Labour Market Bulletin

Prince Edward Island •





JUL-SEP 2025

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

Spotlight





Manufacturing

Employment

+11.1% (y/y)

8,400 (Q3)

Employment in the Island's manufacturing industry averaged 8,400 in the most recent quarter (Q3 2025). This is up by 11% when compared to the same quarter a year ago. The value manufacturing shipments in the province is up by 7.4% on a yearto-date basis – attributed largely to increased shipments of durable goods-products. International export values for Island seafood products and table stock potatoes are up on a year-to-date basis.



Charlottetown

Employment +1.8% (y/y)57.200 (Q3)

Employment in the province's capital averaged 53,700 in the most recent third-quarter, which is the highest Q3 level on record. Charlottetown's participation rate in Q3 2025 eased from its Q3 high posted just a year prior which suggests that people in the city of Charlottetown continue to remain optimistic about finding securing employment. This measure labour market optimism strengthened in the Summerside regions in Q3 2025.

Key Indicators



Population*

+1.7% (v/v)

154,500 (Q3)

Unemployment Rate

+0.9pp (y/y)

8.9% (Q3)

Job Vacancy Rate

-0.9pp (y/y)

3.5% (Q2)

Employment

+0.9% (v/v)

93,100 (Q3)

Labour Force Participation Rate

+0.2pp (y/y)

66.2% (Q3)

Weekly Wages

+1.0% (y/y)

\$1,138 (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

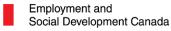
The Island's working-age population reached a record-high level in Q3 2025. Following two consecutive quarterly contractions, the labour force in the most recent quarter rose by 1.8% to its second-highest level on record. Employment levels in P.E.I. contracted in the previous quarter, but edged back up in Q3 2025. With the labour force having outpaced employment growth on a quarterly basis, unemployment in the province rose meaning there were more people actively searching and available to work in Q3 2025 than in the previous Q2 period. This helped elevate the Island's participation rate to 66.2% after having contracted in the prior quarter.

Feature Article

"Help Wanted!" Exploring the Temporary Foreign Worker Program in P.E.I.'s labour market.

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.









Recent Trends

Working Age Population

Following respectable growth in the previous quarter, the Island's working-age population (ages 15 and over) kept pace, having increased by 0.6% to reach a new quarterly high of 154,500 in Q3 2025. As shown in the adjoining graph, growth in the working-age population accelerated at a robust pace post-pandemic due to an increase in the volume of immigrants coming to P.E.I. over that period. The graph shows that the pace of growth for the working-age population held strong throughout the first three quarters of 2024 (+1.1% per quarter, on average), then lost some momentum in the following two quarters, before picking up some pace in the last two quarters.

Employment

Employment in P.E.I. averaged 93,100 in Q3 2025, which is up by 0.6% from the previous quarter (and higher on a year-over-year basis). 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 having eased thereafter. Although positive, the pace of growth with respect to the Island's employment base has been relatively soft in the previous two quarters.

Unemployment

The unemployment rate in the province rose by 1.2 percentage points to 8.9% in Q3 2025. More people entered the labour force in Q3 than who found jobs which resulted in a growing labour supply. The higher unemployment rate in the most recent quarter is above what it was prior to the pandemic - which averaged about 8% over the 2017-19 period. Half of the quarterly gain to the Island's unemployed pool was attributed to youths (persons aged 15-24 years) followed by older workers (55+ age group).

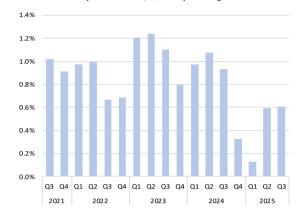
Labour Force Participation

Following two consecutive of decline, P.E.I.'s participation rate rose by nearly one percentage point to 66.2% in Q3 2025. This measure of labour force participation remains below its pre-pandemic average of 67% over the 2017-19 period. Throughout 2023, quarterly growth in the labour force consistently outpaced that for population growth, resulting in a rising participation rate. Throughout 2024, labour force growth stalled relative to gains in the workingage population, which tempered the rate of labour force participation in the province. The participation rate spiked in Q4 2024 due to increased labour market participation by male youths and female older workers. The bounce-back in Q3 2025 was attributed to proportionately more youths and older workers entering the labour force.

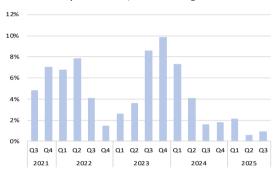
Employment and Social Development Canada

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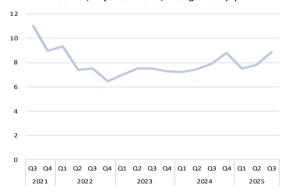
Prince Edward Island, Population, Total - Gender, 15 years and over, Quarterly % Change



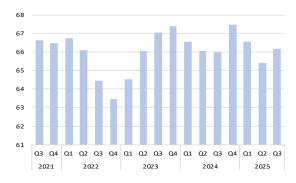
Prince Edward Island, Employment, Total - Gender, 15 years and over, Annual % Change



Prince Edward Island, Unemployment rate, Total -Gender, 15 years and over, Average Value (%)



Prince Edward Island, Participation rate, Total - Gender, 15 years and over, Average Value (%)







Age Groups

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. After having increased to over 12% in Q3 2024, the jobless rate for youths declined in the following two quarters before embarking on an upward trend in the last Q2 and Q3 2025 periods. In the previous Q2 period, the unemployment rate for this cohort was 9.3%, which was the lowest Q2 unemployment rate on record for this group. In the most recent Q3 2025, however, the youth unemployment rate surged to 12.9%. As can be observed by the graph, the unemployment rate trend for older workers followed a similar pathway. The unemployment rate for the core-aged grouping (25-54 years) was largely unchanged from the prior quarter.

Sex

There are proportionately more older worker men+ participating in the labour market in P.E.I. relative to women+. This gap widened considerably throughout 2024, but has been narrowing in recent quarters. In 2019, prior to the pandemic, 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 men+ in the labour force than women+ in 2019). As can be observed in the graph, this gender gap among older worker men+ and women+ narrowed toward the end of 2023, before widening to its largest gap of 39% in Q4 2024. In Q3 2025, this gap has narrowed to 17% which is slightly below pre-pandemic norms.

Wages

Throughout 2022, the province experienced strong growth in average weekly wages (+6.6%) driven by wide-spread labour shortages and to some degree, successful union contract negotiations in response to high inflation. This was overshadowed by 8.9% inflation during that same year which eroded consumer purchasing power. Since then, consumer inflation has eased while average wages continue to grow. Following wage growth of 3.7% in 2023 (vs. 2.9% inflation that year), wages grew considerably throughout 2024 (+6.3%) which greatly offset the 1.8% rise in consumer prices. Wage pressures have been easing since and on a year-to-date basis, the growth in P.E.I. average wages remains on par with inflation in 2025.

Hours Worked

There has been a sharp increase in the number of people working between 41 and 49 hours per week in the manufacturing and utilities occupational group since mid-2024. Following an earlier peak in Q3 2024 when nearly 1,300 persons worked the 41-49 hours range within the stated occupational grouping, the number of persons in the province working those hours has since spiked to 1,900 which, in Q2 2025, was an all-time high for this category. (possibly in response to tariff threats with producers accelerating shipments to the U.S. to mitigate future impacts). The number working these hours declined by in the most recent Q3 2025 period which may be indicative of a cooling sector amidst tariff-related uncertainties and other sector challenges (i.e. shellfish processing due to the MSX and Dermo parasites).

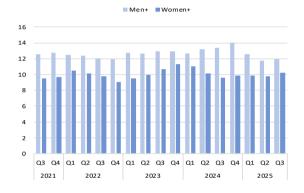
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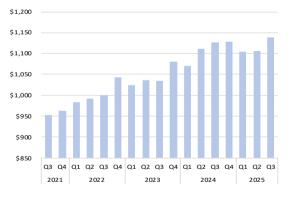
Prince Edward Island, Unemployment rate, Total Gender, Average Value (%)



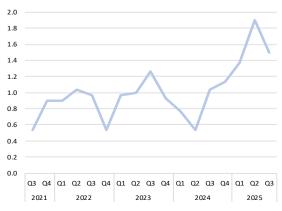
Prince Edward Island, Labour force, 55 years and over, Average Value (000s)



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



Prince Edward Island, Occupations in manufacturing and utilities, 41 to 49 hours, Total - Gender, Average Value





Industries

Goods-producing Sector

The employment level in P.E.I.'s goods-producing sector continued to decline during Q3 2025. Following rising employment during 2024 which peaked at a record high of 25,200 in Q1 2025, the goods-producing sector has now recorded consecutive quarterly declines. Nevertheless, at 23,400, employment in this sector remains historically high.

With the exception of the forestry, fishing, mining, oil and gas industry, all of the other goods-producing industries slipped on a quarter-over-quarter basis in Q1 2025. Manufacturing and construction recorded a slight decline of -400 each. In the case of the manufacturing industry, there are signs that the US tariffs are beginning to negatively impact the international market demands for Canadian-made goods. Some small P.E.I.-based businesses have reported that they are no longer shipping to the US after minimis duty-free shipments came to an end on August 29th. Previously, Canadian companies had been able to ship items worth less than \$800 US to the States without tariffs.

While construction employment trended downward in Q3 2025, the industry is likely to remain strong going forward. Indeed, it's been reported that even after housing starts hit a record high in 2024, P.E.I. still needs to build an average of 2,000 homes per year to keep up with population growth.

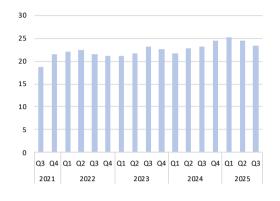
The agriculture industry recorded the largest employment drop in the sector since last quarter with a decline of -500. Drought-like conditions this past summer have contributed to a significant loss in crop yield for some farmers.

Employment, Prince Edward Island, Annual Change, Q3 2025 (000s)

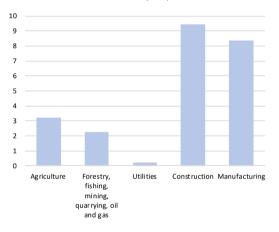


fishing, mining, quarrying, oil and gas

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



Employment, Prince Edward Island, Average Value, Q3 2025 (000s)



Summer drought conditions have hampered the agriculture industry.





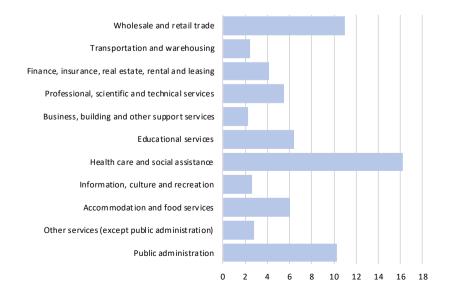
Services-producing Sector

Following consecutive quarterly declines, employment was up in P.E.I.'s services-producing sector in Q3 2025. At 69,700, the sector's employment level was only slightly below the record high of 70,300 recorded in Q1 2024.

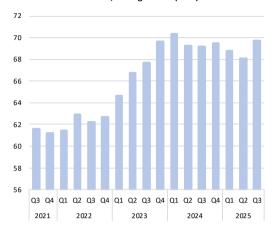
The sector's employment base is largely centered around healthcare, public administration, and the trade industry. With the Island's population base experiencing significant growth in recent years, it has driven up sales in the trade industry while also putting more strain on the healthcare system as well as public programs and services operated by government.

While employment declined marginally in the public service and trade industries over the past year, the healthcare industry continues to grow. Like most of Canada, the province has struggled to fill vacancies within the industry over the last several years. Recent signs indicate that the government and provincial stakeholders are making up ground in attracting skilled workers to the province. A number of strategies have been launched in 2025 to recruit healthcare workers from abroad as well as developing more local talent.

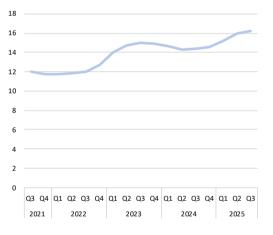
From an international recruitment standpoint, the provincial health authority has been holding job fairs abroad. Meanwhile, the provincial government brought in 20 health care professionals from the US this year after making policy changes that enabled physicians from the US to become licensed to work in P.E.I. The province has also invested \$120M to create its own medical school, which is expected to develop more local students into doctors who will stay and work on the Island.



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



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



The number of health care and social assistance jobs remained at a record high in Q3.



Job Vacancies

Labour market pressures further eased in the province, with the declining trend in job vacancies since having peaked in mid-2022. There were 490 fewer vacancies in Q2 2025 compared to the prior Q1 2025. Compared to Q2 2024, however, vacancies were elevated by 1,370.

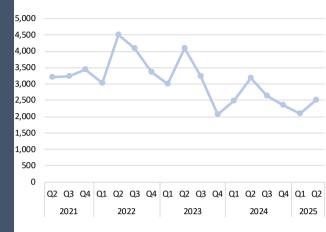
Nearly one-quarter of all the vacant jobs in P.E.I. are in sales and service occupations, making it the largest source of vacancies in the province. Most of these positions are lower-skilled jobs, which gives employers a larger labour pool to recruit from. However, the rising cost of living has intensified in recent years and lower wage jobs are becoming less attractive to prospective job seekers. Furthermore, population growth and immigration are slowing on the Island, creating further challenges for some employers.

There were 515 vacant positions in the health occupational group in Q2 2025, down slightly from the 550 recorded in the previous quarter. Nevertheless, the current vacancies are considerably higher than what they were during the 2021-2023 post-pandemic period (having averaged 365 vacancies). The relatively high level of vacancies speaks to the challenges of keeping up with retirements as well as retaining workers who are presented with a number of growing opportunities to leave P.E.I. for higher wages and/or less demanding work conditions.

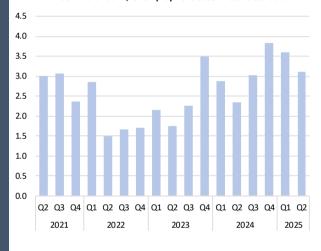
The unemployment-to-job vacancy ratio (i.e. the number of unemployed persons per vacant position) was 3.12 in Q2 2025. This was up from 2.33 recorded a year ago. An increase in this ratio implies that there are more employed persons per job vacancy, suggesting a relatively softer labour market in the most recent quarter.

Job Vacancies by Occupation Group (1 Digit NOC)	Q2 2025	Yr/Yr Change
Business, finance and administration occupations	195	-4.9%
Natural and applied sciences and related occupations	95	-42.4%
Health occupations	515	6.2%
Occupations in education, law and social, community and government services	320	-11.1%
Occupations in art, culture, recreation and sport	n/a	n/a
Sales and service occupations	550	-46.6%
Trades, transport and equipment operators and related occupations	405	-33.1%
Natural resources, agriculture and related production occupations	n/a	n/a
Occupations in manufacturing and utilities	250	72.4%
Total employees, all occupations	2,510	-21.1%

Prince Edward Island, Job vacancies, Average Value



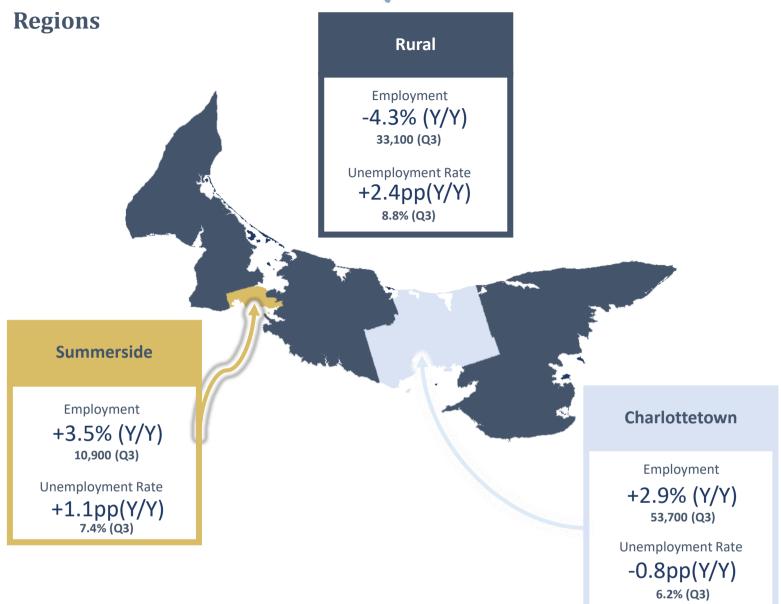
Prince Edward Island, Unemployment-to-Job Vacancies Ratio



Job vacancies were highest among sales and service occupations in Q3 2025.







Charlottetown: Charlottetown's working-age population (ages 15+) expanded by 4.1% in Q3 2025 from the same quarter a year ago. The labour force and employment levels in the province's capital averaged 57,200 and 53,700, respectively, in the most recent quarter. These are the highest Q3 levels on record for both indicators.

Summerside: The labour force in this area averaged 11,800 in Q3 2025, which is the highest Q3 level on record. The workingage population base continued to grow and the participation rate rose from the same quarter a year ago (to 67.6% in Q3 2025). Labour force growth exceeded employment growth in the region which caused the unemployment rate to increase to 7.4% in the most recent quarter.

Rural: Most major labour market indicators were down in rural P.E.I. in Q3 2025, with the exception of unemployment. Working-age population contracted by 1.2%, and both the region's labour force and employment levels were lower year-over-year. The rural unemployment rate increased to 8.8% in the most recent quarter, though remains below pre-pandemic norms (i.e. which averaged close to 10% during the Q3 periods between 2017-19).





Feature Article

"Help Wanted!" Exploring the Temporary Foreign Worker Program in P.E.I.'s labour market.

There have been some recent opinions in the media about ending Canada's Temporary Foreign Worker Program (i). This sentiment is in part influenced by a growing youth unemployment rate across the country (ii). The purpose of this report is to get some degree of insight as to how ending this program could affect the P.E.I. labour market - and particularly, to identify which occupations would have to be filled locally in the absence of the TFWP. Before we can dig deeper into this, however, it is important first to get a sense of what the program is about.

In general, Canada's Temporary Foreign Worker Program allows employers to hire a foreign worker to fill a temporary job when a qualified Canadian citizen or permanent resident is not available to fill the vacancy. Employers must apply to hire under the TFWP and these applications are assessed by way of a Labour Market Impact Assessment (LMIA) which determines the potential impact hiring a foreign national would have on the Canadian labour market. These assessments take into consideration multiple factors, such as: available labour market information for the region and occupation in question; employers' recruitment and advertisement efforts; wages and working conditions; labour shortages; and so on. When an employer receives a positive LMIA, it means that bringing in the foreign national to work temporarily in Canada should have a positive or neutral impact on the local labour market (or in other words, there should be no negative impact to the local labour market by hiring a foreign worker to fill a vacancy).

If there is in fact some causation between TFWP usage and rising youth unemployment, then this outcome would be in direct violation of the program's intended purpose. It begs the question: is the issuance of positive LMIAs to employers actually creating a negative labour market outcome for youths? Though intriguing, answering this specific question is beyond the scope of this report.

Based on 2024 TFWP data, there were four streams for TFW intake in Prince Edward Island that year: Global Talent Stream, High Wage Stream, Low Wage Stream, and the Primary Agriculture Stream.

The table below provides some detail about the type of occupations in each stream as well as the relative importance of each in terms of intake volume:

TFWP	Example	TFW Intake by	Stream Share:
Stream	Occupations	Stream 2024	TFW Intake 2024
	Software developers,		
Global Talent	Biologists	4	0.2%
	Transport truck drivers,		
High Wage	Heavy equipment operators	116	6.4%
	Fish plant workers,		
Low Wage	Cooks	990	55%
	Agriculture labourers,		
Primary Agriculture	Managers in agriculture	690	38.3%
Total	-	1,800	100%

Data source: Open Government Portal (Temporary Foreign Worker Program Labour Market Impact Assessment 2024Q1-2025Q1 - by Program Stream)

The Low Wage stream is typically the dominant route for TFW intake in Prince Edward Island, followed by the Primary Agriculture stream. In terms of exploring how ending the TFWP might affect the labour market in the province, it should be noted that the media context supports maintaining the agricultural stream as these jobs are typically hard to fill given the nature of the work.

This mean both the Low Wage and High Wage streams would be at risk if the TFWP program was to be terminated—and ultimately, would have the most impact on Island employers.

The TFWP publishes positive LMIAs based on the 2021 National Occupational Classification (NOC) system to categorize jobs based on training, education, experience and responsibilities (i.e. TEER). The table that follows on the next page categorizes all TFW intake by TEER level (for all streams and excluding the agriculture stream).





Feature Article

"Help Wanted!" Exploring the Temporary Foreign Worker Program in P.E.I.'s labour market.

As can be observed in the adjoining table, removing the agricultural stream from the TFWP reduces the number of TEER 5 positions quite significantly. With the Agricultural Stream preserved, the next step is to identify the occupations most vulnerable in the P.E.I. labour market should the TFWP be terminated. A list of these occupations are provided below:

PEI TFWP Intake: Positive LMIAs by Training, Education, Experience and Responsibilities (TEER)	2024 All Streams	2024 (Excluding Agriculture)	
TEER 0 - Management occupations	9	7	
TEER 1 - Occupations that require a university degree	15	15	
TEER 2 - Occupations that require a college diploma, apprenticeship			
training of 2 or more years, or supervisory occupations	111	99	
TEER 3 - Occupations that require a college diploma, apprenticeship			
training of less than 2 years, or more than 6 months of on-the-job			
training	96	96	
TEER 4 - Occupations that require a high school diploma, or several			
weeks of on-the-job training	737	721	
TEER 5 - Occupations that need short-term work demonstration and	and the country		
no formal education	832	172	
Total	1,800	1110	

Data source: Open Government Portal (Number of temporary foreign worker (TFW) positions on positive Labour Market Impact Assessments (LMIAs) by National Occupational Classification - 2021 (NOC) training, education, experience and responsibilities (TEER))

TEER	Occupation	2024 LMIA	Share of Total	
Level		Positions	Occupations	
4	94142-Fish and seafood plant workers	694	63%	
2	62020-Food service supervisors	77	7%	
5	95107-Labourers in fish and seafood processing	53	5%	
3	73300-Transport truck drivers	58	5%	
5	75110-Construction trades helpers and labourers	41	4%	
3	63200-Cooks	26	2%	
4	7452-Material handlers	14	1%	
7	Sub-total	963	88%	
	Other occupations	147	12%	
	Total	1,110	100%	

Data source: Open Government Portal (Temporary Foreign Worker Program (TFWP): Positive Labour Market Impact Assessment (LMIA) Employers List - by Program Stream, National Occupational Classification (NOC) 2021)

The most vulnerable occupation in P.E.I. in the absence of the TFWP is clearly fish and seafood plant workers — which accounted for nearly two-thirds of approved LMIA positions in 2024 (when excluding the Agriculture Stream). In theory, the remaining number of occupations on this list — particularly their subsequent number of positive LMIA positions — would translate into vacancies for which employers would have to fill locally in order to meet labour demand.

Endnotes:

i. https://www.cbc.ca/news/politics/poilievre-wants-temporary-foreign-worker-program-scrapped-1.7623864

ii. Ibid.



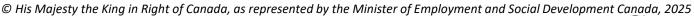




Appendix

	Pri	ince Edward Islan	d	Canada			
	Estimate	Estimate Change		Estimate	Estimate Change		
Characteristic	Latest Quarter Q3 2025	Vs. Previous Quarter	Vs. Quarter Year Prior	Latest Quarter Q3 2025	Vs. Previous Quarter	Vs. Quarter Year Prior	
Population 15+ ('000)	103.0	0.6%	1.7%	23,095.8	0.3%	1.99	
Labour Force ('000)	68.2	1.8%	2.0%	15,056.0	0.3%	1.79	
Employment ('000)	62.1	0.6%	1.0%	13,997.9	0.1%	1.29	
Full-time Employment ('000)	53.8	0.5%	2.4%	11,458.2	0.1%	1.29	
Part-time Employment ('000)	8.3	2.1%	-7.1%	2,539.7	-0.4%	1.39	
Unemployment ('000)	6.0	16.0%	13.6%	1,058.1	1.8%	9.29	
Unemployment Rate (%)	8.8	1.1pp	0.9pp	7.0	0.1pp	0.5pp	
Participation Rate (%)	66.2	0.7pp	0.2pp	65.2	-0.2pp	-0.1p	
Employment Rate (%)	60.3	0.0pp	-0.5pp	60.6	-0.2pp	-0.4p	
Employment ('000):							
15-24 years of age	9.7	-2.6%	3.1%	1,796.1	-0.8%	0.79	
25-54 years of age	39.3	1.3%	4.0%	9,302.1	0.2%	1.69	
55 years and older	13.1	1.0%	-8.5%	2,899.6	-0.1%	0.39	
Women+	45.9	2.8%	5.3%	9,912.2	0.1%	1.09	
Men+	47.3	-1.4%	-2.9%	11,084.7	-0.1%	1.4%	
Goods-producing sector	23.4	-4.5%	1.3%	4,180.7	-0.3%	-0.59	
Agriculture	3.2	-13.5%	-18.6%	220.5	-3.5%	-6.99	
Forestry, fishing, mining, oil and gas	2.2	3.1%	6.3%	334.4	-0.5%	-7.19	
Utilities	0.2	0.0%	-45.5%	162.6	2.4%	8.49	
Construction	9.4	-3.7%	2.2%	1,627.9	-0.6%	1.69	
Manufacturing	8.4	-4.2%	11.1%	1,835.4	0.3%	-0.99	
Services-producing sector	69.7	2.4%	0.8%	16,816.1	0.0%	1.69	
Wholesale and retail trade	11.0	-1.5%	-2.1%	3,007.9	0.9%	3.29	
Transportation and warehousing	2.5	-2.6%	-23.7%	1,076.8	0.1%	-0.99	
Finance, insurance, real estate, and other	4.1	11.7%	3.3%	1,501.5	0.2%	4.79	
Professional, scientific and technical srv.	5.5	5.1%	13.1%	2,012.7	0.0%	1.7%	
Business, building and other s.s.	2.3	3.0%	6.2%	674.3	-3.1%	-3.89	
Educational services	6.4	8.5%	-0.5%		0.8%	3.29	
Health care and social assistance	16.2	1.7%	12.5%	2,887.7	0.2%	1.79	
Information, culture and recreation	2.6	25.8%	2.6%	838.5	-2.8%	-0.99	
Accommodation and food services	6.0	1.7%	3.4%	1,176.5	1.3%	3.29	
Other services (except public admin)	2.8	-5.6%	-30.3%	775.6	0.1%	-3.29	
Public administration	10.2	-1.9%	-3.2%		-0.9%	0.99	

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Employment and Social Development Canada I