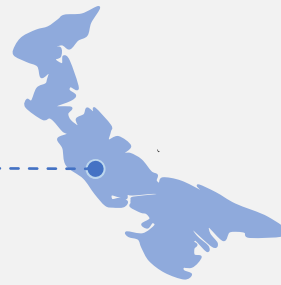


Quarterly

Labour Market Bulletin

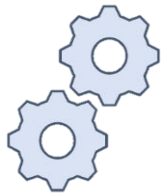
Prince Edward Island



An in-depth look at the latest quarterly labour market trends

JUL - SEP 2024

Spotlight



Other services (except public administration)

Employment

+10.6% (y/y)

4,200 (Q3)

Employment in the industry category “Other services” increased to a record level in the third quarter of 2024. By volume, this industry experienced the strongest growth in employment among all other services-related industries year-over-year (+600 persons). Establishments in this industry group include those engaged in repair and maintenance (i.e. auto mechanics); personal services (i.e. hair dressers); and household services (i.e. baby sitters). Population growth is a key driver supporting jobs in this industry group.



Charlottetown

Employment

+6.2% (y/y)

52,200 (Q3)

Employment in the province’s capital averaged 52,200 in the most recent quarter, which is the highest Q3 level on record. Further, Charlottetown’s participation rate peaked in Q3 2024 which points to an optimistic labour force. All three provincial areas (Charlottetown, Summerside and rural P.E.I.) recorded record-high levels in their respective 15+ population in Q3 2024.

Key Indicators



Population*

+4.2% (y/y)

151,700 (Q3)

Employment

+2.5% (y/y)

92,500 (Q3)

Unemployment Rate

+0.5pp (y/y)

8.1% (Q3)

Labour Force Participation Rate

-0.6pp (y/y)

66.3% (Q3)

Job Vacancy Rate

-1.3pp (y/y)

4.4% (Q2)

Weekly Wages

+8.6% (y/y)

\$1,123 (Q3)

*Note: Y/Y is a year-over-year change; pp is a percentage point change; Q3 stands for the 3rd quarter of the calendar year *Population represents those aged 15 and over*

Working-age population, labour force, and employment levels all reached record highs in Q3 2024. In fact, this is the first period in which the Island’s labour force exceeded 100,000 persons. Since 2022, the unemployment rate in the province has remained at unusually low levels. However, in the latest quarter, the unemployment rate climbed above 8% for the first time since Q1 2022. During the post-pandemic period (through to 2022), the labour force participation rate was low by historical standards, but since 2023, has neared pre-pandemic norms. Wage growth on the Island in Q3 2024 was robust, having increased by 8.6% over the same Q3 period a year ago. This follows strong annual wage growth of 6.6% in 2022 and 3.7% in 2023, influenced over this period by growing labour shortages and elevated inflation.

Industries

Economic Regions

Feature Article

“Baby Boomers”...Where are they now?

Sources: Unless stated otherwise, all data sourced from Statistics Canada’s Job Vacancy and Wage Survey (JVWS) and Labour Force Survey (LFS).

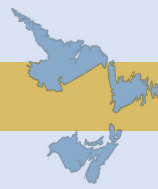
Note: Quarterly LFS estimates are based on three-month average seasonally-adjusted data, except for sub-provincial regions where monthly data are unadjusted.



Employment and Social Development Canada

Emploi et Développement social Canada

Canada

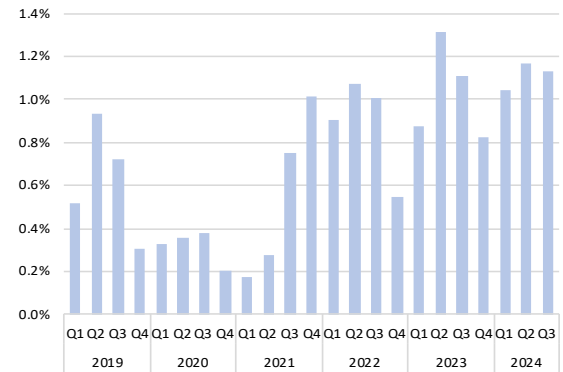


Recent Trends

Working Age Population

The Island’s working-age population (ages 15 and over) reached a record 151,700 in Q3 2024, which is 4.2% higher than it was the same quarter a year ago. As shown in the graph, growth in the working-age population experienced relatively weak growth during the pandemic, but accelerated at a robust pace after Q2 2021, partly due to a rebound in the volume of immigrants coming to P.E.I. The graph shows that the pace of growth for the working-age population continues to be robust in the province.

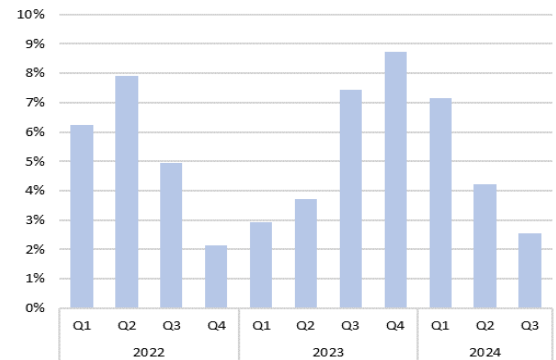
Prince Edward Island, Population, Both sexes, 15 years and over, Quarterly % Change



Employment

Employment in P.E.I. averaged 92,500 in Q3 2024, which represents the seventh consecutive quarter of record employment in the province. Following a period of stagnant growth throughout the pandemic year, recovery continued at a relatively consistent pace through to the end of 2022 when labour market conditions appeared to somewhat stabilize. Employment growth then surged once again toward the latter half of 2023, before easing in the last three quarters of 2024. Employment growth in the most recent quarter, at 2.3%, represents the second weakest year-over-year growth during the post-pandemic era.

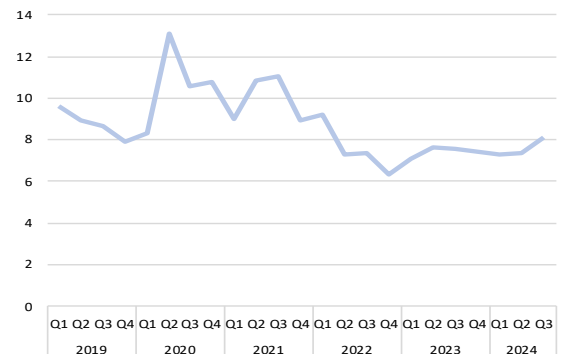
Prince Edward Island, Employment, Both sexes, 15 years and over, Annual % Change



Unemployment

The unemployment rate averaged 8.1% in Q3 2024, up from 7.3% in the previous quarter. Despite this increase, the Island’s unemployment rate remains unusually low for the province based on historical standards. Between 2017 and 2019, prior to the pandemic, the Q3 unemployment rate averaged 9.3% by comparison. In the fourth year since the pandemic, there continues to be an elevated number of people who remain out of the labour force (51,100 in Q3 2024), despite having had some form of labour market attachment just prior to the pandemic (by comparison, 43,100 were out of the labour force in Q2 2019). The vast majority who left, and stayed out of the labour market, were older workers (55 years and older).

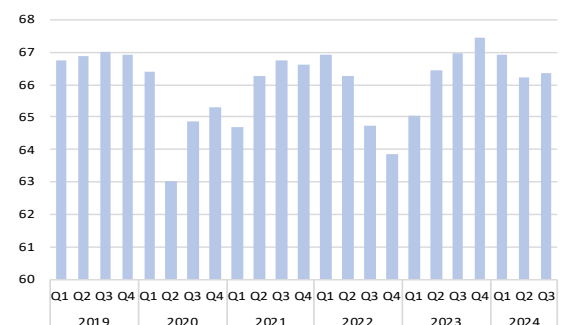
Prince Edward Island, Unemployment rate, Both sexes, 15 years and over, Average Value (%)



Labour Force Participation

P.E.I.’s participation rate sat idle in the most recent quarter, at 66.3%, which is on par when compared to the previous quarter. The participation rate in Q3 2024 is slightly below what it was in 2019, just prior to the pandemic. Throughout 2023, quarterly growth in the labour force consistently outpaced that for the 15+ population, resulting in a rising participation rate. Since then, labour force growth has fallen short of working-age population growth throughout 2024, resulting in some downward pressure on the Island’s participation rate.

Prince Edward Island, Participation rate, Both sexes, 15 years and over, Average Value (%)





Age Groups

As shown in the graph, the unemployment rate for youths (ages 15-24 years) surged during the pandemic and took the longest to recuperate when compared to other broad age categories. Further, the youths age group saw an upward trending unemployment rate during the latter part of 2022 before having eased. In the most recent quarter, the jobless rate for youths increased to 12.5% as there were more young people looking for work than jobs available. The unemployment rate trends for both older workers (55+ years of age) and the core-aged group (25-54 years) have been relatively stable in recent quarters, with both hovering below pre-pandemic levels as of Q3 2024.

Sex

There are proportionately more older worker males participating in the labour market in P.E.I. relative to females, and this gap has widened considerably over the past year. In 2019, an average of about 12,000 men in this age category were either employed or looking for work and this compares to about 10,000 for women, representing a gender gap of about 20% (meaning there were 20% more older worker males in the labour force than females in 2019). As can be observed in the graph, this gender gap among older worker males and females narrowed in Q4 2023 before widening to its largest gap of 35% in the most recent Q3 2024.

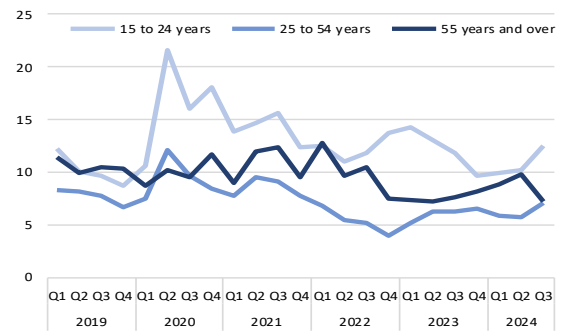
Wages

In 2022, the province experienced strong growth in average weekly wages (+6.6%) driven by wide-spread labour shortages. However, this growth was overshadowed by 8.9% inflation in the same year which eroded consumer purchasing power. Since then, consumer inflation has been easing while average wages continue to grow which has helped restore purchasing power in the economy. Following respectable wage growth of 3.7% in 2023 (which exceeded inflation of 2.9% that year), wages have grown considerably during the first three quarters of 2024 (+6.6% year-to-date compared to the same period in 2023) while inflation over this period continued to soften (+2.1%).

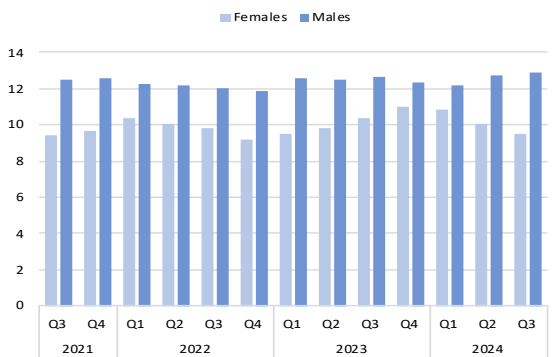
Hours Worked

There was a notable spike in the number of males working between 41 to 49 hours per week since mid 2023, while the number of females working these hours remained stable. Leading up to this notable disparity, the gender gap had remained relatively consistent since the beginning of the pandemic in 2019. The growing gender gap observed in recent quarters is largely attributed to an increasing number of people working extended hours in occupations related to the Trades, transport and equipment operators – jobs largely dominated by men.

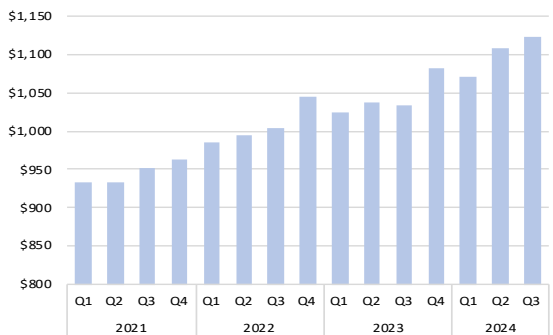
Prince Edward Island, Unemployment rate, Both sexes, Average Value (%)



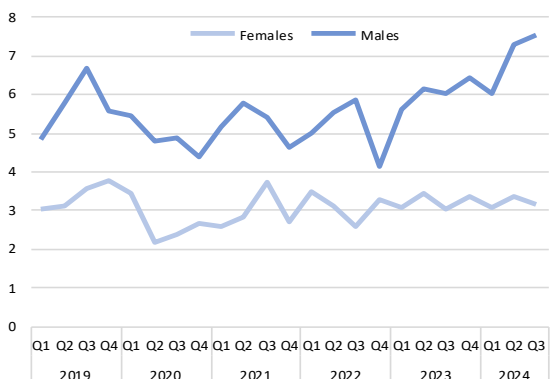
Prince Edward Island, Labour force, 55 years and over, Average Value (000s)



Prince Edward Island, Average weekly wage, Total employees, all industries, Average Value



Prince Edward Island, Total employees, all occupations, 41 to 49 hours, Average Value





Industries

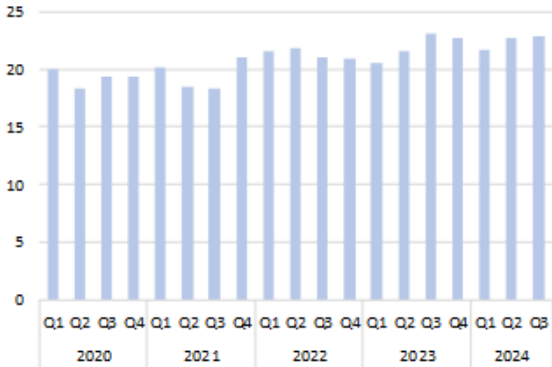
Goods-producing Sector

P.E.I.'s goods-producing sector reached near record employment levels in Q3 2024. At 22,900, employment in Q3 improved slightly from the previous quarter (+0.9%) and was just shy of the historic high observed in Q3 2023 (23,100).

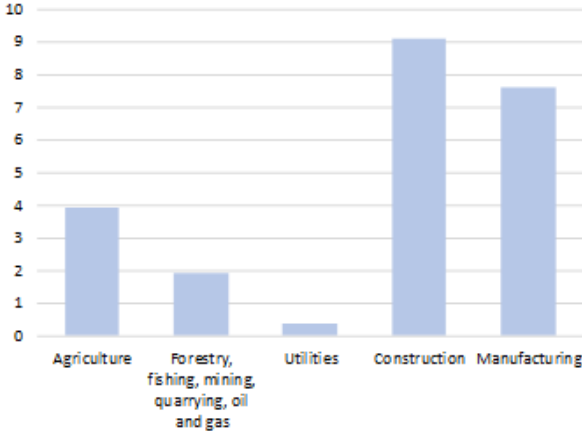
Over two-thirds of total employment in the goods-producing sector is concentrated in construction and manufacturing. Employment in the construction industry grew on a year-over-year basis in Q3 2024 (+1,100), while manufacturing employment contracted slightly (-600) during the same period. All indications 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; provincial capital investment; ongoing residential construction (attributed to immigration) and development; and infrastructure upgrades; as well as other major projects that have been approved or are currently underway.

Employment in the other three goods-producing industries was little changed compared to Q3 of last year. One bright spot in PEI's fishing industry has been an unexpected amount of high-quality tuna being caught, which has helped yield higher prices for the fish. With a ban on commercial bait fishing for herring in the Gulf of St. Lawrence, and mackerel in waters across Atlantic Canada and off Quebec, it has benefited the diet of bluefin tuna and thus improving the quality of the catch for the estimated 330 tuna fishermen on the Island.

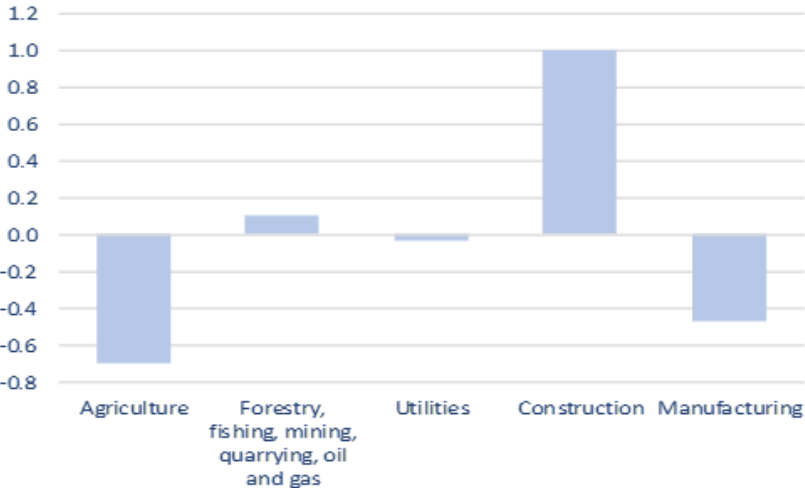
Employment, Prince Edward Island, Goods-producing sector, Average Value (000s)



Employment, Prince Edward Island, Average Value, Q3 2024 (000s)



Employment, Prince Edward Island, Annual Change, Q3 2024 (000s)



Employment in the construction industry hit a record high in Q3 2024.





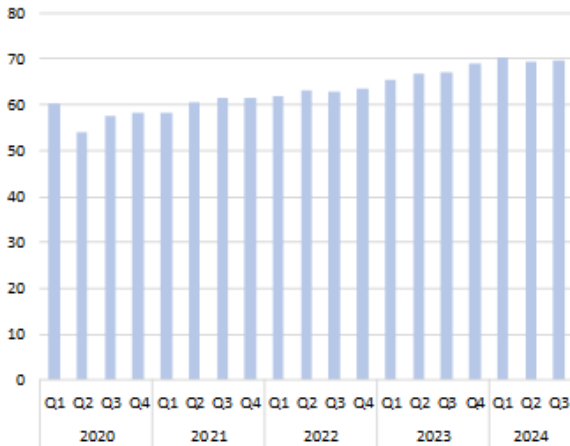
Services-producing Sector

Although employment growth has been relatively flat in PEI’s services-producing sector in recent quarters, the employment level resided at 69,600 in Q3 2024, only 700 below the record observed in Q1 2024. From a longer-term perspective, employment in this sector has been on an upward trend since the pandemic.

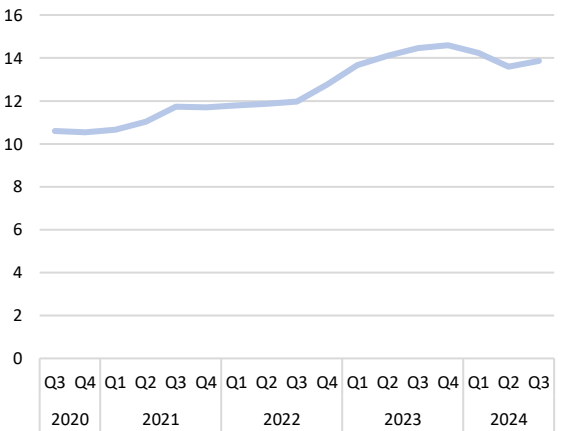
The province’s two largest service-based industries trended in opposite directions over the past year. Compared to Q3 2023, employment was up 1,100 in wholesale and retail trade. During this same time, employment fell by 600 in healthcare and social assistance. These two industries have been greatly impacted by the fast-growing PEI population. For the trade industry, population growth has contributed to a growing consumer base that is expected to keep rising over the near to medium term.

On the other hand, more residents on the Island has put pressure on the healthcare system. The provincial government has ramped up efforts to recruit more healthcare professionals from outside of PEI, but these efforts haven’t been able to keep up with the growing demands for healthcare services. Furthermore, some unions and associations representing various healthcare occupations have stated that worker shortages are leading to higher rates of burnout among existing staff, making employee retention more challenging.

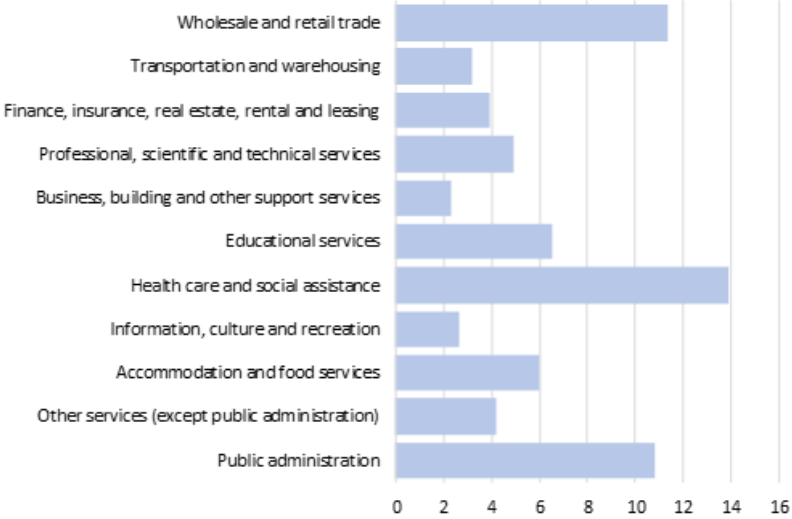
Employment, Prince Edward Island, Services-producing sector, Average Value (000s)



Employment, Prince Edward Island, Health care and social assistance, Average Value (000s)



Employment, Prince Edward Island, Average Value, Q3 2024 (000s)



Most of the new job creation since last year was concentrated in the trade industry





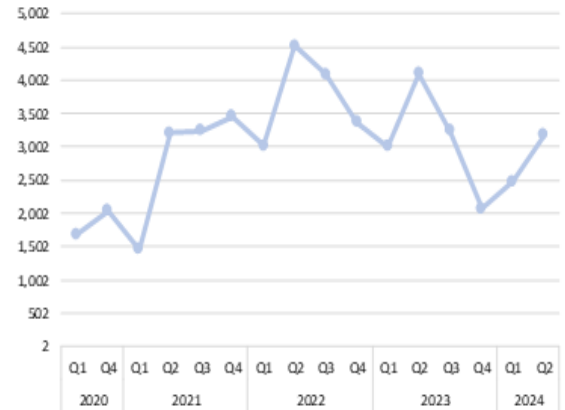
Job Vacancies

The labour market continued to show signs of tightening in 2024, with job vacancies growing for a second consecutive quarter. Following a steep upswing in vacancies since 2020 that lead to a peak of 4,500 in Q2 2023, the second half of 2023 showed a considerable loosening period. By Q4 of last year, vacancies were down to 2,100 in the province. That number has grown to 3,100 in Q2 2024, which is well above pre-pandemic levels.

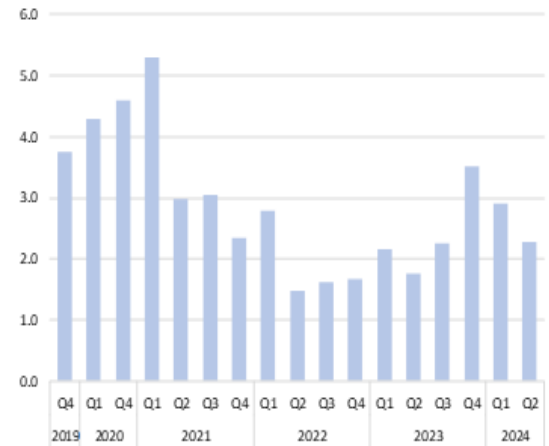
Nevertheless, vacancies were down compared to Q2 of last year. In the latest quarter, the largest number of vacancies by occupation group was in sales and service occupations (1,030). Compared to the same period last year, vacancies fell by 25.6% for this group. In general, these are largely lower-skilled positions, giving employers a larger pool of options when looking for people to fill them. Healthcare occupations, which are by and large high-skilled positions, also had a decline of nearly 25% in the number of vacancies compared to last year. Occupations in education, law and social, community and government services grew by 56.5% in the most recent quarter, totalling 360. Recently, the PEI government announced plans to hire 120 additional staff for the upcoming school year.

The job vacancy rate – which corresponds to the number of vacant positions as a proportion of the total labour demand (the sum of filled and vacant positions) – was 2.3% in Q2 2024. This marked a climb from the 1.9% recorded in Q2 of the previous year.

Prince Edward Island, Job vacancies, Average Value



Prince Edward Island, Unemployment-to-Job Vacancies Ratio

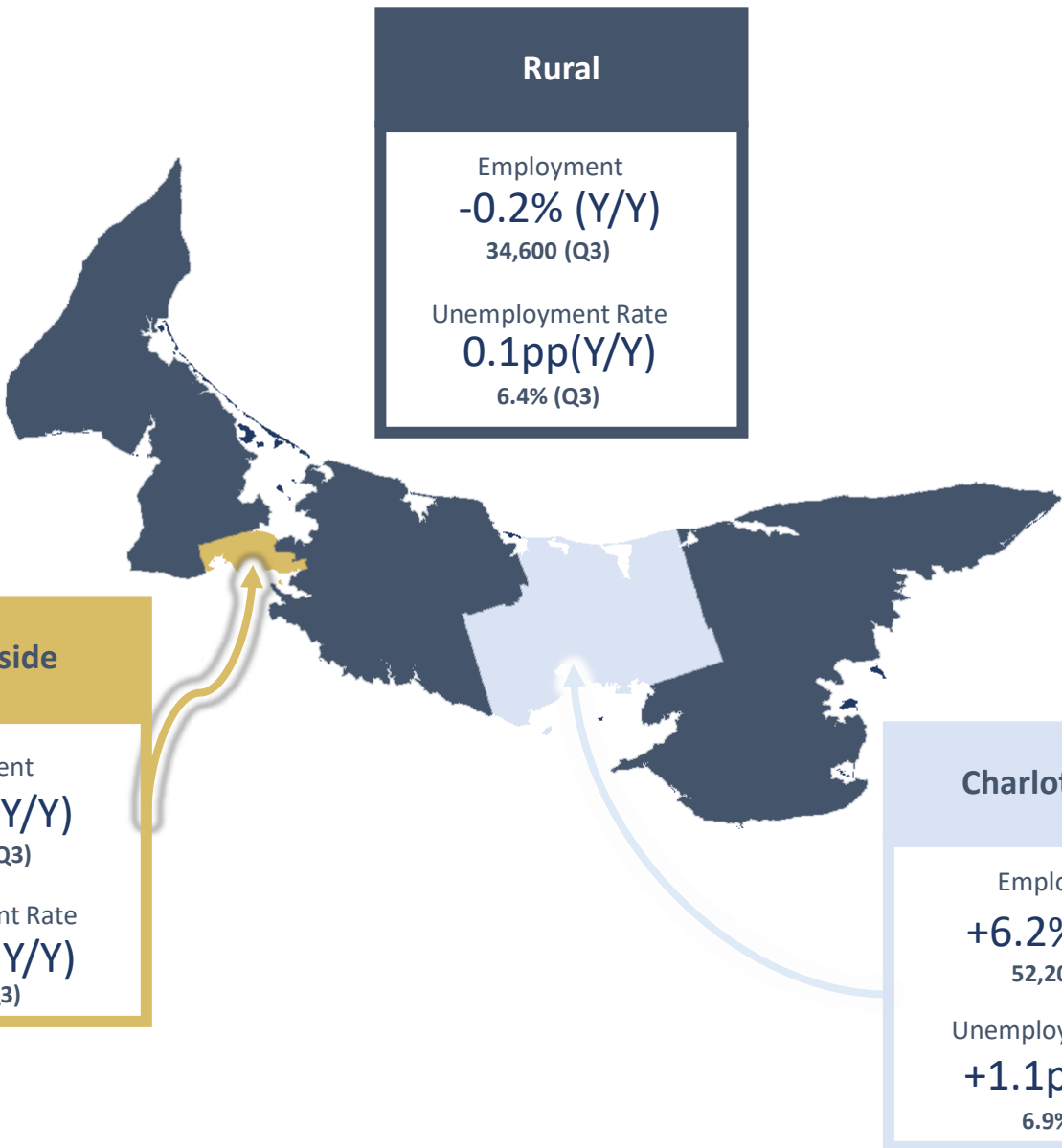


Job Vacancies by Occupation Group (1 Digit NOC)	Q2 2024	Yr/Yr Change
Business, finance and administration occupations	205	-14.6%
Natural and applied sciences and related occupations	165	43.5%
Health occupations	485	-24.8%
Occupations in education, law and social, community and government services	360	56.5%
Occupations in art, culture, recreation and sport	n/a	n/a
Sales and service occupations	1,030	-25.6%
Trades, transport and equipment operators and related occupations	605	-21.4%
Natural resources, agriculture and related production occupations	n/a	n/a
Occupations in manufacturing and utilities	145	-61.3%
Total employees, all occupations	3,180	-22.4%

Labour market pressures have eased in Sales and service occupations



Regions



Charlottetown: Charlottetown’s working-age population (15+) expanded by 5.4% in Q3 2024 from the same quarter a year ago. The labour force and employment levels in the province’s capital averaged 56,100 and 52,200, respectively, in the most recent quarter - the highest Q3 levels on record for both indicators. Labour force participation strengthened in the region evidenced by a 2.2 percentage point annual gain in its participation rate, which peaked at 71.2% in Q3 2024. The unemployment rate in Charlottetown rose to 6.9% in the most recent quarter, up by 1.1 percentage points from a year prior.

Summerside: The labour force in this area averaged 11,200 in Q3 2024 which is just shy of its all-time third quarter high recorded in 2023. The 15+ population rose by 3.8% in the latest quarter and employment edged down only slightly from another all-time quarterly high (also in Q3 2023). Due to a growing population base and a stagnant labour force, the participation rate in the area declined by just over 3 percentage points to 65.1% in Q3 2024 which compares to its all-time third quarter high of 69.5% in 2022. Despite this sharp decline, the participation rate remains above its pre-pandemic level (of 63.7% in 2019). The unemployment rate in Summerside averaged 6.3% in the most recent quarter.

Rural: The rural region of the Island set a Q3 record in its working-age population growth in the most recent quarter (+2.8% to 55,700 persons 15 years and older). It is interesting to note that prior to the province releasing its population action plan in 2017, the working-age population in rural P.E.I. was in steady decline since around the 2011 period. This trend reversed after 2016, with rural population growth expanding at a respectable pace. Further to this, both the rural labour force and employment levels remain at their all-time third quarter highs which was set a year ago. Rural unemployment averaged 6.4% in Q3 2024 which is considerably lower when compared to (pre-pandemic) historical standards.



Feature Article

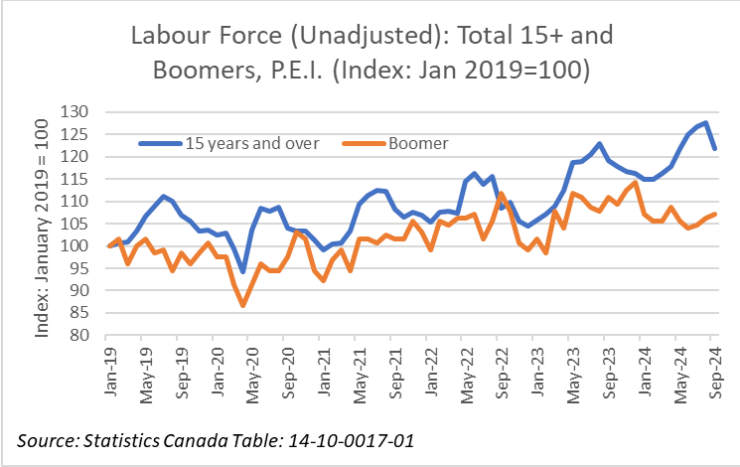
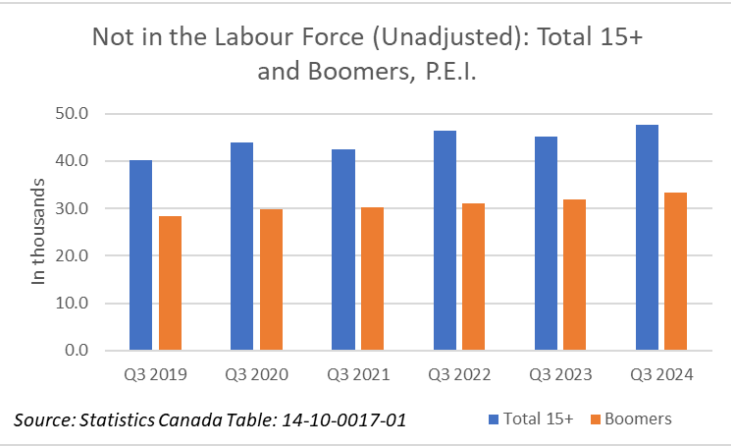
Baby Boomers in the Prince Edward Island Labour Market

In 2019, prior to the pandemic, the youngest of the Baby Boomer generation (“Boomers”) would have turned 55 years of age (Boomers were born between 1946 and 1964) and would have fully integrated into the “older worker” cohort (those aged 55 or older). Currently, Boomers range in age from 60 to 78 years, and from a population perspective, there were a total of 39,359 Boomers in Prince Edward Island in 2024 (representing 66% of the 55+ older worker age category).

When discussing Boomers’ participation in the labour market, the available data does not provide specific estimates for the 60-78 age range. Instead, the 60-64 and the 65+ age groupings are provided. Based on population estimates, Boomers (aged 60-78) make up 8 in 10 persons that fall in the 60+ age category so for the purpose of this report, any labour market reference to ‘Boomers’ is crudely measured by persons over the age of 60.

In the labour force, Boomer participation is relatively lower than its population share. For example, in Q3 2024, there were 22,500 older workers in the PEI labour force, and 13,500 of which (or about 60%) were largely comprised of Boomers.

year ago, while the Boomer labour force contracted, by -2.9%. This was due in part to a growing number of Boomers who retired or left the labour market for other reasons. In Q4 2024, there was an average of 47,500 persons who were not working, nor looking or available to work. This group would include students, homemakers, retired workers, seasonal workers, and persons who could not work because of a long-term illness or disability.



Boomers accounted for nearly 7 in 10 individuals who were not in the labour force during Q3 2024. Furthermore, during the most recent quarter, a total of 1,500 Boomers left the labour market altogether, which was the largest exodus for that age group over the past 5 years.

For the remaining Boomers actively engaged in the labour market, there were 12,500 employed in Q3 2024 and another 1,000 were actively looking for work (i.e. unemployed). Nearly 3 out of 4 employed Boomers worked full-time in the most recent quarter and based on Census 2021 data (see note below), the majority of Boomers worked in public administration (16%), followed by health care and social assistance (14.6%), and retail trade (10.9%). Other notable industries employed by Boomers include education, manufacturing, and agriculture. The unemployment rate for Boomers was in line with the total labour force, at 7.4% (and compares to 6.7% for the total 15+ labour force in the province).

Note: In the Census 2021 data table (98-10-0592-01), the available age ranges 55-64 years and 65-74 years were used for the purpose of isolating “Boomers” when discussing industry employment.

As can be observed by the graph above, the Boomer labour force in the province had been keeping pace with that of the total labour force since the pandemic, however, a notable gap developed throughout 2024. Between Q3 2021 and Q3 2023, labour force growth for both the 15+ cohort and Boomers were on par with one another. However, in Q3 2024, the 15+ labour force kept pace on its trajectory with growth of 3.7% over the same quarter a

Appendix

Characteristic	Prince Edward Island			Canada		
	Estimate	Change		Estimate	Change	
	Latest Quarter Q3 2024	Vs. Previous Quarter	Vs. Quarter Year Prior	Latest Quarter Q3 2024	Vs. Previous Quarter	Vs. Quarter Year Prior
Population 15+ ('000)	151.7	1.1%	4.2%	33,786.8	1.0%	3.6%
Labour Force ('000)	100.6	1.3%	3.2%	21,972.4	0.4%	2.7%
Employment ('000)	92.5	0.5%	2.5%	20,543.9	0.2%	1.6%
Full-time Employment ('000)	78.8	-1.1%	2.2%	16,781.5	0.3%	1.2%
Part-time Employment ('000)	13.7	10.8%	4.8%	3,762.4	-0.5%	3.5%
Unemployment ('000)	8.1	11.9%	10.9%	1,428.5	4.3%	20.5%
Unemployment Rate (%)	8.1	0.8pp	0.5pp	6.5	0.3pp	1.0pp
Participation Rate (%)	66.3	0.1pp	-0.6pp	65.0	-0.4pp	-0.6pp
Employment Rate (%)	60.9	-0.5pp	-1.0pp	60.8	-0.5pp	-1.2pp
Employment ('000):						
15-24 years of age	14.9	1.6%	4.4%	2,705.6	-0.6%	0.5%
25-54 years of age	56.8	0.0%	3.8%	13,492.6	0.6%	2.5%
55 years and older	20.8	1.1%	-2.0%	4,345.7	-0.8%	-0.3%
Females	43.1	-0.5%	-0.1%	9,756.4	0.4%	1.5%
Males	49.4	1.3%	5.0%	10,787.5	0.0%	1.7%
Goods-producing sector	22.9	0.9%	-0.7%	4,122.6	0.3%	0.1%
Agriculture	3.9	-2.5%	-15.1%	238.4	4.9%	-7.5%
Forestry, fishing, mining, oil and gas	1.9	-13.6%	5.6%	351.2	0.7%	6.9%
Utilities	0.4	-8.3%	-8.3%	148.2	-1.1%	-4.3%
Construction	9.1	7.5%	12.3%	1,568.2	0.0%	0.8%
Manufacturing	7.6	0.9%	-5.8%	1,816.5	0.2%	-0.3%
Services-producing sector	69.6	0.3%	3.7%	16,421.3	0.1%	2.0%
Wholesale and retail trade	11.4	3.3%	10.4%	2,885.5	-1.2%	-3.7%
Transportation and warehousing	3.2	-5.0%	23.4%	1,073.1	0.2%	3.6%
Finance, insurance, real estate, and other	3.9	1.7%	3.5%	1,430.6	0.4%	2.4%
Professional, scientific and technical srv.	4.9	-2.0%	2.8%	1,945.9	0.1%	3.7%
Business, building and other s.s.	2.3	-2.8%	38.0%	694.7	-0.8%	1.4%
Educational services	6.5	-4.9%	7.7%	1,544.9	1.1%	3.1%
Health care and social assistance	13.9	2.0%	-4.1%	2,831.1	1.1%	5.5%
Information, culture and recreation	2.6	-18.6%	-16.8%	847.3	0.7%	0.8%
Accommodation and food services	6.0	1.1%	0.0%	1,141.7	-0.1%	0.4%
Other services (except public admin)	4.2	15.7%	10.6%	798.0	-1.2%	3.1%
Public administration	10.8	2.2%	1.9%	1,228.5	0.9%	4.5%

Source: Statistics Canada - Labour Force Survey

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