



# Labour Market Bulletin

## Newfoundland and Labrador

October 2017



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 unemployment rate in Newfoundland and Labrador fell by 0.6 percentage points to 14.5% in October 2017 from the previous month. This decline was the result of an employment increase that was mostly concentrated in full-time employment. The drop in unemployment would have been larger if not for an increase in the number of new entrants into the labour force, some of which would have added to the number of unemployed.

The drop in the unemployment rate between October 2017 and October 2016, meanwhile, was the result of a fall in employment of 4,700. There was a large decrease in part-time employment which was offset by a small increase in full-time employment. The decline in both the level and rate of unemployment was in large part the result of people giving up looking for work and leaving the labour force.

Newfoundland and Labrador Monthly Labour Force Statistics

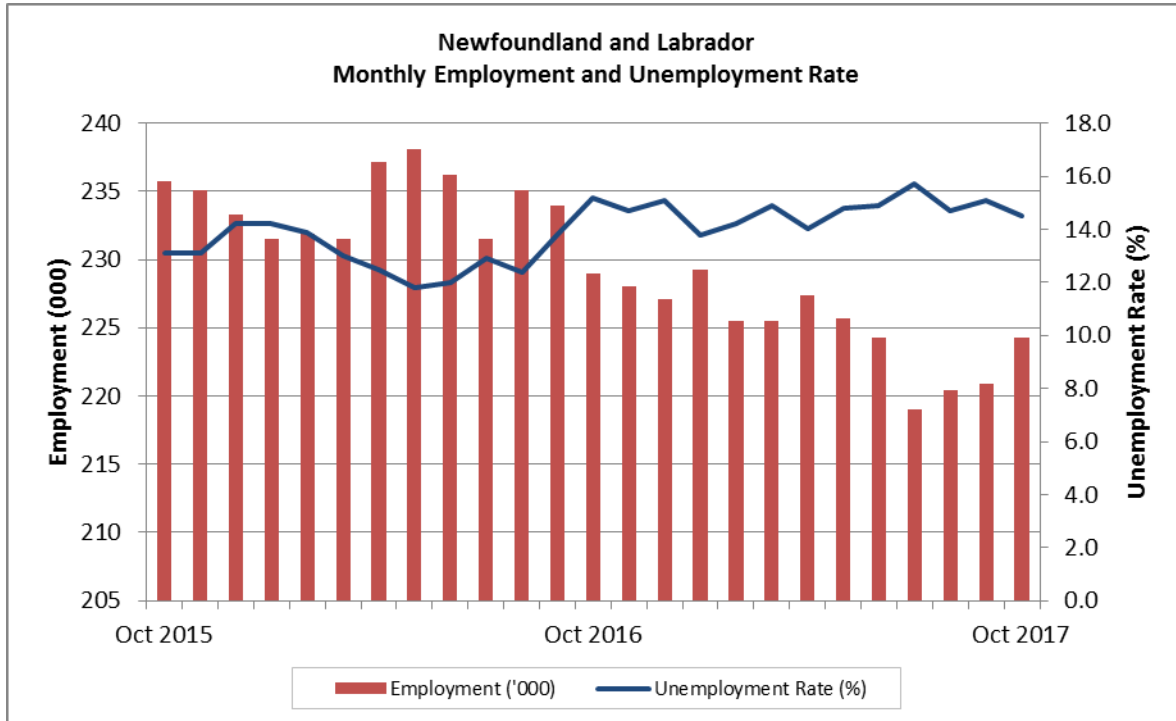
Seasonally Adjusted Monthly Data	Oct 2017	Sept 2017	Oct 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	445.4	445.5	444.8	-0.1	0.0	0.6	0.1
Labour Force ('000)	262.5	260.2	269.9	2.3	0.9	-7.4	-2.7
Employment ('000)	224.3	220.9	229.0	3.4	1.5	-4.7	-2.1
Full-Time ('000)	192.0	189.6	189.9	2.4	1.3	2.1	1.1
Part-Time ('000)	32.3	31.3	39.0	1.0	3.2	-6.7	-17.2
Unemployment ('000)	38.1	39.3	41.0	-1.2	-3.1	-2.9	-7.1
Unemployment Rate (%)	14.5	15.1	15.2	-0.6	-	-0.7	-
Participation Rate (%)	58.9	58.4	60.7	0.5	-	-1.8	-
Employment Rate (%)	50.4	49.6	51.5	0.8	-	-1.1	-

Note: Totals may not add due to rounding

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

Provincial employment rose between May 2009 and January 2013, increasing by over 35,000 during this period. However, the bulk of that employment gain had been lost by the latter part of 2017. Though the unemployment rate has been rising since September 2013, the declining labour force has kept some of the unemployment rise

in check. Furthermore, the unemployment rate has not risen to the recession peak in 2009 and is still well below the highs in the 1980s and 1990s that exceeded the 20% level.



Despite a small increase in the level of employment, the unemployment rate still rose, month-over-month for the youth population (age 15 to 24 years) by 1.1 percentage points to 17.6%. The small overall employment gain was due to rising part-time employment, which offset a decline in the level of full-time employment. Youth employment has increased over the past year for both full and part-time employment. The labour force has remained strong and the unemployment rate has declined since October 2016.

**Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age**

Seasonally Adjusted Data	Oct 2017	Sept 2017	Oct 2016	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
<b>Total</b>	14.5	15.1	15.2	-0.6	-0.7
<b>25 years and over</b>	14.0	14.9	14.4	-0.9	-0.4
Men - 25 years and over	17.7	18.6	17.9	-0.9	-0.2
Women - 25 years and over	10.2	10.9	10.2	-0.7	0.0
<b>15 to 24 years</b>	17.6	16.5	20.7	1.1	-3.1
Men - 15 to 24 years	20.2	19.3	25.9	0.9	-5.7
Women - 15 to 24 years	14.9	14.2	15.6	0.7	-0.7

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

For males, aged 25 years and older, there was an increase in the level of employment between September and October of 2017. The rise in employment was concentrated in full-time employment. Otherwise, both the level and rate of unemployment fell during this period. While males experienced a higher rate of unemployment, they also experienced a greater incidence of full-time work. Both employment and the labour force were down by more than 5,000 since October 2016.

Females aged 25 years and older, experienced similar changes in labour market conditions as their male counterparts. Employment rose by more than the labour force, lowering both the level and rate of unemployment. The unemployment rate (10.2%) for females in this age group is 7.5 percentage points lower than the rate for males, though the level of employment and the labour force are also smaller. The increase in overall employment was offset by a 1,000 decline in the level of part-time employment. The labour force and employment levels are virtually unchanged from October 2016.

## EMPLOYMENT BY INDUSTRY

The monthly employment gain between September and October 2017 was roughly split between the **Goods-producing sector** (+1,600) and the **Services-producing sector** (+1,800). On a year over year basis, both sectors experienced a loss of employment when compared to October 2016. The Goods-producing sector was relatively stable, losing less than 1,000 jobs, while the Services-producing sector lost over 4,000 jobs during this period.

Within the Goods-producing sector, the **Construction** and **Agriculture** industries experienced all of the employment growth between September and October 2017. Overall, Construction activity has been declining since the beginning of 2015 as several major projects are completed and relatively few new major projects exist. The **Manufacturing** industry had the largest employment loss while **Other Primary**, including **Oil and Gas extraction** also saw an employment decline. These industry trends are typical of the general employment decline since the beginning of 2013. The **Utilities** industry had stable employment in October 2017.

Newfoundland and Labrador Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Oct 2017	Sept 2017	Oct 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	224.3	220.9	229.0	3.4	1.5	-4.7	-2.1
<b>Goods-producing sector</b>	48.9	47.3	49.5	1.6	3.4	-0.6	-1.2
Agriculture	2.5	1.7	1.5	0.8	47.1	1.0	66.7
Forestry, fishing, mining, quarrying, oil and gas	11.8	12.2	13.8	-0.4	-3.3	-2.0	-14.5
Utilities	3.4	3.4	3.1	0.0	0.0	0.3	9.7
Construction	21.8	20.0	22.0	1.8	9.0	-0.2	-0.9
Manufacturing	9.5	10.1	9.1	-0.6	-5.9	0.4	4.4
<b>Services-producing sector</b>	175.4	173.6	179.5	1.8	1.0	-4.1	-2.3
Trade	40.1	40.2	41.7	-0.1	-0.2	-1.6	-3.8
Transportation and warehousing	11.0	10.7	9.8	0.3	2.8	1.2	12.2
Finance, insurance, real estate and leasing	6.4	6.0	7.3	0.4	6.7	-0.9	-12.3
Professional, scientific and technical services	8.8	9.1	10.5	-0.3	-3.3	-1.7	-16.2
Business, building and other support services	6.9	6.4	6.4	0.5	7.8	0.5	7.8
Educational services	16.2	16.0	14.4	0.2	1.3	1.8	12.5
Health care and social assistance	38.4	38.3	39.6	0.1	0.3	-1.2	-3.0
Information, culture and recreation	6.7	6.1	7.2	0.6	9.8	-0.5	-6.9
Accommodation and food services	14.9	15.6	15.5	-0.7	-4.5	-0.6	-3.9
Other services	11.8	11.1	11.4	0.7	6.3	0.4	3.5
Public administration	14.3	14.2	15.7	0.1	0.7	-1.4	-8.9

Note: Totals may not add due to rounding

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

Within the Services-producing sector, the monthly employment gain in October 2017 was the result of a large number of small gains. **Other Services; Information, Culture & Recreation** and **Business, Building and Other Support Services** registered the three largest employment increases. Of these three industries, only Information, Culture & Recreation had a lower level of employment on a year-over-year basis. **Retail and Wholesale Trade** only fell slightly between September and October but overall the industry has had declining employment since August 2016. As the labour market continues to struggle, both consumer spending and retail sales are expected

to remain weak. Accommodations and food services employment has been trending upward in 2017 but had the largest decline between September and October 2017.

## REGIONAL ANALYSIS

The **West Coast – Northern Peninsula – Labrador** was the only economic region in Newfoundland and Labrador where employment rose and the unemployment rate fell between October 2016 and October 2017. The **Avalon Peninsula** experienced the sharpest employment decline among the three economic regions but still had the lowest unemployment rate at 11%. The **South Coast – Burin Peninsula and Notre Dame – Central Bonavista Bay** economic region has the highest unemployment rates among the regions at 17.7%.

The **Avalon Peninsula** economic region experienced an employment drop of 12,000 between October 2016 and October 2017. The decline was more concentrated in part-time employment. The fall in employment contributed to a slight rise in the unemployment rate. Most of the employment decline was in the **Services-Producing sector** (-9,700) with the **Retail and wholesale trade** industry accounting for more than half of the sector's decline. **Education** and **Health care & social services** were the only two Service-producing sector industries with employment growth. **Other primary** and the **Construction** industries had the largest employment loss in the Goods-producing sector.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Oct 2017 ('000)	Oct 2016 ('000)	Yearly Variation (%)	Oct 2017 (%)	Oct 2016 (%)	Yearly Variation (% points)
<b>Newfoundland and Labrador</b>	227.9	238.5	-4.4	13.1	12.3	0.8
<b>Economic Regions</b>						
Avalon Peninsula	128.5	140.5	-8.5	11.0	10.7	0.3
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	53.9	55.0	-2.0	17.7	14.5	3.2
West Coast-Northern Peninsula-Labrador	45.4	43.0	5.6	13.4	14.3	-0.9

Note: Totals may not add due to rounding

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

In the **South Coast – Burin Peninsula and Notre Dame – Central Bonavista Bay** economic region the unemployment rate rose by 3.2 percentage points to 17.7% between October 2016 and October 2017. Employment, mostly part-time, rose during this period and the labour force increased. The decline in employment was more concentrated in the **Goods-producing sector** although it declined slightly in the **Services-producing sector**. The drop in Goods-producing sector employment was mainly in the **Other primary** industries. **Agriculture** and **Construction** employment showed a slight increase. The largest employment increases in the Services-producing sector were in the **Retail and wholesale trade** industry and the **Transportation and warehousing** industry. The largest declines were in the **Health care & social assistance** and **Accommodations & food services** industries.

In the **West Coast – Northern Peninsula – Labrador** economic region employment increased by 2,400 between October 2016 and October 2017 resulting in a decline in the unemployment rate of 0.9 percentage points. The employment gain was mostly in the **Services-producing sector** within the **Educational services** industry. The **Utilities** and the **Construction** industries accounted for most of the employment gain in the Goods-producing sector.

**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 neces-

sarily reflect official policies of Employment and Social Development Canada.

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