



Labour Market Bulletin

Newfoundland and Labrador

July 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 July, the unemployment rate in Newfoundland and Labrador increased by 0.8 percentage points from the prior month to 12.8%. While the size of the labour force decreased by 1.3% or 3,400, employment declined by 2.1% or 5,000 jobs. Employment losses were mainly in full-time work. Compared to a year ago, the size of the labour force has decreased by 2,200, while there were 4,300 fewer people employed. These changes raised the unemployment rate by 0.9 percentage points over this time. Employment losses from a year ago were full-time in nature.

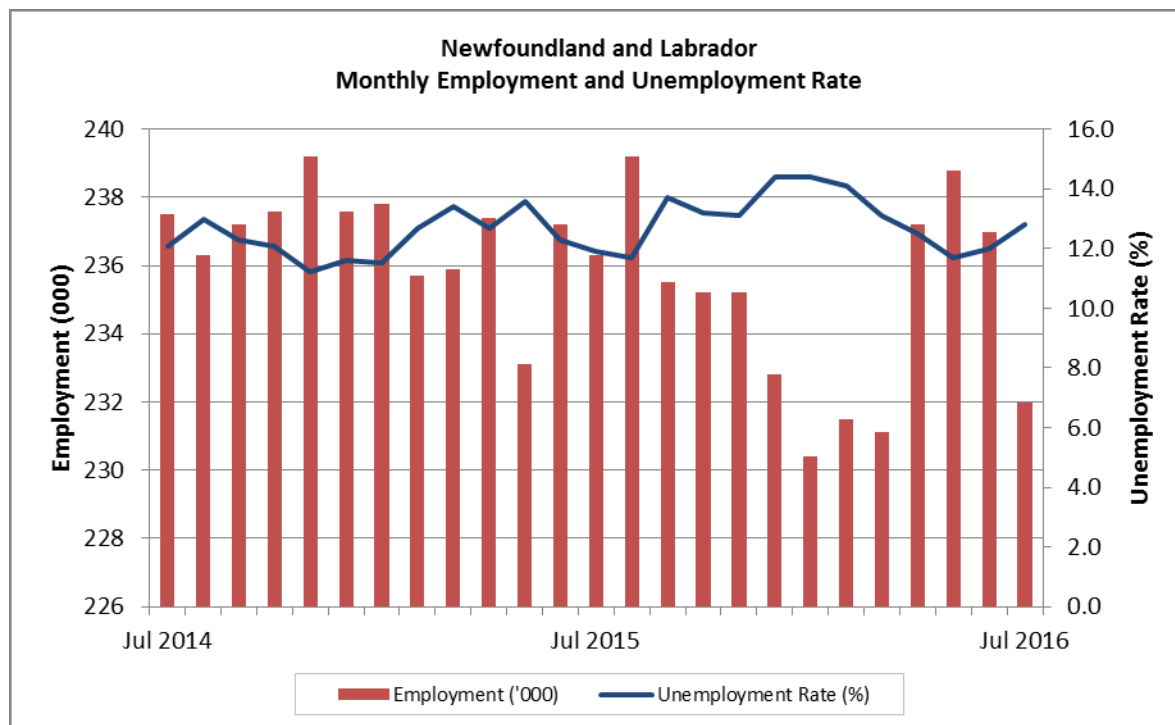
Newfoundland and Labrador Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	July 2016	June 2016	July 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15+ ('000)	444.6	444.5	442.5	0.1	0.0	2.1	0.5
Labour Force ('000)	266.0	269.4	268.2	-3.4	-1.3	-2.2	-0.8
Employment ('000)	232.0	237.0	236.3	-5.0	-2.1	-4.3	-1.8
Full-Time ('000)	197.3	200.7	205.1	-3.4	-1.7	-7.8	-3.8
Part-Time ('000)	34.8	36.4	31.2	-1.6	-4.4	3.6	11.5
Unemployment ('000)	34.0	32.4	31.8	1.6	4.9	2.2	6.9
Unemployment Rate (%)	12.8	12.0	11.9	0.8	-	0.9	-
Participation Rate (%)	59.8	60.6	60.6	-0.8	-	-0.8	-
Employment Rate (%)	52.2	53.3	53.4	-1.1	-	-1.2	-

Note: Totals may not add due to rounding

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

Employment losses in June (-1,800) and July (-5,000) followed a combined gain of 7,700 jobs in April and May. This brought employment levels closer to where they were in March, when employment was on a downward trend for a number of months. Despite the employment losses, the unemployment rate remained below 13% because a large number of people have left the labour force in recent months. There were 5,200 fewer people working or looking for work in July compared to April.



The youth (aged 15 to 24 years) unemployment rate was 15.1% in July, an increase of 3.8 percentage points from the record low of 11.3% in June. While the size of the labour force showed little change, employment declined by 1,400 jobs, raising the unemployment rate. This is the highest youth unemployment rate since January 2016, when the rate was 18.0%.

The unemployment rate for men 25 years and older in July increased by 0.3 percentage points from the previous month to 14.8%. This change was due to a loss of 1,000 jobs while the labour force declined by 500. Job losses were in full-time employment. Compared to a year ago, the unemployment rate was 1.4 percentage points higher as employment (-1,800) decreased while the size of the labour force was relatively unchanged. Job losses for this group compared to a year ago have been in full-time employment (-2,400) with a small gain in part-time employment (+600).

The unemployment rate in July for women 25 years and older was 9.7%. This was 0.2 percentage points higher than June. Employment decreased by 2.7% or 2,700 jobs which was a slightly faster rate than the 2.4% or 2,700 decrease in the size of the labour force. There were job losses in both full-time (-1,600) and part-time (-1,100) employment. Compared to a year ago the unemployment rate increased by 0.8 percentage points. Employment decreased by 2,000 jobs, while the size of the labour force decreased by 1,200. As was the case with males of the same age group, job losses compared to a year ago were largely full-time in nature (-2,700) with a small gain in part-time employment (+600).

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	July 2016	June 2016	July 2015	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	12.8	12.0	11.9	0.8	0.9
25 years and over	12.5	12.1	11.2	0.4	1.3
Men - 25 years and over	14.8	14.5	13.4	0.3	1.4
Women - 25 years and over	9.7	9.5	8.9	0.2	0.8
15 to 24 years	15.1	11.3	16.1	3.8	-1.0
Men - 15 to 24 years	19.0	15.3	19.8	3.7	-0.8
Women - 15 to 24 years	10.5	7.1	12.4	3.4	-1.9

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

EMPLOYMENT BY INDUSTRY

Job losses in July were evenly split between the **Goods-producing sector** (-2,500) and the **Services-producing sector** (-2,500). Over the past twelve months, employment in the **Goods-producing sector** decreased by 9.8% or 5,400 jobs, while employment in the **Services-producing sector** increased by 1,100 jobs, or 0.6%.

In the **Goods-producing sector**, most of the job losses since June occurred in **Manufacturing** (-1,500), **Forestry, fishing, mining, quarrying and oil and gas**, as well as **Construction** (-700 each). The losses in **Manufacturing** brought employment levels in the industry to a new low of 8,500 jobs. There were 3,100 jobs in **Utilities** for each of the past three months. Prior to this, employment in that industry was not this high since it had 3,100 jobs September of 2012. Despite a loss of 700 jobs, **Construction** remained strong from a historical perspective. While this industry lost 2,000 jobs between November 2015 and March 2016, the past four months produced total gains of 1,200 jobs, keeping employment levels high in this industry.

The **Services-producing sector** lost 2,500 jobs in July compared to June. Most industries experienced small losses. However, **Trade** gained 300 jobs to reach a record high of 44,300 jobs. **Accommodation and food services** lost 200 jobs, but remained quite close to the record high set in May. **Finance, insurance, real estate, rental and leasing** lost 400 jobs, continuing a downward trend in recent months, with 1,100 fewer jobs than in April. **Educational services** showed no change in July. 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.

Newfoundland and Labrador Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	July 2016	June 2016	July 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	232.0	237.0	236.3	-5.0	-2.1	-4.3	-1.8
Goods-producing sector	49.7	52.2	55.1	-2.5	-4.8	-5.4	-9.8
Agriculture	1.8	1.4	1.2	0.4	28.6	0.6	50.0
Forestry, fishing, mining, quarrying, oil and gas	13.8	14.5	16.3	-0.7	-4.8	-2.5	-15.3
Utilities	3.1	3.1	2.9	0.0	0.0	0.2	6.9
Construction	22.5	23.2	22.7	-0.7	-3.0	-0.2	-0.9
Manufacturing	8.5	10.0	12.0	-1.5	-15.0	-3.5	-29.2
Services-producing sector	182.3	184.8	181.2	-2.5	-1.4	1.1	0.6
Trade	44.3	44.0	41.4	0.3	0.7	2.9	7.0
Transportation and warehousing	9.6	10.2	9.9	-0.6	-5.9	-0.3	-3.0
Finance, insurance, real estate and leasing	7.6	8.0	7.7	-0.4	-5.0	-0.1	-1.3
Professional, scientific and technical services	10.0	10.2	11.3	-0.2	-2.0	-1.3	-11.5
Business, building and other support services	6.6	7.0	7.3	-0.4	-5.7	-0.7	-9.6
Educational services	14.3	14.3	14.4	0.0	0.0	-0.1	-0.7
Health care and social assistance	38.9	39.2	38.1	-0.3	-0.8	0.8	2.1
Information, culture and recreation	6.7	6.8	7.9	-0.1	-1.5	-1.2	-15.2
Accommodation and food services	17.1	17.3	14.9	-0.2	-1.2	2.2	14.8
Other services	11.1	12.1	12.7	-1.0	-8.3	-1.6	-12.6
Public administration	16.0	15.9	15.6	0.1	0.6	0.4	2.6

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Compared to July 2015, the **Avalon Peninsula** was the only economic region in the province to experience an increase in labour force size and the unemployment rate. All three economic regions had declines in full-time employment.

On the **Avalon Peninsula**, the unemployment rate was 8.9% in July, up 0.6 percentage points from twelve months ago. Employment was up by 2,100 jobs (+1.5%), but the size of the labour force increased by 3,300 (+2.1%). Job losses were in full-time employment (-2,900) with part-time employment showing a gain of 5,000 jobs. Employment levels and labour force size have both increased for the past two months after ten straight months of losses.

The job gains on the **Avalon Peninsula** were mainly in the **Services-producing sector** (+4,000). The sector has experienced two months of growth after thirteen straight months of losses. The job gains in this sector were mainly due to an increase of 4,400 jobs in **Trade**. **Educational services** also showed strength with 1,100 more jobs, its third straight month with gains. **Accommodation and food services** gained 900 jobs, the first increase for this industry recorded since July 2015. **Professional, scientific and technical services** declined for the fifth straight month, losing 1,500 jobs from a year ago. **Information, culture and recreation** also had a notable decrease (-1,000 jobs). The last employment gain for this industry in the region was in October 2014. The **Goods-producing sector** on the **Avalon Peninsula** lost 1,900 jobs from a year ago. Losses in this sector were concentrated in **Manufacturing**, where employment declined by 2,000 jobs (or -27.0%) from a year ago. **Forestry, fishing, mining, quarrying and oil and gas** lost 500 jobs, while **Construction** employment increased (+600) after ten straight months of losses.

The unemployment rate in the **South Coast – Burin Peninsula and Notre Dame – Central - Bonavista Bay** economic region in July was 14.3% or 0.8 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 3,200 job losses compared to a year ago, with notable decreases in full-time and part-time employment. Labour force size decreased for the fifth consecutive month after ten months of gains, and these losses have been deepening. In July, this economic region had 4,400 fewer people in the labour force compared to July of 2015. Employment in the **Services-producing sector** decreased by 2,500 jobs from twelve months earlier, led by losses in **Trade** (-2,500) and **Educational services** (-1,300). However, **Health care and social assistance** (+1,700) experienced employment gains for the thirteenth straight month. Employment is 18.5% higher in this industry than a year ago. The **Goods-producing sector** had losses of 700 jobs from a year ago. **Forestry, fishing, mining, quarrying and oil and gas** showed losses of 1,800 jobs, but this was partially offset by gains in Construction (+400).

In the **West Coast – Northern Peninsula – Labrador** region, the unemployment rate in July was 12.2%, a decrease of 4.8 percentage points compared to July 2015. Employment increased by 900 jobs while the size of the labour force decreased by 1,900. Full-time employment declined by 600 jobs while part-time employment increased by 1,600. This economic region had the highest rate of job growth in the province (2.0%) for the seventh straight month. The **Services-producing sector** led the employment increase with 1,900 more jobs than twelve months prior. It was the sector's seventh straight month with employment growth after twelve straight months of losses. **Health care and social assistance** (+1,100), **Trade**, and **Accommodation and food services** (+900 each) led the increase. The **Goods-producing sector** lost 1,000 jobs from twelve months ago. This was due to losses in **Manufacturing** (-1,000). **Construction** employment was unchanged from July of 2015. High employment levels in this industry have been driven by the Muskrat Falls Hydroelectric Project. This industry has not experienced an employment loss since May of 2015, when it decreased by 100 jobs. Deeper declines in **Construction** have not happened in this area of the province since September of 2014.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	July 2016 ('000)	July 2015 ('000)	Yearly Variation (%)	July 2016 (%)	July 2015 (%)	Yearly Variation (% points)
Newfoundland and Labrador	245.9	246.0	0.0	10.8	11.7	-0.9
Economic Regions						
Avalon Peninsula	143.7	141.6	1.5	8.9	8.3	0.6
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	56.9	60.1	-5.3	14.3	15.1	-0.8
West Coast-Northern Peninsula-Labrador	45.3	44.4	2.0	12.2	17.0	-4.8

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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