



Labour Market Bulletin

Newfoundland and Labrador

May 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

In May, the unemployment rate in Newfoundland and Labrador decreased by 0.8 percentage points from the prior month to 11.7%. While employment increased by 1,600 jobs (up 0.7%), the size of the labour force declined by 800 (down 0.3%). Employment gains were in full-time work. Compared to a year ago, the size of the labour force showed little change, while there were 5,700 more people employed. These changes brought the unemployment rate down by 1.9 percentage points over this time. Employment growth from a year ago was mainly part-time in nature.

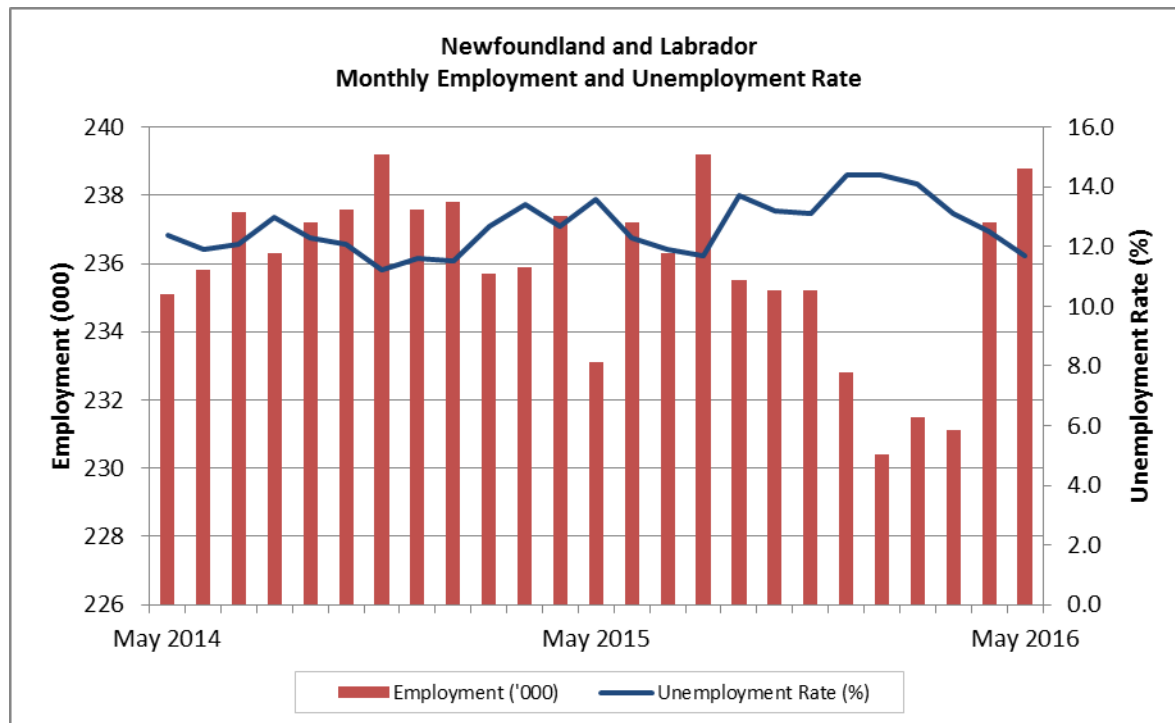
Newfoundland and Labrador Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	May 2016	Apr 2016	May 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15+ ('000)	444.2	443.9	443.0	0.3	0.1	1.2	0.3
Labour Force ('000)	270.4	271.2	269.8	-0.8	-0.3	0.6	0.2
Employment ('000)	238.8	237.2	233.1	1.6	0.7	5.7	2.4
Full-Time ('000)	199.7	198.1	200.1	1.6	0.8	-0.4	-0.2
Part-Time ('000)	39.0	39.2	32.9	-0.2	-0.5	6.1	18.5
Unemployment ('000)	31.6	33.9	36.8	-2.3	-6.8	-5.2	-14.1
Unemployment Rate (%)	11.7	12.5	13.6	-0.8	-	-1.9	-
Participation Rate (%)	60.9	61.1	60.9	-0.2	-	0.0	-
Employment Rate (%)	53.8	53.4	52.6	0.4	-	1.2	-

Note: Totals may not add due to rounding

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

Employment gains in May follows an increase of 6,100 jobs in April. This was the first time since April of 2015 where there were two straight months of employment growth. Furthermore, May was the fourth consecutive month showing a gain in full-time employment. Employment had declined by 8,100 jobs between August of 2015 and March 2016, but increases in April and May totalling 7,700 jobs have virtually eliminated the losses accumulated over these months. May's unemployment rate was the lowest since August 2015.



The youth (aged 15 to 24 years) unemployment rate was 11.4% in May, a decrease of 3.5 percentage points from the previous month and the lowest on record. While employment showed little change, the size of the labour force declined by 1,400, lowering the unemployment rate. The decline in the youth labour force lowered the participation rate for this group to 61.6% in May, its lowest rate since September 2014. This is a notable change from the record high youth participation rate of 68.0% in January 2016.

The unemployment rate for men 25 years and older in May decreased by 0.3 percentage points from the previous month to 14.0%. This change was due to a very small increase in the size of the labour force and a similar-sized loss in employment. Full-time employment was unchanged from April. Compared to a year ago, the unemployment rate was 2.5 percentage points lower as employment (+5,200) increased faster than the size of the labour force (+2,600). Most of the job gains for this group compared to a year ago have been in full-time employment (+3,700).

The unemployment rate in May for women 25 years and older was 9.3%. This was 1.1 percentage points lower than April and the lowest unemployment rate since August of 2015. Employment (+1,700) increased faster than the size of the labour force (+300). Job gains were mainly in full-time employment. Compared to a year ago the unemployment rate decreased by 0.3 percentage points. Employment increased by 1,400 jobs, while the size of the labour force increased by 1,000. In contrast to the change experienced by males (25 years and older) over the last twelve months, job gains were in part-time employment (+3,300) while full-time employment showed a loss of 2,000 jobs.

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	May 2016	Apr 2016	May 2015	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	11.7	12.5	13.6	-0.8	-1.9
25 years and over	11.7	12.1	13.2	-0.4	-1.5
Men - 25 years and over	14.0	13.7	16.5	0.3	-2.5
Women - 25 years and over	9.3	10.4	9.6	-1.1	-0.3
15 to 24 years	11.4	14.9	16.3	-3.5	-4.9
Men - 15 to 24 years	11.7	16.6	24.4	-4.9	-12.7
Women - 15 to 24 years	11.1	13.3	9.4	-2.2	1.7

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

EMPLOYMENT BY INDUSTRY

Job gains in May were split between the **Goods-producing sector** (+600) and the **Services-producing sector** (+900). Over the past twelve months, employment in the **Goods-producing sector** increased by 5.3% or 2,700 jobs, while employment in the **Services-producing sector** increased by 3,000 jobs, or 1.6%.

In the **Goods-producing sector**, most of the job growth since April occurred in **Utilities** (+800) and **Construction** (+600). At 3,100, employment in **Utilities** reached its highest level since September of 2012. **Manufacturing** lost 900 jobs, erasing most of the gain reached in April. **Construction** remains strong from a historical perspective. While this industry lost 2,000 jobs between November 2015 and March 2016, the past two months produced a total gain of 1,400 jobs.

The **Services-producing sector** gained 900 jobs in May compared to April. Results were mixed throughout the sector. **Trade** lost 1,400 jobs after reaching a record high of 44,200 in April. **Educational services** decreased by 700 jobs in May, eliminating an increase of 700 jobs in the previous month. Employment in this industry has been relatively stable since July of 2015 after it lost 4,200 jobs over the twelve months prior to that. Employment in **Transportation and warehousing** increased by 900 jobs from April, and six of the past seven months have shown gains for this industry. Employment in May was 2,200 jobs higher than the historic low of 8,200 reached in October 2015. After modest monthly employment changes over the previous six months, **Accommodation and food services** showed strong employment growth. The industry increased by 1,700 jobs to reach a new high of 17,200 jobs.

Newfoundland and Labrador Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	May 2016	Apr 2016	May 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	238.8	237.2	233.1	1.6	0.7	5.7	2.4
Goods-producing sector	53.8	53.2	51.1	0.6	1.1	2.7	5.3
Agriculture	1.3	1.0	1.8	0.3	30.0	-0.5	-27.8
Forestry, fishing, mining, quarrying, oil and gas	15.9	16.0	15.9	-0.1	-0.6	0.0	0.0
Utilities	3.1	2.3	2.9	0.8	34.8	0.2	6.9
Construction	22.7	22.1	19.7	0.6	2.7	3.0	15.2
Manufacturing	10.9	11.8	10.9	-0.9	-7.6	0.0	0.0
Services-producing sector	184.9	184.0	181.9	0.9	0.5	3.0	1.6
Trade	42.8	44.2	41.0	-1.4	-3.2	1.8	4.4
Transportation and warehousing	10.4	9.5	10.7	0.9	9.5	-0.3	-2.8
Finance, insurance, real estate and leasing	8.2	8.7	7.9	-0.5	-5.7	0.3	3.8
Professional, scientific and technical services	10.1	9.8	11.6	0.3	3.1	-1.5	-12.9
Business, building and other support services	7.2	7.4	6.8	-0.2	-2.7	0.4	5.9
Educational services	14.2	14.9	15.5	-0.7	-4.7	-1.3	-8.4
Health care and social assistance	39.1	38.9	37.1	0.2	0.5	2.0	5.4
Information, culture and recreation	7.3	7.4	7.4	-0.1	-1.4	-0.1	-1.4
Accommodation and food services	17.2	15.5	15.9	1.7	11.0	1.3	8.2
Other services	12.9	12.5	12.6	0.4	3.2	0.3	2.4
Public administration	15.6	15.2	15.5	0.4	2.6	0.1	0.6

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

In May, the **West Coast – Northern Peninsula – Labrador** region experienced employment and labour force gains compared to twelve months earlier while other regions recorded declines. The **Avalon Peninsula** was the only economic region that had a rise in the unemployment rate compared to a year ago.

On the **Avalon Peninsula**, the unemployment rate was 9.9% in May, up 0.6 percentage points from twelve months ago. Employment was down by 2,400 jobs, while the size of the labour force declined by 1,700. Job losses were in full-time employment (-6,600) with part-time employment showing gains of 4,200 jobs. Employment levels and labour force size have both declined for ten straight months. Full-time employment has declined for eight straight months. Part-time employment has experienced increases for five consecutive months, but this has not been enough to offset full-time job losses recorded in this economic region.

Most of the job losses on the **Avalon Peninsula** were in the **Goods-producing sector**. Losses in this sector were concentrated in **Construction**, where employment declined by 1,200 jobs (or -9.2%) from a year ago. Employment in this industry has declined for nine straight months. **Manufacturing** showed losses of 600 jobs or a decline of 11.1% from a year ago. The **Services-producing sector** experienced job losses for the thirteenth straight month, though losses have not been as deep as earlier in 2016. Employment in **Health care and social assistance** decreased by 2,200 jobs from a year ago (-9.8%) while **Accommodation and food services**, **Public administration** and **Professional, scientific and technical services** also showed notable losses (-1,200, -1,100 and -1,000 respectively). However, **Trade** employment increased by 2,300 jobs from a year ago.

The unemployment rate in the **South Coast – Burin Peninsula and Notre Dame – Central - Bonavista Bay** economic region in May was 19.4% or 2.3 percentage points lower than twelve months ago. The unemployment rate was lower because the size of the labour force declined faster than employment. There were 800 job losses compared to a year ago, all part-time in nature. Labour force size decreased for the third consecutive month af-

ter ten months of gains, and these losses have been deepening. In May, this economic region had 3,000 fewer people in the labour force compared to May of 2015. Employment in the **Services-producing sector** decreased by 1,300 jobs from twelve months earlier, led by losses in **Educational services** (-2,400). This was the tenth straight month with a decline in employment. **Transportation and warehousing** as well as **Trade** lost 1,100 jobs each from a year ago. However, **Health care and social assistance** (+3,100) experienced employment gains for the eleventh straight month. Employment is nearly 40% higher in this industry than a year ago. The **Goods-producing sector** had an increase of 500 jobs from a year ago. **Construction** showed a gain of 1,500 jobs, but this was partially offset by notable employment losses in **Forestry, fishing, mining, quarrying and oil and gas** (-1,300).

In the **West Coast – Northern Peninsula – Labrador** region, the unemployment rate decreased to 17.8%, a change of 4.3 percentage points compared to May 2015. Employment (+7.5%) increased faster than the size of the labour force (+1.8%). The job growth was mainly in part-time work. This economic region had the highest rate of job growth in the province for the fifth straight month. The **Services-producing sector** led the increase with 2,900 more jobs than twelve months prior. It was the sector's fifth straight month with employment growth after twelve straight months of losses. **Trade** and **Health care and social assistance** both increased by 1,200 jobs compared to a year ago. The **Goods-producing sector** gained 100 jobs from twelve months ago. **Forestry, fishing, mining, quarrying and oil and gas** increased by 500 jobs. It was the industry's first showing of job growth in this economic region since January of 2015. Low mineral prices have been a key factor behind job losses over that time. **Construction** employment showed little change in May, with a small addition of 100 jobs. This industry has been driven by the Muskrat Falls Hydroelectric Project. This industry has grown for twelve consecutive months.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	May 2016 ('000)	May 2015 ('000)	Yearly Variation (%)	May 2016 (%)	May 2015 (%)	Yearly Variation (% points)
Newfoundland and Labrador	230.3	230.6	-0.1	13.7	14.7	-1.0
Economic Regions						
Avalon Peninsula	137.2	139.6	-1.7	9.9	9.3	0.6
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	51.5	52.3	-1.5	19.4	21.7	-2.3
West Coast-Northern Peninsula-Labrador	41.6	38.7	7.5	17.8	22.1	-4.3

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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