



Legislative Assembly
of Prince Edward Island

2016 Report of the Indemnities & Allowances Commission

November 25, 2016

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 2016 report, which includes the Commission's decisions effective April 1, 2017.

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

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

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. Comparison of MLA remuneration levels with those of New Brunswick and Nova Scotia
- iv. Jurisdictional Survey of MLA Pay and Committee Allowances in New Brunswick, Nova Scotia, and Prince Edward Island
- 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:

Year (as of April 1)	Percent increase in all salaries	Base salary in \$ as at April 1 of year noted
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
2016	2	70,095

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 the long term disability benefit, which is not provided to MLAs.

MLAs receive support from the Legislative Assembly in the form of professional procedural and operational supports, research and administrative staff, communication and internet services, office facilities, kilometer reimbursement, and computer hardware. Additional supports are provided to MLAs on a claim basis by the Caucus Offices and may include a cell phone, kilometer mileage not covered by the Legislative Assembly, some meals, advertising, community support, and eligible overnight accommodation. (Appendix B)

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 issues requiring the Commission's attention.

iii. 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 received by MLAs in Prince Edward Island. Appendix C contains a comparative table of these provinces' MLAs' base salaries.

In reviewing the base salaries received by 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 80% of the average of New Brunswick and Nova Scotia.

iv. Jurisdictional Survey of MLA Pay and Committee Allowances in New Brunswick, Nova Scotia and Prince Edward Island

The base and additional salaries received by MLAs in the Maritime provinces were reviewed by the Commission (Appendix D). Prince Edward Island MLAs do not receive additional compensation for legislative committee work. The Commission notes that MLAs in New Brunswick and committee chairs only in Nova Scotia receive additional compensation.

The Commission also notes that for three of the last seven years (2010-2012), MLA salaries in PEI were frozen at 2009 levels.

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 2016 (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. The Commission notes that CPI for PEI increased 1.9% year over year (Appendix E).

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 2007 (Appendix F).

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' remuneration and benefits. Notice of the invitation for written submissions was also posted on the front page of the Legislative Assembly's website.

The Commission gratefully acknowledges and appreciates the submissions received from Karl Hengst, Chris Ortenburger, Sibyl Frei, George Clark-Dunning, and the Union of Public Sector Employees. Their contributions are summarized as follows:

- current compensation levels are adequate or generous for publicly-elected officials;
- vehicles provided should be smaller, more efficient or hybrid models; and
- annual wage increases are necessary to keep abreast of cost of living increases.

III. Review

i. Following are current salaries for MLAs, which became effective 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(4) of the Legislative Assembly Act*

***as per Section 9.1 of the Executive Council Act*

IV. Decision

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, 2017.

Position	Base Salary	Additional Salary	Total
MLA	\$71,497	n/a	\$71,497
Premier	\$71,497	\$77,650	\$149,146
Minister	\$71,497	\$49,962	\$121,459
Speaker	\$71,497	\$42,008	\$113,505
Deputy Speaker	\$71,497	\$21,004	\$92,501
Leader of the Opposition	\$71,497	\$49,962	\$121,459
Government House Leader*	\$71,497	\$13,472	\$84,969
Opposition House Leader*	\$71,497	\$4,668	\$76,164
Government Whip* & Opposition Whip*	\$71,497	\$3,925	\$75,422
Non-Ministerial Member of Executive Council Committee**	\$71,497	\$6,499	\$77,996
Leader of a Third Party	\$71,497	\$19,942	\$91,439

**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(4) of the Legislative Assembly Act*

***as per Section 9.1 of the Executive Council Act*

V. Conclusion

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

- A. Section 46 of the *Legislative Assembly Act*
- B. Summary of Supports Provided to MLAs by the Legislative Assembly and by the Caucus Offices
- C. Comparison of New Brunswick, Nova Scotia and Prince Edward Island Base MLA Remuneration Levels
- D. Jurisdictional Survey of MLA Pay and Committee Allowances in New Brunswick, Nova Scotia and Prince Edward Island
- E. October 2016 Consumer Price Index (CPI)
- F. 2015 Provincial Gross Domestic Product (GDP) for Prince Edward Island

Appendix A

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

Summary of Supports Provided to MLAs
by the Legislative Assembly and by the Caucus Offices

Supports provided to MLAs by the Legislative Assembly:

Mileage*	
Inter-Sessional	5 round-trips per month - intersessional period only.
Sessional	1 round-trip for each sitting day.
Committee	1 round-trip for each committee meeting. If there are two meetings on the same day (committee or session) only one meeting is eligible for reimbursement.
*Round-trip mileage is reimbursed at the prevailing civil service mileage rates (per section 17.02 of Treasury Board Policy) from the MLAs' homes to the Legislative Assembly, or to the committee meeting location, including return.	
Vehicle*	
Premier Speaker Minister Leader of the Official Opposition	Government vehicle plus maintenance, fuel, registration and insurance. OR Vehicle Allowance of \$775/month (taxable) plus mileage at half of the prevailing civil service rates.
*Based on Executive Council Vehicle Policy.	
Group Insurance*	
Health	Health, dental and drug coverage at 80%.
Life Insurance	Equal to three times annual earnings upon death up to a maximum of \$300,000. Additional life insurance increments of \$10,000 can be purchased at a preferred rate by the MLA to a maximum of \$300,000.
Long Term Disability	Not provided to MLAs.
*As provided to the Excluded Employees Group of the Government of PEI.	
Equipment & Services*	
Computer	Tablet and docking stations
Printer	Multi-function printer
Home Internet	
*Non-Ministerial members only.	

Supports provided to MLAs by Caucus Offices:

Caucus Supports	<p>The Indemnities and Allowances Commission is aware that additional supports are provided to MLAs on a claim basis through the Government, Official Opposition and Third Party Caucus offices. These supports may include:</p> <ul style="list-style-type: none"> - provision of a cell phone - mileage not covered by the Legislative Assembly - some meals - advertising - community support - eligible overnight accommodation per internal Caucus Office policies <p>For details see MLA expense disclosures at www.assembly.pe.ca.</p>
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Appendix C

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

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
Base salary:	\$70,095	\$85,000	\$89,235	\$87,118
2016 Annual CPI change by province*:	1.9%	2.8%	1.4%	n/a
PEI base salary as a % of :		82%	78.5%	80%
\$ difference:		\$14,905	\$19,140	\$17,023

* 2016 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 D

Jurisdictional Survey of MLA Pay and Committee Allowances
in New Brunswick, Nova Scotia and Prince Edward Island

Jurisdictional Survey Members' Pay, April 2016

	NB	NS	PE
Basic Salary	\$85,000.00	\$89,234.90	\$70,095.00
Speaker	\$52,614.00	\$49,046.51	\$41,184.00
Deputy Speaker	\$26,307.00	\$24,523.25	\$20,592.00
Premier	\$79,000.00	\$112,791.20	\$76,127.00
Ministers	\$52,614.00	\$49,046.51	\$48,982.00
Government House Leader	\$26,307.00	\$10,506.00	\$13,208.00*
Government Whip	\$26,307.00	\$5,253.00	\$3,848.00*
Leader Official Opposition	\$55,300.00	\$49,046.51	\$48,982.00
Official Opposition House Leader	\$8,000.00	\$10,506.00	\$4,576.00*
Official Opposition Whip	\$19,730.25	\$5,253.00	\$3,848.00*
Leader of the Third Party	\$19,750.00	\$24,523.25	\$19,551.00
Standing/ Special Committees	Compensation provided for Private Members only as - round trip mileage plus \$170/meeting attended (if within - round-trip mileage plus \$250/meeting attended (if more than 50km away)	- Chair of Public Accounts receives a maximum of \$3,152/year. - Chairs of all other House Committees receive a maximum of \$2,101/year. - Vice-Chairs of all other House Committees receive a maximum of \$525/year. <i>Payments for Committee Chairs or Vice Chairs are made at the end of every six month period of work, provided the committee met.</i>	\$0
Non-Ministerial Member of Executive Council Committees**	\$0	\$0	\$6,372.00*

**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*

***as per Section 9.1 of the Executive Council Act*

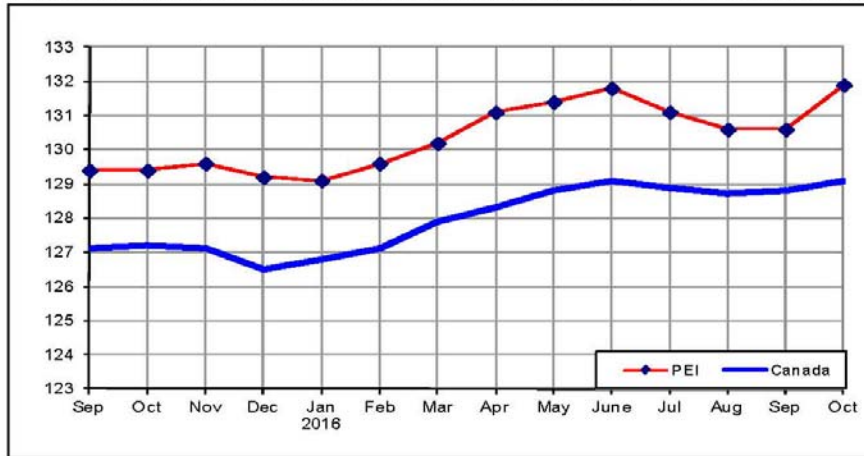
Appendix E

October 2016 Consumer Price Index (CPI)



November 18, 2016

PEI / CANADA CONSUMER PRICE INDEX, OCTOBER 2016



**OCTOBER 2016 ALL-ITEMS CONSUMER PRICE INDEX
 (2002=100)**

	CAN	NL	PE	NS	NB	QC	ON	MB	SK	AB	BC
Oct-16	129.1	134.9	131.9	131.6	129.4	125.9	130.6	129.4	132.7	135.8	123.1
Sep-16	128.8	134.5	130.6	131.6	129.4	125.8	130.1	129.0	132.4	135.3	123.2
Oct-15	127.2	129.7	129.4	129.8	125.9	125.2	127.9	128.0	131.7	135.1	120.6
Year Over year Change (%)	1.5%	4.0%	1.9%	1.4%	2.8%	0.6%	2.1%	1.1%	0.8%	0.5%	2.1%
Monthly Change (%)	0.2%	0.3%	1.0%	0.0%	0.0%	0.1%	0.4%	0.3%	0.2%	0.4%	-0.1%

SUMMARY

Statistics Canada reported that the year-over-year change in the *All-Items Consumer Price Index* for P.E.I. was 1.9 per cent in October 2016. This compares to a rise of 1.5 per cent for Canada. An increase in the provincial component of the harmonized sales tax (HST), effective October 1, contributed to an acceleration in consumer price growth in the province. Gasoline prices were up 4.7 per cent year over year in October, after declining 3.0 per cent in September. In contrast, the 12-month change in the fuel oil index, which is exempt from the provincial component of the HST, was down 5.8 per cent in October, after decreasing 1.0 per cent in September.

Year-over-year price increases for P.E.I. were led by *purchase and leasing of passenger vehicles* (4.9%), followed by *gasoline* (4.7%), *telephone services* (6.6%), *women's clothing* (5.8%), and *electricity* (3.3%). These increases were partially offset by year-over-year declines for *fuel oil and other fuels* (-5.8%), *fresh or frozen beef* (-11.6%), *children's clothing* (-13.9%), *mortgage interest cost*¹, and *men's clothing* (-4.5%).

The monthly change for P.E.I. in October 2016 was 1.0 per cent. Lower prices for *traveler accommodation* (-9.1%), *bakery products* (-3.2%), *fresh vegetables* (-6.1%), *men's clothing* (-3.6%), and *fresh fruit* (-3.5%) were more than offset by higher prices for *gasoline* (4.7%), *fuel oil and other fuels* (7.2%), *purchase and leasing of passenger vehicles* (1.3%), *fresh or frozen beef* (9.5%), and *telephone services* (1.6%).

¹ data not published at the provincial level

Appendix F

2015 Provincial Gross Domestic Product (GDP)
for Prince Edward Island



Prince Edward Island Statistics Bureau
 Department of Finance
 Economics, Statistics and
 Federal Fiscal Relations



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STATISTICS CANADA RELEASES 2015 GDP DATA

On November 9, 2016 Statistics Canada released Provincial Gross Domestic Product (GDP) data for 2015 as well as revisions for 2013 and 2014. The PEI GDP at market prices in current dollars was valued at \$6,186 million in 2015. The statistics show that the Prince Edward Island economy grew by 1.3 per cent in chained 2007 dollars, fifth highest among provinces. PEI is the only jurisdiction in the country to have continuous GDP growth since 2007. The revised data shows growth of 1.5 per cent in 2014 and 2.0 per cent in 2013, no change from the previous estimate. Table 2 shows PEI's expenditure based real GDP in chained 2007 dollars from 2011 to 2015.

As Table 1 indicates, the national economy expanded by 0.9 per cent in chained 2007 dollars in 2015, following a 2.6 per cent increase in 2014. British Columbia saw the highest growth among provinces and territories in 2015 with an increase of 3.3 per cent, followed by Ontario at 2.5 per cent. The largest declines were in the Yukon and Alberta, where real GDP contracted by 6.0 per cent and 3.6 per cent respectively.

Table 1

REAL GDP GROWTH AND NOMINAL GDP CANADA, PROVINCES AND TERRITORIES

Province	Chained GDP Growth (%) (Chained \$ 2007)				Nominal 2015 GDP
	2012	2013	2014	2015	\$ millions
Newfoundland and Labrador	-4.4	5.2	-1.0	-2.0	30,100
Prince Edward Island	1.2	2.0	1.5	1.3	6,186
Nova Scotia	-0.9	-0.1	0.8	1.0	40,225
New Brunswick	-1.0	-0.3	-0.1	2.3	33,052
Quebec	1.0	1.4	1.3	1.2	380,972
Ontario	1.3	1.5	2.7	2.5	763,276
Manitoba	3.0	2.8	1.5	2.2	65,862
Saskatchewan	1.7	6.3	2.4	-1.3	79,415
Alberta	3.9	5.7	5.0	-3.6	326,433
British Columbia	2.5	2.5	3.3	3.3	249,981
Yukon	3.8	1.5	-0.2	-6.0	2,710
Northwest Territories	-0.4	2.9	5.3	1.3	4,828
Nunavut	2.2	10.4	-1.7	1.3	2,447
Canada	1.7	2.5	2.6	0.9	1,986,193

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

In \$ millions (except per capita) Chained 2007 dollars	2011	2012	2013	2014	2015
Final consumption expenditure	5,206	5,205	5,237	5,288	5,355
Household final consumption expenditure	3,506	3,541	3,597	3,656	3,740
Goods	1,748	1,757	1,770	1,799	1,827
Services	1,759	1,785	1,828	1,859	1,914
Non-profit institutions serving households' final consumption expenditure	67	68	73	73	64
General governments final consumption expenditure	1,634	1,598	1,572	1,565	1,560
Gross fixed capital formation	1,036	912	973	862	872
Business gross fixed capital formation	704	674	732	680	673
Residential structures	330	329	325	297	310
Non-residential structures, machinery and equipment	342	310	371	349	329
Intellectual property products	34	37	40	38	38
Non-profit institutions serving households' gross fixed capital formation	11	9	13	9	5
General governments gross fixed capital formation	320	230	230	176	195
Investment in inventories	15	60	50	56	27
Of which: business investment in inventories	13	59	51	59	22
Non-farm	33	54	54	57	16
Farm	-14	6	0	5	4
Exports of goods and services	2,211	2,244	2,385	2,449	2,370
Exports to other countries	921	888	960	951	949
Exports to other provinces	1,294	1,362	1,432	1,505	1,425
Less: imports of goods and services	3,603	3,491	3,630	3,553	3,447
Imports from other countries	1,155	1,266	1,280	1,187	1,067
Imports from other provinces	2,450	2,249	2,367	2,372	2,380
Statistical discrepancy	1	-6	5	-3	-7
Gross domestic product at market prices	4,895	4,952	5,050	5,128	5,196
Final domestic demand	6,241	6,120	6,210	6,156	6,234
Annual Growth in Gross Domestic Product (%)	2.0	1.2	2.0	1.5	1.3
Gross Domestic Product Per Capita (chained 2007 \$)	33,984	34,133	34,785	35,164	35,411
Change in Real GDP Per Capita (%)	0.3	0.4	1.9	1.1	0.7
Nominal GDP Per Capita (\$)	37,657	38,413	39,620	40,835	42,157
Change in Nominal GDP Per Capita (%)	2.2	2.0	3.1	3.1	3.2

Table 3 shows contributions to change in real GDP for 2015. Final consumption expenditure, the largest component of GDP, contributed 1.3 percentage points to the growth of GDP, while gross fixed capital formation contributed 0.2 percentage points. Investment in inventories subtracted 0.5 percentage points from the growth of GDP in 2015. A decrease of exports of goods and services subtracted 1.6 percentage points while a decrease in imports of goods and services¹ contributed 2.0 percentage points, for a total contribution of 0.4 percentage points for net exports.

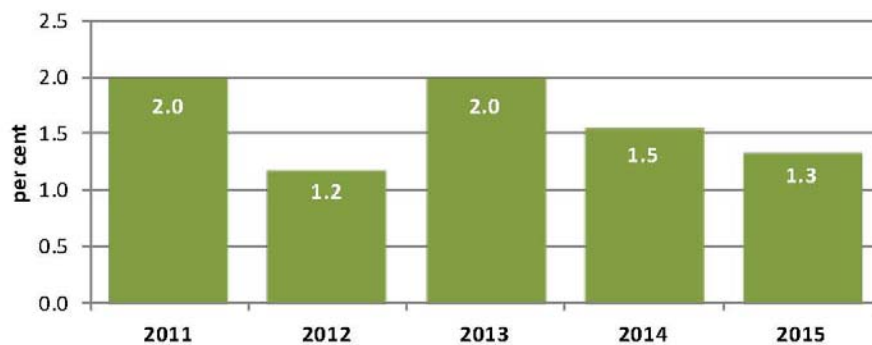
¹ Imports are a deduction from GDP. A reduction in imports results in a positive contribution to change.

Table 3
REAL GDP, EXPENDITURE BASED, CONTRIBUTIONS TO PERCENT CHANGE²
PRINCE EDWARD ISLAND, 2015

Gross domestic product (GDP)	1.3	Gross Fixed Capital Formation	0.2
Final consumption expenditure	1.3	Business gross fixed capital formation	-0.1
Durable goods	0.4	Residential structures	0.2
Semi-durable goods	0.1	Non-residential structures	-0.1
Non-durable goods	0.0	Machinery and equipment	-0.3
Services	1.0	Intellectual property products	0.0
Non-profit institutions final consumption expenditure	-0.2	Non-profit institutions gross fixed capital formation	-0.1
General governments final consumption expenditure	-0.1	General governments gross fixed capital formation	0.4
Exports of goods and services	-1.6	Investment in inventories	-0.5
Exports to other countries	-0.1	Non-farm	-0.6
Exports to other provinces	-1.6	Farm	0.0
Deduct: Imports of goods and services	-2.0	Statistical discrepancy	-0.1
Imports from other countries	-2.2		
Imports from other provinces	0.2	Final domestic demand	1.5

Diagram 1 illustrates provincial economic growth from 2011 to 2015 in chained 2007 dollars.

Diagram 1
Annual Real GDP Growth
2011-2015
Prince Edward Island



Source: Statistics Canada. Table 384-0038 - Gross domestic product, expenditure-based, provincial and territorial, annual (dollars unless otherwise noted); November 9, 2015

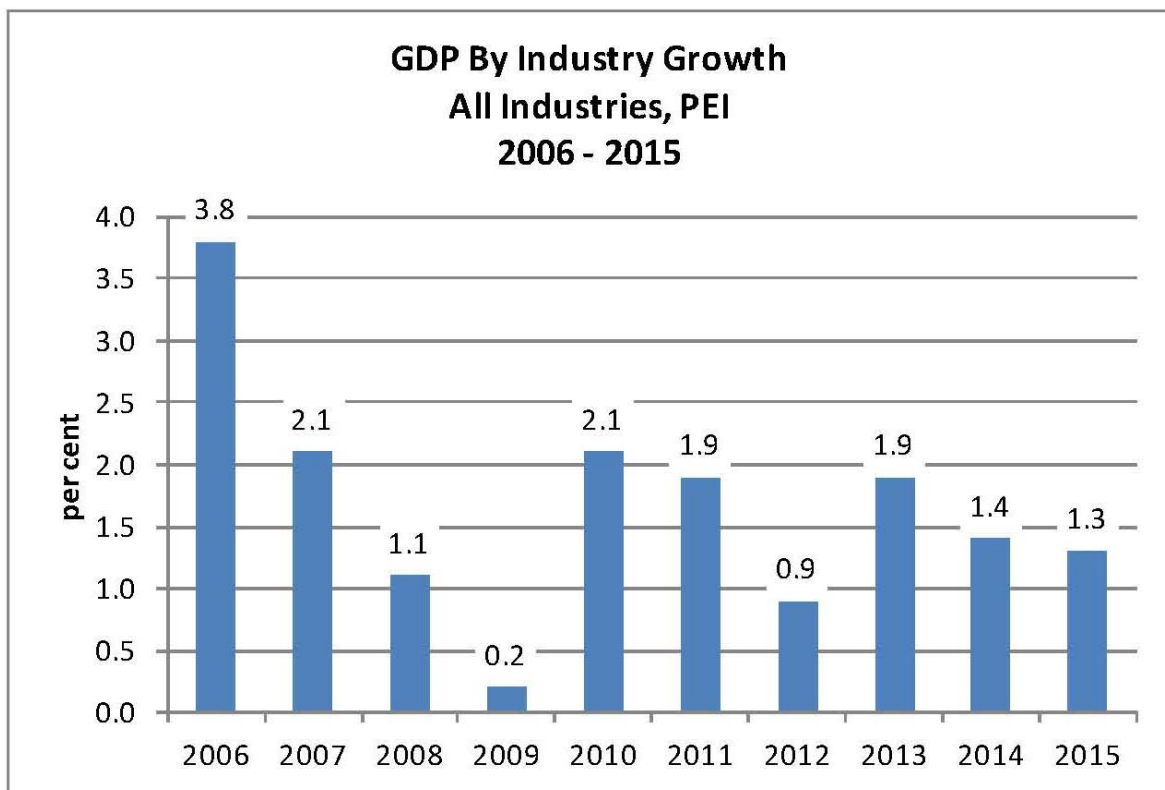
² Contributions to percent change are presented as percentage points.

GDP BY INDUSTRY

Statistics Canada also released revised Provincial Gross Domestic Product (GDP) by Industry data for 2015. The P.E.I. GDP for all industries in chained 2007 dollars was valued at \$4,674 million in 2015, an increase of 1.3 per cent over 2014. This is a decrease of 0.2 percentage points over the preliminary estimates. By this measure, the P.E.I. economy grew by 1.4 per cent in 2014 and by 1.9 per cent in 2013. These are revisions from the preliminary estimates, which showed 1.5 per cent growth in 2014 and 2.1 per cent growth in 2013.

Diagram 2 shows GDP by Industry growth for PEI from 2006 to 2015.

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 9, 2016

Table 4 shows GDP By Industry growth by province and territory since 2011.

Table 4
GDP BY INDUSTRY GROWTH (%), CHAINED 2007 DOLLARS,
PROVINCES AND TERRITORIES

PROVINCE	2011	2012	2013	2014	2015
Newfoundland and Labrador	3.0	-4.5	5.0	-1.1	-1.8
Prince Edward Island	1.9	0.9	1.9	1.4	1.3
Nova Scotia	0.3	-1.0	-0.3	0.7	1.0
New Brunswick	0.2	-1.2	-0.4	-0.1	2.1
Quebec	2.1	1.3	1.3	1.2	1.2
Ontario	2.6	1.4	1.4	2.6	2.6
Manitoba	2.3	3.0	2.7	1.4	2.1
Saskatchewan	5.4	1.8	6.4	2.3	-1.3
Alberta	6.7	4.0	5.8	4.9	-3.7
British Columbia	2.8	2.6	2.4	3.2	3.1
Yukon	4.9	4.0	-0.8	-0.8	-3.8
Northwest territories	-9.2	-0.6	4.0	5.9	2.5
Nunavut	5.8	2.5	9.9	3.6	-0.3

Prince Edward Island

Goods

Goods production increased 0.3 per cent, led by a 0.9 per cent increase in agriculture, forestry, fishing and hunting and a 0.8 per cent increase in construction. Manufacturing declined for the first time in five years, contracting by 1.0 per cent in 2015

The contraction in manufacturing was due mainly to a 10.2 per cent decline in food manufacturing. Fruit and vegetable preserving and specialty food manufacturing fell by 12.3 per cent, while seafood product preparation and packaging declined by 10.4 per cent. Chemical manufacturing increased by 17.5 per cent while aerospace product and parts manufacturing declined by 3.8 per cent.

Contributing to the growth in agriculture, forestry, fishing and hunting was animal production, growing by 5.9 per cent, and fishing, hunting and trapping, growing by 4.0 per cent. Crop production saw a decline of 1.2 per cent in 2015.

After a decline of 12.4 per cent in 2014, construction rebounded in 2015, increasing by 0.8 per cent. Non-residential building construction was down 30.3 per cent, while increases were seen in residential building construction, up 4.2 per cent, and engineering construction, up 43.1 per cent. Utilities saw an increase of 3.4 per cent in 2015.

Services

In 2015 the service sector increased by 1.6 per cent, following a 1.0 per cent increase in 2014. The largest increases occurred in real estate and rental and leasing (4.0 per cent), finance and insurance (3.2 per cent), retail trade (2.0 per cent), professional, scientific and technical services (4.6 per cent), and accommodation and food services (3.3 per cent). Declines occurred in public

administration (-0.8 per cent), administrative and support, waste management and remediation services (-2.4 per cent), and information and cultural industries (-0.5 per cent). Table 2 shows industry detail of the provincial economy from 2011 to 2015.

TABLE 5
P.E.I. GDP BY INDUSTRY GROWTH
(constant chained 2007 dollars)

INDUSTRY	Percentage Growth					Value \$*
	2011	2012	2013	2014	2015	2015
Agriculture, Forestry, Fishing and Hunting	-4.7	6.9	1.7	1.3	0.9	290.0
Crop and Animal Production	-4.8	2.4	-0.8	0.9	-1.4	181.7
Forestry & Logging	15.6	-5.8	4.1	-15.7	18.6	5.1
Fishing, Hunting & Trapping	-12.6	23.6	6.7	1.5	4.0	85.6
Mining	7.1	20.0	-5.6	-5.9	-6.3	1.5
Utilities	6.2	-0.7	1.3	5.5	3.4	91.6
Construction	9.9	-10.5	3.6	-12.4	0.8	233.3
Residential Construction	3.0	2.2	3.2	-11.2	4.2	87.2
Non-Residential Building Construction	-0.6	3.6	-5.6	-10.7	-30.3	30.3
Engineering Construction	48.3	-46.8	45.4	-35.8	43.1	53.8
Manufacturing	1.3	4.5	7.6	12.3	-1.0	470.2
Food Manufacturing	3.9	1.3	11.7	11.6	-10.2	235.8
Seafood Product Prep and Packaging	22.7	3.3	2.1	21.4	-10.4	58.4
Chemical manufacturing	6.4	23.1	22.5	22.3	17.5	75.9
Aerospace product and parts manufacturing	-1.2	6.4	6.0	-7.8	-3.8	50.2
TOTAL GOODS	2.5	0.3	4.3	2.8	0.3	1,081.0
Wholesale Trade	11.1	5.8	15.2	4.5	2.0	118.5
Retail Trade	-1.0	2.4	1.8	3.7	2.0	341.9
Transportation & Warehousing	5.2	1.3	1.0	2.1	2.8	122.8
Information & Culture	0.2	0.3	0.2	-0.4	-0.5	129.4
Finance and Insurance	0.8	1.3	2.6	1.2	3.2	253.0
Real Estate and Rental and Leasing	3.0	3.5	1.5	1.4	4.0	670.3
Professional, Scientific and Technical Services	1.2	0.8	1.8	2.0	4.6	121.2
Management of Companies and Enterprises	-7.1	-0.6	-4.0	-9.6	1.0	30.6
Administrative and Support, Waste Management and Remediation Services	-0.8	4.8	2.2	2.6	-2.4	133.0
Educational Services	3.7	0.3	0.1	0.5	0.8	338.8
Health Care and Social Assistance	1.9	-1.5	-0.7	0.4	1.0	424.9
Arts, Entertainment and Recreation	-1.3	-4.0	10.8	-4.0	8.7	52.6
Accommodation and Food Services	1.0	1.5	6.2	2.5	3.3	147.8
Other Services (except Public Administration)	0.6	3.4	-4.1	3.2	1.2	107.5
Public Administration	1.5	-0.8	-0.5	-0.8	-0.8	607.7
TOTAL SERVICES	1.7	1.1	1.2	1.0	1.6	3,592.0
ALL INDUSTRIES	1.9	0.9	1.9	1.4	1.3	4,674.5

* millions, chained 2007 dollars

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

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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