third highest in the country). The unemployment rate was 8% in November, which is down by just over a percentage-point from the previous month, and matches its February 2020 pre-pandemic level.

Prince Edward Island Monthly Labour Force Statistics

Seasonally Monthly Data	Adjusted	Nov 2021	Oct 2021	Nov 2020	Monthly Variation		Yearly Variation	
					Number	%	Number	%
Population 15 + ('000)		135.9	135.6	133.0	0.3	0.2	2.9	2.2
Labour Force ('000)		90.2	88.1	87.1	2.1	2.4	3.1	3.6
Employment ('000)		82.9	80.0	78.2	2.9	3.6	4.7	6.0
Full-Time ('000)		68.4	68.3	64.9	0.1	0.1	3.5	5.4
Part-Time ('000)		14.5	11.8	13.3	2.7	22.9	1.2	9.0
Unemployment ('000)		7.2	8.0	8.9	-0.8	-10.0	-1.7	-19.1
Unemployment Rate (%)		8.0	9.1	10.2	-1.1	-	-2.2	-
Participation Rate (%)		66.4	65.0	65.5	1.4	-	0.9	-
Employment Rate (%)		61.0	59.0	58.8	2.0	-	2.2	-

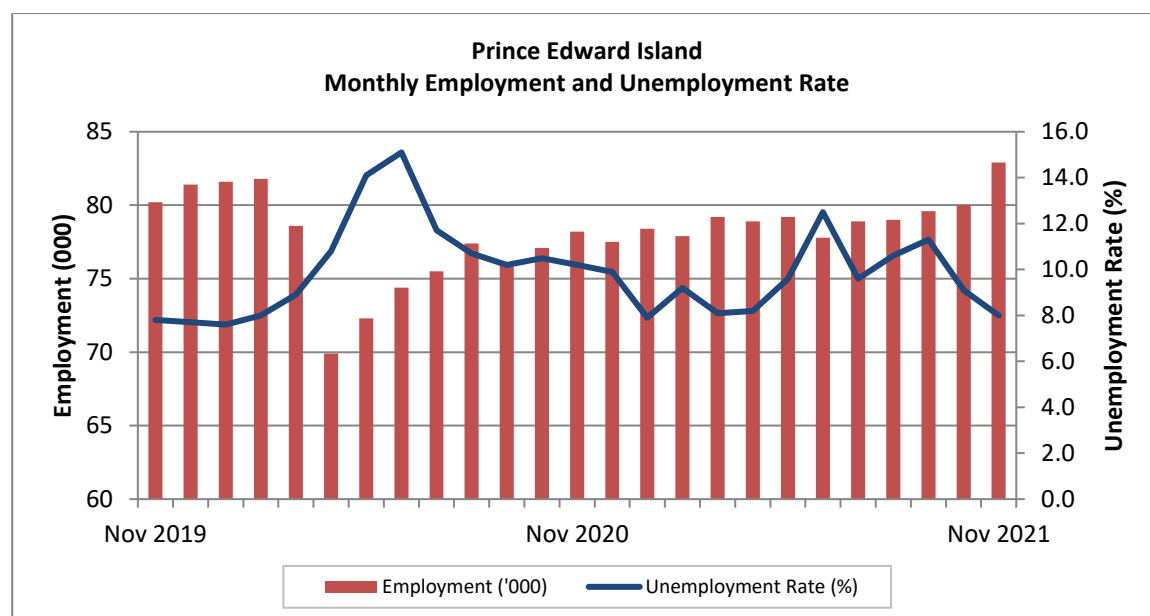
Note: Totals may not add due to rounding

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

The labour force in November 2021 increased by 2.4% from the previous month. On a year-to-date basis (“YTD”), in the first eleven months of 2021, the labour force increased by 2% over the same period in 2020, and was 1.2% higher relative to the 2019 YTD period before the pandemic. The vast majority of the labour force growth in November can be attributed to more men participating in the labour market relative to the previous month, particularly those of the core-aged group (25-54 years of age) and youths (15-24 years). For women, there was little change in labour force levels month-over-month. Although notably fewer female youth (15-24 years) participated in the labour market in November, this decline was offset by increased participation in women in both the core-aged and older worker (55+ years) groups.

To date, the number of men in the labour force exceeds its pre-pandemic levels across all major age categories. By contrast, recovery continues to remain slower for women: with labour force participation just 89% of its February 2020 pre-pandemic level for older workers and 88% for youths. The number of core-aged females is on par with its pre-pandemic labour force base.

The number of people not participating in the labour force in November 2021 decline by almost 4% from the previous month, and that level remains about 7% higher than what it was in February 2020, just before the pandemic hit. This suggests that the Island’s labour market has yet to fully correct for the COVID-induced shock it felt in early 2020. Between January and November 2021, the number of people not participating in the labour force averaged 46,600 and this compares to the pre-pandemic, 2019 YTD figure of 43,600. This means that there remains an additional 3,000 persons, on average, who had some form of labour market attachment prior to the pandemic, but continue to remain unattached (i.e. either not seeking or available to work) as the economy continues to recover. Approximately 3 in 4 persons who remain unattached are in the older worker cohort and the vast majority of which are female.



The Island’s employment base reached a record 82,900 persons in November 2021, surpassing the prior record set just before the pandemic, in February 2020, at 81,800. On a YTD basis, however, Island employment in 2021 is on par with what it was over the same period in 2019, and is up 3.4% compared to the first eleven months of 2020,

indicating that economic recovery continues to gain momentum – supported by increasing vaccination rates and easing of public health restrictions.

The employment recovery to date has not been even among gender and age groups. As of November 2021, employment levels for men in all major age categories are at par with what they were in February 2020, however progress continues to lag for women – particularly for the older worker cohort and to a lesser degree, youths. Overall, the level of female employment in November 2021 is 96% of what it was prior to the pandemic with the core-aged group the only major age category having fully recovered their February pre-COVID employment level. Although there was little month-to-month change in the level of full-time workers in the most recent month, there was a considerable increase in part-time employment. The vast majority of the additional 2,700 part-time jobs in November can be attributed to more men working, especially youths.

Unemployment in the province decreased to 7,200 persons in November 2021, down 10% from the previous month. This decline was the result of more people securing employment. The Island's unemployment rate, at 8% in November, matches what it was in February 2020, at the dawn of the pandemic.

Prince Edward Island Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Nov 2021	Oct 2021	Nov 2020	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	8.0	9.1	10.2	-1.1	-2.2
25 years and over	7.6	7.4	9.0	0.2	-1.4
Men - 25 years and over	9.0	9.7	8.8	-0.7	0.2
Women - 25 years and over	6.0	4.7	9.5	1.3	-3.5
15 to 24 years	9.9	17.6	16.1	-7.7	-6.2
Men - 15 to 24 years	13.6	19.8	16.2	-6.2	-2.6
Women - 15 to 24 years	4.8	14.7	15.9	-9.9	-11.1

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

The Island's participation rate in November 2021, at 66.4%, increased 1.4 percentage points from the previous month, and remains a percentage point lower compared to its February 2020 pre-pandemic rate. Growth in the labour force in the most recent month helped P.E.I.'s participation rate to surpass the national average (65.3%) and rank third highest across the country. Further to this, the participation rates for Island males in each of the major age categories were highest in the country in November.

EMPLOYMENT BY INDUSTRY

Employment growth in November 2021 was concentrated largely in the goods-producing sector – particularly in **manufacturing** and to a lesser extent, in **agriculture**¹ and **construction**. Employment in the services-sector also increased but by a relatively modest rate with notable employment gains in **health care and social assistance**; and **information, culture and recreation**. A contraction in **accommodation and food services** employment limited growth in this sector in November.

Prince Edward Island Monthly Employed Labour Force, by Industry

Seasonally Data ('000)	Adjusted	Nov 2021	Oct 2021	Nov 2020	Monthly Variation		Yearly Variation	
					Number	%	Number	%
Total employed, all industries		82.9	80.0	78.2	2.9	3.6	4.7	6.0
Goods-producing sector		21.9	19.8	19.3	2.1	10.6	2.6	13.5
Agriculture		4.3	4.0	3.4	0.3	7.5	0.9	26.5
Forestry, fishing, mining, quarrying, oil and gas		2.2	1.9	2.2	0.3	15.8	0.0	0.0
Utilities		0.4	0.5	0.2	-0.1	-20.0	0.2	100.0
Construction		6.1	5.9	6.5	0.2	3.4	-0.4	-6.2
Manufacturing		8.8	7.5	7.1	1.3	17.3	1.7	23.9
Services-producing sector		61.1	60.2	58.9	0.9	1.5	2.2	3.7
Trade		11.5	11.4	10.6	0.1	0.9	0.9	8.5
Transportation and warehousing		2.5	2.4	2.6	0.1	4.2	-0.1	-3.8
Finance, insurance, real estate and leasing		2.5	2.6	3.1	-0.1	-3.8	-0.6	-19.4
Professional, scientific and technical services		4.7	4.7	4.5	0.0	0.0	0.2	4.4
Business, building and other support services		2.1	2.1	2.6	0.0	0.0	-0.5	-19.2
Educational services		6.1	5.7	5.8	0.4	7.0	0.3	5.2
Health care and social assistance		12.1	11.5	11.4	0.6	5.2	0.7	6.1
Information, culture and recreation		2.8	2.3	2.2	0.5	21.7	0.6	27.3
Accommodation and food services		4.7	5.1	5.5	-0.4	-7.8	-0.8	-14.5
Other services		3.2	3.4	2.5	-0.2	-5.9	0.7	28.0
Public administration		8.9	9.1	8.2	-0.2	-2.2	0.7	8.5

Note: Totals may not add due to rounding

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

The monthly employment gain in P.E.I.'s **manufacturing** industry reflects increased shipment values of manufactured products over the January-September 2021 period, relative to the same period during the pandemic year. Indeed, shipment values for non-durable goods – particularly seafood products – have increased

¹ The agriculture industry in P.E.I. was severely impacted by the November 21/22 announcements banning exports of both seed and fresh potatoes to the U.S. following detection of potato wart on two Island farms in October. This month's bulletin is based on LFS data reflecting labour market conditions during the week of November 7 to the 13th and therefore, the labour market impact from this export ban would not yet be reflected in the data. However, a November 2 announcement suspending movement of just seed potatoes to the U.S. would have been captured in the November LFS.

considerably in the first three quarters of the year (+16%), and is a key driver supporting growth in manufacturing activity to date. Furthermore, export values of both processed and fresh seafood are up considerably year-to-date, as are certain durable exports, like manufactured industrial machinery products.

The level of employment in the Island's **construction** industry over the January to November 2021 period averaged 6,000 workers which is 6.8% below what it was over the same period in 2019, before the pandemic. Despite the lower levels in employment, all indications point toward robust construction activity in the province in the current period, which is expected to continue over the next couple of years. This is driven by major construction projects associated with the Building Canada Fund; provincial capital investment; ongoing residential construction and development; and infrastructure upgrades in preparation for the Canada Winter Games in 2023; as well as other major projects that have been approved or are currently underway.

The level of employment in the **accommodation and food services (AFS)** industry over the January to November 2021 period averaged 4,600 persons, and remains well below its pre-pandemic level (-23%), when compared to the same period in 2019. Despite its slow recovery, the industry did manage to recoup some of its pandemic-induced losses during this year's tourist season thanks to the implementation of the provincial government's reopening plan for the Summer/Fall period. The plan allowed for increased personal gathering sizes and restaurant capacity; and expanded travel within the region as well as domestic travel outside Atlantic Canada. According to provincial tourism statistics between April and September 2021, considerable year-over-year gains were experienced in tourist traffic, by way of the Confederation Bridge, air, and ferry services; as well as motorcoach traffic during the August and September months. Visitation at certain national parks and golf courses also surged.

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 information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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