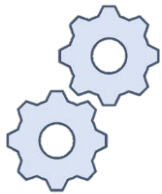


Spotlight



Professional, scientific and technical services

Employment

+23.2% (y/y)

5,800 (Q1)

Employment in the Professional, scientific and technical services industry reached a record 5,800 persons in the first quarter (Q1) of 2026 and is up by just over 23% on a year-to-date (YTD) basis. Production has grown considerably in key subsectors, such as Architectural, engineering and related services (due to strong construction activity); as well as Accounting, tax preparation, bookkeeping and payroll services (supported by population and economic growth).



Charlottetown

Employment

+1.3% (y/y)

52,700 (Q1)

Employment in the province's capital reached 52,700 in Q1 2026 which is the highest Q1 level on record. Charlottetown's participation rate in the most recent quarter eased from its all-time quarterly high posted just a year prior and is currently hovering well above pre-pandemic levels.

Key Indicators



Population*

+1.9% (y/y)

155,600 (Q1)

Employment

+2.4% (y/y)

95,900 (Q1)

Unemployment Rate

-0.3pp (y/y)

7.4% (Q1)

Labour Force Participation Rate

+0.1pp (y/y)

66.5% (Q1)

Job Vacancy Rate

-0.4pp (y/y)

3.3% (Q4)

Weekly Wages

+4.9% (y/y)

\$1,158 (Q1)

*Note: Y/Y is a year-over-year change; pp is a percentage point change; Q1 stands for the 1st quarter of the calendar year
Population represents those aged 15 and over

The Island's working-age population reached a record-high level in Q1 2026. The labour force in the most recent quarter rose by 1.5% from what it was in the previous quarter. The level of employment in P.E.I. rose by 1.8% on a quarterly basis and is up by 2.4% year-over-year. With employment growth having marginally outpaced the labour force on a quarterly basis, unemployment in the province fell – meaning there were slightly fewer people actively searching and available to work in Q1 2026 than in the previous Q4 period. The Island's participation rate increased by nearly 1 percentage point in the most recent quarter.

Feature Article

Are Indigenous peoples becoming more integrated into the provincial and regional 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

The Island’s working-age population (ages 15 and over) continues to grow although the pace of growth has been easing in recent quarters. In Q1 2026, the 15+ population increased by 0.3% to reach a new quarterly high of 155,600. 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 accelerated during the 2023-24 period, but has since lost momentum in recent quarters.

Employment

Employment in P.E.I. averaged 95,900 in Q1 2026, which is up by 1.8% from the previous quarter (and up by 2.4% year-over-year). Since having surged throughout the mid 2023-24 period, employment growth has eased considerably in the province. In fact, the annual gain in employment in the most recent quarter was the highest rate since Q2 2024. Although employment growth appears to have lost some momentum, the current pace in the most recent quarter continues to exceed average growth over the pre-pandemic 2017-19 period.

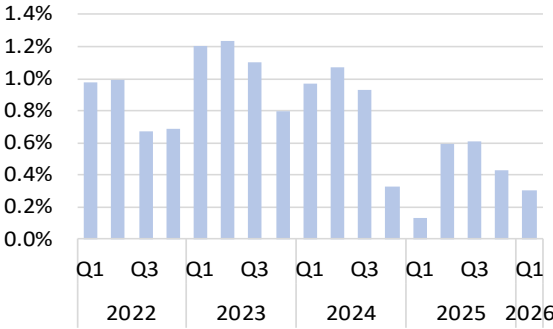
Unemployment

The unemployment rate in the province declined slightly, by just 0.3 of a percentage point, to 7.4% in Q1 2026. This is due to employment growth having marginally outpaced the labour force in the most recent quarter. The unemployment rate in Q1 2026 remains well below what it was just prior to the pandemic - which averaged 8.7% in 2019. Unemployment levels declined slightly for youths (ages 15-24) and core-aged (25-54) workers, while an increase in unemployment for older workers (55+ years) partially offset.

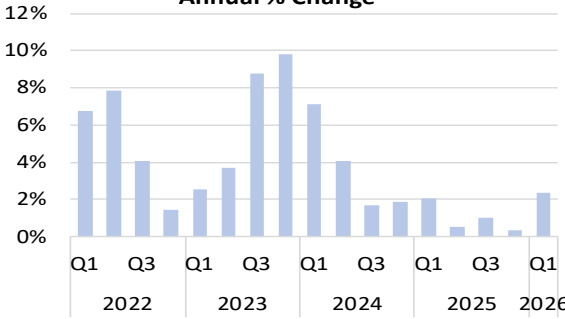
Labour Force Participation

P.E.I.’s participation rate increased by 0.8 of a percentage point to 66.5% in Q1 2026 (and remains on par with what it was a year ago). This measure of labour force participation is just shy of its pre-pandemic average in 2019. As can be observed in the adjacent graph, the Island’s participation rate has remained relatively stable throughout 2025. This suggests that that new entrants (i.e. immigrants, students, returning workers) are roughly balancing those exiting the labour force (i.e. retirements, out-migration, or for other reasons). This is often a sign that population growth and (recent) immigration policies are helping to stabilize the workforce.

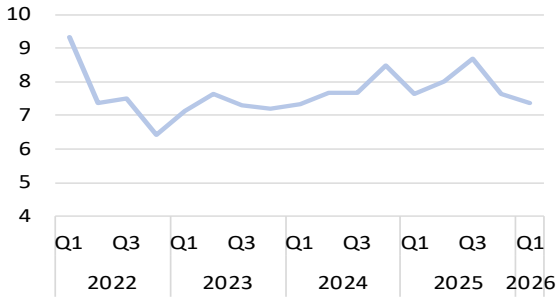
Prince Edward Island, Population, Total - Gender, 15 years and over, Quarterly % Change



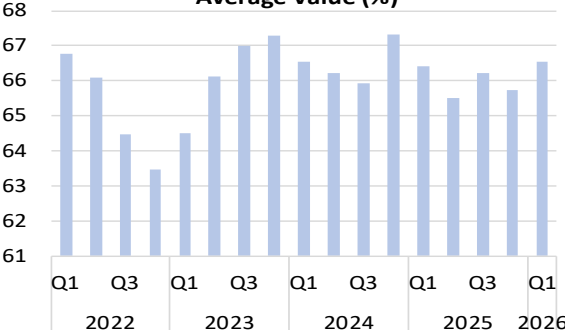
Prince Edward Island, Employment, Total - Gender, 15 years and over, Annual % Change



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) remains the highest among all major age groups, reaching 11.7% in Q1 2026. By comparison, the rates for core aged (ages 25–54) and older workers stand at 5.9% and 8.7%, respectively. As shown in the graph, youth unemployment had been trending downward through 2023 and 2024 before reversing course and rising steadily throughout 2025. This sharp reversal, particularly the speed at which youth unemployment increased, reflects broader economic instability earlier in the year (i.e. linked to U.S. trade uncertainties). Reduced business confidence, slower job creation, and rising minimum wages—along with broader increases in labour costs—are all contributing factors keeping youth unemployment elevated.

Sex

There are proportionately more older worker men+ participating in the labour market in P.E.I. relative to women+. As can be observed in the graph, this gap widened considerably throughout 2024 but has narrowed since – although a noticeable widening occurred in the most recent quarter. 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, this gender gap widened to its largest gap in Q4 2024 (of 39%), but has since eased, to 22% in Q1 2026.

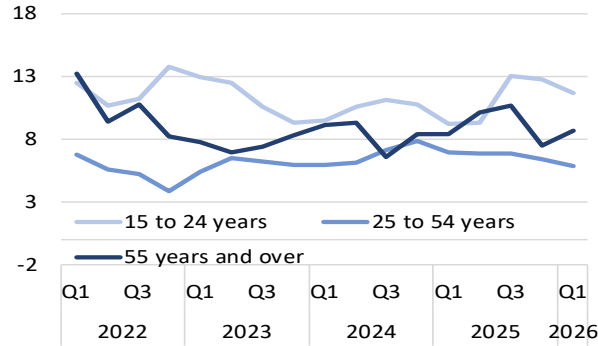
Wages

Throughout 2024, 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 previously high inflation (i.e. 8.9% in 2022 and 2.9% in 2023). Consumer inflation has since eased while average wages have grown enough to sustain purchasing power for consumers.

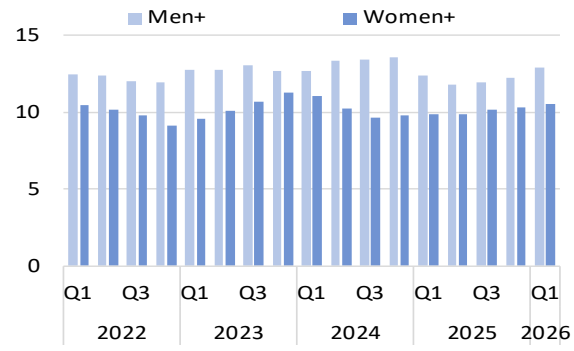
Hours Worked

Total hours worked by those employed in health occupations were up by 19% in Q1 2026 compared to the same quarter a year ago. By crude comparison, employment levels in health and social assistance increased by nearly 8% which indicates that labour demand is being met primarily through longer hours and overtime, rather than proportional growth in employment. This pattern is typical when staffing shortages persist amid rising service demand, particularly in acute care, long-term care, and community health settings. As can be observed in the adjoining graph, the gender gap has been widening considerably since the beginning of 2024. The total hours worked by women has been increasing at a steady pace while the trend for men in the industry has been steadily declining. Women account for the vast majority of workers in the health industry, equating to about 8 in every 10 health workers being women.

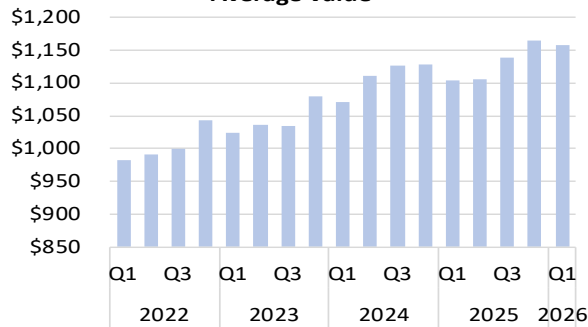
Prince Edward Island, Unemployment rate, Total - Gender, Average Value (%)



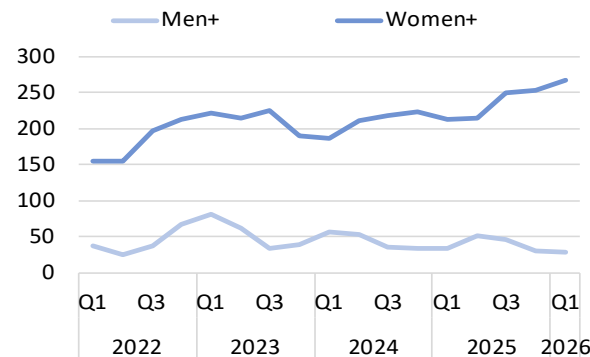
Prince Edward Island, Labour force, 55 years and over, Average Value (000s)



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



Prince Edward Island, Health occupations, Total actual hours (main job), Average Value





Industries

Goods-producing Sector

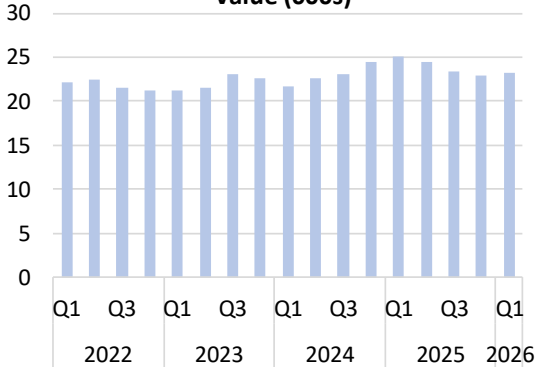
Employment in P.E.I.'s goods-producing sector inched up in Q1 2026 compared to the previous quarter. Nevertheless, the increase from Q4 was marginal (+300). On the positive side, Q1 employment results bucked a previous trend where the province had experience three consecutive quarterly declines.

At 23,300, employment in this sector is not far off the historical peak recorded from Q1 of last year. Compared to Q1 2025, the utilities industry employment level was up by 400 while employment was little changed in agriculture (+100) and construction (-100). Job losses were concentrated in forestry, fishing, mining, oil and gas (-1,200), and manufacturing (-1,000).

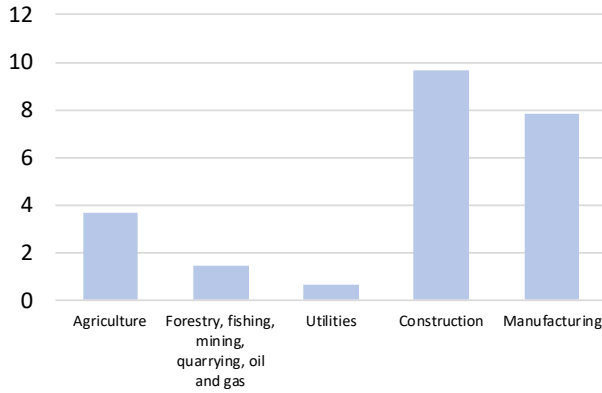
Employment fell to its lowest level in over three years in the forestry, fishing, mining, quarrying, and oil and gas industry. P.E.I.'s fishing industry, a small but important part of the Island's economy, has faced struggles over the past year in wake of tariffs from its two largest export markets in the U.S. and China.

The manufacturing industry has experienced quarterly employment declines each quarter beginning in Q1 of last year. A new report from the International Monetary Fund says if Canada eliminated provincial trade barriers, it could increase its real GDP by about 7%. The report says that smaller provinces would gain the most, with P.E.I. potentially seeing a 40% jump in its GDP.

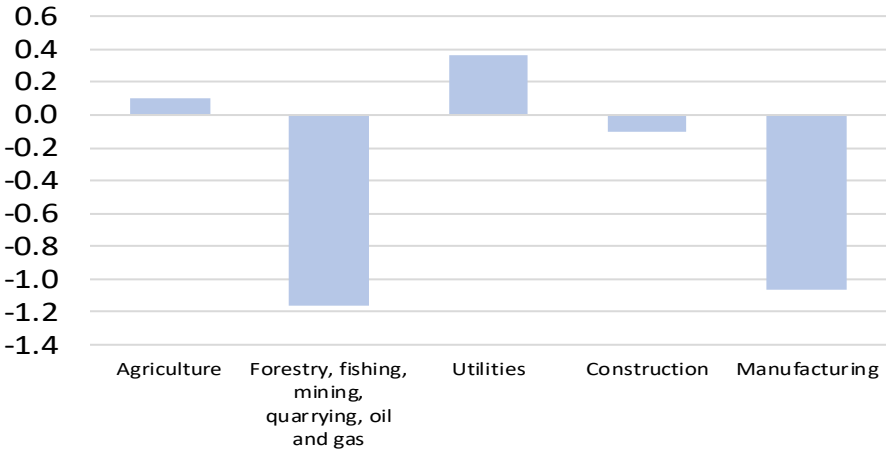
Employment, Prince Edward Island, Goods-producing sector, Average Value (000s)



Employment, Prince Edward Island, Average Value, Q1 2026 (000s)



Employment, Prince Edward Island, Annual Change, Q1 2026 (000s)



Manufacturing employment was down by 1,000 over the past year.



Services-producing Sector

Employment was up again for the third straight quarter in P.E.I.'s services-producing sector during Q1 2026. At 72,700, the sector's employment level surpassed the previous record high of 71,200 set just last quarter.

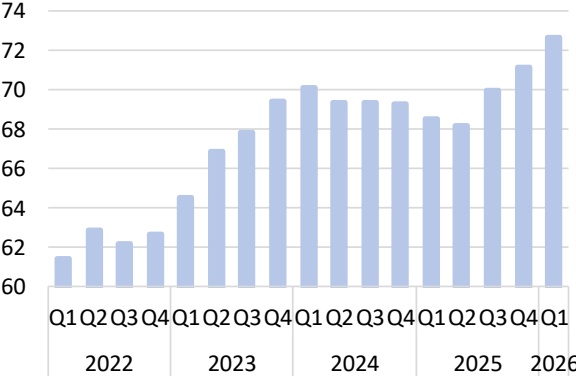
Overall, employment in the sector was up 6.1% over Q1 2025. The healthcare industry accounted for the largest number of new positions since last year, at +1,200 (tied with accommodation and food services). This directly relates to recruitment strategies by the P.E.I. government and provincial stakeholders in which they have attracted skilled immigrants to this industry over the past year.

The provincial government has also invested heavily in local post-secondary programming to bring in more young people to the industry's workforce. This includes the Province spending \$120M to create its own medical school.

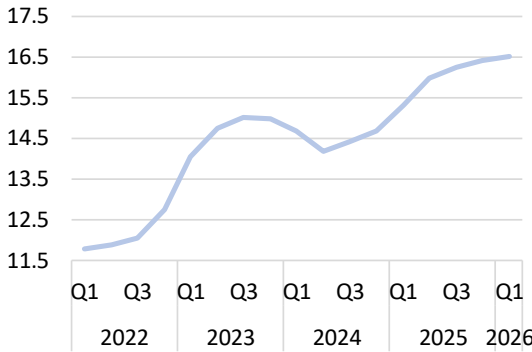
While a growing population base on P.E.I. has strained the healthcare system, it has had a positive effect on the trade industry, boosting employment in retail trade as more consumers shop local stores. Compared to the healthcare industry which requires skilled workers, most retail positions are low skilled and easier to fill.

Similarly, the accommodation and food services industry, which was the second largest job growth industry over the past year (+1,200), is largely made up of lower skilled workers. This industry has been buoyed by strong tourism to the Island with P.E.I. experiencing record-breaking tourism numbers in 2025. The Island welcomed 10% more tourists than it did in 2024, with 1.87M visitors in 2025. Spending rose 12.4%, while hotels and inn stays were up 7%.

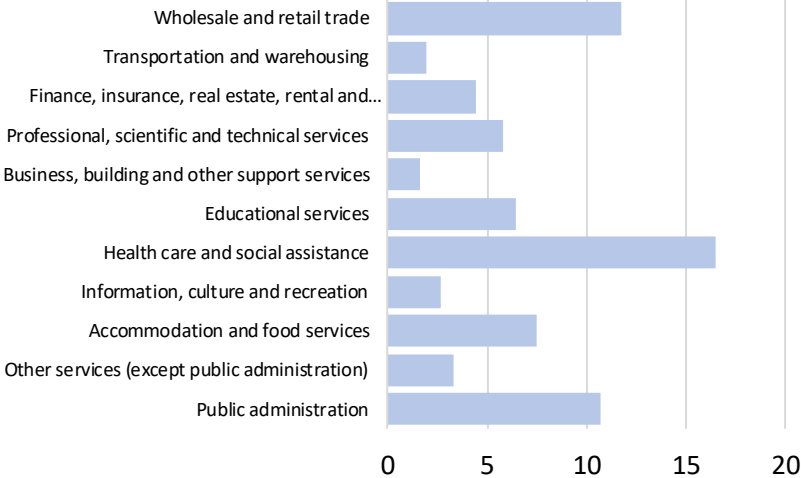
Employment, Prince Edward Island, Services-producing sector, Average Value (000s)



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



Employment, Prince Edward Island, Average Value, Q1 2026 (000s)



For a second consecutive quarter, the services-producing sector reached a new all-time high in employment.





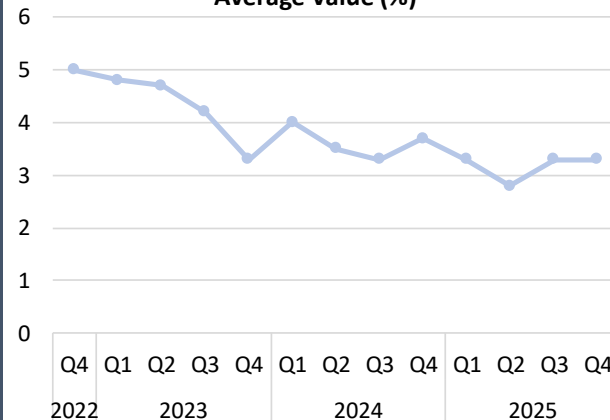
Job Vacancies

The number of job vacancies was little changed from the previous quarter in Q4 2025. There were 15 fewer vacancies in the most recent quarter compared to Q3 2025. Since the same period last year, vacancies are down by 330.

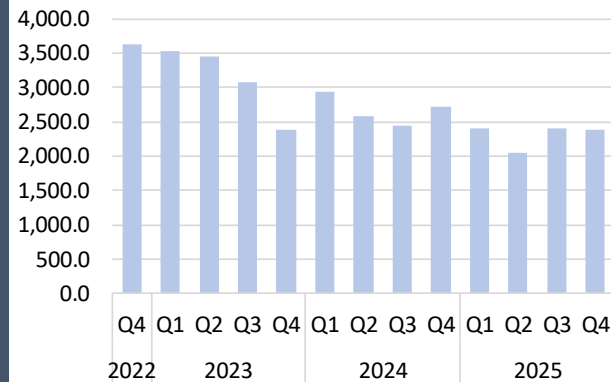
Nearly 25% of the vacancies were in sales and services occupations. Most of these positions are lower-skilled jobs which gives employers a larger labour pool to recruit from. However, with the rising cost of living, it can be difficult to attract workers to low wage jobs. P.E.I. Recently increased the minimum wage to \$17 per hour on April 1, 2026, which may help entice people to these sales and service jobs going forward.

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 3.3% in Q4 2025. This rate was identical to the previous quarter but lower than the 3.7% recorded in Q4 of the previous year.

Prince Edward Island, Job vacancy rate, Average Value (%)



Prince Edward Island, Job vacancies, Average Value



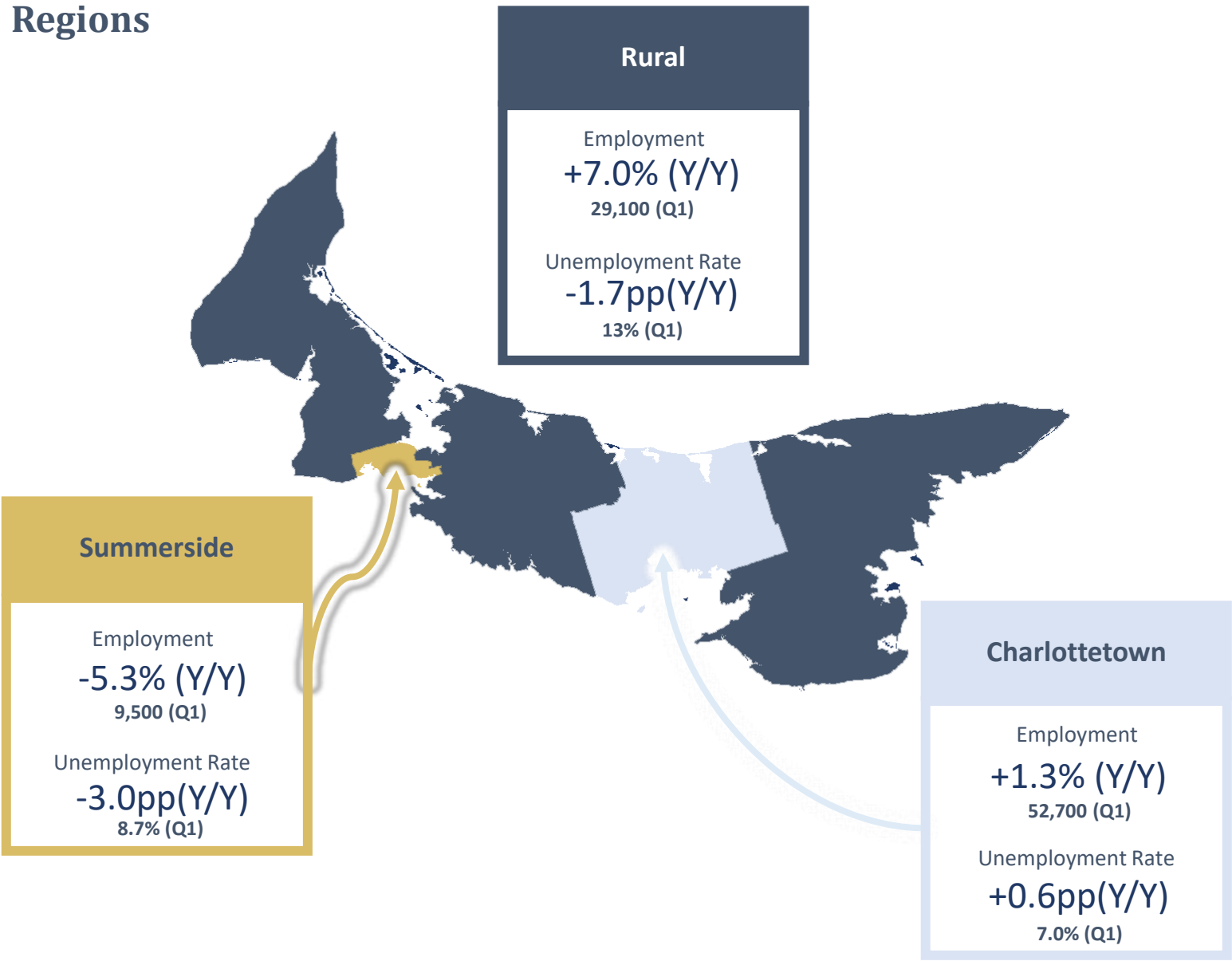
Job Vacancies by Occupation Group (1 Digit NOC)	Q4 2025	Yr/Yr Change
Business, finance and administration occupations	185	-24.5%
Natural and applied sciences and related occupations	45	n/a
Health occupations	n/a	n/a
Occupations in education, law and social, community and government services	190	-51.9%
Occupations in art, culture, recreation and sport	n/a	n/a
Sales and service occupations	490	-23.4%
Trades, transport and equipment operators and related occupations	245	28.9%
Natural resources, agriculture and related production occupations	n/a	n/a
Occupations in manufacturing and utilities	125	8.7%
Total employees, all occupations*	1,995	-15.1%

Job vacancies fell by 15 on a quarter-over-quarter basis in Q4 2025.

*The total number of vacancies identified in this table may not sum to values identified in the two charts and written content above, as data relating to job vacancies by occupation is only available as an unadjusted series (whereas the data above is seasonally adjusted).



Regions



Charlottetown: Charlottetown’s working-age population (ages 15+) expanded by 2.7% in Q1 2026 from the same quarter a year ago. The labour force and employment levels in the province’s capital averaged 56,600 and 52,700, respectively, in the most recent quarter. Labour force growth outpaced that for employment resulting in an increase in the unemployment rate, to 7%.

Summerside: The labour force in this area averaged 10,400 in Q1 2026, which is down from the same quarter a year ago. By contrast, the working-age population base expanded by 1.7% which resulted in some downward pressure on the region’s participation rate, which declined by 6.7 percentage points to 59.6% in the most recent quarter. This was the lowest Q1 participation rate in five years.

Rural: Working-age population growth in the rural region expanded by nearly 1% in the most recent quarter. Employment growth was robust at 7% in Q1 2026 which outpaced the strong gain in the rural labour force base of nearly 5%. The unemployment rate in rural P.E.I. fell to 13% which is the lowest Q1 jobless rate on record.





Feature Article

Strengthening the Workforce: Indigenous Labour Market Participation in P.E.I.

Labour and skills shortages remain a key economic challenge for Prince Edward Island and the broader Atlantic region, driven by population aging, rising retirements, and limited domestic labour supply. In small and seasonal labour markets such as PEI's, increasing labour force participation among underrepresented groups is an important component of longer-term workforce sustainability. Indigenous peoples represent a growing and comparatively young population in the region, positioning them as a potentially significant contributor to the labour market.

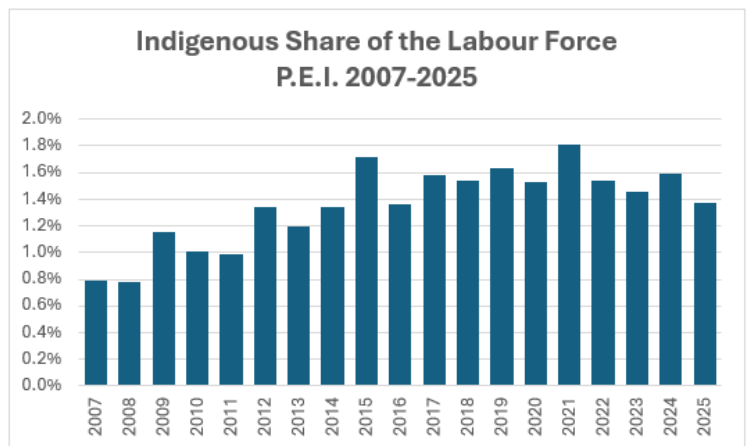
This report provides a snapshot of recent labour market outcomes for Indigenous peoples in Prince Edward Island and Atlantic Canada, using key indicators to examine trends over time, identify persistent gaps, and assess the extent to which Indigenous peoples are becoming more integrated into the provincial and regional labour market.

What we know about Indigenous labour market trends in P.E.I. and Atlantic Canada

Across P.E.I. and Atlantic Canada, Indigenous communities are characterized by a notably younger population, with over one-third under the age of 25 compared to about one-quarter of the non-Indigenous population. Despite strong engagement in the labour market—reflected in labour force participation rates that are close to those of the broader population—Indigenous peoples face higher unemployment and ongoing experiences of ethnic discrimination, which can contribute to socio-economic vulnerability. At the same time, Indigenous populations are growing rapidly in the region. Between the 2016 and 2021 Censuses, the number of people identifying as Indigenous in Atlantic Canada increased at a significantly faster rate than the non-Indigenous population, with Prince Edward Island experiencing the highest Indigenous population growth in the region.¹

Employment progress: Indigenous population in P.E.I. represents a growing share of the provincial labour market

The graph below shows the Indigenous share of total provincial employment in Prince Edward Island since 2007.



Source: ESDC Monthly Tables. Labour force characteristics by Indigenous group living off reserve, age group and gender, Canada and provinces, annual average.

Between 2023-2025, Indigenous employment comprised an average of 1.5% of total employment in the province – nearly doubling their average share over the 2007-09 period. PEI's Indigenous population has grown faster than the non-Indigenous population over the past two decades, driven by a younger age profile, higher natural population growth, and a continued rise in self-identification as Indigenous in Census and survey data. The increase in employment share implies better labour market attachment over time. Rising labour force participation among Indigenous peoples living off-reserve has meant that a larger proportion of Indigenous working-age residents are actively engaged in employment.

Despite growing labour force representation, barriers exist

Indigenous labour force participation in Atlantic Canada is comparable to non-Indigenous populations, but employment rates are lower, reflecting barriers beyond willingness to work or engage in the labour market, including (but not limited to):

Educational Attainment Gaps: Indigenous peoples in Atlantic Canada have lower average educational attainment than non-Indigenous populations, particularly at the post-secondary level. Indigenous youth (ages 25–29) are more than twice as likely not to have completed high school and are significantly less likely to hold a university degree.²



*Feature Article*

Strengthening the Workforce: Indigenous Labour Market Participation in P.E.I.

The Skills Gap: Literacy and numeracy skills are essential to upskilling and participating in an increasingly digital economy. Without these foundational skills, individuals face fewer employment opportunities, greater risk of job displacement due to automation, and limited ability to transition into knowledge-based roles or adapt to changing workforce demands.³

Employment seasonality and insecurity: Job permanency is often used as an indicator of employment security. Indigenous workers are over-represented in seasonal, temporary, and lower-security employment; and were more likely than non-Indigenous workers to be employed in non-permanent jobs. Among those in non-permanent employment, Indigenous workers were more likely to hold seasonal jobs, whereas they were less likely than non-Indigenous workers to be in temporary, term, or contract positions.⁴

Indigenous peoples are playing an increasingly visible role in Prince Edward Island's labour market, with rising employment and labour force participation that now closely mirrors that of the non-Indigenous population. However, lower employment rates persist, reflecting ongoing barriers related to educational attainment, skills alignment, employment security, and discrimination. While Indigenous population growth and improved labour market attachment present a meaningful opportunity to help alleviate labour and skills shortages, participation gains alone are insufficient. Continued progress will depend on targeted investments in education, training, and stable employment pathways that support sustained and equitable labour market integration for Indigenous workers across the province and the Atlantic region.

Sources:

1. Service Canada. Client Segment Profile 2026: Indigenous Peoples. 2026.
2. Atlantic Economic Council. Atlantic Opportunities and Prospects for Indigenous Youth. July 2022.
3. Policy Options. Filling Canada's Indigenous skills gap would be an economic boon. July 2020.
<https://policyoptions.irpp.org/2020/07/filling-canadas-indigenous-skills-gap-would-be-an-economic-boon/>
4. Statistics Canada. Quality of employment among First Nations people living off reserve and Métis, 2022. April 2024.
<https://www150.statcan.gc.ca/n1/pub/41-20-0002/412000022024002-eng.htm>



Appendix

Characteristic	Prince Edward Island			Canada		
	Estimate	Change		Estimate	Change	
	Latest Quarter Q1 2026	Vs. Previous Quarter	Vs. Quarter Year Prior	Latest Quarter Q1 2026	Vs. Previous Quarter	Vs. Quarter Year Prior
Population 15+ ('000)	155.6	0.3%	1.9%	34,736.8	0.1%	1.0%
Labour Force ('000)	103.6	1.6%	2.1%	22,565.6	-0.4%	0.4%
Employment ('000)	95.9	1.8%	2.4%	21,070.0	-0.2%	0.4%
Full-time Employment ('000)	81.6	0.5%	0.6%	17,252.0	0.0%	0.6%
Part-time Employment ('000)	14.3	9.7%	13.8%	3,818.0	-1.5%	-0.3%
Unemployment ('000)	7.7	-1.7%	-0.9%	1,495.6	-2.2%	-0.3%
Unemployment Rate (%)	7.4	-0.3pp	-0.3pp	6.6	-0.1pp	-0.1pp
Participation Rate (%)	66.5	0.8pp	0.1pp	64.9	-0.3pp	-0.4pp
Employment Rate (%)	61.6	0.9pp	0.3pp	60.7	-0.2pp	-0.3pp
Employment ('000):						
15-24 years of age	13.8	-1.9%	-8.4%	2,695.3	-1.6%	-0.7%
25-54 years of age	60.7	2.4%	4.1%	13,987.5	-0.3%	0.5%
55 years and older	21.4	3.0%	5.2%	4,387.1	0.8%	1.0%
Women+	47.2	1.4%	5.5%	9,963.0	0.0%	0.6%
Men+	48.7	2.4%	-0.5%	11,107.0	-0.4%	0.3%
Goods-producing sector	23.3	1.5%	-7.3%	4,210.0	-0.2%	-0.6%
Agriculture	3.7	29.1%	2.8%	237.3	2.7%	1.1%
Forestry, fishing, mining, oil and gas	1.5	-35.3%	-44.3%	344.6	0.6%	2.0%
Utilities	0.6	58.3%	137.5%	175.8	1.8%	15.2%
Construction	9.7	3.2%	-1.0%	1,633.4	0.7%	-0.6%
Manufacturing	7.8	-2.5%	-12.0%	1,818.8	-1.8%	-2.6%
Services-producing sector	72.7	2.1%	6.0%	16,860.0	-0.2%	0.7%
Wholesale and retail trade	11.7	4.5%	2.3%	2,981.0	-0.8%	0.0%
Transportation and warehousing	1.9	-19.7%	-18.6%	1,095.4	0.0%	1.5%
Finance, insurance, real estate, and other	4.4	-0.7%	25.5%	1,483.0	-1.0%	1.5%
Professional, scientific and technical srv.	5.8	4.2%	23.2%	1,990.8	-0.8%	-0.4%
Business, building and other s.s.	1.6	-31.0%	-33.8%	679.5	1.4%	-5.7%
Educational services	6.5	3.2%	7.8%	1,578.1	-1.6%	-1.2%
Health care and social assistance	16.5	0.6%	7.8%	2,967.8	1.3%	3.2%
Information, culture and recreation	2.7	19.1%	52.8%	877.2	1.4%	3.5%
Accommodation and food services	7.5	8.2%	19.1%	1,168.9	-1.7%	-0.6%
Other services (except public admin)	3.3	15.3%	-10.1%	786.8	0.3%	2.4%
Public administration	10.7	2.2%	-2.7%	1,251.6	-0.1%	1.2%

Source: Statistics Canada - Labour Force Survey

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