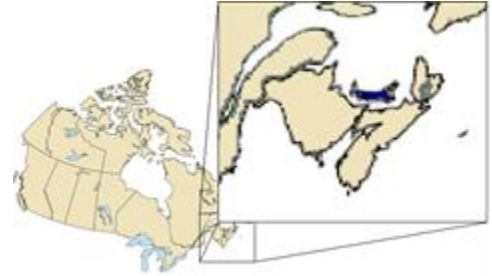




Labour Market Bulletin

Prince Edward Island



March 2022

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

OVERVIEW

This quarter marks the two-year anniversary since the COVID-19 pandemic began causing shockwaves throughout the world, and the Island's labour market continues to recover and strengthen. Both labour force and employment bases reached record levels in the first quarter (Q1) of 2022. Furthermore, full-time employment was at a record high in Q1 as well. Despite the province having to contend with escalating cases of COVID-19 since the January Labour Force Survey, and in turn, stricter public health measures, a new wage rebate program was introduced for impacted businesses to help maintain staff during the temporary restrictions period. The easing of public health measures in the province occurred at the end of January, which included return to in-class learning for all K-12 schools; and in early February, the province unveiled its transition plan outlining further easing of restrictions that spans to the end of April.

Prince Edward Island Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Quarterly Data	1st Quarter 2022	4th Quarter 2021	1st Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	137.2	136.0	133.2	1.2	0.9	4.0	3.0
Labour Force ('000)	91.2	89.7	85.8	1.5	1.7	5.4	6.3
Employment ('000)	83.1	82.0	78.4	1.1	1.3	4.7	6.0
Full-Time ('000)	69.8	68.2	65.8	1.6	2.3	4.0	6.1
Part-Time ('000)	13.2	13.8	12.6	-0.6	-4.3	0.6	4.8
Unemployment ('000)	8.1	7.6	7.4	0.5	6.6	0.7	9.5
Unemployment Rate (%)	8.9	8.5	8.6	0.4	-	0.3	-
Participation Rate (%)	66.5	66.0	64.4	0.5	-	2.1	-
Employment Rate (%)	60.6	60.3	58.9	0.3	-	1.7	-

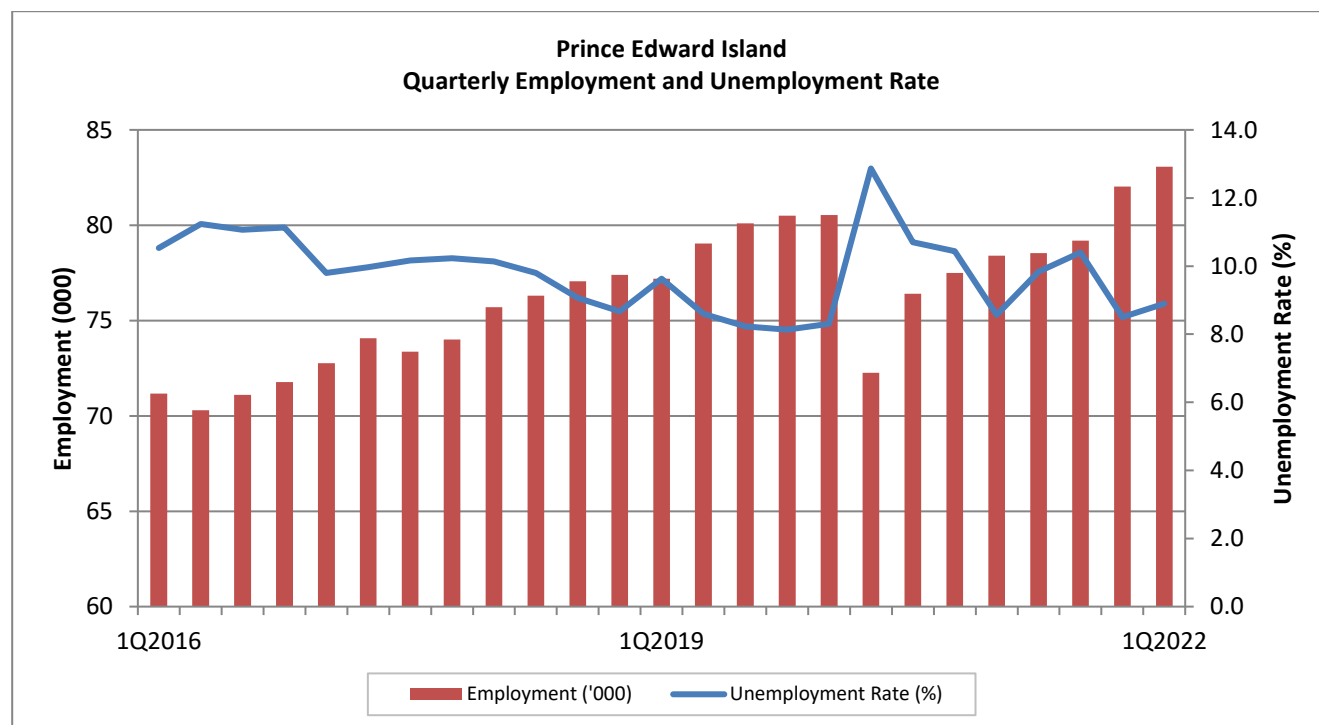
Note: Totals may not add due to rounding

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

Growth of the labour force in Q1 2022 compared to the previous quarter outpaced employment growth resulting in a slight increase in the number unemployed. The unemployment rate in P.E.I. rose by 0.4 of a percentage point, to 8.9% in the most recent quarter. The Island’s participation rate, at 66.5% in Q1 2022, rose for the fourth consecutive quarter and is at par with its Q1 2020 pre-pandemic level.

The labour force expanded by 1.7% in Q1 2022, exceeding its Q1 2020 pre-pandemic level. The majority of the increase in the most recent quarter is mostly attributed to more women participating in the labour market relative to the previous quarter, particularly those in the core-age category (25-54 years) as well as older workers (55+ years). The number of female youths (15-24 years) in the labour force was slightly lower relative to the previous quarter.

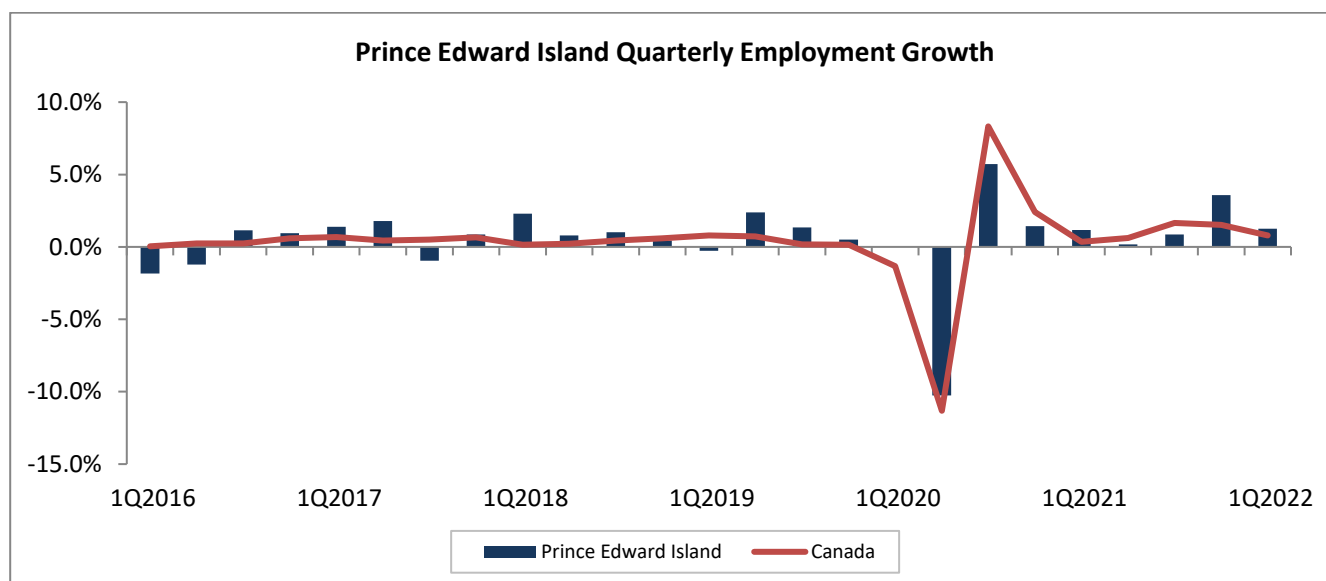
Labour force recovery from the pandemic has been (and continues to be) disproportionate among gender and age groups. For men, the labour force was relatively quick to recover from the initial shock felt in early 2020 having reached pre-pandemic levels by Q4 of the same year - in all major age categories – and growing since. By contrast, the female labour force overall has only reached its pre-pandemic level in the most recent quarter – 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, however they have been gaining traction as of late.



The number of people not participating in the labour force in Q1 2022 decreased slightly from the previous quarter, again, attributed to more females having entered the labour force in the most recent quarter. The number of persons not in the Island’s labour force in Q1 is 4.7% higher than what it was in Q1 2020, just before the full impact of the pandemic occurred. This means that there remains about 2,100 persons on average in the most recent quarter 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 vast majority of this number comprise people 55 years of age and older.

The Island's employment base averaged 83,100 in Q1 2022 – which is the second consecutive quarter at a record high. The impact of the public health restrictions imposed in January was felt across the board with women most impacted (particularly youths), however, restrictions eased later in January and this supported more women participating in the labour market. Core-aged males, and to a lesser degree male youths, experienced quarterly employment gains, but this was partially offset by a decrease in the number of older workers employed in Q1.



Due to quarterly labour force growth (+1.7%) having outpaced employment growth (+1.3%) in Q1 2022, the level of unemployment in the province increased (+6.6%). Again, this in part reflects easing of public health restrictions earlier in the quarter. In turn, the Island's unemployment rate rose to 8.9% in Q1 from the previous quarter.

Prince Edward Island Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	1st Quarter 2022 %	4th Quarter 2021 %	1st Quarter 2021 %	Quarterly Variation (% points)	Yearly Variation (% points)
Total	8.9	8.5	8.6	0.4	0.3
25 years and over	8.3	8.0	7.7	0.3	0.6
Men - 25 years and over	9.0	9.8	8.0	-0.8	1.0
Women - 25 years and over	7.5	5.8	7.4	1.7	0.1
15 to 24 years	11.8	11.3	13.6	0.5	-1.8
Men - 15 to 24 years	14.0	13.0	14.2	1.0	-0.2
Women - 15 to 24 years	8.8	9.0	12.9	-0.2	-4.1

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

The Island's participation rate in Q1 2022, at 66.5%, increased by 0.5 of a percentage point from the previous quarter – and is on par with its Q1 2020 pre-pandemic rate. P.E.I.'s participation rate exceeded the national average (65.3%) in the most recent quarter and was highest among the Atlantic Provinces.

EMPLOYMENT BY INDUSTRY

Employment growth in the most recent quarter was concentrated in the services-producing sector – however, there was a considerable increase in construction employment in Q1 2022. In the services-sector, quarterly employment was higher for **public administration; accommodation and food services;** and the **professional, scientific and technical services** industries.

The **construction** industry has fared relatively well throughout the pandemic and employment in the most recent quarter continues to be supported by strong residential and non-residential construction activity. Indeed, the level of employment in March 2022, at 7,600 persons, was at a record high for the industry. In terms of construction activity in the province: the total value of residential and non-residential building permits is up by 36% in the first two months of 2022 compared to the same two months in 2021. It should be noted that total permits were at an all-time high in 2021. Further, the number of new single dwelling housing starts are up considerably in the first two months of 2022 compared to the same period a year earlier. All indications point toward robust construction activity 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 **accommodation and food services (AFS)** industry greatly benefitted from the recent easing of public health measures in the province, which included: increased capacity for in-room dining and no restriction on closing time for restaurants. Employment in the industry averaged 5,200 persons in Q1 2022, which is an increase of 11% compared to the previous quarter. Although a significant improvement, industry employment remains about 8% below its Q1 2020 pre-pandemic employment level. The light at the end of the tunnel in terms of 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 is soon approaching.

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 5,000 in the most recent quarter, up by 6% compared to the previous quarter.

Prince Edward Island Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	1st Quarter 2022	4th Quarter 2021	1st Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	83.1	82.0	78.4	1.1	1.3	4.7	6.0
Goods-producing sector	20.7	21.0	19.7	-0.3	-1.4	1.0	5.1
Agriculture	3.6	4.0	3.6	-0.4	-10.0	0.0	0.0
Forestry, fishing, mining, quarrying, oil and gas	2.0	2.2	2.6	-0.2	-9.1	-0.6	-23.1
Utilities	0.3	0.4	0.2	-0.1	-25.0	0.1	50.0
Construction	7.3	6.2	6.4	1.1	17.7	0.9	14.1
Manufacturing	7.5	8.3	7.0	-0.8	-9.6	0.5	7.1
Services-producing sector	62.4	61.0	58.7	1.4	2.3	3.7	6.3
Trade	11.4	11.7	10.8	-0.3	-2.6	0.6	5.6
Transportation and warehousing	2.1	2.2	2.6	-0.1	-4.5	-0.5	-19.2
Finance, insurance, real estate and leasing	2.5	2.5	2.9	0.0	0.0	-0.4	-13.8
Professional, scientific and technical services	5.0	4.7	4.2	0.3	6.4	0.8	19.0
Business, building and other support services	1.9	2.0	2.0	-0.1	-5.0	-0.1	-5.0
Educational services	6.0	6.0	6.3	0.0	0.0	-0.3	-4.8
Health care and social assistance	12.3	11.9	11.5	0.4	3.4	0.8	7.0
Information, culture and recreation	2.6	2.9	2.3	-0.3	-10.3	0.3	13.0
Accommodation and food services	5.2	4.7	4.8	0.5	10.6	0.4	8.3
Other services	3.5	3.4	2.6	0.1	2.9	0.9	34.6
Public administration	9.8	9.1	8.7	0.7	7.7	1.1	12.6

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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