



Labour Market Bulletin

Newfoundland and Labrador

August 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

The Newfoundland and Labrador labour market showed some improvements in August compared to the previous month. Employment increased faster than the gains experienced in the labour force, which resulted in a decrease in the unemployment rate to 12.3%. Employment gains were mainly in part-time work.

However, labour market conditions remain weak in the province compared to a year ago. The size of the labour force has decreased by 1,900, while there were 3,300 fewer people employed. Gains in part-time employment were completely offset by decreases in full-time work. This has raised the unemployment rate by 0.6 percentage points compared to a year ago. The unemployment rate has generally remained below 13%.

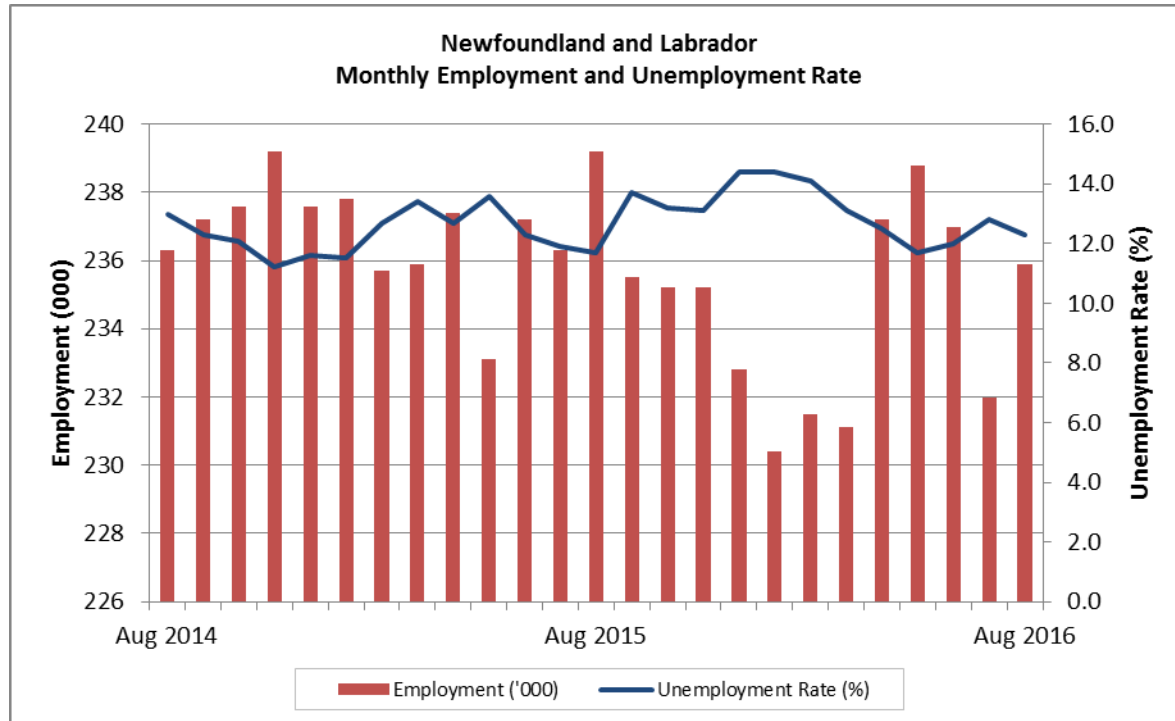
Newfoundland and Labrador Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Aug 2016	July 2016	Aug 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15+ ('000)	444.6	444.6	442.3	0.0	0.0	2.3	0.5
Labour Force ('000)	269.1	266.0	271.0	3.1	1.2	-1.9	-0.7
Employment ('000)	235.9	232.0	239.2	3.9	1.7	-3.3	-1.4
Full-Time ('000)	197.6	197.3	203.7	0.3	0.2	-6.1	-3.0
Part-Time ('000)	38.3	34.8	35.5	3.5	10.1	2.8	7.9
Unemployment ('000)	33.2	34.0	31.8	-0.8	-2.4	1.4	4.4
Unemployment Rate (%)	12.3	12.8	11.7	-0.5	-	0.6	-
Participation Rate (%)	60.5	59.8	61.3	0.7	-	-0.8	-
Employment Rate (%)	53.1	52.2	54.1	0.9	-	-1.0	-

Note: Totals may not add due to rounding

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

There have been large swings in employment in recent times. For example, there was a combined increase of 7,700 jobs in April and May, while employment in June and July experienced a total decline of 6,800 jobs. The broader employment trend has been moving downward since reaching peak levels in 2013. Major job creation projects such as the construction stages of the Hebron Oil Project have passed their peak phase of activity.



The youth (aged 15 to 24 years) unemployment rate was 12.9% in August, a decrease of 2.2 percentage points and the fourth lowest rate on record. While the size of the labour force showed little change, employment increased by 1,000 jobs, lowering the unemployment rate.

The unemployment rate for men 25 years and older in August was 15.3%, an increase of 0.5 percentage points from the previous month. Both the labour force and employment levels were up for this age group compared to the previous month. The job gains were entirely in part-time work as full-time employment decreased for the third month in a row. Compared to a year ago, the unemployment rate was 1.4 percentage points higher as there were twice as many job losses compared to the number of those who exited the labour force. Job losses for this group compared to a year ago have been in full-time employment (-5,800). Part-time employment increased by 2,800.

The unemployment rate in August for women 25 years and older was 8.9%. This was 0.8 percentage points lower than it was in July, and this was the first month with an unemployment rate below 9% since August 2015. This age group led the overall employment gains with an increase of 2,300 jobs from the month before and most of the gains were in full-time work. The size of the labour force increased at a slower pace than employment, with 1,500 more people active in the labour market than in July.

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Aug 2016	July 2016	Aug 2015	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	12.3	12.8	11.7	-0.5	0.6
25 years and over	12.2	12.5	11.1	-0.3	1.1
Men - 25 years and over	15.3	14.8	13.9	0.5	1.4
Women - 25 years and over	8.9	9.7	7.9	-0.8	1.0
15 to 24 years	12.9	15.1	16.0	-2.2	-3.1
Men - 15 to 24 years	15.9	19.0	19.3	-3.1	-3.4
Women - 15 to 24 years	9.6	10.5	12.6	-0.9	-3.0

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

Private sector employment increased by 5,500 jobs in August, rebounding from similar-sized losses in the previous month. Employment in the private sector is relatively strong from a broader standpoint, with the tenth-highest level on record. However, it is down by 4,800 jobs from the record high set in August 2015. Public sector employment declined by 1,400 jobs in August. This followed a decline in the previous month. Self-employment showed little change from July.

EMPLOYMENT BY INDUSTRY

Most of the job gains in August were in the **Goods-producing sector** (+2,500). The **Services-producing sector** had smaller gains of 1,400 jobs. Over the past twelve months, employment in the **Goods-producing sector** decreased by 9.5% or 5,500 jobs, while employment in the **Services-producing sector** increased by 2,200 jobs, or 1.2%.

In the **Goods-producing sector**, most of the job gains since July occurred in **Manufacturing** (+1,700), which rebounded from similar-sized losses the month before. **Manufacturing** reached a record low in July. **Forestry, fishing, mining, quarrying and oil and gas** also rebounded after experiencing job losses the month before. **Utilities** had small gains to reach 3,200 jobs. Employment in this industry had not been this strong since 1993. **Construction** showed little change from July, but remained strong from a historical standpoint.

In the **Services-producing sector**, most industries experienced small changes. However, **Trade** gained 400 jobs to reach a record high for the second month in a row. **Accommodation and food services** had a small increase to reach the second highest level on record. **Health care and social assistance** had a notable increase. Employment in the industry has been slowly increasing over most of the past year. **Educational services** had a small loss in August. 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)	Aug 2016	July 2016	Aug 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	235.9	232.0	239.2	3.9	1.7	-3.3	-1.4
Goods-producing sector	52.2	49.7	57.7	2.5	5.0	-5.5	-9.5
Agriculture	2.0	1.8	0.7	0.2	11.1	1.3	185.7
Forestry, fishing, mining, quarrying, oil and gas	14.6	13.8	17.5	0.8	5.8	-2.9	-16.6
Utilities	3.2	3.1	2.4	0.1	3.2	0.8	33.3
Construction	22.2	22.5	24.3	-0.3	-1.3	-2.1	-8.6
Manufacturing	10.2	8.5	12.7	1.7	20.0	-2.5	-19.7
Services-producing sector	183.7	182.3	181.5	1.4	0.8	2.2	1.2
Trade	44.7	44.3	40.6	0.4	0.9	4.1	10.1
Transportation and warehousing	9.5	9.6	10.9	-0.1	-1.0	-1.4	-12.8
Finance, insurance, real estate and leasing	8.0	7.6	8.0	0.4	5.3	0.0	0.0
Professional, scientific and technical services	10.2	10.0	11.4	0.2	2.0	-1.2	-10.5
Business, building and other support services	6.4	6.6	7.5	-0.2	-3.0	-1.1	-14.7
Educational services	14.0	14.3	13.8	-0.3	-2.1	0.2	1.4
Health care and social assistance	39.5	38.9	38.5	0.6	1.5	1.0	2.6
Information, culture and recreation	7.3	6.7	7.3	0.6	9.0	0.0	0.0
Accommodation and food services	17.2	17.1	15.6	0.1	0.6	1.6	10.3
Other services	11.7	11.1	12.7	0.6	5.4	-1.0	-7.9
Public administration	15.1	16.0	15.3	-0.9	-5.6	-0.2	-1.3

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Compared to August 2015, the **Avalon Peninsula** was the only economic region in the province to experience employment gains and a decrease in the unemployment rate. All three economic regions had declines in full-time employment.

On the **Avalon Peninsula**, the unemployment rate was 9.5% in August, up 1.2 percentage points from twelve months ago. Employment was up by 2,200 jobs, but the size of the labour force increased by 4,400. Despite the employment gains, full-time employment was down by 2,200 while part-time employment increased by 4,400 jobs. Full-time losses and part-time gains have been the norm for most of the year. Full-time employment has declined for eleven straight months, while part-time employment has increased in each month of 2016.

Employment gains on the **Avalon Peninsula** were in the **Services-producing sector** (+4,900). The sector has experienced three months of growth after thirteen straight months of losses. Gains in this sector were concentrated in **Trade** (+4,800), and **Accommodation and food services** (+1,600). Notable losses in this sector were in **Professional, scientific and technical services**, and **Public administration**. Employment levels in both of these industries have declined throughout 2016. The **Goods-producing sector** on the **Avalon Peninsula** lost 2,700 jobs from a year ago. For the third straight month, losses in this sector were concentrated in **Manufacturing**, where employment declined by 2,200 jobs from a year ago.

The unemployment rate in the **South Coast – Burin Peninsula and Notre Dame – Central - Bonavista Bay** economic region in August was 13.2% or 0.2 percentage points lower than twelve months ago. The unemployment rate was lower because the size of the labour force declined slightly faster than employment. There were 5,100 job losses compared to a year ago, with decreases in both full-time and part-time employment. Labour force size decreased (-6,000) for the sixth consecutive month after ten months of gains. Losses in employment and labour force size have been deepening for the past six months. Most of the job losses in August were in the **Services-producing sector**, led by losses in **Trade** (-2,600) and **Accommodation and food services** (-900). However, **Health care and social assistance** experienced employment gains for the fourteenth month in a row. The **Goods-**

producing sector experienced losses of 1,000 jobs from a year ago. Employment in **Forestry, fishing, mining, quarrying and oil and gas** decreased by 1,600 jobs. This was the fourteenth straight month with a loss in this industry, and the losses have been deeper in recent months.

In the **West Coast – Northern Peninsula – Labrador** region, employment declined by 800 jobs from a year ago, while the size of the labour force decreased by 2,000. As a result, the unemployment rate in August was 12.7%, down 1.5 percentage points from August 2015. Full-time employment declined by 1,700 jobs while part-time employment increased by 900. Total employment declined for the first time since December of last year. The **Goods-producing sector** was mainly responsible for the employment decline, losing 2,600 jobs. The largest losses were recorded in **Manufacturing**, which declined by 1,100 jobs, and this was the second straight month with at least 1,000 jobs in this industry. **Construction** lost 500 jobs. This was the industry's first loss since May of last year. However, employment levels in this industry remain high due to construction work at the Muskrat Falls Hydroelectric Project. The **Services-producing sector** continued to show strength with an increase of 1,700 jobs from a year ago. The sector has experienced job gains for eight straight months. **Health care and social assistance** and **Trade** led the job growth. Both industries have recorded gains for ten straight months. **Public administration** and **Accommodation and food services** also contributed to the increase. Most other industries in this sector had losses.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Aug 2016 ('000)	Aug 2015 ('000)	Yearly Variation (%)	Aug 2016 (%)	Aug 2015 (%)	Yearly Variation (% points)
Newfoundland and Labrador	246.8	250.6	-1.5	11.0	10.8	0.2
Economic Regions						
Avalon Peninsula	143.5	141.3	1.6	9.5	8.3	1.2
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	57.8	62.9	-8.1	13.2	13.4	-0.2
West Coast-Northern Peninsula-Labrador	45.6	46.4	-1.7	12.7	14.2	-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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