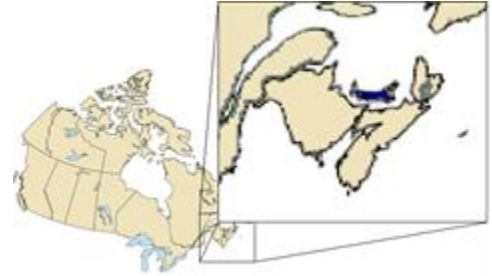




Labour Market Bulletin

Prince Edward Island



February 2022

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

OVERVIEW

This month marks the near two-year anniversary since the onset of the COVID-19 pandemic and the Island's labour market continues to strengthen – with both its labour force and employment bases reaching record levels in February. Despite the province having to contend with escalating cases of COVID-19 since the January Labour Force Survey - and imposing stricter public health measures for a brief period, government in response implemented a new wage rebate program to help impacted businesses maintain staff during the restrictions period (which ranged from January 19-31). The easing of public health measures in the province occurred on January 31, which included return to in-class learning for all K-12 schools; and on February 8th, the province unveiled its transition plan to living with COVID-19, outlining further easing of restrictions. The first of three transitional steps in the plan was put in effect on February 17th, which was the tail end of the survey period.

Prince Edward Island Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Feb 2022	Jan 2022	Feb 2021	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	137.2	136.7	133.2	0.5	0.4	4.0	3.0
Labour Force ('000)	92.2	89.2	86.0	3.0	3.4	6.2	7.2
Employment ('000)	83.9	80.6	77.9	3.3	4.1	6.0	7.7
Full-Time ('000)	70.4	68.1	65.5	2.3	3.4	4.9	7.5
Part-Time ('000)	13.5	12.4	12.4	1.1	8.9	1.1	8.9
Unemployment ('000)	8.3	8.6	8.1	-0.3	-3.5	0.2	2.5
Unemployment Rate (%)	9.0	9.6	9.4	-0.6	-	-0.4	-
Participation Rate (%)	67.2	65.3	64.6	1.9	-	2.6	-
Employment Rate (%)	61.2	59.0	58.5	2.2	-	2.7	-

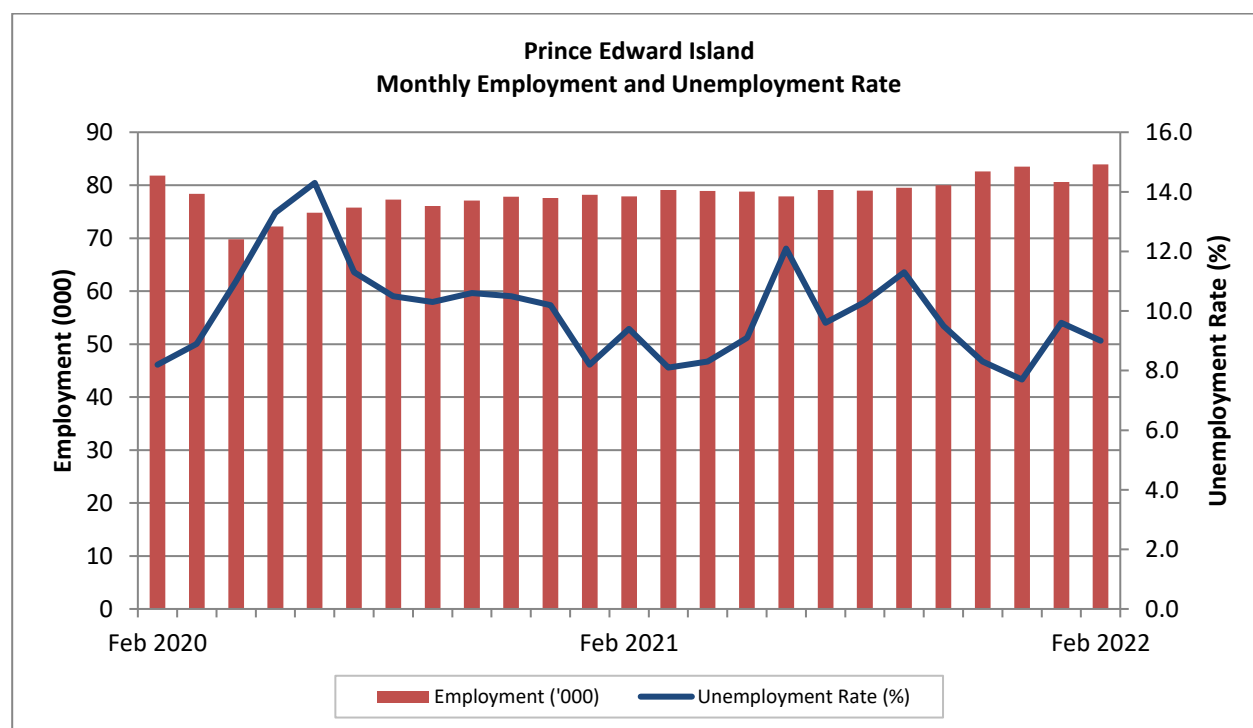
Note: Totals may not add due to rounding

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

The unemployment rate in P.E.I. eased by 0.6 of a percentage point, to 9% in the most recent month. The Island’s participation rate, at 67.2% in February 2022, rose from the previous month and is almost at par with its February 2020 pre-pandemic level of 67.7%.

The labour force expanded in February 2022 by 3.4%, exceeding its February pre-pandemic level. The majority of the increase in February is fully attributed to more women participating in the labour market relative to the previous month, particularly those in the youth age group (15-24 years). There were respectable gains in participation rates for women in the core-age category (25-54 years) as well as older workers (55+ years). By contrast, there were fewer men in the labour force in February.

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 overall has only reached its pre-pandemic level in the most recent month – with its core-aged group slightly above pre-pandemic levels. For women in the older worker and youth age categories, labour force recovery continues to lag its male counterparts, but did gain traction in the most recent month – having increased to 94% and 95%, of their February 2020 pre-pandemic levels, respectively.



The number of people not participating in the labour force in February 2022 decreased by 5.3% from the previous month, again, attributed to a surge of youth females entering the labour force. A total of 45,000 persons were not in the Island’s labour force in the most recent month, which is close to 5.6% higher than what it was in February 2020, just before the pandemic hit. This means that there remains about 2,400 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 83,900 in February 2022 and marks the third time in the last four months it surpassed record levels. The impact of the public health restrictions imposed in January was felt across the board with women most impacted (particularly youths). However, restrictions eased on January 31 and this seemed to support a significant return of women to the local labour market for all the major age categories. Core-aged males was the only group to experience monthly employment gains in February (+4%), but this was more than offset by contractions of 9.5% and 5.4% for youths and older workers, respectively.

Due to monthly employment growth (+4.1%) having outpaced labour force growth (+3.4%) in February, the level of unemployment in the province declined (-3.5%). Again, this in part reflects easing of public health restrictions at the end of January. The Island's unemployment rate dropped to 9% in the most recent month.

Prince Edward Island Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Feb 2022	Jan 2022	Feb 2021	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	9.0	9.6	9.4	-0.6	-0.4
25 years and over	8.1	9.7	8.6	-1.6	-0.5
Men - 25 years and over	8.8	9.6	8.9	-0.8	-0.1
Women - 25 years and over	7.1	9.9	8.4	-2.8	-1.3
15 to 24 years	13.1	9.2	13.7	3.9	-0.6
Men - 15 to 24 years	14.6	10.6	12.7	4.0	1.9
Women - 15 to 24 years	11.4	6.4	15.0	5.0	-3.6

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

The Island's participation rate in February 2022, at 67.2%, increased by nearly 2 percentage points from the previous month - just shy of its February 2020 pre-pandemic rate. P.E.I.'s participation rate exceeded the national average (65.4%) in the most recent month and continues to rank third highest in the country. Further to this, the participation rate for Island youths was highest in the country in February, at 74.1%.

EMPLOYMENT BY INDUSTRY

Employment growth in the most recent month was concentrated in the services-producing sector – particularly in the wholesale and retail trade; accommodation and food services; and the professional, scientific and technical services industries. For the goods-sector, employment varied little from the previous month.

The retail industry benefitted from the recent easing of public health measures – particularly relating to increased capacity in stores. **Wholesale and retail trade** employment was up by 10% in February from the previous month and supported by robust consumer spending over the past year: retail sales in the province was up 20% in 2021

compared to 2020 and it should be noted that the value of retail spending during the pandemic year reached a record \$2.535 billion in P.E.I.. Motor vehicle sales continue to drive growth in retail spending, with new vehicle sales up by 24% in 2021 (and volumes up 14%). Wholesale and retail trade employment totaled 12,000 in February 2022, and is on par with its February 2020 pre-pandemic level.

The **accommodation and food services (AFS)** industry greatly benefitted from the recent easing of public health measures in the province, specifically: increased capacity for in-room dining (effective January 31); and no restriction on closing time for restaurants (effective February 17). Employment in the industry totalled 5,600 persons in February, which is an increase of over 24% compared to the previous month. Although a significant improvement, industry employment remains 11% below its February 2020 pre-pandemic employment level. A full recovery is in sight for the industry providing the province continues to roll out its transition plan with further easing of restrictions – a timely initiative as the tourist season approaches.

Prince Edward Island Monthly Employed Labour Force, by Industry

Seasonally Data ('000)	Adjusted	Feb 2022	Jan 2022	Feb 2021	Monthly Variation		Yearly Variation	
					Number	%	Number	%
Total employed, all industries		83.9	80.6	77.9	3.3	4.1	6.0	7.7
Goods-producing sector		20.4	20.7	19.8	-0.3	-1.4	0.6	3.0
Agriculture		3.5	3.8	3.8	-0.3	-7.9	-0.3	-7.9
Forestry, fishing, mining, quarrying, oil and gas		1.9	2.0	2.4	-0.1	-5.0	-0.5	-20.8
Utilities		0.3	0.3	0.2	0.0	0.0	0.1	50.0
Construction		7.1	7.1	6.4	0.0	0.0	0.7	10.9
Manufacturing		7.6	7.4	7.1	0.2	2.7	0.5	7.0
Services-producing sector		63.5	59.9	58.1	3.6	6.0	5.4	9.3
Trade		12.0	10.9	10.6	1.1	10.1	1.4	13.2
Transportation and warehousing		2.1	2.2	2.6	-0.1	-4.5	-0.5	-19.2
Finance, insurance, real estate and leasing		2.3	2.5	3.0	-0.2	-8.0	-0.7	-23.3
Professional, scientific and technical services		5.2	4.5	4.0	0.7	15.6	1.2	30.0
Business, building and other support services		1.8	1.9	1.8	-0.1	-5.3	0.0	0.0
Educational services		6.3	5.7	6.4	0.6	10.5	-0.1	-1.6
Health care and social assistance		12.5	12.2	11.5	0.3	2.5	1.0	8.7
Information, culture and recreation		2.5	2.5	2.1	0.0	0.0	0.4	19.0
Accommodation and food services		5.6	4.5	4.6	1.1	24.4	1.0	21.7
Other services		3.6	3.5	2.7	0.1	2.9	0.9	33.3
Public administration		9.7	9.5	8.9	0.2	2.1	0.8	9.0

Note: Totals may not add due to rounding

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

The service-sector continues to benefit from sustained employment growth in the **professional, scientific and technical services** industry. Indeed, the province's digital technology and bioscience sectors have been a driving force behind the growth since the pandemic, thanks in large part to ongoing investment/funding and expansions

in new partnerships and markets, as well as existing infrastructure. Employment in the industry totalled 5,200 in the most recent month, up by nearly 16% compared to the previous month – and 30% higher year-over-year.

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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