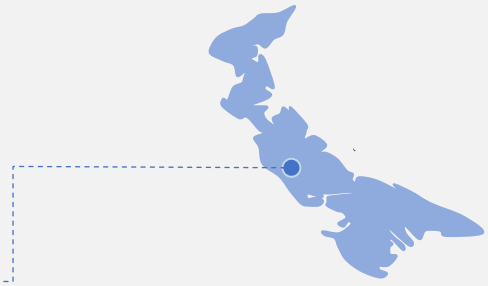
Quarterly

Labour Market Bulletin

Prince Edward Island



LMI Labour Market Information

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

JUL - SEP 2026

Spotlight

Industries

Other services (except public administration)

Employment

+4.7% (y/y)

3,000 (Q3)

Employment in the other services category averaged 3,000 in the most recent quarter (Q3 2026), an increase of 4.7% year-over-year. This industry group includes establishments not classified to any other sector, such as repair and maintenance; personal and laundry services; etc. Population growth remains an important factor supporting employment in this category, as a larger population increases demand for personal, household, and community-based services.

Economic Regions

Charlottetown

Employment

+7.3% (y/y)

57,600 (Q3)

Employment in the province's capital reached 57,600 in Q3 2026 which is the highest Q3 level on record.

Charlottetown's participation rate in the most recent quarter, at 73%, rose by 3.3 percentage points – and is the highest Q3 value in a decade.

Key Indicators

Population*
+1.1% (y/y)
156,200 (Q3)

Employment
+2.9% (y/y)
96,100 (Q3)

Unemployment Rate
-1.4pp (y/y)
7.3% (Q3)

Labour Force Participation Rate
+0.1pp (y/y)
66.4% (Q3)

Job Vacancy Rate
-3.4pp (y/y)
0.0% (Q3)

Weekly Wages
+3.4% (y/y)
$1,177 (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 2026. The labour force in the most recent quarter rose by 1.3% from what it was a year ago, falling just short of its all-time high in the quarter prior. The level of employment in P.E.I. rose by 2.9% year-over-year. With annual employment growth having outpaced the labour force, unemployment in the province contracted–meaning there were fewer people actively searching and available to work in Q3 2026 compared to a year ago. The Island's participation rate was on par with what it was a year ago.

Feature Article

A 'Litmus Test' for Labour Market Inclusion in P.E.I.'s Workforce?

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

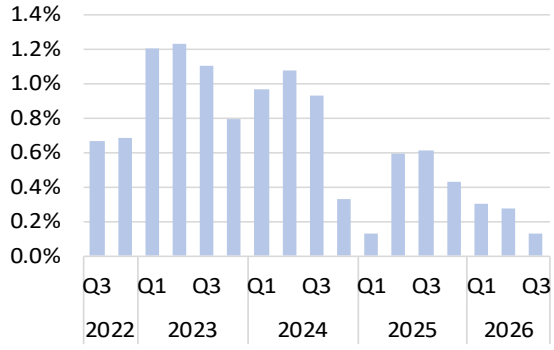
Canada

Recent Trends

Working Age Population

The Island's working-age population (ages 15 and over) continues to grow although the pace of growth has eased considerably since the third quarter of 2024, as shown in the adjoining graph, influenced by recent immigration policies. In Q3 2026, the 15+ population edged up by 0.1% to reach a new quarterly high of 156,200. Growth in the working-age population had accelerated at a robust pace post-pandemic due to an increase in the volume of immigrants coming to P.E.I. over that period.

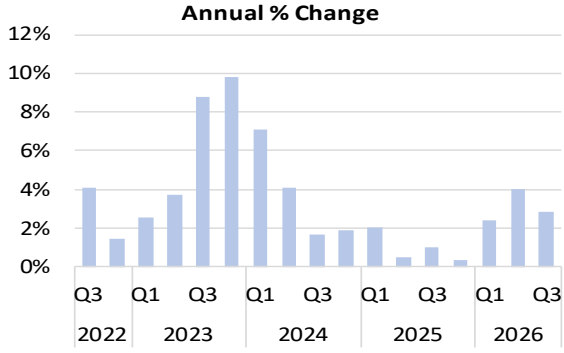
Prince Edward Island, Population, Total - Gender, 15 years and over, Quarterly % Change



Employment

Employment in P.E.I. averaged 96,100 in Q3 2026, which is up by 2.9% on a year-over-year basis. Since having surged throughout the mid 2023-24 period, employment growth has eased considerably in the province. However, growth has strengthened in recent quarters, with the 2.9% gain in Q3 2026 representing the second fastest pace of employment growth recorded since mid-2024. This recent acceleration suggests that labour demand remains resilient despite a period of softer employment gains over the previous two years.

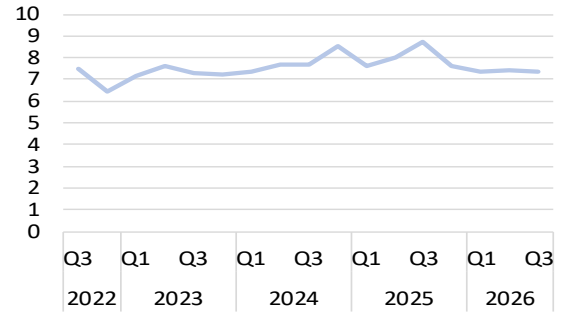
Prince Edward Island, Employment, Total - Gender, 15 years and over, Annual % Change



Unemployment

The unemployment rate in the province averaged 7.3% in the most recent quarter, which is on par with what it was in the previous quarter, but down considerably from 8.7% in Q3 2025. The annual decline is due to employment growth having outpaced the labour force in the most recent quarter. The unemployment rate in Q3 2026 remains well below what it was just prior to the pandemic - which averaged 8.7% in 2019. On a year-over-year basis, unemployment levels were lower for all major age groupings – especially for those in the core-aged group (25-54 years of age).

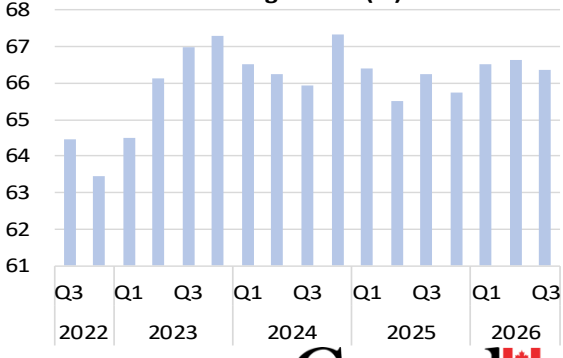
Prince Edward Island, Unemployment rate, Total - Gender, 15 years and over, Average Value (%)



Labour Force Participation

P.E.I.'s participation rate was effectively unchanged compared to a year ago, having averaged 66.4% in Q3 2026. 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 since 2024 with some moderate volatility to the most recent quarter. The relatively steady participation rate indicates little net change in labour force attachment over the past two years, despite ongoing demographic and labour market pressures.

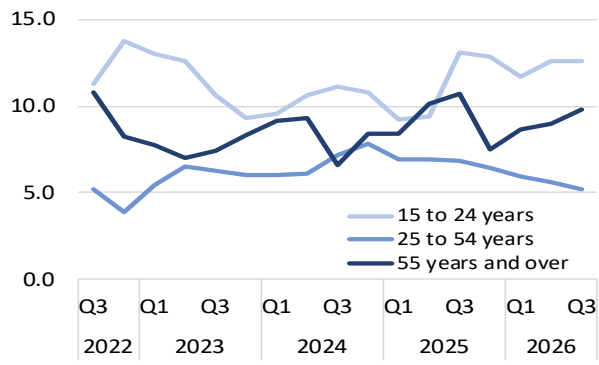
Prince Edward Island, Participation rate, Total - Gender, 15 years and over, Average Value (%)



Age Groups

The unemployment rate for youths (ages 15–24) remains the highest among all major age groups, reaching 12.6% in Q3 2026. By comparison, the rates for core-aged workers (ages 25–54) and older workers (aged 55 and over) stood at 5.2% and 9.8%, respectively. As shown in the graph, youth unemployment trended downward through 2023 and into 2024 before increasing and remaining elevated throughout much of the 2025-26 period. Despite some quarter-to-quarter fluctuations, the gap between youth unemployment and that of other age groups has widened in recent years, reflecting comparatively weaker labour market conditions for younger workers.

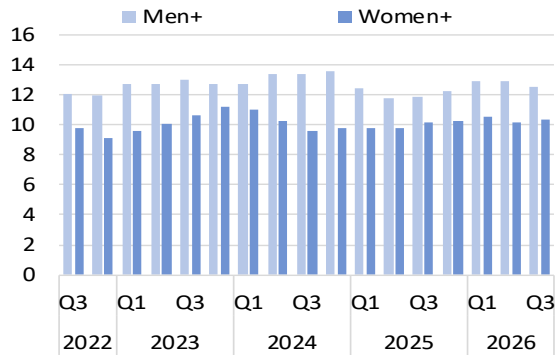
Prince Edward Island, Unemployment rate, Total - Gender, Average Value (%)



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 and then narrowed somewhat before a noticeable widening 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 nearly 20%. As can be observed, this gender gap widened to its largest gap in Q3 2024 (of 39%), but has since eased, to 21% in the most recent Q3 2026.

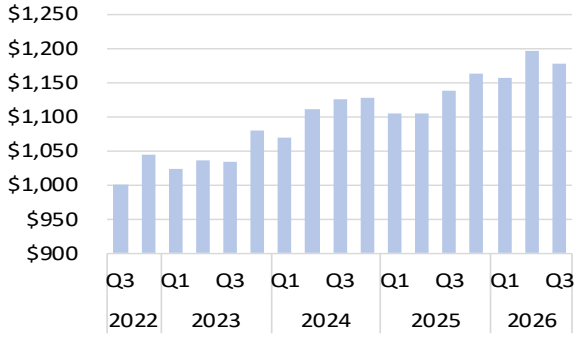
Prince Edward Island, Labour force, 55 years and over, Average Value (000s)



Wages

Average weekly wages in the province amounted to $1,177 in the most recent quarter, which is down by 1.7% from the previous quarter (and +3.4% year-over-year). Since 2024, the province has experienced respectable long-run growth in average weekly wages, driven by wide-spread labour shortages and to some degree, successful union contract negotiations in response to previously high inflation. Through the first eight months of 2026, average weekly wages were up 5.5%, outpacing the provincial consumer inflation rate of 3.0%. As a result, wage growth has generally helped preserve household purchasing power, although higher energy costs continue to weigh on consumers, with energy prices rising 14% over the same period.

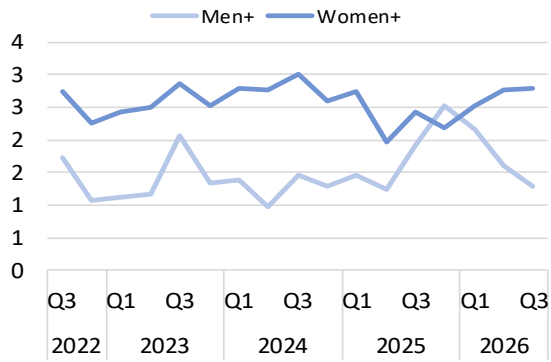
Prince Edward Island, Average weekly wage, Total employees, all industries, Average Value



Hours Worked

Women+ continued to represent the majority of workers employed in sales and service occupations working 15 to 29 hours per week in Q3 2026. While the gap between women and men narrowed throughout much of 2025, recent quarters have seen a renewed increase in women+ employment alongside declining men+ employment in these positions. The predominance of women+ in this category is consistent with broader labour market patterns, as sales and service occupations tend to have a higher incidence of part-time work, particularly in retail, hospitality, and other consumer-service industries.

Prince Edward Island, Sales and service occupations, 15 to 29 hours, Average Value



Industries

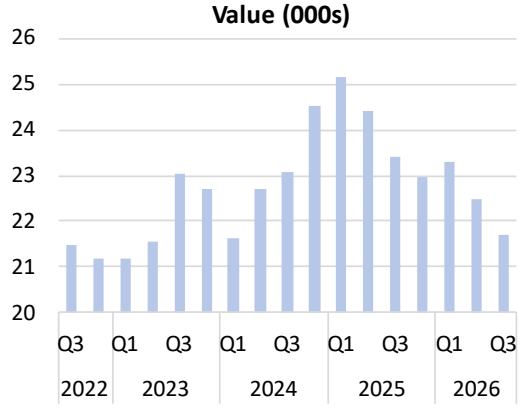
Goods-producing Sector

Employment in P.E.I.'s goods-producing sector continued to weaken in Q3 2026, marking a second consecutive quarterly decline. Employment averaged 21,700, down from 23,400 in the same quarter one year earlier and continuing a broader downward trend that has persisted since early 2025.

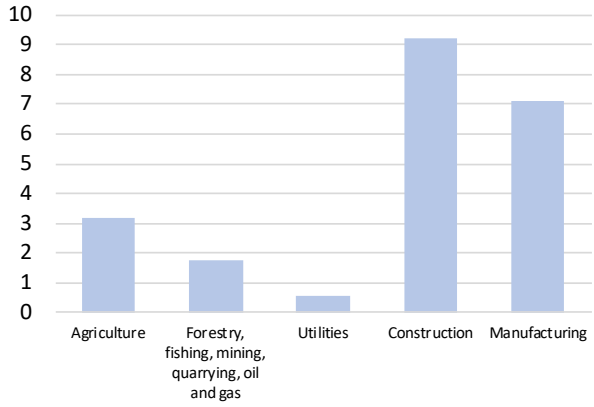
Manufacturing accounted for the largest year-over-year decline, shedding 1,300 positions, while employment also fell in resource extraction (-600) and construction (-200). Utilities was the only industry in the sector to post a gain (+300), while agriculture was unchanged. The decline in manufacturing employment coincided with a year-to-date decrease of nearly 2% in manufacturing shipments, affecting both durable and non-durable goods. Despite this softness, P.E.I.'s international merchandise exports remained strong, rising 7% year-to-date, supported by robust growth in processed seafood exports.

Despite a modest decline in construction employment, the industry's longer-term outlook remains positive, supported by housing demand and continued population growth. Meanwhile, employment in the largely fishing-based resource extraction industry declined from year-ago levels, despite ongoing strength in processed seafood export markets.

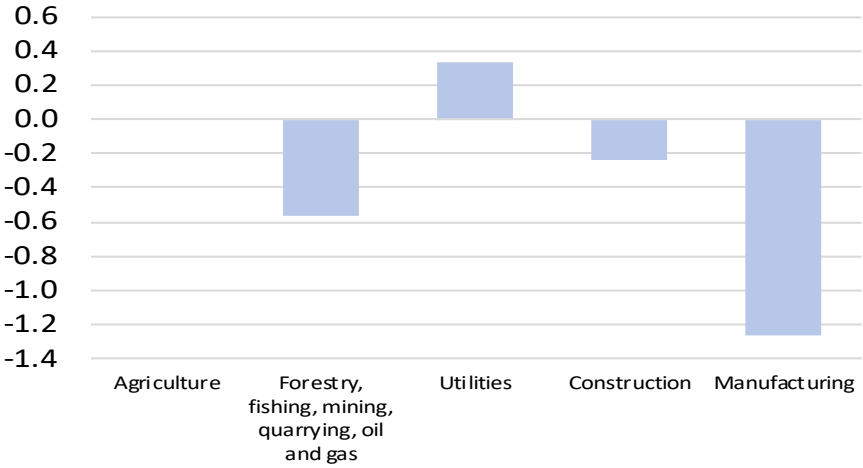
Employment, Prince Edward Island, Goods-producing sector, Average Value (000s)



Employment, Prince Edward Island, Average Value, Q3 2026 (000s)



Employment, Prince Edward Island, Annual Change, Q3 2026 (000s)



Employment in the goods-producing sector has trended downward since Q1 2025.

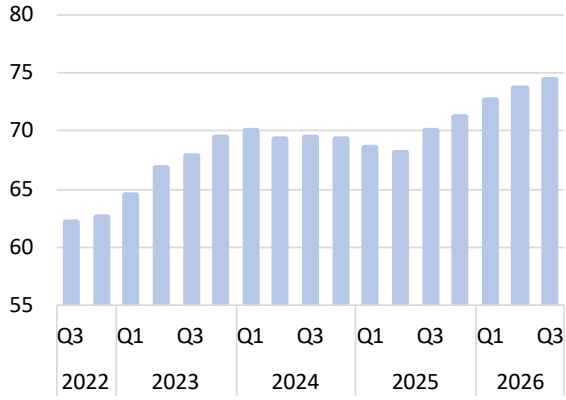
Services-producing Sector

Employment in P.E.I.'s services-producing sector continued to strengthen in Q3 2026, marking a fifth consecutive quarterly increase. At 74,400, employment reached a record high. The sector, which accounts for more than three-quarters of all employment in the province, is anchored by health care and social assistance, public administration, and wholesale and retail trade. Population growth in recent years has helped increase demand for consumer goods, public services, and health care, supporting employment growth across much of the sector.

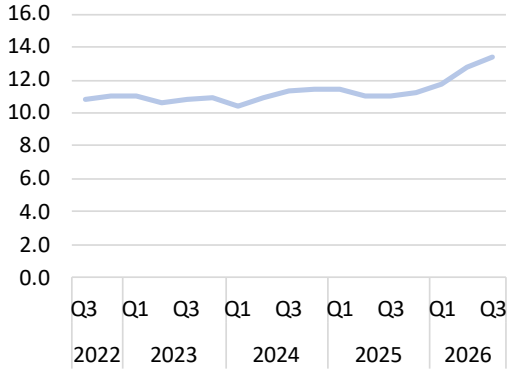
Employment gains were mixed across service industries. Public administration employment increased by 500 positions compared to one year earlier, while health care and social assistance added 100 positions. Despite this growth, labour shortages continue to challenge the health care sector, prompting ongoing efforts to recruit and retain skilled workers. For example, recent initiatives include efforts to improve nurse retention and recruitment amid ongoing vacancies, as well as an expanded agreement with Dalhousie University that increases PEI students' access to seats in high-demand health programs

Wholesale and retail trade led employment growth in the sector, adding 2,300 positions year-over-year. Although population growth has slowed, the province continues to benefit from a historically large consumer base. This has supported stronger retail activity, with retail sales rising steadily since early 2026. In July, retail sales were up 9.4% compared to a year earlier, significantly outpacing the national growth rate of 5.1%.

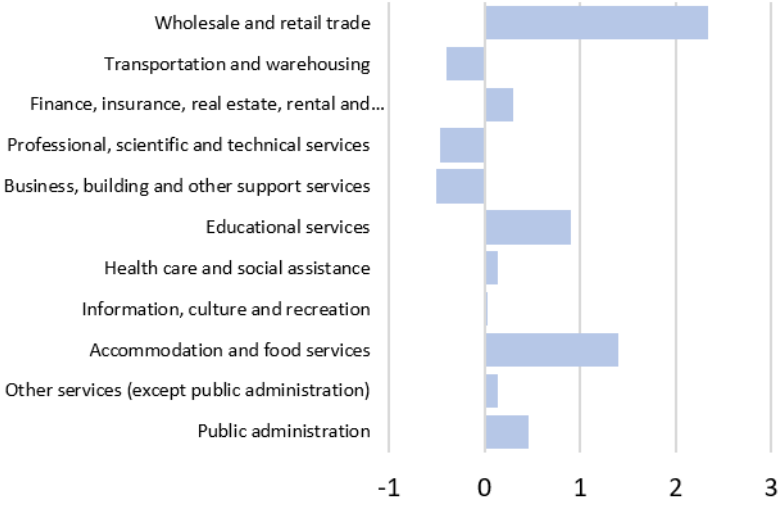
Employment, Prince Edward Island, Services-producing sector, Average Value (000s)



Employment, Prince Edward Island, Wholesale and retail trade, Average Value (000s)



Employment, Prince Edward Island, Annual Change, Q3 2026 (000s)



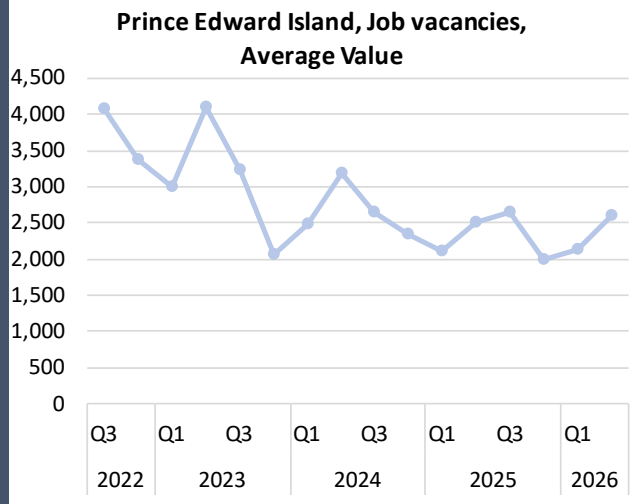
The services-producing sector employment level hit a record high in Q3 2026.

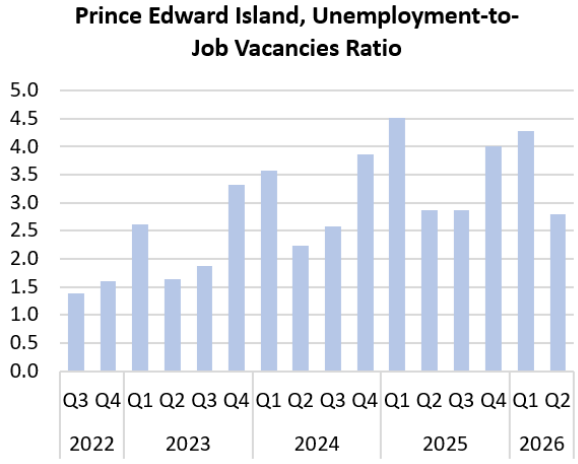
Job Vacancies

Job vacancies increased by 480 positions in Q2 2026 compared to the previous quarter but were only modestly higher (+100) than one year earlier. Despite the recent increase, vacancy levels remain well below the highs recorded during the labour shortages of 2022 and 2023.

Sales and service occupations accounted for the largest share of vacancies, with 820 unfilled positions, followed by health occupations with 645 vacancies. Recruitment challenges in sales and service occupations may reflect the prevalence of lower-wage positions and a slowing rate of labour force growth. Labour supply pressures may also have been affected by reductions in the number of international students and temporary foreign workers, groups that have traditionally been well represented in many retail, accommodation, and food service occupations. An aging population and slower growth in the youth population may further constrain labour availability in these industries. Meanwhile, vacancies in health occupations remained elevated, reflecting ongoing staffing pressures associated with retirements, growing service demands, and competition for skilled workers.

The unemployment-to-job vacancy ratio stood at 2.80 in Q2 2026, down slightly from 2.87 one year earlier. While unemployed workers continued to outnumber available jobs, the marginal decline suggests little change in overall labour market conditions over the year.

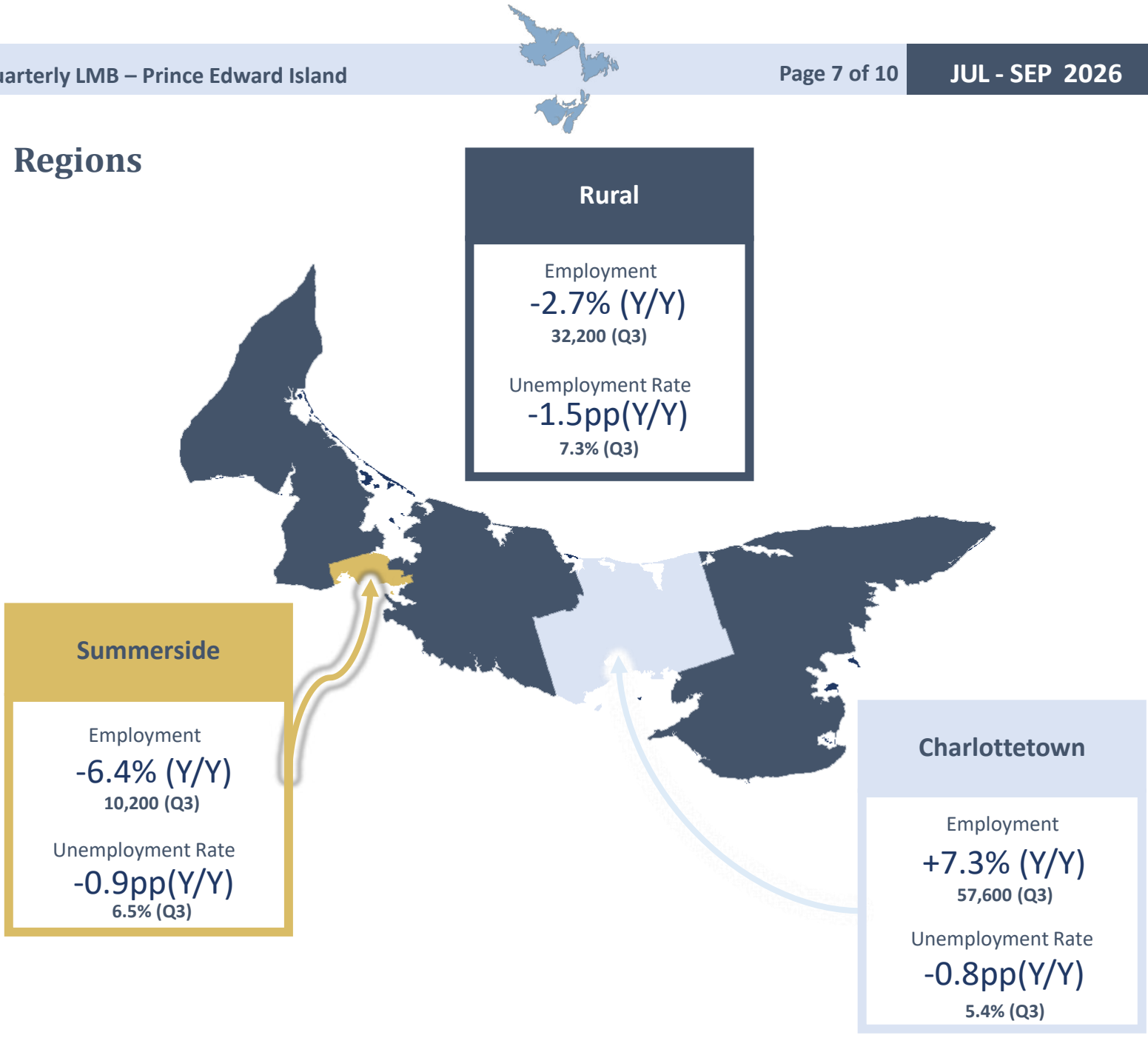




Job Vacancies by Occupation Group (1 Digit NOC)	Q2 2026	Yr/Yr Change
Business, finance and administration occupations	165	-15.4%
Natural and applied sciences and related occupations	100	5.3%
Health occupations	645	25.2%
Occupations in education, law and social, community and government services	345	7.8%
Occupations in art, culture, recreation and sport	n/a	n/a
Sales and service occupations	820	49.1%
Trades, transport and equipment operators and related occupations	300	-25.9%
Natural resources, agriculture and related production occupations	n/a	n/a
Occupations in manufacturing and utilities	155	-38.0%
Total employees, all occupations	**2,610**	**4.0%**

Nearly a third of all job vacancies were in sales and service occupations.

Regions



Charlottetown: Charlottetown's working-age population (ages 15+) expanded by 1.7% in Q3 2026 from the same quarter a year ago. The labour force and employment levels in the province's capital averaged 60,900 and 57,600, respectively, in the most recent quarter (both record Q3 highs). Employment growth outpaced that for the labour force resulting in a decrease in the unemployment rate to 5.4%.

Summerside: The labour force in this area averaged 10,900 in Q3 2026, which is down from the same quarter a year ago. By contrast, the working-age population base expanded by 1.1% which resulted in some downward pressure on the region's participation rate, which declined by 5.9 percentage points to 61.8% in the most recent quarter. This was the lowest Q3 participation rate since the pandemic year and is likely influenced by the weakening in employment.

Rural: The rural labour force contracted by 4.5% in the most recent quarter and employment fell by 2.7%. The unemployment rate in this region declined by 1.5 percentage points, to 7.3% in Q3 2026. The participation rate in rural P.E.I. was 62.8% in the most recent quarter, down by just over 3 percentage points compared to the year prior, and well below historical Q3 norms.

Feature Article

Persons with Disabilities in Prince Edward Island: A 'Litmus Test' for Labour Market Inclusion

Based on a recent Statistics Canada report on disability and accessibility in Canada[1], research shows that greater inclusion of persons with disabilities in the workforce can benefit both employers and employees. Studies have linked inclusive hiring practices to improved employee retention, stronger workplace culture, improved organizational reputation, and positive economic outcomes.

The report notes that despite these benefits, persons with disabilities (PWD) remain less likely to participate in the labour force and to be employed than those without a disability, even as they represent a growing share of Canada's working-age population. Barriers such as workplace accessibility challenges, limited accommodations, and structural obstacles continue to contribute to their underrepresentation. This gap also points to a significant untapped labour pool. Research indicates that many working-age persons with disabilities who are not currently employed have the potential to participate in the workforce under more inclusive conditions.

The purpose of this report is to examine the labour market participation of persons with disabilities in Prince Edward Island and assess the extent to which this population represents an underutilized source of labour supply. By comparing employment rates for persons with and without disabilities, this report highlights the current employment gap and explores what it may signal about labour market inclusion, accessibility, and workforce development opportunities in the province.

Indeed, in P.E.I., persons with disabilities continue to be underrepresented in the labour force relative to persons without disabilities. The graph above compares employment rates for the two groups over the 2022-2025 period, with 2022 representing the earliest year available in the current data series. As expected, a smaller share of the population with disabilities is employed compared to those without disabilities. Over the four-year period, the employment rate for persons with disabilities averaged 64.8%, compared with 78.5% for persons without disabilities, representing a gap of 13.7 percentage points. This difference is comparable to the national gap of 14.3 percentage points.

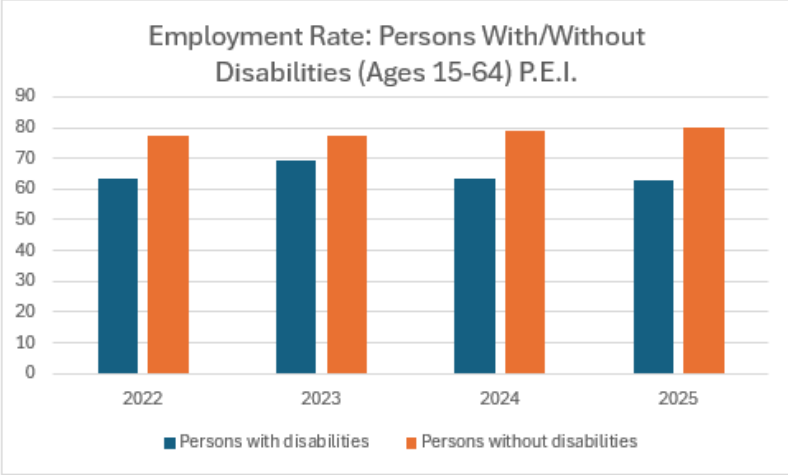


Table 14-10-0477-01 Labour market indicators for persons with and without disabilities, annual

Educational attainment appears to be closely associated with labour market inclusion among persons with disabilities. Between 2022 and 2025, the employment rate gap between persons with and without disabilities averaged approximately 17 percentage points among those with a high school diploma or less, compared with about 8 percentage points among individuals holding a bachelor's degree or higher. This suggests that higher levels of education may help improve employment outcomes and narrow participation gaps for persons with disabilities.

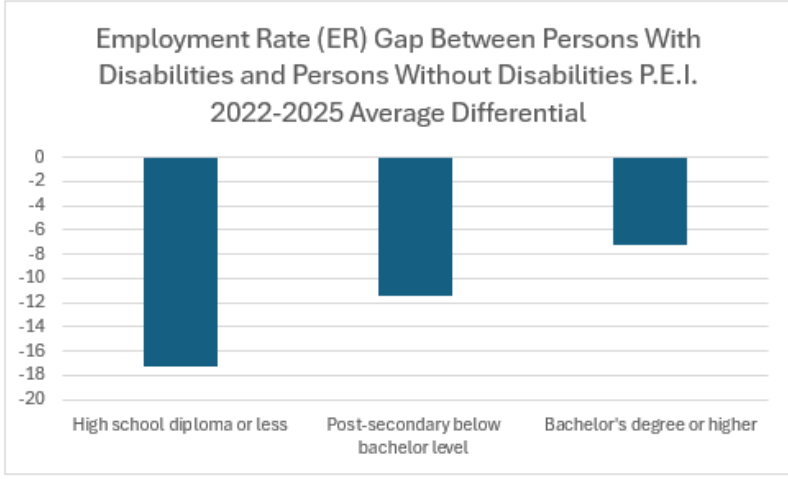


Table 14-10-0477-01 Labour market indicators for persons with and without disabilities, annual

Feature Article

Persons with Disabilities in Prince Edward Island: A 'Litmus Test' for Labour Market Inclusion

In this context, employment rates serve as an important indicator of both economic participation and social inclusion. Rising employment rates among persons with disabilities may reflect improved access to employment opportunities, workplace accommodations, and inclusive hiring practices. Conversely, stagnant or declining employment rates may suggest the persistence of structural barriers that limit labour market participation. As a result, employment rates can be used to assess progress toward a more inclusive labour market while identifying opportunities to better utilize available labour force capacity.

In P.E.I., the employment rate of persons with disabilities has remained relatively unchanged since 2022, indicating little change in labour market participation among this underrepresented group. While the short time series does not capture any gains that may have occurred in earlier years, the available data indicate that barriers to employment may persist. Over the same period, employment rates among persons without disabilities increased by 2.4 percentage points, reaching 80% in 2025. Consequently, the employment gap between the two groups has widened slightly, underscoring the ongoing challenge of achieving greater labour market inclusion.

Persons with disabilities represent an important and often underutilized segment of the province's potential workforce. While research demonstrates that inclusive employment practices can generate benefits for employers, workers, and the broader economy, this litmus test suggests a significant employment gap remains between persons with and without disabilities.

The stability of employment rates among persons with disabilities in recent years, coupled with rising employment among those without disabilities, suggests that further progress is needed to improve labour market inclusion. As employers continue to face workforce and demographic pressures, reducing barriers to employment and expanding workplace accessibility could help unlock additional labour supply while promoting greater economic participation and equity across the province.

Continued progress may be supported by recent policy initiatives, including the federal Employment Strategy for Canadians with Disabilities[2], which seeks to improve employment outcomes and help narrow the longstanding employment gap between persons with and without disabilities.

Sources:

(1) Statistics Canada. *Reports on Disability and Accessibility in Canada: Examining work potential and overqualification among persons with disabilities.* June 4, 2026. https://www150.statcan.gc.ca/n1/pub/89-654-x/89-654-x2026002-eng.htm

(2) Employment and Social Development Canada. *Employment Strategy for Canadians with Disabilities: First Annual Progress Report (2024-2025).* December 2025. ESCD-Annual-Progress-Report-2024-2025.pdf



Appendix

Characteristic	Prince Edward Island			Canada		
	Estimate	Change		Estimate	Change	
	Latest Quarter Q3 2026	Vs. Previous Quarter	Vs. Quarter Year Prior	Latest Quarter Q3 2026	Vs. Previous Quarter	Vs. Quarter Year Prior
Population 15+ ('000)	156.2	0.1%	1.1%	34,832.7	0.2%	0.5%
Labour Force ('000)	103.7	-0.3%	1.3%	22,627.2	0.1%	0.2%
Employment ('000)	96.1	-0.2%	2.9%	21,164.2	0.3%	0.8%
Full-time Employment ('000)	82.5	-0.9%	1.8%	17,325.9	0.3%	0.8%
Part-time Employment ('000)	13.6	4.6%	10.0%	3,838.4	0.3%	0.8%
Unemployment ('000)	7.6	-1.7%	-14.6%	1,463.0	-2.9%	-7.5%
Unemployment Rate (%)	7.3	-0.1pp	-1.4pp	6.4	-0.2pp	-0.6pp
Participation Rate (%)	66.4	-0.3pp	0.1pp	65.0	0.0pp	-0.2pp
Employment Rate (%)	61.5	-0.2pp	1.0pp	60.8	0.1pp	0.2pp
Employment ('000):						
15-24 years of age	14.0	-1.9%	-3.4%	2,714.3	0.4%	0.7%
25-54 years of age	61.4	0.9%	3.9%	14,103.4	0.5%	1.1%
55 years and older	20.6	-1.9%	4.6%	4,346.4	-0.4%	0.0%
Women+	47.3	0.4%	2.8%	10,038.6	0.4%	1.4%
Men+	48.8	-0.8%	3.0%	11,125.6	0.2%	0.3%
Goods-producing sector	21.7	-3.4%	-7.3%	4,189.2	-0.1%	0.1%
Agriculture	3.2	-7.8%	0.0%	215.9	-6.1%	-2.4%
Forestry, fishing, mining, oil and gas	1.7	-5.5%	-24.6%	332.8	-3.2%	-0.7%
Utilities	0.5	-15.8%	166.7%	158.3	-6.6%	-3.1%
Construction	9.2	-3.2%	-2.5%	1,646.8	1.0%	1.2%
Manufacturing	7.1	0.5%	-15.1%	1,835.4	0.8%	-0.1%
Services-producing sector	74.4	0.8%	6.2%	16,975.0	0.4%	1.0%
Wholesale and retail trade	13.4	5.0%	21.1%	2,954.6	0.3%	-1.7%
Transportation and warehousing	2.0	3.4%	-16.4%	1,120.9	1.5%	4.0%
Finance, insurance, real estate, and other	4.5	5.5%	7.1%	1,484.4	0.7%	-1.1%
Professional, scientific and technical srv.	5.0	-13.8%	-8.5%	2,031.7	1.2%	1.1%
Business, building and other s.s.	1.8	-3.6%	-21.7%	696.0	0.1%	3.2%
Educational services	7.3	7.9%	14.1%	1,566.2	-0.8%	-2.9%
Health care and social assistance	16.4	1.7%	0.8%	3,006.2	0.3%	4.0%
Information, culture and recreation	2.7	-2.4%	1.3%	882.4	1.4%	5.0%
Accommodation and food services	7.5	1.8%	22.8%	1,196.1	0.6%	1.6%
Other services (except public admin)	3.0	-6.3%	4.7%	802.6	1.7%	3.4%
Public administration	10.8	-1.5%	4.5%	1,233.9	-1.7%	-1.0%

Source: Statistics Canada - Labour Force Survey

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