



Legislative Assembly  
of Prince Edward Island

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2015 Report of the Indemnities & Allowances Commission

December 1, 2015

Hon. Francis (Buck) Watts, MLA  
Speaker of the Legislative Assembly  
Province House  
PO Box 2000  
Charlottetown PE C1A 7N8

Dear Mister Speaker,

The Indemnities and Allowances Commission has completed its review of the remuneration and benefits paid to the Members of the Legislative Assembly, and to others, as defined in section 46 of the *Legislative Assembly Act*.

The Commission is pleased to submit its 2015 report, which includes the Commission's decisions effective April 1, 2016.

Respectfully submitted,



Barbara Stevenson, Q.C., Chair



Ronald Profit, Q.C., Commissioner



Sharon O'Halloran, C.P.A, C.G.A., Commissioner

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## ***I. Legislation, Mandate, and Commissioners***

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The Commission's authority arises from a 1994 amendment to the *Legislative Assembly Act*, which established the independent Indemnities and Allowances Commission. Its purpose is to review annually the remuneration and benefits of MLAs and others, as defined by Section 46 of the *Legislative Assembly Act*, and to report its decisions and findings to the Speaker by a legislated deadline of December 1.

A copy of Section 46 of the *Legislative Assembly Act* is included in Appendix A.

The Honourable Francis (Buck) Watts, Speaker of the Legislative Assembly, appointed Barbara Stevenson, Q.C., Chair; Ronald Profit, Q.C.; and Sharon O'Halloran, C.P.A, C.G.A., as Commissioners to the Indemnities and Allowances Commission.

## ***II. Research***

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The Commission established the following processes and factors as most relevant to its work:

- i. Analysis of MLA remuneration and benefits
- ii. Review of previous Commission decisions and reports
- iii. Review of MLA pension plan (retirement dates)
- iv. Comparison of MLA remuneration levels with those of New Brunswick and Nova Scotia
- v. Review of Consumer Price Index (CPI) and Gross Domestic Product (GDP) for Prince Edward Island
- vi. Trends in public sector negotiated salary increases
- vii. Written submissions to the Commission

### **i. Analysis of MLA remuneration and benefits**

The following table illustrates the base salary paid to MLAs since 2009:

<b>Year</b>	<b>Percent increase in all salaries</b>	<b>Base salary in \$ as at April 1 of year noted</b>
2009	2.5	65,344
2010	0	65,344
2011	0	65,344
2012	0	65,344
2013	<i>(Jan-Mar) 2</i>	66,700
	<i>(Apr-Mar) 1</i>	67,400
2014	0.75	67,906
2015	1.2	68,721

Additional salaries and allowances are provided for the Premier, Ministers, Speaker, Deputy Speaker, Leader of the Opposition, Government House Leader, Opposition House Leader, Government Whip, Opposition Whip, and Leader of a Third Party (see page 7 for current remuneration information).

Benefits, including health, dental, pension, group insurance and life insurance, are provided for MLAs based on the same terms and conditions applied to the Excluded Group of Employees in the Provincial Civil Service, with the exception of long term disability benefits. In addition, MLAs receive professional support in the form of staff, communication services, kilometer

reimbursement, office facilities, and computer hardware to assist in the performance of their duties.

## **ii. Review of previous Commission decisions and reports**

Previous Commission decisions were reviewed to provide an overview of MLA remuneration and benefits since the Indemnities and Allowances Commission was established by legislation in 1994. Commission reports were reviewed to carry forward any previously noted issues requiring the Commission's attention. Accordingly, the Commission has included items for consideration in its future work plan as noted on page 9.

## **iii. Review of the MLA pension plan (retirement dates)**

There is an inconsistency between Subsection 14(6) of the *Conflict of Interest Act* RSPEI 1998, Cap. 17.1 and articles 6.03 and 13.03 of the *Pension Plan for Members of the Legislative Assembly of Prince Edward Island* (the *Plan*) respecting commencement of retirement benefits.

The Commission has reviewed this matter and, to ensure the *Plan's* continued registration and compliance with the *Federal Income Tax Act*, has determined that there will be no change to the articles of the *Plan*. As a result, the Commission respectfully suggests that the Conflict of Interest Commissioner and the Legislative Assembly address the inconsistency through amendment to Subsection 14(6) of the *Conflict of Interest Act*. The Commission notes that this same recommendation was made to the Legislative Assembly by the Conflict of Interest Commissioner dated March 10, 2003.

## **iv. Comparison of MLA remuneration levels with those of New Brunswick and Nova Scotia**

The Commission compared the base salaries received by MLAs in New Brunswick and Nova Scotia to the base salary of MLAs in Prince Edward Island, and includes in Appendix B a summarized comparative table of the base salaries received by MLAs in these jurisdictions.

In reviewing the base salaries of legislators in New Brunswick, Nova Scotia, and Prince Edward Island, the Commission notes that Prince Edward Island MLAs continue to receive the lowest base salary in the region, equal to 79% of the average of New Brunswick and Nova Scotia (see Appendix B).

MLAs in Prince Edward Island do not receive additional compensation for legislative committee work. However, the Commission notes that MLAs in both New Brunswick and Nova Scotia (committee chairs only) do.

**v. Review of Consumer Price Index (CPI) and Gross Domestic Product (GDP) for Prince Edward Island**

The All Items Consumer Price Index information for Prince Edward Island for October 2015 (most recent data available), was considered by the Commission as a measure of increases in the cost of living for consumers over the past year. In considering the matter of MLA compensation, the Commission notes that 2015 (to date) is the first time in six years that CPI has decreased on PEI. Further, the Commission notes that for three of those years (2010-2012) MLA salaries were frozen at 2009 levels while CPI increased an average of 2.3% per year.

The Gross Domestic Product for PEI was reviewed by the Commission as a measure of how the provincial economy has performed. The Commission notes that PEI has had continuous GDP growth since 2002.

Both the All Items Consumer Price Index chart and the Provincial Gross Domestic Product Data release are included in Appendix C.

**vi. Trends in public sector negotiated salary increases**

The Commission reviewed the status of negotiated salaries for public sector collective bargaining units in Prince Edward Island.

**vii. Written submissions to the Commission**

The Commission canvassed public opinion on the subject of MLA remuneration; accordingly, advertisements were placed in local newspapers inviting written submissions on the subject of MLAs' salaries and allowances. Notice of the invitation for written submissions was also posted on the front page of the Legislative Assembly's website.

The Commission gratefully acknowledges the submission received from the Union of Public Sector Employees and appreciates its contribution to the work of the Commission.

### ***III. Review***

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i. Following are current salaries for MLAs, which became effective April 1, 2015.

Position	Base Salary	Additional Salary	Total
MLA	\$68,721	n/a	\$68,721
Premier	\$68,721	\$74,634	\$143, 355
Minister	\$68,721	\$48,022	\$116,743
Speaker	\$68,721	\$40,376	\$109,097
Deputy Speaker	\$68,721	\$20,188	\$88,909
Leader of the Opposition	\$68,721	\$48,022	\$116,743
Government House Leader*	\$68,721	\$12,949	\$81,670
Opposition House Leader*	\$68,721	\$4,486	\$73,207
Government Whip* & Opposition Whip*	\$68,721	\$3,773	\$72,494
Non-Ministerial Member of Executive Council Committee	\$68,721	\$6,247	\$74,968
Leader of a Third Party	\$68,721	\$19,168	\$87,889

*\*provided the Member is not receiving an additional salary as Premier or as a member of Executive Council, or any other position identified in section 45(5) of the Legislative Assembly Act.*



#### ***IV. Decision***

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The Commission has concluded, based on its research, that there shall be a 2% increase (rounded to the nearest dollar) to the base salary and additional salaries of Members of the Legislative Assembly and others, as defined in Section 46 of the *Legislative Assembly Act*, for the fiscal year beginning April 1, 2016.

Position	Base Salary	Additional Salary	Total
MLA	\$70,095	n/a	\$70,095
Premier	\$70,095	\$76,127	\$146,222
Minister	\$70,095	\$48,982	\$119,077
Speaker	\$70,095	\$41,184	\$111,279
Deputy Speaker	\$70,095	\$20,592	\$90,687
Leader of the Opposition	\$70,095	\$48,982	\$119,077
Government House Leader*	\$70,095	\$13,208	\$83,303
Opposition House Leader*	\$70,095	\$4,576	\$74,671
Government Whip* & Opposition Whip*	\$70,095	\$3,848	\$73,943
Non-Ministerial Member of Executive Council Committee	\$70,095	\$6,372	\$76,467
Leader of a Third Party	\$70,095	\$19,551	\$89,646

*\*provided the Member is not receiving an additional salary as Premier or as a member of Executive Council, or any other position identified in section 45(5) of the Legislative Assembly Act.*

## ***V. Future Work***

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In reviewing its previous reports and decisions, the Commission notes the following items will be carried forward for consideration in its future work plan:

- 1) The mandate of the Indemnities and Allowance Commission, as provided in Section 46 of the *Legislative Assembly Act*.
- 2) Other types of remunerations and benefits provided to Members of the Legislative Assembly which fall under the Commission's jurisdiction, as provided in Section 46 of the *Legislative Assembly Act*. These include items such as kilometer reimbursement for trips to the legislature, committee allowances, group benefits, and vehicle entitlements.

## ***VI. Conclusion***

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In conclusion, the members of the Commission respectfully acknowledge Honourable Francis (Buck) Watts, Speaker of the Legislative Assembly, for the trust he has shown in appointing them to serve on this Commission. Further, the Commissioners thank the Office of the Legislative Assembly and Colin Mosley, Economist, Program Evaluations & Fiscal Relations in the Department of Finance, for the support provided in the preparation of this report.

## ***VI. Appendices***

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- A. Section 46 of the *Legislative Assembly Act*
- B. Comparison of New Brunswick, Nova Scotia and Prince Edward Island Base MLA Remuneration Levels
- C. September 2015 Consumer Price Index (CPI) and 2014 Provincial Gross Domestic Product (GDP) for Prince Edward Island

## Appendix A

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Section 46 of the  
*Legislative Assembly Act of Prince Edward Island*

**Prince Edward Island, Legislative Counsel Office.**  
***Legislative Assembly Act, Section 46, R.S.P.E.I. 1988, Cap. L-7.***

46. (1) The Speaker, after consultation with such persons as the Speaker considers appropriate, shall appoint an independent commission to be known as the Indemnities and Allowances Commission to review and determine the remuneration and benefits to be paid to the members of the Legislative Assembly, Ministers, the Speaker, Deputy Speaker, the Leader of the Opposition, Government House Leader, Opposition House Leader, Leader of a Third Party, Government Whip and Opposition Whip.

(2) The Commission shall be comprised of three independent, neutral and knowledgeable persons from private life.

(3) The persons appointed pursuant to subsection (1) shall serve until the dissolution of the Assembly during which they are appointed, or for a maximum of five years, and are eligible for reappointment.

(4) On the resignation, inability to act or death of a commissioner, the Speaker shall appoint a replacement.

(5) The persons appointed pursuant to subsection (1) have all the powers and privileges and immunities of a commissioner pursuant to the Public Inquiries Act R.S.P.E.I. 1988, Cap. P-31.

(6) The Commission, annually and at such other times as the Speaker may request, shall carry out a review of remuneration and allowances paid to the persons referred to in subsection (1), and shall on or before the first day of December of each year deliver a report to the Speaker which shall be final and binding.

(7) The Speaker shall, within five sitting days of the commencement of the Legislative Assembly next following the receipt of the report, cause a copy thereof to be laid before the Legislative Assembly.

(8) The report shall, from such date as may be specified therein, have effect for the purposes of determining the remuneration and allowances of the persons referred to in subsection (1) as if the provisions contained in it had been enacted by the Legislative Assembly.

(9) For the purposes of this section, remuneration and benefits include salaries, indemnities, allowances and pension benefits. 1994,c.34,s.5;

1997,c.28,s.3.

(10) Notwithstanding anything contained in this section, there shall be no increase in the remuneration and benefits paid to the Premier or nonministerial members of the executive council committees or to any person referred to in subsection (1) in accordance with this section until January 1, 2013. 1994,c.34,s.5; 1997,c.28,s.3; 2010,c.39,s.1; 2012,c.23,s.1.

## Appendix B

Comparison of New Brunswick, Nova Scotia, and Prince Edward Island  
Base MLA Remuneration Levels



## Comparison of New Brunswick, Nova Scotia and Prince Edward Island Base MLA Remuneration Levels

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The following is a table that compares the MLA base salaries of New Brunswick, Nova Scotia and Prince Edward Island.

	PEI	NB	NS	NB & NS Average
<b>Base salary:</b>	\$68,721	\$85,000	\$89,235	\$87,118
<b>2015 Annual CPI change by province*:</b>	-0.8%	0.3%	0.0%	n/a
<b>PEI base salary as a % of :</b>		81%	77%	79%
<b>\$ difference:</b>		\$16,279	\$20,514	\$18,397

*\* 2015 Annual All-items Consumer Price Index, annual percent change for each province, as of October. Provided by Economics, Statistics and Federal Fiscal Relations, based on most recent release of Statistics Canada data.*

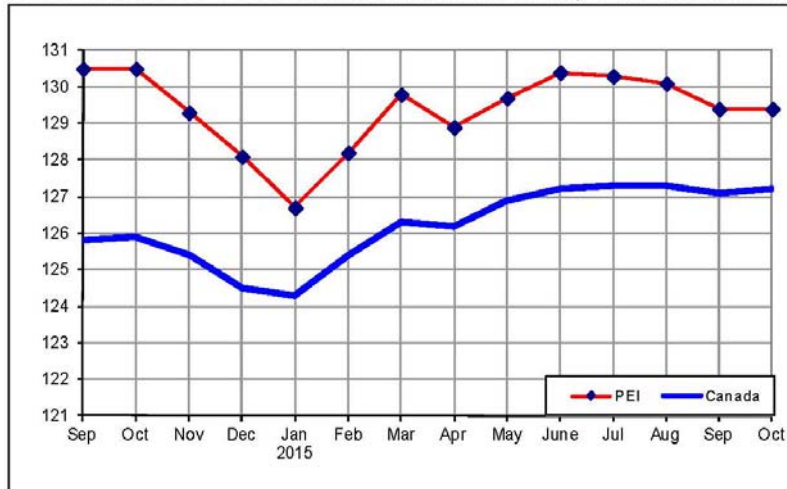
## Appendix C

September 2015 Consumer Price Index (CPI) and  
2014 Provincial Gross Domestic Product (GDP) for Prince Edward Island



November 20, 2015

**PEI / CANADA CONSUMER PRICE INDEX, OCTOBER 2015**



**OCTOBER 2015 ALL-ITEMS CONSUMER PRICE INDEX  
 (2002=100)**

	CAN	NL	PE	NS	NB	QC	ON	MB	SK	AB	BC
Oct-15	127.2	129.7	129.4	129.8	125.9	125.2	127.9	128.0	131.7	135.1	120.6
Sep-15	127.1	129.6	129.4	129.5	125.6	125.1	127.8	127.4	131.0	134.6	121.0
Oct-14	125.9	129.0	130.5	129.4	125.5	124.3	126.8	125.6	129.9	133.2	119.0
Year Over year Change (%)	1.0%	0.5%	-0.8%	0.3%	0.3%	0.7%	0.9%	1.9%	1.4%	1.4%	1.3%
Monthly Change (%)	0.1%	0.1%	0.0%	0.2%	0.2%	0.1%	0.1%	0.5%	0.5%	0.4%	-0.3%

**SUMMARY**

Statistics Canada reported that the year-over-year change in the *All-Items Consumer Price Index* for P.E.I. was -0.8 per cent in October 2015. This was the 11th consecutive month where prices were lower than the year previous. This compares to a rise of 1.0 per cent for Canada. Year-over-year price increases for P.E.I. were led by *fresh or frozen beef* (25.8%), followed by *homeowners' home and mortgage insurance* (16.9%), *cigarettes* (9.5%), *purchase and leasing of passenger vehicles* (1.7%), and *passenger vehicle parts, maintenance and repairs* (4.7%). These increases were offset by year-over-year declines for *gasoline* (-22.5%), *fuel oil and other fuels* (-21.9%), *women's clothing* (-16.5%), *men's clothing* (-5.4%), and *personal care supplies and equipment* (-6.2%).

There was no change in the *All-Items CPI* for P.E.I. in October 2015. Lower prices for *gasoline* (-3.0%), *traveler accommodation* (-8.8%), *personal care supplies and equipment* (-7.6%), *non-alcoholic beverages* (-12.7%), and *recreational equipment and services excluding recreational vehicles* (-3.2%) were offset by higher prices for *fuel oil and other fuels* (12.7%), *purchase and leasing of passenger vehicles* (2.3%), *property taxes and other special charges* (2.7%), and *passenger vehicle parts, maintenance and repairs* (2.2%).



## STATISTICS CANADA RELEASES 2014 GDP DATA

On November 10, 2015 Statistics Canada released Provincial Gross Domestic Product (GDP) data for 2014 as well as a comprehensive revision for 1981 to 2013<sup>1</sup>. The PEI GDP at market prices in current dollars was valued at \$6,003 million in 2014. The statistics show that the Prince Edward Island economy grew by 1.5 per cent in chained 2007 dollars. PEI is the only jurisdiction in the country to have continuous GDP growth since 2007. The revised data shows growth of 2.0 per cent in 2013, no change from the previous estimate, and growth of 1.2 per cent in 2012, which is slightly higher growth than previously estimated. Table 2 shows PEI's expenditure based real GDP in chained 2007 dollars from 2010 to 2014.

As Table 1 indicates, the national economy expanded by 2.5 per cent in chained 2007 dollars in 2014, following a 2.2 per cent increase in 2013. Alberta saw the highest growth among provinces in 2014 with an increase of 4.8 per cent. Newfoundland and Labrador and New Brunswick were the only provinces to show declines in 2014, at -2.0 per cent and -0.3 per cent respectively.

**Table 1**  
**REAL GDP GROWTH AND NOMINAL GDP**  
**CANADA, PROVINCES AND TERRITORIES**

Province	Chained GDP Growth (%) (Chained \$ 2007)				Nominal 2014 GDP
	2011	2012	2013	2014	\$ millions
Newfoundland	2.9%	-4.4%	5.8%	-2.0%	33,514
Prince Edward Island	2.0%	1.2%	2.0%	1.5%	6,003
Nova Scotia	0.5%	-0.9%	0.0%	0.6%	39,077
New Brunswick	0.2%	-1.0%	0.4%	-0.3%	32,056
Quebec	1.9%	1.0%	1.2%	1.5%	370,064
Ontario	2.4%	1.3%	1.3%	2.7%	721,970
Manitoba	2.5%	3.0%	2.4%	2.3%	64,077
Saskatchewan	5.3%	1.7%	5.8%	1.9%	82,780
Alberta	6.4%	3.9%	5.1%	4.8%	375,756
British Columbia	3.0%	2.5%	2.1%	3.2%	237,188
Yukon	4.7%	3.8%	-1.2%	-0.7%	2,539
Northwest Territories	-8.9%	-0.4%	3.6%	5.8%	4,412
Nunavut	5.4%	2.2%	9.5%	3.3%	2,445
Canada	3.1%	1.7%	2.2%	2.5%	1,973,043

<sup>1</sup> This release incorporates revisions to the provincial and territorial economic accounts from 1981 to 2013 and an update to 2014. Additional information is available in the article [A preview of the 2015 comprehensive revision of the Canadian System of Macroeconomic Accounts](#).

**Table 2**  
**REAL GDP EXPENDITURE BASED, PRINCE EDWARD ISLAND**  
**(chained 2007 dollars)**

in \$ millions (except per capita) Chained 2007 dollars	2010	2011	2012	2013	2014
<b>Final consumption expenditure</b>	<b>\$5,138</b>	<b>\$5,206</b>	<b>\$5,205</b>	<b>\$5,249</b>	<b>\$5,282</b>
Household final consumption expenditure	\$3,436	\$3,506	\$3,541	\$3,592	\$3,651
Goods	\$1,719	\$1,748	\$1,757	\$1,765	\$1,792
Services	\$1,717	\$1,759	\$1,785	\$1,827	\$1,859
Non-profit institutions serving households' final consumption expenditure	\$63	\$67	\$68	\$69	\$72
General governments final consumption expenditure	\$1,639	\$1,634	\$1,598	\$1,593	\$1,566
<b>Gross fixed capital formation</b>	<b>\$927</b>	<b>\$1,036</b>	<b>\$912</b>	<b>\$966</b>	<b>\$905</b>
Business gross fixed capital formation	\$638	\$704	\$674	\$703	\$661
Residential structures	\$320	\$330	\$329	\$329	\$299
Non-residential structures, machinery and equipment	\$283	\$342	\$310	\$339	\$327
Intellectual property products	\$36	\$34	\$37	\$37	\$37
Non-profit institutions serving households' gross fixed capital formation	\$9	\$11	\$9	\$12	\$14
General governments gross fixed capital formation	\$280	\$320	\$230	\$252	\$233
<b>Investment in inventories</b>	<b>\$6</b>	<b>\$15</b>	<b>\$60</b>	<b>\$51</b>	<b>\$46</b>
Of which: business investment in inventories	\$6	\$13	\$59	\$52	\$49
Non-farm	-\$10	\$33	\$54	\$55	\$37
Farm	\$13	-\$14	\$6	\$1	\$10
<b>Exports of goods and services</b>	<b>\$2,180</b>	<b>\$2,211</b>	<b>\$2,244</b>	<b>\$2,313</b>	<b>\$2,310</b>
Exports to other countries	\$912	\$921	\$888	\$953	\$919
Exports to other provinces	\$1,272	\$1,294	\$1,362	\$1,366	\$1,398
<b>Less: imports of goods and services</b>	<b>\$3,476</b>	<b>\$3,603</b>	<b>\$3,491</b>	<b>\$3,552</b>	<b>\$3,441</b>
Imports from other countries	\$1,117	\$1,155	\$1,266	\$1,269	\$1,257
Imports from other provinces	\$2,360	\$2,450	\$2,249	\$2,303	\$2,209
<b>Statistical discrepancy</b>	<b>-\$2</b>	<b>\$1</b>	<b>-\$6</b>	<b>-\$2</b>	<b>\$0</b>
<b>Gross domestic product at market prices</b>	<b>\$4,800</b>	<b>\$4,895</b>	<b>\$4,952</b>	<b>\$5,051</b>	<b>\$5,126</b>
<b>Final domestic demand</b>	<b>\$6,067</b>	<b>\$6,241</b>	<b>\$6,120</b>	<b>\$6,216</b>	<b>\$6,191</b>
<b>Annual Growth in Gross Domestic Product (%)</b>	<b>2.2</b>	<b>2.0</b>	<b>1.2</b>	<b>2.0</b>	<b>1.5</b>
<b>Gross Domestic Product Per Capita (chained 2007 \$)</b>	<b>\$33,880</b>	<b>\$33,984</b>	<b>\$34,091</b>	<b>\$34,729</b>	<b>\$35,071</b>
<b>Change in Real GDP Per Capita (%)</b>	<b>1.0</b>	<b>0.3</b>	<b>0.3</b>	<b>1.9</b>	<b>1.0</b>
<b>Nominal GDP Per Capita</b>	<b>\$36,858</b>	<b>\$37,657</b>	<b>\$38,366</b>	<b>\$39,762</b>	<b>\$41,071</b>
<b>Change in Nominal GDP Per Capita (%)</b>	<b>4.7</b>	<b>2.2</b>	<b>1.9</b>	<b>3.6</b>	<b>3.3</b>

Table 3 shows contributions to change in real GDP for 2014. Final consumption expenditure, the largest component of GDP, contributed 0.6 percentage points to the growth of GDP, while gross fixed capital formation contributed -1.1 percentage points. Investment in inventories subtracted 0.1 percentage points from the growth of GDP in 2014. A decrease of exports of goods and services subtracted 0.1 percentage points while a decrease in imports of goods and services<sup>2</sup> contributed 2.1 percentage points, for a total contribution of 2.0 percentage points for net exports.

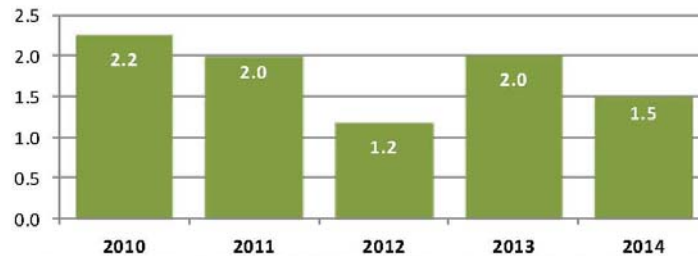
<sup>2</sup> Imports are a deduction from GDP. A reduction in imports results in a positive contribution to change.

**Table 3**  
**REAL GDP, EXPENDITURE BASED, CONTRIBUTIONS TO PERCENT CHANGE<sup>3</sup>**  
**PRINCE EDWARD ISLAND, 2014**

<b>Gross domestic product (GDP)</b>	<b>1.5</b>	<b>Gross Fixed Capital Formation</b>	<b>-1.1</b>
<b>Final consumption expenditure</b>	<b>0.6</b>	Business gross fixed capital formation	-0.8
Durable goods	0.3	Residential structures	-0.6
Semi-durable goods	0.1	Non-residential structures	-0.4
Non-durable goods	0.2	Machinery and equipment	0.2
Services	0.6	Intellectual property products	0.0
Non-profit institutions final consumption expenditure	0.1	Non-profit institutions gross fixed capital formation	0.0
General governments final consumption expenditure	-0.5	General governments gross fixed capital formation	-0.4
<b>Exports of goods and services</b>	<b>-0.1</b>	<b>Investment in inventories</b>	<b>-0.1</b>
Exports to other countries	-0.7	Non-farm	-0.3
Exports to other provinces	0.6	Farm	0.2
<b>Deduct: Imports of goods and services</b>	<b>-2.1</b>	<b>Statistical discrepancy</b>	<b>0.0</b>
Imports from other countries	-0.2		
Imports from other provinces	-1.9	<b>Final domestic demand</b>	<b>-0.5</b>

Diagram 1 illustrates provincial economic growth from 2010 to 2014 in chained 2007 dollars.

**Diagram 1**  
**Annual Real GDP Growth**  
**2010-2014**  
**Prince Edward Island**



Source: Statistics Canada. Table 384-0038 - Gross domestic product, expenditure-based, provincial and territorial, annual (dollars unless otherwise noted), November 10, 2015

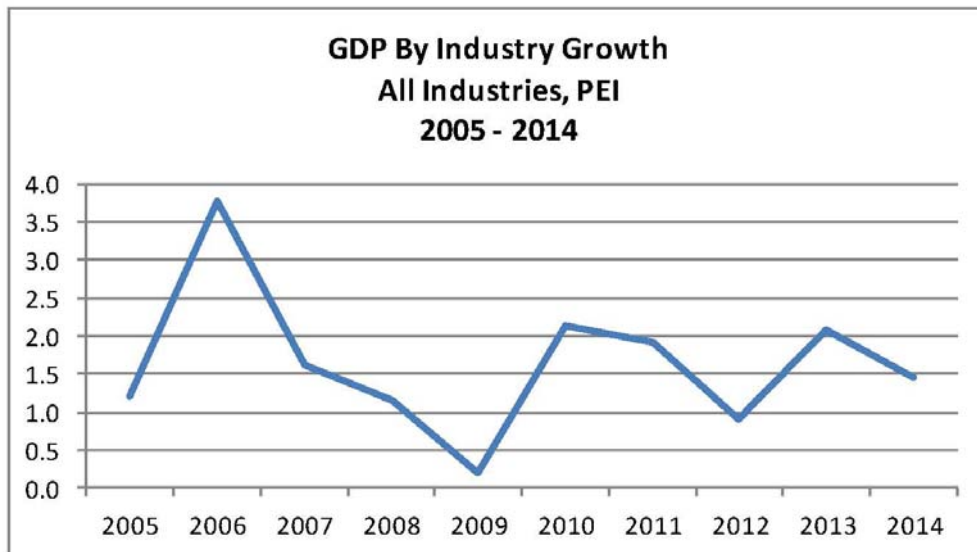
<sup>3</sup> Contributions to percent change are presented as percentage points. For example, of the 1.5% growth in real GDP, 0.6 of a percentage point was contributed by final consumption expenditures. Conversely, Investment in inventories reduced GDP by 0.1 of a percentage point.

## GDP BY INDUSTRY

Statistics Canada also released revised Provincial Gross Domestic Product (GDP) by Industry data for 2014. The P.E.I. GDP for all industries in chained 2007 dollars was valued at \$4,623 million in 2014, an increase of 1.5 per cent over 2013. This is an increase of 0.2 percentage points over the preliminary estimates. By this measure, the P.E.I. economy grew by 2.1 per cent in 2013 and by 0.9 per cent in 2012. These are revisions from the preliminary estimates, which showed 2.2 per cent growth in 2013 and 1.1 per cent growth in 2012.

Diagram 2 shows GDP by Industry growth for PEI from 2005 to 2014.

**Diagram 2**



Source: Statistics Canada. Table 379-0030 - Gross domestic product (GDP) at basic prices, by North American Industry Classification System (NAICS), provinces and territories, annual (dollars); November 10, 2015

Table 4 shows GDP By Industry growth by province and territory since 2010.

**Table 4**  
**GDP BY INDUSTRY GROWTH, CHAINED 2007 DOLLARS,**  
**PROVINCES AND TERRITORIES**

PROVINCE	2010	2011	2012	2013	2014
Newfoundland	5.3	3.0	-4.5	5.6	-2.3
<b>P.E.I.</b>	<b>2.1</b>	<b>1.9</b>	<b>0.9</b>	<b>2.1</b>	<b>1.5</b>
Nova Scotia	2.6	0.3	-1.0	0.0	0.7
New Brunswick	2.1	0.2	-1.2	0.3	-0.3
Quebec	2.2	2.1	1.3	1.1	1.4
Ontario	3.1	2.6	1.4	1.2	2.5
Manitoba	2.6	2.3	3.0	2.2	2.0
Saskatchewan	5.0	5.4	1.8	5.7	1.6
Alberta	5.1	6.7	4.0	4.8	4.5
British Columbia	2.7	2.8	2.6	1.9	2.9
Yukon	4.4	4.1	2.5	-0.7	-1.2
Northwest Territories	2.5	-8.2	2.3	3.9	6.8
Nunavut	21.2	4.6	1.1	11.5	6.2

Goods production increased 3.0 per cent, led by a 10.6 per cent increase in manufacturing and a 3.7 per cent increase in agriculture, forestry, fishing and hunting.

The manufacturing sector saw accelerated growth following a 9.3 per cent increase in 2013. Food manufacturing increased by 12.7 per cent, with seafood product preparation and packaging increasing by 33.1 per cent.

The fishing, hunting and trapping industry increased for the third year in a row, growing by 5.4 per cent. Following a 4.6 per cent increase in 2013, crop production continued to see growth with a 5.8 per cent increase. Animal production declined for a second consecutive year, falling by 7.2 per cent. Aquaculture rebounded from a decline in 2013, increasing by 2.1 per cent in 2014.

Following an increase of 1.9 per cent in 2013, construction declined by 7.8 per cent in 2014. Residential building construction declined by 10.4 per cent, while non-residential construction increased by 3.6 per cent. Engineering construction fell by 23.5 per cent. Utilities declined by 2.0 per cent in 2014, following a 4.6 per cent decrease in 2013.

In 2014, the service sector increased by 1.0 per cent, slowing slightly from the 1.3 per cent growth seen in 2013. The largest increases occurred in retail trade (3.2 per cent), real estate, rental and leasing (1.5 per cent), wholesale trade (6.4 per cent), finance and insurance (1.9 per cent), and health care and social assistance (1.1 per cent). Declines occurred in professional, scientific, and technical services (-5.4 per cent), management of companies and enterprises (-9.6 per cent), arts, entertainment and recreation (-5.8 per cent) and information and culture (-1.0 per cent). Table 5 shows industry detail of the provincial economy from 2011 to 2014.



**TABLE 5****P.E.I. GDP BY INDUSTRY  
(in constant chained 2007 dollars, millions)**

<b>INDUSTRY</b>	<b>2011</b>	<b>2012</b>	<b>% Growth</b>	<b>2013</b>	<b>% Growth</b>	<b>2014</b>	<b>% Growth</b>
Agriculture, Forestry, Fishing and Hunting	261.1	279.0	6.9	288.9	3.5	299.7	3.7
Crop and Animal Production	179.6	184.0	2.4	188.2	2.3	193.5	2.8
Forestry & Logging	5.2	4.9	-5.8	6.7	36.7	5.8	-13.4
Fishing, Hunting & Trapping	61.5	76.0	23.6	80.2	5.5	84.5	5.4
Mining	1.5	1.8	20.0	2.1	16.7	2.1	0.0
Utilities	83.5	82.9	-0.7	79.1	-4.6	77.5	-2.0
Construction	285.3	255.3	-10.5	260.2	1.9	240.0	-7.8
Residential Construction	89.4	91.4	2.2	91.2	-0.2	81.7	-10.4
Non-Residential Building Construction	49.8	51.6	3.6	49.6	-3.9	51.4	3.6
Engineering Construction	75.8	40.3	-46.8	52.8	31.0	40.4	-23.5
Manufacturing	376.3	393.1	4.5	429.6	9.3	475.3	10.6
Food Manufacturing	208.0	210.7	1.3	230.1	9.2	259.4	12.7
Chemical Manufacturing	35.0	X		X		X	
<b>TOTAL GOODS</b>	<b>1,002.3</b>	<b>1,005.7</b>	<b>0.3</b>	<b>1,052.7</b>	<b>4.7</b>	<b>1,084.7</b>	<b>3.0</b>
Wholesale Trade	91.2	96.5	5.8	103.0	6.7	109.6	6.4
Retail Trade	310.1	317.4	2.4	324.4	2.2	334.9	3.2
Transportation & Warehousing	114.2	115.7	1.3	117.6	1.6	120.5	2.5
Information & Culture	129.8	130.2	0.3	129.3	-0.7	128.0	-1.0
Finance and Insurance	233.1	236.2	1.3	248.3	5.1	253.0	1.9
Real Estate and Rental and Leasing	604.7	625.8	3.5	639.6	2.2	649.4	1.5
Professional, Scientific and Technical Services	110.7	111.6	0.8	109.9	-1.5	104.0	-5.4
Management of Companies and Enterprises	35.1	34.9	-0.6	32.4	-7.2	29.3	-9.6
Administrative and Support, Waste	124.0	130.0	4.8	132.5	1.9	135.3	2.1
Educational Services	333.2	334.1	0.3	334.3	0.1	334.2	0.0
Health Care and Social Assistance	428.7	422.3	-1.5	425.1	0.7	429.6	1.1
Arts, Entertainment and Recreation	47.4	45.5	-4.0	48.3	6.2	45.5	-5.8
Accommodation and Food Services	129.5	131.4	1.5	133.7	1.8	136.4	2.0
Other Services (except Public Administration)	103.8	107.3	3.4	108.0	0.7	110.6	2.4
Public Administration	626.2	621.2	-0.8	619.4	-0.3	620.0	0.1
<b>TOTAL SERVICES</b>	<b>3,421.2</b>	<b>3,458.1</b>	<b>1.1</b>	<b>3,503.2</b>	<b>1.3</b>	<b>3,537.1</b>	<b>1.0</b>
<b>ALL INDUSTRIES</b>	<b>4,424.0</b>	<b>4,464.2</b>	<b>0.9</b>	<b>4,556.8</b>	<b>2.1</b>	<b>4,623.1</b>	<b>1.5</b>

Note: the sum of the chained values for each component of an aggregate does not equal the chained value of the aggregate.

X: Suppressed to meet the confidentiality requirements of the Statistics Act

Sources: Statistics Canada.

Table 379-0030 - Gross domestic product (GDP) at basic prices, by North American Industry Classification System (NAICS), provinces and territories, annual (dollars)  
Table 384-0038 - Gross domestic product, expenditure-based, provincial and territorial, annual (dollars unless otherwise noted)

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