



Labour Market Bulletin

Newfoundland and Labrador

May 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

In May, employment declined from the month before, with most of the losses being part-time in nature. Over the same period, the size of the labour force was relatively steady. These changes resulted in an increase in the unemployment rate to 14.8%, from 14.0%.

Employment was down by 12,400 jobs compared to a year earlier. The size of the labour force also decreased during this period, but to a lesser extent. As a result, the unemployment rate rose by 3 percentage points during this period. Job losses over the past year have been spread almost evenly between both full-time and part-time employment.

Newfoundland and Labrador Monthly Labour Force Statistics

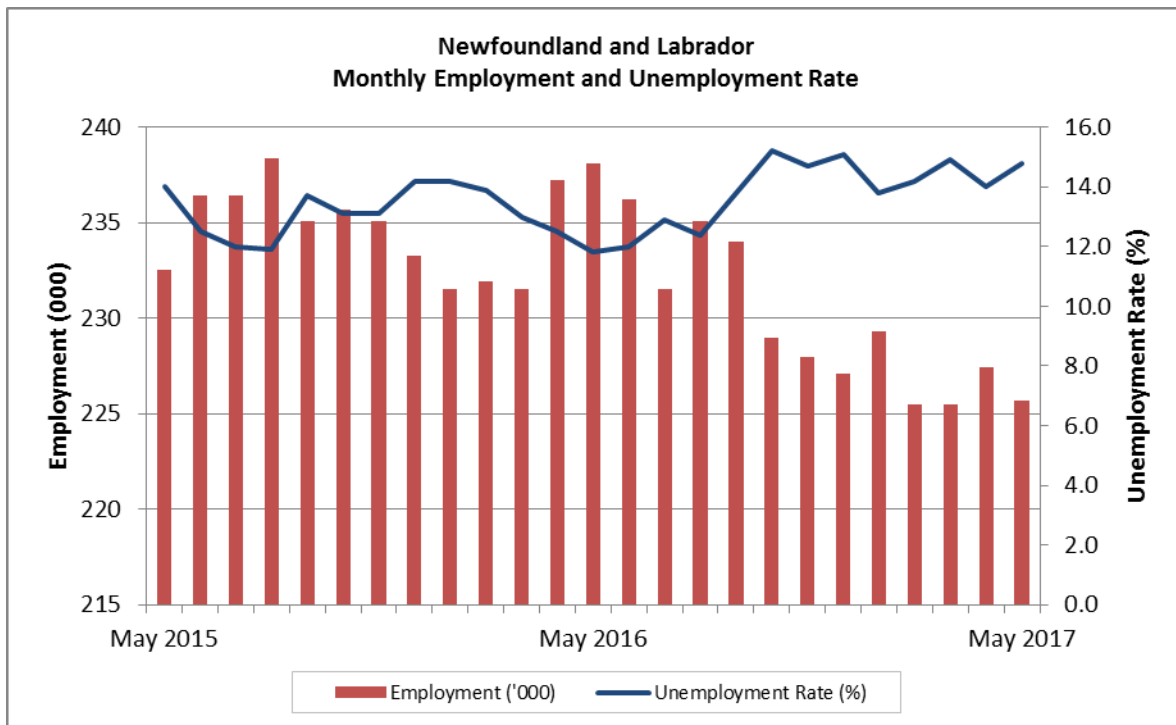
Seasonally Adjusted Monthly Data	May 2017	Apr 2017	May 2016	Monthly		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	445.8	445.7	444.2	0.1	0.0	1.6	0.4
Labour Force ('000)	264.9	264.5	270.0	0.4	0.2	-5.1	-1.9
Employment ('000)	225.7	227.4	238.1	-1.7	-0.7	-12.4	-5.2
Full-Time ('000)	193.1	193.7	199.0	-0.6	-0.3	-5.9	-3.0
Part-Time ('000)	32.6	33.8	39.1	-1.2	-3.6	-6.5	-16.6
Unemployment ('000)	39.2	37.0	31.9	2.2	5.9	7.3	22.9
Unemployment Rate (%)	14.8	14.0	11.8	0.8	-	3.0	-
Participation Rate (%)	59.4	59.3	60.8	0.1	-	-1.4	-
Employment Rate (%)	50.6	51.0	53.6	-0.4	-	-3.0	-

Note: Totals may not add due to rounding

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

Since climbing to a record high in January 2013, employment levels have since fallen significantly and returned to what they were in the last quarter of 2010. Over the past two years, with the exception of a few occasional gains, employment levels have generally declined. The declining trend has intensified since May of last year, and

employment has remained below 230,000 for the past eight months. At 225,700 in May, the level of employment was at its lowest level since December of 2010 and was nearly 7,000 lower than it was two years ago, with virtually all of the decline concentrated in full-time employment. After remaining below 14% for several months, the unemployment rate has now exceeded this rate in seven of the past eight months.



The youth (aged 15 to 24 years) unemployment rate increased by 2.4 percentage points in May compared to the previous month. Employment declined, with most of the loss being full-time in nature. In contrast, the size of the labour force was relatively steady, causing the unemployment rate to rise. Over the past year, youth employment has declined, with the majority of the losses being in full-time employment. Part-time employment for this group has remained relatively steady. In contrast to the employment decline, the size of the labour force has increased slightly, raising the unemployment rate considerably from May of 2016.

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	May 2017	Apr 2017	May 2016	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	14.8	14.0	11.8	0.8	3.0
25 years and over	14.3	13.7	11.8	0.6	2.5
Men - 25 years and over	18.2	17.3	14.1	0.9	4.1
Women - 25 years and over	10.1	10.0	9.3	0.1	0.8
15 to 24 years	17.9	15.5	11.7	2.4	6.2
Men - 15 to 24 years	22.0	19.4	12.7	2.6	9.3
Women - 15 to 24 years	12.7	11.4	10.7	1.3	2.0

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

The unemployment rate for males aged 25 years and older increased by 0.9 percentage points from the previous month as employment decreased slightly and the size of the labour force registered a small gain. The employment losses were concentrated mainly in full-time work. Employment has declined in nine of the past twelve months and is now 8,800 lower than the same month last year. Most of this loss was in full-time employment.

Employment losses have been the main reason behind an increase in the unemployment rate for this group compared to twelve months ago.

In contrast, the unemployment rate for females 25 years and older showed little change, increasing by 0.1 percentage points to 10.1%. Both employment and the size of the labour force registered very small declines. Compared to males in the same age group, labour market conditions among females 25 years and older has been relatively steady.

EMPLOYMENT BY INDUSTRY

In May, most of the job losses over the previous month were in the **Services-producing sector**. Compared to twelve months earlier, employment in the **Goods-producing sector** decreased by 12.6% or 6,700 jobs, while losses in the **Services-producing sector** declined by 3.1% or 5,700 jobs.

Newfoundland and Labrador Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	May 2017	Apr 2017	May 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	225.7	227.4	238.1	-1.7	-0.7	-12.4	-5.2
Goods-producing sector	46.3	46.8	53.0	-0.5	-1.1	-6.7	-12.6
Agriculture	1.7	2.0	1.4	-0.3	-15.0	0.3	21.4
Forestry, fishing, mining, quarrying, oil and gas	12.6	12.4	15.3	0.2	1.6	-2.7	-17.6
Utilities	2.7	2.8	3.0	-0.1	-3.6	-0.3	-10.0
Construction	19.9	21.5	22.7	-1.6	-7.4	-2.8	-12.3
Manufacturing	9.4	8.1	10.6	1.3	16.0	-1.2	-11.3
Services-producing sector	179.4	180.6	185.1	-1.2	-0.7	-5.7	-3.1
Trade	42.0	41.9	42.9	0.1	0.2	-0.9	-2.1
Transportation and warehousing	10.8	10.7	10.5	0.1	0.9	0.3	2.9
Finance, insurance, real estate and leasing	6.0	6.3	8.1	-0.3	-4.8	-2.1	-25.9
Professional, scientific and technical services	10.3	10.3	10.2	0.0	0.0	0.1	1.0
Business, building and other support services	7.0	6.4	7.1	0.6	9.4	-0.1	-1.4
Educational services	15.0	14.7	14.1	0.3	2.0	0.9	6.4
Health care and social assistance	40.8	41.8	39.4	-1.0	-2.4	1.4	3.6
Information, culture and recreation	5.9	6.8	7.1	-0.9	-13.2	-1.2	-16.9
Accommodation and food services	14.3	13.5	17.2	0.8	5.9	-2.9	-16.9
Other services	11.7	12.3	12.9	-0.6	-4.9	-1.2	-9.3
Public administration	15.6	15.8	15.7	-0.2	-1.3	-0.1	-0.6

Note: Totals may not add due to rounding

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

The largest monthly job losses in the **Services-producing sector** occurred in **Health care and social assistance** and **Information, culture, and recreation**. Despite the monthly decline, labour market conditions in **Health care and social assistance** have been strengthening over the past couple of years, with May's employment level being the fifth-highest on record for this industry. Most other industries in the **Services-producing sector** registered relatively small changes in employment from the previous month, with the exception of **Accommodation and food services** where since reaching a record high in May of 2016, this industry had shed 3,700 jobs through April of this year. However, the industry added 800 jobs from April's level, producing the industry's most notable gain of the past year. Most industries in this sector employed fewer people than a year ago. Only **Educational services** and **Health care and social assistance** had notable increases over this time.

The **Goods-producing sector** had a small loss in employment from April. A notable loss in **Construction** employment was somewhat offset by a gain in **Manufacturing**. Most other industries in the sector had very small changes from the month before. However, this sector has experienced considerable losses when compared to a year ago, with the larger industries in the sector each declining by more than 10%. **Construction** employment

has decreased due to worsening economic conditions and the completion of work related to the Hebron Oil Project. A key contributor to the decline in **Manufacturing** employment from a year ago has been fish processing. This part of the industry has been negatively affected by lower quotas for species such as shrimp. In addition, heavy ice conditions have prevented fishers from going out to sea and returning with their catches for processing.

REGIONAL ANALYSIS

Each of the province's economic regions had a decline in employment compared to the same period a year ago. The unemployment rate increased in all regions in the province, with those outside the Avalon Peninsula rising to a greater extent.

On the **Avalon Peninsula** the unemployment rate increased compared to May of last year. The 500 decline in employment, which was mostly part-time in nature, was met with a more modest decline in the size of the labour force, causing the unemployment rate to rise. The employment decline was mainly in the **Goods-producing sector**, with the largest loss being in **Construction**, which experienced its largest decline in over a year. **Forestry, fishing, mining, quarrying, and oil and gas** also declined considerably, with employment in the industry 25% lower than it was a year earlier. This industry has experienced employment declines for thirteen consecutive months, with the losses being more pronounced in recent months. The **Services-producing sector** experienced its first employment loss in a year. Results were mixed in this sector. There were notable employment increases in **Health care and social assistance** and **Public administration**. The largest declines were in **Finance, insurance, real estate and leasing**, as well as **Trade**. Also, employment in **Professional, scientific and technical services** has declined for fifteen straight months.

In the **South Coast – Burin Peninsula and Notre Dame – Central – Bonavista Bay** economic region, the unemployment rate increased by 4.7 percentage points. Employment levels declined while the size of the labour force showed little change. Job losses were full-time in nature. Most of the employment reduction occurred in the **Goods-producing sector**, particularly **Manufacturing** and **Forestry, fishing, mining, quarrying, and oil and gas**. **Manufacturing** employment declined for the tenth month in a row, with losses intensifying over this time. The **Services-producing** sector registered a small loss in May, with employment now having declined in thirteen of the past fourteen months. Results varied within the sector. There was a large reduction in **Health care and social assistance**, while **Transportation and warehousing** and **Educational services** recorded notable employment gains. **Wholesale and retail trade** has declined for thirteen straight months while **Educational services** has increased for nine months in a row.

The **West Coast – Northern Peninsula – Labrador** economic region had an increase in the unemployment rate from a year ago. While employment declined for the tenth month in a row, the size of the labour force had its first gain in a year. Employment losses in May were part-time in nature. This region's unemployment rate increased for the third straight month after experiencing eleven consecutive monthly declines. Most of the employment losses were in the **Services-producing sector**, with the largest declines occurring in **Accommodation and food services** and **Other services**. Employment in **Educational services** has declined for twelve straight months. On a positive note, **Health care and social assistance** had a strong gain in May and increased for the fifth month in a row. Employment in the **Goods-producing sector** was unchanged after registering steady declines since June of 2016. However, **Forestry, fishing, mining, quarrying, and oil and gas** showed a notable decline. Employment in this industry has dropped for ten straight months. **Construction** employment increased for the third month in a row, with gains increasing through this period.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	May 2017 ('000)	May 2016 ('000)	Yearly Variation (%)	May 2017 (%)	May 2016 (%)	Yearly Variation (% points)
Newfoundland and Labrador	221.0	230.3	-4.0	16.0	13.7	2.3
Economic Regions						
Avalon Peninsula	132.0	137.2	-3.8	10.6	9.9	0.7
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	48.8	51.5	-5.2	24.1	19.4	4.7
West Coast-Northern Peninsula-Labrador	40.2	41.6	-3.4	21.8	17.8	4.0

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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