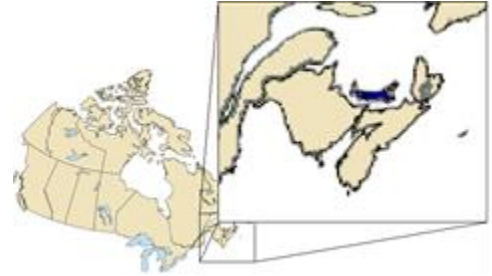




Labour Market Bulletin

Prince Edward Island

January 2022



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

OVERVIEW

In the near two years following the onset of COVID-19, Prince Edward Island's labour market has proven resilient - with both its labour force and employment bases reaching record levels in recent months. Despite both indicators having experienced monthly declines in January 2022, of 1.4% and 3.5% respectively, they remain considerably higher on a year-over-year basis. The monthly contraction in the most recent month in part reflects stricter public health measures put in place due to the spread of the Omicron variant (which resulted in reduced capacity limits on personal gatherings, gyms/fitness facilities, retail and restaurants; schools returning to online learning; and stoppage of indoor sports and recreational activities). The first case in the province was confirmed on December 14, 2021, which followed the December 5-11 Labour Force Survey period, so the impact of these restrictions on the labour market were captured in the January 2022 survey.

Prince Edward Island Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Jan 2022	Dec 2021	Jan 2021	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	136.7	136.4	133.1	0.3	0.2	3.6	2.7
Labour Force ('000)	89.2	90.5	85.2	-1.3	-1.4	4.0	4.7
Employment ('000)	80.6	83.5	78.2	-2.9	-3.5	2.4	3.1
Full-Time ('000)	68.1	68.2	66.2	-0.1	-0.1	1.9	2.9
Part-Time ('000)	12.4	15.3	12.0	-2.9	-19.0	0.4	3.3
Unemployment ('000)	8.6	7.0	7.0	1.6	22.9	1.6	22.9
Unemployment Rate (%)	9.6	7.7	8.2	1.9	-	1.4	-
Participation Rate (%)	65.3	66.3	64.0	-1.0	-	1.3	-
Employment Rate (%)	59.0	61.2	58.8	-2.2	-	0.2	-

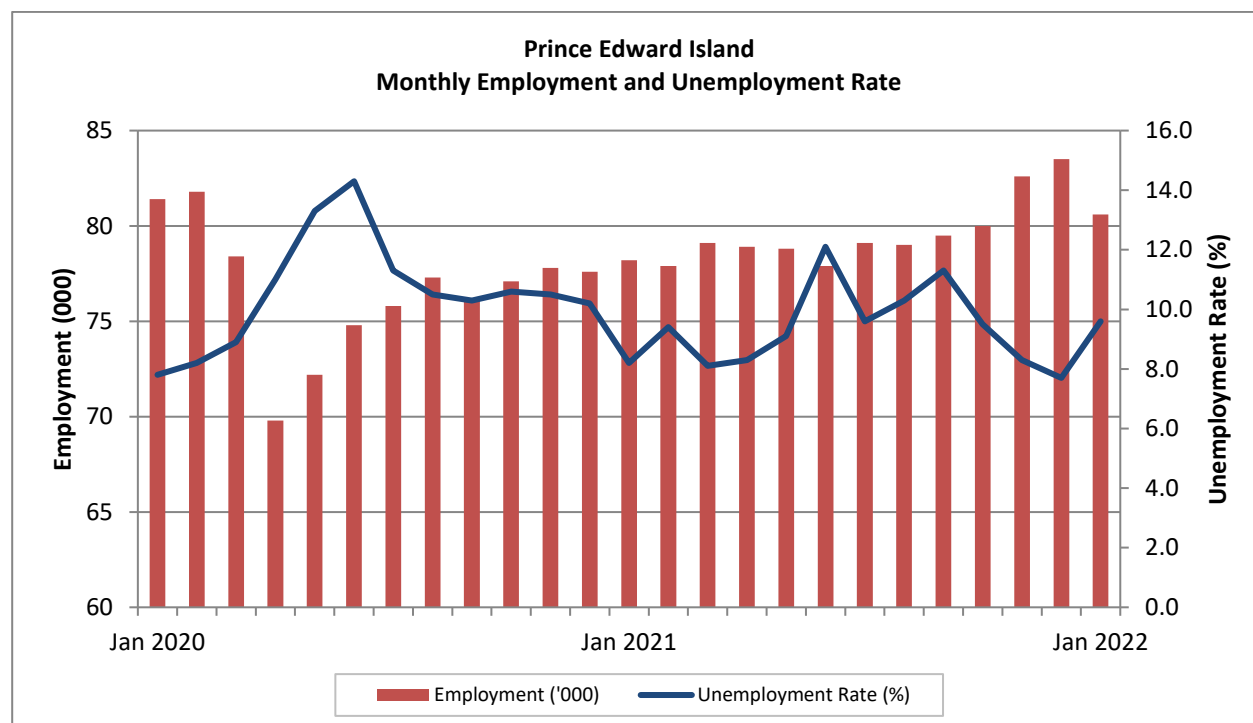
Note: Totals may not add due to rounding

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

The unemployment rate climbed to 9.6% in the most recent month – up by nearly 2 percentage points from December. The Island’s participation rate, at 65.3% in January 2022, fell slightly compared to the previous month and remains below its February 2020 pre-pandemic level of 67.7%.

The labour force contracted in January 2022 from a record level set in the prior month and remains high by historical standards (and slightly above its February pre-pandemic level). The majority of the decline in January is attributed to fewer women in the labour market relative to the previous month, specifically in the youth age group (15-24 years). A notable increase in participation of older worker (55+ years) females helped contain the decline.

Labour force recovery from the pandemic has been (and continues to be) disproportionate among gender and age groups. For men, the labour force was relatively quick to recover from the initial shock felt in early 2020 having reached pre-pandemic levels by October of the same year - in all major age categories – and growing since. By contrast, the female labour force has yet to reach its pre-pandemic level nearly two years since COVID-19 hit. For core-aged females, its labour force has idled close to what it was in February 2020 but has yet to gain any traction. For women belonging to the older worker and youth age categories, labour force recovery continues to lag which, in January 2022, was just 92% and 64%, respectively, of their February 2020 pre-pandemic levels. In fact, the number of youth females in the labour force in the most recent month declined by 20% to 4,700, which was the lowest on record. This suggests that younger females were most impacted by the recent public health restrictions imposed in late December.



The number of people not participating in the labour force in January 2021 increased by 3.5% from the previous month, and the majority of this growth was attributed to youth females. A total of 47,500 persons were not in the

Island's labour force in January 2022 which is close to 12% higher than what it was in February 2020, just before the pandemic hit. This means that there remains about 5,000 persons who had some form of labour market attachment prior to the pandemic, but continue to remain unattached for whatever reason (i.e. either not seeking or available to work).

The Island's employment base totalled 80,600 in January 2022 and is down slightly from its all-time high in the previous month. The impact of the recent public health restrictions was felt across the board. Women were impacted the most – especially youths. As of January 2022, employment levels for men in all major age categories are above what they were in February 2020, however progress continues to lag for women. Overall, the level of female employment in the most recent month is just 89% of what it was prior to the pandemic – the lowest level since June 2020. This was attributed to a 21% decline in the number of youth women employed in January. All of the jobs lost in January 2022 were part-time and most were attributed to the youth age group.

Prince Edward Island Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Jan 2022	Dec 2021	Jan 2021	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	9.6	7.7	8.2	1.9	1.4
25 years and over	9.7	8.1	7.2	1.6	2.5
Men - 25 years and over	9.6	9.7	6.7	-0.1	2.9
Women - 25 years and over	9.9	6.3	7.8	3.6	2.1
15 to 24 years	9.2	5.9	13.6	3.3	-4.4
Men - 15 to 24 years	10.6	6.5	15.3	4.1	-4.7
Women - 15 to 24 years	6.4	5.1	11.7	1.3	-5.3

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

Unemployment in the province increased to 8,600 persons in January, up 23% from the previous month – again, reflecting public health restrictions imposed to control the spread of the Omicron variant. The Island's unemployment rate rose to 9.6% in the most recent month.

The Island's participation rate in January 2022, at 65.3%, decreased by a percentage point from the previous month, and remains 2.4 percentage points below its February 2020 pre-pandemic rate. P.E.I.'s participation rate exceeded the national average (65%) in the most recent month and continues to rank highest in the Atlantic region. Further to this, the participation rates for Island males in both the youth and older worker categories were highest in the country in January.

EMPLOYMENT BY INDUSTRY

The contraction in employment in January 2022 was concentrated largely in the services-producing sector – particularly in the **wholesale and retail trade**; and **information, culture and recreation industries**. Additional public health measures were added in December to prevent further community transmission of COVID-19 in the province which directly impacted these industries in respect to employment and hours worked. For example, the Chief Public Health Office imposed 50% capacity limits on retail businesses; and vax pass events, such as theatres, gyms, community gatherings, casinos and so on. Furthermore, all indoor sport and recreational activities in the province were halted, affecting organized sports, tournaments, competitions, games, team training and practices.

Prince Edward Island Monthly Employed Labour Force, by Industry

Seasonally Data ('000)	Adjusted	Jan 2022	Dec 2021	Jan 2021	Monthly Variation		Yearly Variation	
					Number	%	Number	%
Total employed, all industries		80.6	83.5	78.2	-2.9	-3.5	2.4	3.1
Goods-producing sector		20.7	21.4	19.6	-0.7	-3.3	1.1	5.6
Agriculture		3.8	3.9	3.4	-0.1	-2.6	0.4	11.8
Forestry, fishing, mining, quarrying, oil and gas		2.0	2.2	2.8	-0.2	-9.1	-0.8	-28.6
Utilities		0.3	0.3	0.2	0.0	0.0	0.1	50.0
Construction		7.1	6.5	6.3	0.6	9.2	0.8	12.7
Manufacturing		7.4	8.5	6.9	-1.1	-12.9	0.5	7.2
Services-producing sector		59.9	62.1	58.6	-2.2	-3.5	1.3	2.2
Trade		10.9	11.9	10.5	-1.0	-8.4	0.4	3.8
Transportation and warehousing		2.2	1.9	2.5	0.3	15.8	-0.3	-12.0
Finance, insurance, real estate and leasing		2.5	2.5	2.8	0.0	0.0	-0.3	-10.7
Professional, scientific and technical services		4.5	4.7	4.1	-0.2	-4.3	0.4	9.8
Business, building and other support services		1.9	1.8	2.3	0.1	5.6	-0.4	-17.4
Educational services		5.7	6.0	6.3	-0.3	-5.0	-0.6	-9.5
Health care and social assistance		12.2	12.3	11.4	-0.1	-0.8	0.8	7.0
Information, culture and recreation		2.5	3.6	2.4	-1.1	-30.6	0.1	4.2
Accommodation and food services		4.5	4.7	5.3	-0.2	-4.3	-0.8	-15.1
Other services		3.5	3.5	2.4	0.0	0.0	1.1	45.8
Public administration		9.5	9.3	8.6	0.2	2.2	0.9	10.5

Note: Totals may not add due to rounding

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

Manufacturing employment declined by nearly 13% from record high levels experienced in the previous two months. In fact, the number of people employed in manufacturing in the most recent month remains well above pre-pandemic levels. The industry has experienced strong shipment values of non-durable goods throughout 2021 (i.e. especially for seafood products and fresh fish). The industry's reliance on non-durable processing activity, as well as pharmaceutical manufacturing, are key factors supporting the provincial economy through the pandemic.

The **construction** industry has fared relatively well throughout the pandemic and employment in the most recent month continues to be supported by strong residential and non-residential construction activity. Indeed, the level of employment in January 2022 is just shy of its all-time high reported in December 2019, right before the onset of the pandemic. In terms of construction activity in the province: the value of residential building permits is up by 28% in 2021, compared to the pandemic-year; and the number of new single dwelling housing starts 42% higher compared to what they were in 2020. Non-residential permits in 2021 are down from a record level set in 2020, but remains considerably higher than historical levels (driven by a 50% increase in the value of commercial building permits).

***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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