



Labour Market Bulletin

Newfoundland and Labrador

2015



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Newfoundland and Labrador, including the regions of Avalon Peninsula, West Coast—Northern Peninsula—Labrador, Notre Dame—Central Bonavista Bay and South Coast—Burin Peninsula.

OVERVIEW

In 2015, employment in Newfoundland and Labrador decreased for the second straight year after reaching a record high in 2013. While employment declined, the size of the labour force was virtually unchanged from 2014. As a result the unemployment rate increased from 11.9% in 2014 to 12.8% in 2015. Most of the job losses were in part-time work. Full-time employment declined by 600 jobs, or 0.3%. This followed a decline of 5,200 full-time jobs between 2013 and 2014.

The overall employment decline of 2,400 jobs in 2015 represented a 1.0% decrease from the year before. Only Prince Edward Island (-1.1%) showed a deeper loss on a percentage basis. Nationally, employment increased by 0.8%, with the strongest increases happening in Western Canada and the weakest growth in the Atlantic Provinces.

The provincial unemployment rate of 12.8% remains fairly low in historical terms for the province. However, it remained the highest in the country. In the St. John's Census Metropolitan Area (CMA)¹ the unemployment rate was 6.5%, lower than the national rate of 6.9%. In 2015, only 46% of the provincial labour force lived in the St. John's CMA, while 73% of the Canadian labour force lived in Census Metropolitan Areas. St. John's has matched or bettered the national unemployment rate in six of the past seven years.

¹ Statistics Canada defines a Census Metropolitan Area (CMA) to be an area of adjacent municipalities with a total population of at least 100,000 people, with at least 50,000 of these people living in the "core" municipality.

Newfoundland and Labrador Annual Labour Force Statistics

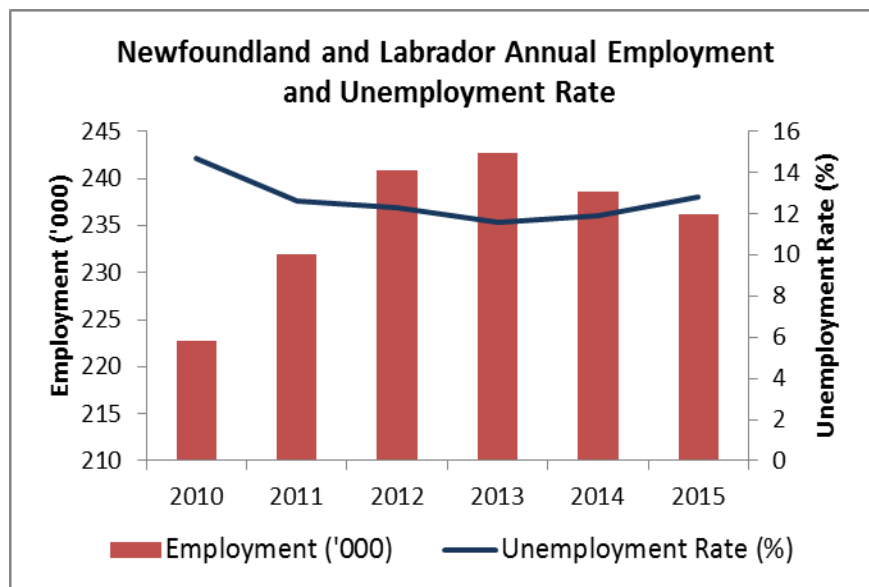
Annual Labour Force Survey Estimates	2015	2014	2013	2014 to 2015		2013 to 2014	
				Number	%	Number	%
Population 15+ ('000)	442.9	443.9	444.8	-1.0	-0.2%	-0.9	-0.2%
Labour Force ('000)	270.8	270.9	274.5	-0.1	0.0%	-3.6	-1.3%
Employment ('000)	236.2	238.6	242.7	-2.4	-1.0%	-4.1	-1.7%
Full-Time ('000)	201.5	202.1	207.3	-0.6	-0.3%	-5.2	-2.5%
Part-Time ('000)	34.7	36.5	35.4	-1.8	-4.9%	1.1	3.1%
Unemployment ('000)	34.7	32.3	31.8	2.4	7.4%	0.5	1.6%
Unemployment Rate (%)	12.8	11.9	11.6	0.9	-	0.3	-
Participation Rate (%)	61.1	61	61.7	0.1	-	-0.7	-
Employment Rate (%)	53.3	53.8	54.6	-0.5	-	-0.8	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0002

The level of employment in 2015 was 236,200, a decline of 2,400 jobs from 2014 and 6,500 jobs from 2013. Despite the loss, employment in 2015 was the fourth-highest on record for the province, exceeded only by the previous three years. Employment levels in 2015 were 6.0% higher than in 2010, despite losses in the past two years. The rate of employment growth over this time was exceeded only by Alberta and Saskatchewan, where employment increased by 13.7% and 8.0%, respectively. The size of the labour force was virtually unchanged from 2014, raising the unemployment rate to 12.8%. Participation in the labour force remains relatively strong for the province at 61.1%, the third-highest rate on record.

The unemployment rate decreased between 2010 and 2013 to reach a new low for the province at 11.6%. However, the unemployment rate has increased since 2013 as employment has declined faster than the size of the labour force.



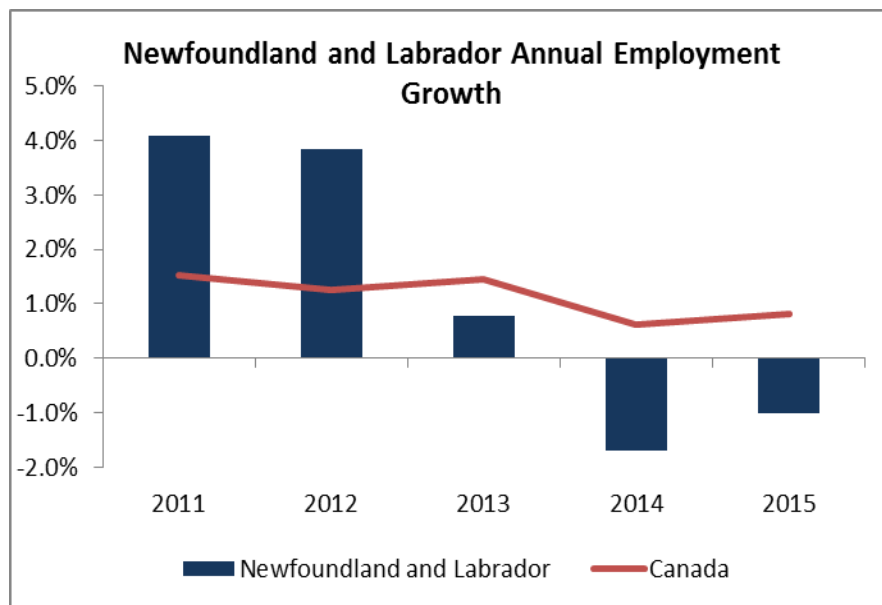
Between 2010 and 2013, employment in Newfoundland and Labrador increased considerably as major construction projects and strong activity in mining and oil & gas helped drive job growth in a number of industries such as **Professional, scientific and technical services** as well as **Finance, insurance, real estate,**

rental and leasing, Health care and social assistance, Educational services, and Public administration also grew over this period.

In more recent years, major project activity has declined slightly, global economic growth slowed, low commodity prices have negatively affected mining and oil and gas employment, and budgetary restraint measures took place in the public sector.

The unemployment rate fell from 15.5% in 2009 to 11.6% in 2013 as employment growth exceeded labour force growth. Since then, employment levels have fallen faster than the size of labour force. This has caused the provincial unemployment rate to rise but not as high as it was in 2009 or 2010.

The chart below shows that the province had strong employment growth in 2011 and 2012, with a notable slowing in 2013 and declines since then. In 2011 and 2012, Newfoundland and Labrador led all provinces in employment growth, exceeding the national rate. However, since 2013 the national growth rate has exceeded the provincial rate. Canada's employment growth remained slow and relatively steady over the past five years while Newfoundland and Labrador showed a small increase in 2013 and decreases since then.



The unemployment rate for youth in the province aged 15-24 years was unchanged at 16.3% for the third straight year. This has been the lowest youth unemployment rate on record for the province. In 2015, the size of the labour force and employment both increased in a similar fashion, leaving the unemployment rate unchanged. The employment rate for this group reached a record high in 2015 (54.5% of the youth population was employed). Also, since 2013 the youth unemployment rate has not been the highest in the country. Prior to 2013, the province had the highest youth unemployment rate going back to 1976.

For those aged 25 years and older, the unemployment rate increased by a percentage point to 12.3%. Employment declined faster than the labour force. However, both levels remain relatively high from a historical perspective. Most of the job losses were in part-time work. In addition, the unemployment rate of 12.3% was low when compared to rates going back to 1976. The unemployment rate for this group was 12.3% or lower for most years from 2008 to 2015. Prior to 2008, the last year it was lower than 12.3% was in 1982 when it was 12.1%.

For males 25 years and older, the unemployment rate increased to 14.6%, up 1.4 percentage points. The labour force decreased slightly from its record high, while employment declined at a faster rate. Most of the job losses for this group were in full-time employment. In 2015 there were 4,500 fewer jobs among this group compared to 2013, when employment was at a record high level of 110,000. Despite the job losses, employment for this group in 2015 was the fourth-highest on record.

For females 25 and older, the unemployment rate increased by 0.5 percentage points to 9.7%. This was the first increase since 2012 for this group. Employment showed a slight decline (-1.0%) while the size of the labour force was relatively unchanged (down 0.5%). Both measures remain high, with only 2012 through 2014 showing higher levels. Job losses for this group were in part-time employment.

Newfoundland and Labrador Annual Unemployment Rates, by Gender and Age

Annual Labour Force Survey Estimates	2015	2014	2013	2014 to 2015	2013 to 2014
	%	%	%	(% points)	(% points)
Total	12.8	11.9	11.6	0.9	0.3
25 years and over	12.3	11.3	10.9	1	0.4
Men - 25 years and over	14.6	13.2	12	1.4	1.2
Women - 25 years and over	9.7	9.2	9.6	0.5	-0.4
15 to 24 years	16.3	16.3	16.3	0	0
Men - 15 to 24 years	21.7	20.1	18.4	1.6	1.7
Women - 15 to 24 years	11.5	12.5	14.2	-1	-1.7

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0002

EMPLOYMENT BY INDUSTRY

In 2015, the employment in the **Goods-producing sector** declined by 600 jobs, or 1.1% in Newfoundland and Labrador. Most of the losses were in **Forestry, fishing, mining, quarrying, and oil and gas** (-1,400 jobs). Specifically, the loss was in **Mining** as well as **Support activities for mining and oil and gas extraction**. Non-durable goods manufacturing increased by 1,100 jobs, mainly due to a gain in **Food manufacturing** employment. Durable goods manufacturing lost 300 jobs in 2015. Despite the loss, it was the third-highest level on record for this group.

Construction employment was unchanged in 2015 from the year before to remain at the second-highest level on record. Major projects have been a key contributor to strong employment levels in this industry.

In the **Services-producing sector**, employment declined by 1,900 jobs, or 1.0%. This was the third straight year with job losses after reaching a record high of 187,200 in 2012. Results were mixed across the sector. **Trade** employment increased by 2,200 jobs to reach a new high for the second straight year. Employment in **Professional, scientific and technical services** increased by 700 jobs to also reach a new high of 11,300. Major project activity and a strong economy were the key driving forces behind the employment gains in this industry. **Accommodation and food services** gained 300 jobs to reach a new high.

Public sector employment showed a notable decline for the second consecutive year. **Public administration** continued its decline of recent years, losing 1,800 jobs in 2015, while **Educational services** lost 2,500 jobs.

Overall, private sector employment increased by 2,100 jobs to reach a new high in 2015, but this could not offset the loss in public sector employment (-4,100 jobs) and self-employment (-500 jobs).

Newfoundland and Labrador Annual Labour Force Statistics, by Industry

Employment ('000)	2015	2014	2013	2014 to 2015		2013 to 2014	
				Number	%	Number	%
Total employed, all industries	236.2	238.6	242.7	-2.4	-1.0%	-4.1	-1.7%
Goods-producing sector	54.1	54.7	55.7	-0.6	-1.1%	-1.0	-1.8%
Agriculture	1.3	1.3	1.2	0.0	0.0%	0.1	8.3%
Forestry, fishing, mining, quarrying, oil and gas	16.2	17.6	17.4	-1.4	-8.0%	0.2	1.1%
Utilities	2.5	2.6	2.7	-0.1	-3.8%	-0.1	-3.7%
Construction	22.6	22.6	22.8	0.0	0.0%	-0.2	-0.9%
Manufacturing	11.4	10.6	11.7	0.8	7.5%	-1.1	-9.4%
Services-producing sector	182	183.9	187	-1.9	-1.0%	-3.1	-1.7%
Trade	41.6	39.4	37.8	2.2	5.6%	1.6	4.2%
Transportation and warehousing	10	11.7	11.2	-1.7	-14.5%	0.5	4.5%
Finance, insurance, real estate and leasing	8.3	8.6	8.4	-0.3	-3.5%	0.2	2.4%
Professional, scientific and technical services	11.3	10.6	9.4	0.7	6.6%	1.2	12.8%
Business, building and other support services	7.2	6.4	6.5	0.8	12.5%	-0.1	-1.5%
Educational services	15.1	17.6	18.1	-2.5	-14.2%	-0.5	-2.8%
Health care and social assistance	37.6	37.5	39.4	0.1	0.3%	-1.9	-4.8%
Information, culture and recreation	7.3	7.5	7	-0.2	-2.7%	0.5	7.1%
Accommodation and food services	15.4	15.1	15.1	0.3	2.0%	0.0	0.0%
Other services	12.5	12	14.7	0.5	4.2%	-2.7	-18.4%
Public administration	15.7	17.5	19.3	-1.8	-10.3%	-1.8	-9.3%

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0008

REGIONAL ANALYSIS

In the Avalon Peninsula economic region, employment decreased by 1,300 jobs in 2015, the third straight year with a decline. Employment decreased faster than the size of the labour force, raising the unemployment rate by 0.7 percentage points to 8.9%. Despite this increase, the unemployment rate is the third lowest on record for this economic region.

Job losses were in part-time employment. Full-time employment was virtually unchanged from the year before. Employment declines were mainly in the **Services-producing sector**, while the **Goods-producing sector** experienced small gains of 200 jobs. **Public administration** lost 900 jobs to reach its lowest level since 2009. **Finance, insurance, real estate, rental and leasing** lost 1,000 jobs after reaching a record high in 2014. Transportation and warehousing lost 900 jobs. However, new highs were reached in **Professional, scientific and technical services, Accommodation and food services, and Trade**.

Construction lost 700 jobs from its record high in 2014, while **Manufacturing** gained 800 jobs after losing a similar number of jobs the year before.

Newfoundland and Labrador Annual Labour Force Statistics, by Economic Region

Employment ('000)	2015	2014	2013	2014 to 2015		2013 to 2014	
				Number	%	Number	%
Newfoundland and Labrador	236.2	238.6	242.7	-2.4	-1.0%	-4.1	-1.7%
Economic Regions							
Avalon Peninsula, Newfoundland and Labrador	138.8	140.1	140.8	-1.3	-0.9%	-0.7	-0.5%
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay, Newfoundland and Labrador	55.2	54.1	57.4	1.1	2.0%	-3.3	-5.7%
West Coast-Northern Peninsula-Labrador, Newfoundland and Labrador	42.2	44.4	44.4	-2.2	-5.0%	0	0.0%

Note: Totals may not add due to rounding

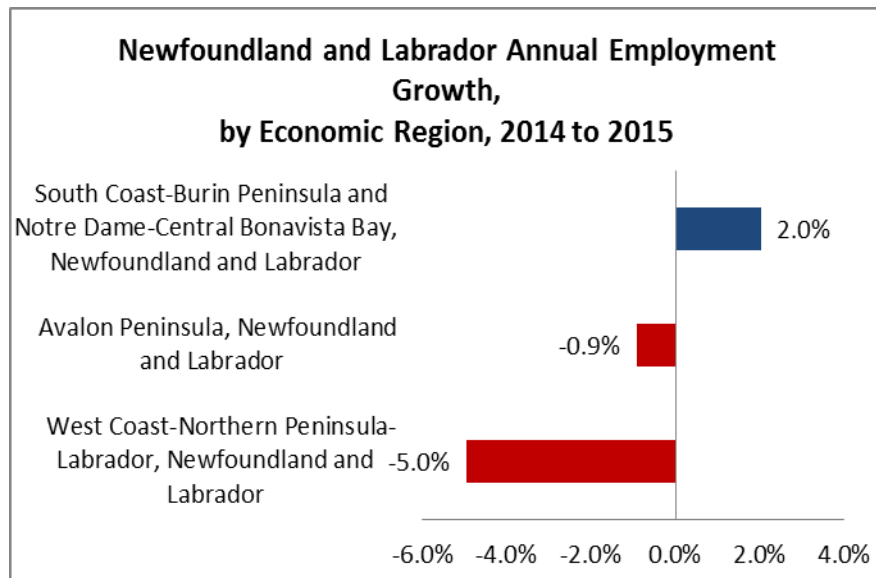
Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0123

In the South Coast-Burin Peninsula and Notre Dame-Central-Bonavista Bay economic region, employment increased by 1,100 jobs in 2015, a gain of 2.0% from the year before. Employment increased faster than the labour force, bringing the unemployment rate down by 0.9 percentage points to 18.0%. The job gains were full-time in nature. Employment in the **Goods-producing sector** showed a loss of 900 jobs from the previous year. However, the **Services-producing sector** showed gains of 1,900 jobs. Industries with notable increases included **Trade**, and **Health care and social assistance**. Losses were mainly in **Educational services**, **Public administration**, and **Transportation and warehousing**. The employment decline in goods-producing industries was small and widespread.

In the West Coast-Northern Peninsula-Labrador economic region, employment declined by 2,200 jobs while the labour force only decreased by 400. This caused the unemployment rate to rise by 3.6 percentage points to 17.6%. Most of the employment decline in 2015 was in full-time work. This was the first year with an employment loss since 2009.

The **Services-producing sector** posted losses of 2,400 jobs while the **Goods-producing sector** gained 200 jobs. In the **Services-producing sector**, the greatest losses were in **Health care and social assistance**, **Educational services**, **Public administration**, and **Trade**.

In the **Goods-producing sector**, **Construction** gained 1,100 jobs to reach a new high of 4,400 for this industry in the region. This was 900 jobs higher than the previous high in 2013. Construction activity related to the Muskrat Falls Hydroelectric Project was a key factor in this elevated level of employment. However, **Forestry, fishing, mining, quarrying, oil and gas** lost 1,100 jobs. Mining is important to this economic region and the industry faced a challenging year in 2015.



Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

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For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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