



Labour Market Bulletin

Newfoundland and Labrador

October 2016



This Labour Market Bulletin is a report providing 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

Labour Market conditions remained weak in Newfoundland and Labrador in October. The unemployment rate rose to 14.9%, the highest rate in the province since July 2010. The labour force declined from September to October 2016 and there was a large drop in the level of employment. While the bulk of the job losses were full-time in nature, there was also a drop in part-time employment.

There was a larger decline in employment compared to October 2015. Strong gains in part-time employment were not sufficient to offset full-time losses which were in excess of 10,000 jobs. Over this time frame the unemployment rate rose by 1.7 percentage points. The unemployment rate has risen year-over-year in October in the last three years.

Newfoundland and Labrador Monthly Labour Force Statistics

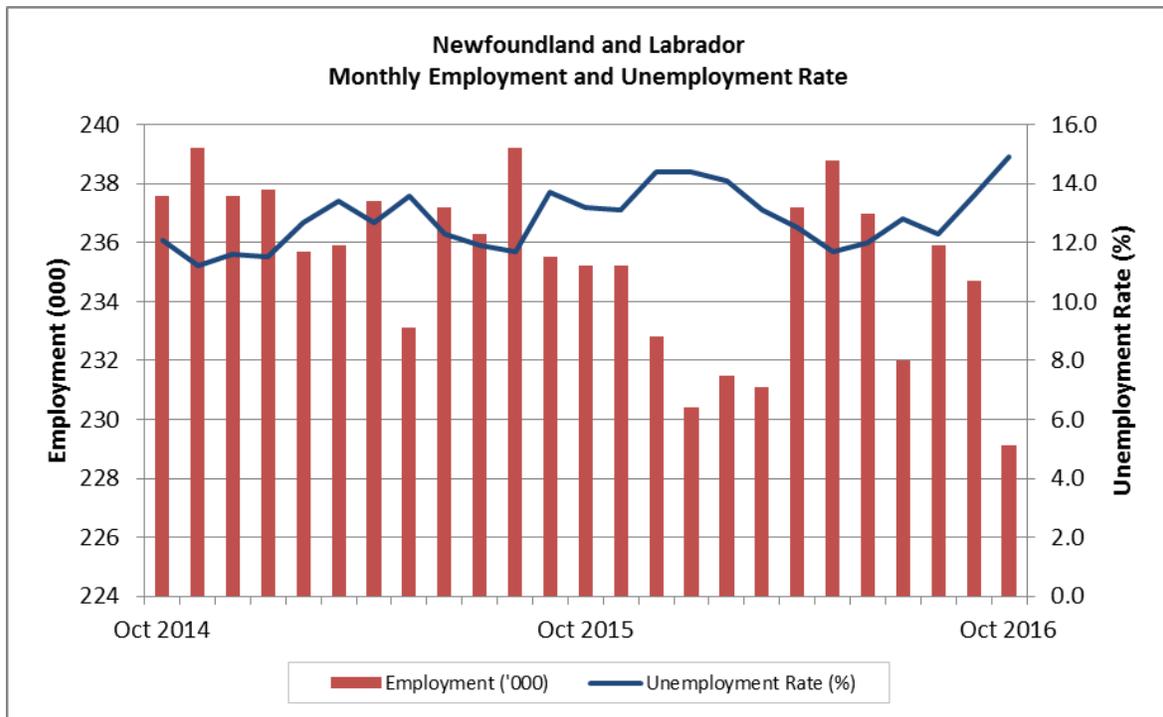
Seasonally Adjusted Monthly Data	Oct 2016	Sept 2016	Oct 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15+ ('000)	444.8	444.8	442.7	0.0	0.0	2.1	0.5
Labour Force ('000)	269.3	271.8	270.7	-2.5	-0.9	-1.4	-0.5
Employment ('000)	229.1	234.7	235.2	-5.6	-2.4	-6.1	-2.6
Full-Time ('000)	190.0	194.7	200.2	-4.7	-2.4	-10.2	-5.1
Part-Time ('000)	39.1	40.1	35.0	-1.0	-2.5	4.1	11.7
Unemployment ('000)	40.2	37.1	35.6	3.1	8.4	4.6	12.9
Unemployment Rate (%)	14.9	13.6	13.2	1.3	-	1.7	-
Participation Rate (%)	60.5	61.1	61.1	-0.6	-	-0.6	-
Employment Rate (%)	51.5	52.8	53.1	-1.3	-	-1.6	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

Employment levels have increasingly fluctuated over the past three years in Newfoundland and Labrador. In 2012, employment increased in ten of twelve months but since then there has been a more even split between job gains and losses. Overall, employment, particularly full-time work, has been trending downward since Janu-

ary 2013. There has been a slight increase in part-time employment over this period. Softening commodity prices have limited the growth of major construction projects and many of the current projects are passing their peak employment levels. Since January 2013 the unemployment rate has been rising while the labour force has been falling.



Youth, aged 15 to 24 years, experienced a 3.1 percentage point drop in their unemployment rate in October, though it remains well above the overall provincial unemployment rate. Both employment and the size of the labour force decreased, but twice as many people exited the labour force compared to job losses. This helped to lower the number of people and the rate of unemployment. At 19.6%, the youth unemployment rate was nearly seven percentage points higher in October than it was just two months ago.

Young females experienced a drop of nearly six percentage points in their unemployment rate, while their male counterparts had a slight rise in October. There was a ten percentage point difference in the rates between males and females in October but this was still not as wide as the 13.7 percentage points gap experienced in

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Oct 2016	Sept 2016	Oct 2015	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	14.9	13.6	13.2	1.3	1.7
25 years and over	14.2	12.2	13.1	2.0	1.1
Men - 25 years and over	17.8	14.9	15.6	2.9	2.2
Women - 25 years and over	10.2	9.2	10.3	1.0	-0.1
15 to 24 years	19.6	22.7	13.6	-3.1	6.0
Men - 15 to 24 years	24.7	24.6	16.4	0.1	8.3
Women - 15 to 24 years	14.6	20.5	11.0	-5.9	3.6

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

February 2016. There was a decrease in unemployment for young females which was brought about by a large decline in the size of the labour force. Part-time employment increases for young females almost completely offset declines in full-time employment. For males, losses in both full-time and part-time unemployment combined

to decrease overall employment. However, reductions in the labour force helped to minimize the increases experienced in the level of unemployment and the unemployment rate.

Males, 25 years and older, had a large increase in their unemployment rate between September and October of 2016 due to a rise in the labour force and a decrease in employment. Employment declined to its lowest level since February, and the job losses were primarily in full-time work.

Females, 25 years and older, had a smaller increase in the unemployment rate than their male counterparts, even though the employment reductions for both sexes were similar in magnitude. The female labour force declined, offsetting some of the employment reductions during this period. The unemployment rate was one percentage point higher than one month prior and October was the first month with an unemployment rate above 10% since April of this year. Employment losses were slightly more concentrated in part-time employment.

EMPLOYMENT BY INDUSTRY

Newfoundland and Labrador's large employment losses in October 2016 were mostly in the **Services-producing sector** (-3,800) though the **Goods-producing sector** (-1,800) also had fewer jobs. Each of these industry groups lost about 3,000 jobs since October 2015 but in relative terms, the decline in the Goods-producing sector was three times more than the losses experienced in the Services-producing sector.

In the Goods-producing sector, the job losses were split fairly evenly between **Construction** (-700); **Manufacturing** (-600); and **Forestry, fishing, mining, quarrying, oil and gas** (-600). The remaining industries in this sector all had no change or a very slight increase in employment. The level of employment (3,100) in the **Utilities** industry was unchanged from the previous month, and has not been this high since 1993.

Newfoundland and Labrador Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	Oct 2016	Sept 2016	Oct 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	229.1	234.7	235.2	-5.6	-2.4	-6.1	-2.6
Goods-producing sector	50.0	51.8	52.9	-1.8	-3.5	-2.9	-5.5
Agriculture	1.6	1.5	1.1	0.1	6.7	0.5	45.5
Forestry, fishing, mining, quarrying, oil and gas	14.1	14.7	15.2	-0.6	-4.1	-1.1	-7.2
Utilities	3.1	3.1	2.3	0.0	0.0	0.8	34.8
Construction	22.0	22.7	23.0	-0.7	-3.1	-1.0	-4.3
Manufacturing	9.1	9.7	11.4	-0.6	-6.2	-2.3	-20.2
Services-producing sector	179.2	183.0	182.2	-3.8	-2.1	-3.0	-1.6
Trade	41.6	43.7	42.6	-2.1	-4.8	-1.0	-2.3
Transportation and warehousing	9.8	9.5	8.2	0.3	3.2	1.6	19.5
Finance, insurance, real estate and leasing	7.3	7.5	9.2	-0.2	-2.7	-1.9	-20.7
Professional, scientific and technical services	10.4	10.2	11.1	0.2	2.0	-0.7	-6.3
Business, building and other support services	6.4	6.0	7.8	0.4	6.7	-1.4	-17.9
Educational services	14.4	14.1	14.5	0.3	2.1	-0.1	-0.7
Health care and social assistance	39.5	40.0	38.2	-0.5	-1.3	1.3	3.4
Information, culture and recreation	7.1	6.7	6.9	0.4	6.0	0.2	2.9
Accommodation and food services	15.6	16.5	14.3	-0.9	-5.5	1.3	9.1
Other services	11.4	12.8	12.6	-1.4	-10.9	-1.2	-9.5
Public administration	15.8	15.8	16.7	0.0	0.0	-0.9	-5.4

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

In the **Services-producing sector**, most of the industries experienced small changes. The bulk of the employment losses occurred in the **Wholesale and retail trade** industry (-2,100). Despite this large decline, Wholesale and retail trade remains the largest employer in the service sector as a percentage of total employment. Employment

in this industry has generally been trending upward since the end of 2012, but has fallen by 6.9% since August. **Health care and social assistance** (-500) is the second largest service sector employer and employment in this industry has been on an upward trend since October 2014. **Other Services** (-1,400) and **Accommodations and food services** (-900) also had significant employment declines.

REGIONAL ANALYSIS

Compared to October 2015, the **Avalon Peninsula** was the only economic region in the province with employment gains. However, the region's labour force expanded by nearly three times as much as employment and, as a result, the unemployment rate went up. The **West Coast – Northern Peninsula – Labrador** was the only economic region to experience a drop in the unemployment rate during this period.

Employment gains on the **Avalon Peninsula** were mainly in part-time work, as full-time employment declined between October 2016 and the same month a year ago. Despite the job gains, the unemployment rate went up as nearly 6,000 people entered the labour force. At 10.7%, the unemployment rate was the highest experienced in October on the peninsula since 2009. Compared to October 2015, the **Services-producing sector** gained 3,100 jobs while the **Goods-producing sector** experienced 1,000 job losses. In the Service-producing sector, there were notable employment gains in the Retail and wholesale trade, Accommodations and food services, and Transportation and warehousing industries. In the Goods-producing sector, Manufacturing experienced the greatest job losses followed by Forestry, fishing, mining, oil and gas. Employment gains in Agriculture and Construction were not sufficient to offset the losses experienced in the Goods-producing sector.

In the **South Coast – Burin Peninsula and Notre Dame – Central – Bonavista Bay** economic region, the unemployment rate edged up to 14.5% between October 2015 and October 2016. Full-time employment declined by 10% during this period, while there was only a slight increase in the level of part-time work. Over the past three months both the labour force and employment have experienced decreases. Most of the job losses occurred in the **Services-producing sector** (-4,700 jobs), and there was a slight decline in the **Goods-producing sector** (-300 jobs) as well. By far, the largest decline in employment in the Services-producing sector was in Retail and wholesale trade. Employment has been trending downward in this industry since October 2015. Transportation and warehousing, and Accommodations and food services also experienced large employment losses. There were notable job gains in Education services, and Health care and social assistance. In the Goods-producing sector, the Manufacturing industry recorded notable job losses, while the Utilities industry had notable gains in employment. The remaining industries had minor gains or losses..

Both the labour force and employment levels in the **West Coast – Northern Peninsula – Labrador** economic region experienced decreases in October 2016 compared to a year ago. There were gains in part-time employment while there was a larger decline in full-time work. The result was a lower level and rate of unemployment. The labour force participation rate lost nearly three percentage points and fell below the 60% level. The increase in **Services-producing sector** employment was offset by a large decline in **Goods-producing sector** jobs. Retail & wholesale trade and Public administration had the largest employment increases in the Services sector, while Business, building & other support services and Education services had the largest job loss. Only Utilities and Agriculture, the two smallest industries, had employment gains. The Construction industry experienced the largest job losses in the Goods sector.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Oct 2016 ('000)	Oct 2015 ('000)	Yearly Variation (%)	Oct 2016 (%)	Oct 2015 (%)	Yearly Variation (% points)
Newfoundland and Labrador	238.5	242.9	-1.8	12.3	11.4	0.9
Economic Regions						
Avalon Peninsula	140.5	138.5	1.4	10.7	8.5	2.2
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	55.0	60.0	-8.3	14.5	14.3	0.2
West Coast-Northern Peninsula-Labrador	43.0	44.3	-2.9	14.3	15.8	-1.5

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122

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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