



Labour Market Bulletin

Newfoundland and Labrador

2017



This Labour Market Bulletin provides 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 2017, employment in Newfoundland and Labrador decreased for the fourth straight year after reaching a record high in 2013. The loss of 8,500 jobs was the largest since 1992. The decrease in employment exceeded the decline in the labour force, raising the unemployment rate from 13.4% in 2016 to 14.8% in 2017. This was the highest unemployment rate for the province since 2009. Losses were notable for both full-time and part-time employment. Since reaching a record high in 2012, full-time employment has declined by 17,000 to reach its lowest level since 2010. As with employment, the size of the labour force has also decreased for four straight years.

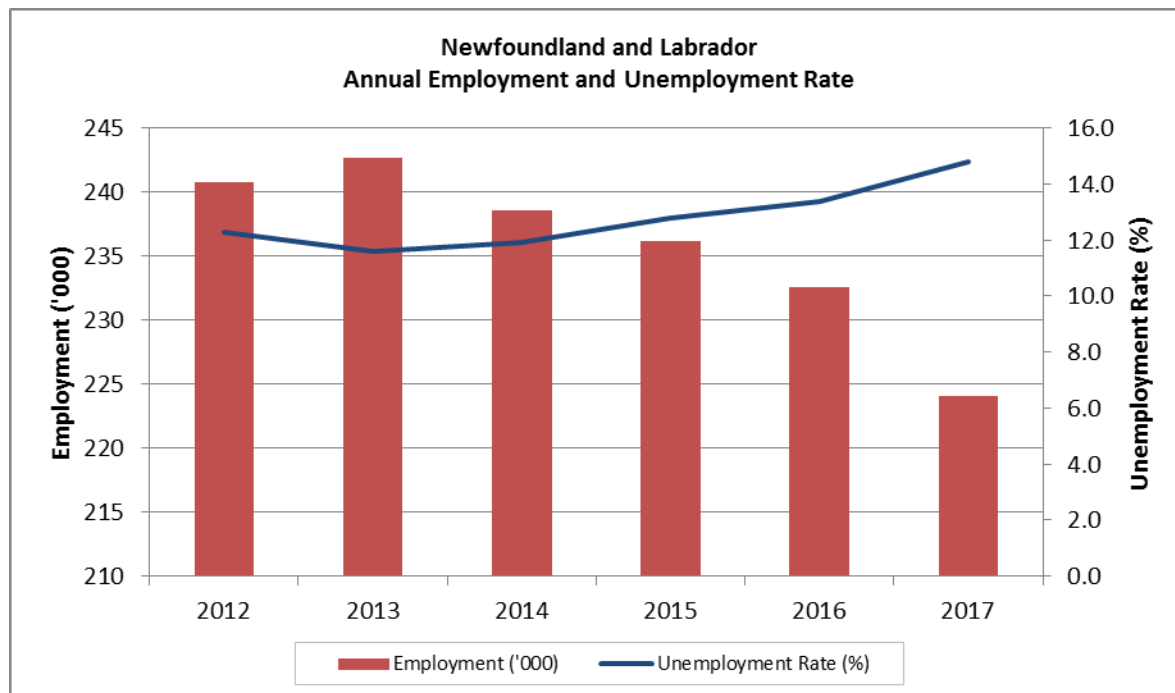
Overall employment declined by 3.7% in 2017 from the year before, resulting in the lowest rate in the country. Saskatchewan was the only other province to have a loss. Nationally, employment grew by 1.9%, with the strongest rates of increase happening in British Columbia, Prince Edward Island, and Quebec.

Newfoundland and Labrador Annual Labour Force Statistics							
Annual Labour Force Survey Estimates	2017	2016	2015	2016 to 2017		2015 to 2016	
				Number	%	Number	%
Population 15+ ('000)	445.5	444.3	442.9	1.2	0.3%	1.4	0.3%
Labour force ('000)	262.9	268.7	270.8	-5.8	-2.2%	-2.1	-0.8%
Employment ('000)	224.1	232.6	236.2	-8.5	-3.7%	-3.6	-1.5%
Full-time ('000)	190.9	194.7	201.5	-3.8	-2.0%	-6.8	-3.4%
Part-time ('000)	33.2	37.9	34.7	-4.7	-12.4%	3.2	9.2%
Unemployment ('000)	38.8	36.1	34.7	2.7	7.5%	1.4	4.0%
Unemployment rate (%)	14.8	13.4	12.8	1.4	-	0.6	-
Participation rate (%)	59	60.5	61.1	-1.5	-	-0.6	-
Employment rate (%)	50.3	52.4	53.3	-2.1	-	-0.9	-

Note: Totals may not add up due to rounding

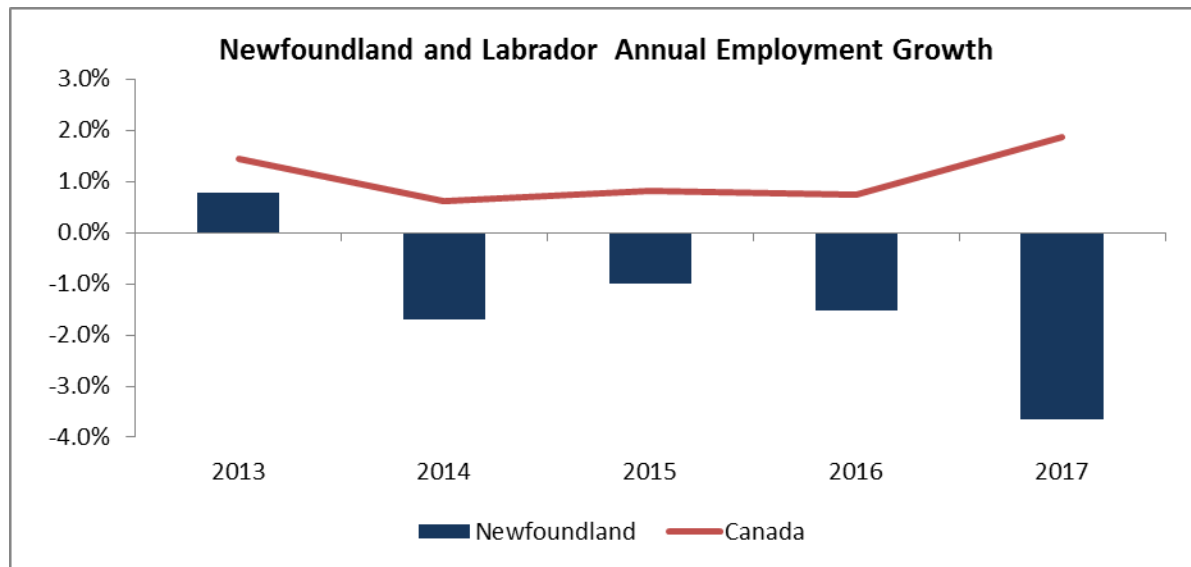
Source: Statistics Canada Labour Force Survey - Cansim Table 282-0002

Based on data since 1976, 2013 was the province's best year from a labour market standpoint. Employment was at a record high and there were more people active in the labour market than ever before. The unemployment rate dropped to 11.6%, a record low for the province. Since then, employment has declined by 18,600 over the past four years, with 2017 being notably steep. With employment losses, optimism in the labour market has declined, leading some people to stop looking for work. As a result, the size of the labour force has declined, but the drop has not been as great as the fall in employment, leading to an increase in the unemployment rate in each of the past four years.



In the early part of the decade, employment in Newfoundland and Labrador increased considerably through 2013 as major construction projects and strong activity in mining and oil & gas helped drive job growth. In the latter part of the decade, major project activity has declined after reaching peak employment levels. In addition, global economic growth has slowed, soft commodity prices have negatively affected mining and oil and gas employment, and budgetary restraint measures have restrained employment growth in the public sector.

The chart below shows that the province had a slight increase in employment in 2013 as it reached its peak, followed by declines since then. In 2012, Newfoundland and Labrador led all provinces in employment growth, exceeding the national rate. However, since 2013 the national growth rate has exceeded the provincial rate, with 2017 having the largest difference between the two rates going back to 1976. Canada's employment growth rate strengthened to 1.9% in 2017, mainly due to employment gains in Quebec, Ontario, and British Columbia. Meanwhile, Newfoundland and Labrador's rate of decline was only exceeded by the decrease it experienced in 1992, when a moratorium on the cod fishery was announced.



The unemployment rate for youth aged 15-24 years in the province increased, as employment declined by more than the size of the labour force. Virtually the entire job decline was due to a drop in full-time employment. The number of people in this age group in the province has been in decline for decades. For the 15-24 year age group, the population, size of the labour force, and number of full-time workers all reached new lows in 2017. In addition, part-time employment has become more prominent over the years. For example, in 1987 part-time work represented less than one-quarter of youth employment. In 2017, it was 48%. While full-time employment for youth dropped to a new low in 2017, part-time employment remained very close to a record high. Though the participation rate in the labour market remained relatively high from a historical standpoint, the number of people in this age group has declined to less than half of what it was thirty years prior.

For those aged 25 years and older, the unemployment rate increased in 2017, as the decline in employment exceeded the decline in the labour force. This was the fourth straight year with an increase in the unemployment rate for this group. Most of the employment loss was part-time in nature. The unemployment rate for this group was the highest since 2009. Since reaching a record high in 2013, employment for this age group has declined by 16,400. Most of this loss was in full-time positions.

For males 25 years and older, the unemployment rate in 2017 was its highest in twenty years. Employment declined by 6,500 jobs in 2017, this group's largest annual drop on record. Most of this loss was in full-time employment. It was also the fourth straight year of declining employment from a record high in 2013. The size of the labour force for this group also declined, but to a lesser extent than employment. The overall population of this group increased to a new high. However, the declining labour force resulted in the lowest participation rate for this group since 1996.

For females 25 and older, the overall results were not as dramatic as for males, with a small increase in the unemployment rate. Employment showed a slight decline of 500 jobs while the size of the labour force was

relatively unchanged. While overall employment levels did not change significantly for this age group, full-time employment increased by 3,300 while part-time employment decreased by 3,700. For those 25 years and older, the unemployment rate of 10.4% for females was 7.6 percentage points lower than for males of the same age group. This was the largest difference between the genders in this age group on record, going back to 1976.

Newfoundland and Labrador Annual Unemployment Rates, by Gender and Age					
Annual Labour Force Survey Estimates	2017	2016	2015	2016 to 2017	2015 to 2016
	%	%	%	(% points)	(% points)
Total	14.8	13.4	12.8	1.4	0.6
25 years and over	14.3	12.9	12.3	1.4	0.6
Men - 25 years and over	18	15.6	14.6	2.4	1
Women - 25 years and over	10.4	10	9.7	0.4	0.3
15 to 24 years	17.6	16.7	16.3	0.9	0.4
Men - 15 to 24 years	21.5	20.6	21.7	0.9	-1.1
Women - 15 to 24 years	13.5	12.6	11.5	0.9	1.1
<i>Note: Totals may not add due to rounding</i>					
<i>Source: Statistics Canada, Labour Force Survey - CANSIM Table 282-0002</i>					

In 2017, the total population aged 15+ in the Atlantic Provinces was approximately 2 million. The Indigenous population living off-reserve accounted for 3.4% of that, or 68,100 people. Employment among Indigenous people in the Atlantic provinces was 36,000, representing an increase of 2,200 (+6.5%) from 2016. The increase was primarily driven by full-time positions (+2,300 or +8.4%).

The unemployment rate among the Indigenous population was 13.9% in 2017, down 4.7 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate decreased by -0.1 percentage points (pp) compared to this time last year at 9.6%. Between 2016 and 2017, the participation rate of Indigenous people decreased slightly to 61.4% (-0.9pp) while among non-Indigenous population, it was relatively unchanged at 61.4% (-0.5pp). The employment rate of Indigenous people increased year-over-year to 52.9% (+2.2pp); for the non-Indigenous population, it was 55.5% (-0.4pp).

Atlantic - Labour Market Indicators for Indigenous People

Annual averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	2017	2016	number	%	2017	2016	number	%
Population 15 + ('000)	68.1	66.7	1.4	2.1%	1,918.4	1,911.5	6.9	0.4%
Labour Force ('000)	41.8	41.6	0.2	0.5%	1,177.3	1,182.9	-5.6	-0.5%
Employment ('000)	36.0	33.8	2.2	6.5%	1,064.3	1,068.6	-4.3	-0.4%
Full-Time ('000)	29.7	27.4	2.3	8.4%	889.7	886.9	2.8	0.3%
Part-Time ('000)	6.3	6.4	-0.1	-1.6%	174.7	181.6	-6.9	-3.8%
Unemployment ('000)	5.8	7.7	-1.9	-24.7%	113.0	114.3	-1.3	-1.1%
Unemployment Rate (%)	13.9	18.6	-4.7	-	9.6	9.7	-0.1	-
Participation Rate (%)	61.4	62.3	-0.9	-	61.4	61.9	-0.5	-
Employment Rate (%)	52.9	50.7	2.2	-	55.5	55.9	-0.4	-

Notes: The Labour Force Survey excludes those living on-reserve.

Estimates are based on annual averages.

Totals may not add due to rounding.

Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.

Source: Statistics Canada Labour Force Survey - ESDC custom table.

EMPLOYMENT BY INDUSTRY

In 2017, employment in the **Goods-producing sector** declined by 3,700 jobs, or 7.3% in Newfoundland and Labrador. The largest loss was in **Forestry, fishing, mining, quarrying, and oil and gas**, with most of these losses concentrated in mining and oil and gas extraction. **Construction** continued to decline from its high in 2013. Employment related to major construction projects has moved past the peak stages. Another contributing factor has been a slowing economy. Investment in non-residential building construction has been steadily declining in recent years. **Manufacturing** lost 700 jobs, with most of this coming from non-durable goods manufacturing. Employment in fish processing has declined with lower quotas for shrimp and crab and some plant closures.

Employment in the **Services-producing sector** declined by 4,700 jobs in 2017. Three of the past four years have shown notable employment losses in this sector. **Trade** employment declined significantly from its record high the year before, with retail spending generally moving downward with the exception of motor vehicle sales. **Finance, insurance, real estate, rental and leasing** has notably declined since reaching a record high in 2014, with the annual decline in 2017 being the largest employment drop on record for this industry. A slower economy and housing market have been the main contributors to this decline. **Accommodation and food services** also declined from a record high the year before. Most of the decrease has been related to food services and drinking places. **Professional, scientific and technical services** declined for the second straight year from its record high in 2015. **Transportation and warehousing** had a strong employment gain in 2017. Employment in air transportation increased last year, nearly matching its record high from 2015, while transit and sightseeing transportation had its strongest employment level since 2003. **Health care and social assistance** had a small gain, bringing employment levels back to the record high first established in 2013. An employment gain in hospitals was slightly larger than the loss in nursing and residential care facilities. Following four years of decline, **Educational services** added 900 jobs, after four years of decline. Most of the year's increase was in primary and secondary education, which had record lows in the previous two years.

Newfoundland and Labrador Annual Labour Force Statistics, by Industry							
Employment ('000)	2017	2016	2015	2016 to 2017		2015 to 2016	
				Number	%	Number	%
Total, all industries	224.1	232.6	236.2	-8.5	-3.7%	-3.6	-1.5%
Goods-producing sector	46.8	50.5	54.1	-3.7	-7.3%	-3.6	-6.7%
Agriculture	1.9	1.5	1.3	0.4	26.7%	0.2	15.4%
Forestry, fishing, mining, quarrying, oil and gas	12.1	14.4	16.2	-2.3	-16.0%	-1.8	-11.1%
Utilities	2.9	2.8	2.5	0.1	3.6%	0.3	12.0%
Construction	20.7	21.9	22.6	-1.2	-5.5%	-0.7	-3.1%
Manufacturing	9.1	9.8	11.4	-0.7	-7.1%	-1.6	-14.0%
Services-producing sector	177.4	182.1	182	-4.7	-2.6%	0.1	0.1%
Trade	40.7	43.1	41.6	-2.4	-5.6%	1.5	3.6%
Transportation and warehousing	11.3	9.7	10	1.6	16.5%	-0.3	-3.0%
Finance, insurance, real estate and leasing	6.4	7.9	8.3	-1.5	-19.0%	-0.4	-4.8%
Professional, scientific and technical services	9.8	10.5	11.3	-0.7	-6.7%	-0.8	-7.1%
Business, building and other support services	6.9	6.9	7.2	0	0.0%	-0.3	-4.2%
Educational services	15.2	14.3	15.1	0.9	6.3%	-0.8	-5.3%
Health care and social assistance	39.4	39.2	37.6	0.2	0.5%	1.6	4.3%
Information, culture and recreation	6.5	7.1	7.3	-0.6	-8.5%	-0.2	-2.7%
Accommodation and food services	14.8	16	15.4	-1.2	-7.5%	0.6	3.9%
Other services	11.3	12.2	12.5	-0.9	-7.4%	-0.3	-2.4%
Public administration	15.1	15.3	15.7	-0.2	-1.3%	-0.4	-2.5%

Note: Totals may not add due to rounding

Source: Statistics Canada, Labour Force Survey - CanSim Table 282-0008

REGIONAL ANALYSIS

In the Avalon Peninsula economic region, the size of the labour force had its largest annual loss on record going back to 2001. The labour force has shrunk in four of the last five years. Employment also had a significant decrease in 2017, declining at a slightly faster rate than the labour force. Because of these changes, the unemployment rate increased by 0.5 percentage points to 11.0%, the highest rate since 2009. Job losses were split between full-time and part-time employment.

Employment declined by 2,300 jobs in the **Goods-producing sector**. **Construction** had the largest decline among industries in this sector with 1,600 fewer jobs in 2017. **Mining and oil and gas extraction** also had a notable loss. Other industries in the sector were unchanged or had small gains. The **Services-producing sector** lost 4,500 jobs from the year before. **Wholesale and retail trade** led the losses in this sector, down 2,400 jobs from 2016. A slowing economy and cooler housing market resulted in a loss of 1,000 jobs in **Finance, insurance, real estate, rental and leasing**. Most other industries in the sector also had job losses in 2017. The only industry with a notable job gain was **Health care and social assistance**, mainly in hospitals.

Newfoundland and Labrador Annual Labour Force Statistics, by Economic Region							
Employment ('000)	2017	2016	2015	2016 to 2017		2015 to 2016	
				Number	%	Number	%
Newfoundland and Labrador	224.1	232.6	236.2	-8.5	-3.7%	-3.6	-1.5%
Avalon Peninsula	131.5	138.2	138.8	-6.7	-4.8%	-0.6	-0.4%
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	50.5	51.8	55.2	-1.3	-2.5%	-3.4	-6.2%
West Coast-Northern Peninsula-Labrador	42.2	42.6	42.2	-0.4	-0.9%	0.4	0.9%

Note: Totals may not add due to rounding

Source: Statistics Canada, Labour Force Survey - CANSIM Table 282-0123

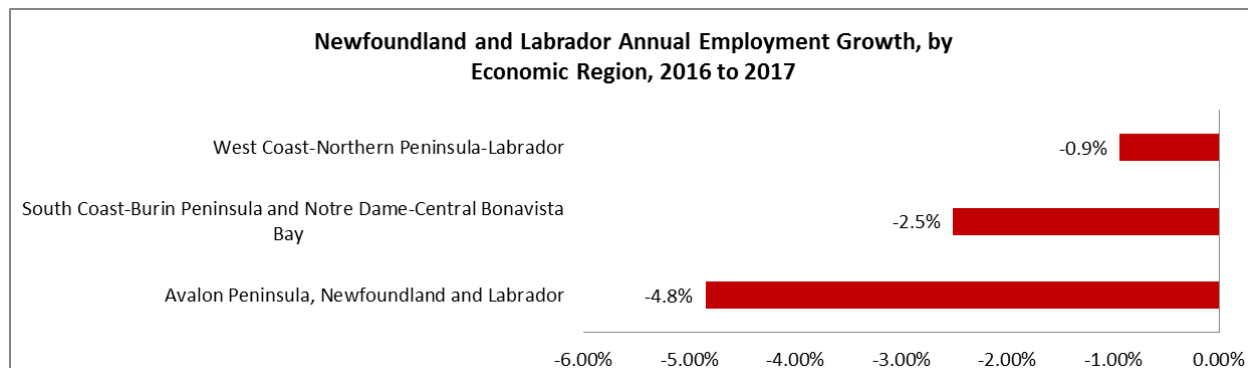
In the South Coast-Burin Peninsula and Notre Dame-Central-Bonavista Bay economic region, employment decreased by 1,300 jobs in 2017. In contrast, the size of the labour force increased slightly. As a result, the unemployment rate increased by 2.9 percentage points to 21.5%, the highest rate for this region since 2009. Job

losses were mainly full-time in nature. The data available for analysis goes back to 2001. Employment levels in 2017 were the lowest for this economic region over this period. Employment losses were mainly in the **Goods-producing sector**, with most of the sector's losses in **Forestry, fishing, mining, quarrying, oil and gas** as well as **Manufacturing**. Both industries had their lowest employment level on record for this region going back to 1987. The **Services-producing sector** had a small employment loss, reaching its lowest level since 2001. Job gains in **Trade** and **Transportation and warehousing** were slightly outweighed by losses in **Health care and social assistance**, and **Accommodation and food services**.

In the West Coast-Northern Peninsula-Labrador economic region, the size of the labour force increased by 400 jobs while employment declined by 400. This caused the unemployment rate to rise by 1.5 percentage points to 17.5%. Losses in part-time employment outweighed full-time gains.

Employment declined by 300 jobs in the **Goods-producing sector** in 2017. **Forestry, fishing, mining, quarrying, oil and gas** lost 600 jobs to reach a new low based on data since 1987. Mining is important to this economic region and recent years have been challenging for the industry. With a small decline in 2017, **Manufacturing** also reached a new low. **Construction** added 200 jobs in 2017, recovering some of the loss from the year before. Employment in this industry was the second highest on record for this economic region. Construction activity related to the Muskrat Falls Hydroelectric Project has been a key factor in this elevated level of employment.

Employment in the **Services-producing sector** was virtually unchanged from the year before. Job gains in **Health care and social assistance**, and **Transportation and warehousing** were offset by losses in **Trade**, and **Public administration**. Employment in **Health care and social assistance** was only slightly lower than its record high in this economic region.



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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