



# Labour Market Bulletin

## Newfoundland and Labrador

January 2018



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 January, employment showed little change from the prior month. Over the same period, the size of the labour force declined slightly, resulting in a decrease in the unemployment rate to 14.0%, from 14.7%.

Employment was down by 2,800 jobs compared to a year earlier. The size of the labour force also declined, but to a slightly lesser extent. As a result, the unemployment rate increased by 0.1 percentage points. The employment losses from a year ago were all part-time in nature.

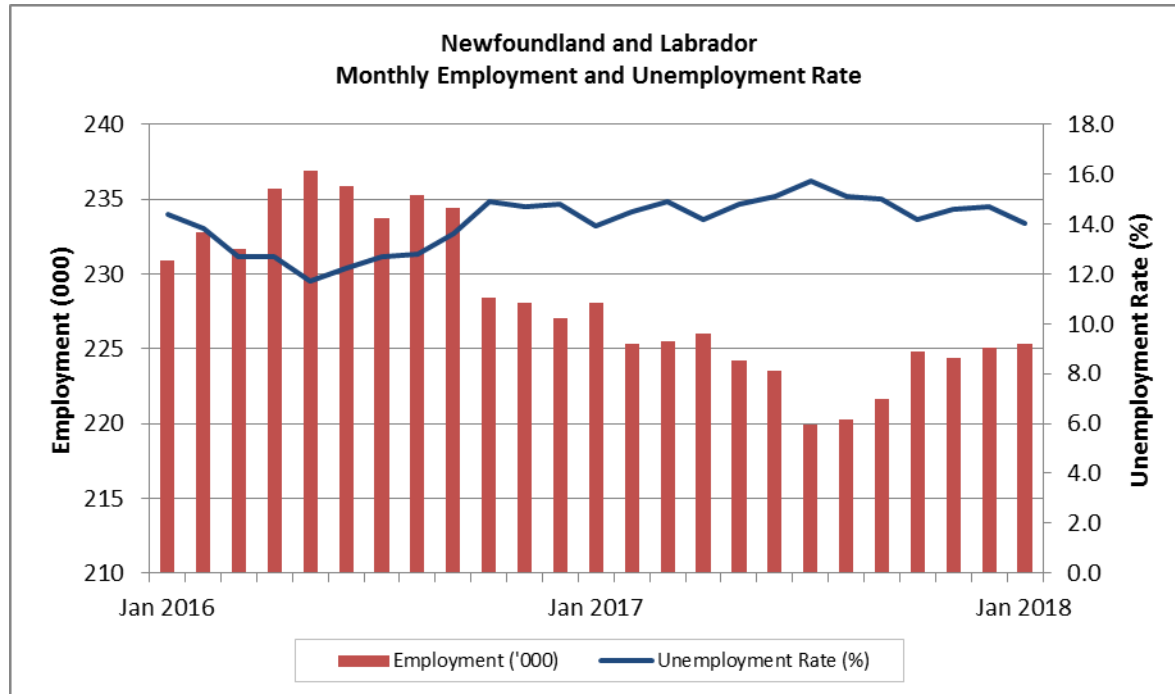
Newfoundland and Labrador Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Jan 2018	Dec 2017	Jan 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	444.9	445.1	445.2	-0.2	0.0	-0.3	-0.1
<b>Labour Force ('000)</b>	262.1	264.0	264.8	-1.9	-0.7	-2.7	-1.0
<b>Employment ('000)</b>	225.3	225.1	228.1	0.2	0.1	-2.8	-1.2
Full-Time ('000)	191.3	191.0	190.9	0.3	0.2	0.4	0.2
Part-Time ('000)	34.0	34.2	37.3	-0.2	-0.6	-3.3	-8.8
<b>Unemployment ('000)</b>	36.8	38.9	36.7	-2.1	-5.4	0.1	0.3
<b>Unemployment Rate (%)</b>	14.0	14.7	13.9	-0.7	-	0.1	-
<b>Participation Rate (%)</b>	58.9	59.3	59.5	-0.4	-	-0.6	-
<b>Employment Rate (%)</b>	50.6	50.6	51.2	0.0	-	-0.6	-

Note: Totals may not add due to rounding

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

Employment increased in the first half of 2016, bringing the unemployment rate down to 11.7% in May of that year. After that period, a steady decline in employment brought the unemployment rate to a seven-year high of 15.7% in July 2017. The unemployment rate has fallen to around 14% over the last six months as employment has risen at a slightly faster rate than the labour force. While the decline in the unemployment rate is encouraging, it remains notably higher than in 2013 and 2014, when it routinely stood below 12%.



In January, the youth (aged 15 to 24 years) unemployment rate decreased by 0.6 percentage points compared to the previous month. The size of the labour force declined more than employment and full-time employment gains were outweighed by part-time losses. Compared to a year earlier, youth employment declined by 1,000. However, the number of youth who were active in the labour market declined by twice as much, which lowered the unemployment rate. Over the past two years, the size of the labour force and employment among youth declined by 14% and 13%, respectively.

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

Seasonally Adjusted Data	Jan 2018	Dec 2017	Jan 2017	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
<b>Total</b>	14.0	14.7	13.9	-0.7	0.1
<b>25 years and over</b>	13.6	14.3	13.1	-0.7	0.5
Men - 25 years and over	16.7	18.1	16.5	-1.4	0.2
Women - 25 years and over	10.3	10.3	9.4	0.0	0.9
<b>15 to 24 years</b>	17.0	17.6	18.9	-0.6	-1.9
Men - 15 to 24 years	20.0	20.7	21.1	-0.7	-1.1
Women - 15 to 24 years	12.8	14.2	16.6	-1.4	-3.8

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

The unemployment rate among males aged 25 years and older was 1.4 percentage points lower than in the previous month. Employment growth was the main factor behind this change, as the size of the labour force was virtually the same as in December. Compared to a year earlier, employment fell by 1,000 due to a notable drop in full-time employment. The size of the labour force has also fallen but at a slower rate than employment. This has raised the unemployment rate slightly for this group. One positive note about the past year is that labour market conditions have stabilized in recent months, with employment rebounding somewhat in recent months after notable declines through the first nine months of the year.

January's unemployment rate for females 25 years and older was unchanged from a month ago, with employment and the size of the labour force producing similar declines. However, the unemployment rate has risen from a year ago. While the size of the labour force showed little change over this time, part-time employment losses outweighed full-time gains. Females 25 years and older had a lower unemployment rate than for males of the same age group, continuing a long-term trend.

## EMPLOYMENT BY INDUSTRY

In January, a monthly gain in the **Goods-producing sector** was slightly larger than the loss in the **Services-producing sector**. Employment in the **Goods-producing sector** has increased from a year ago, with most of the gain happening over the past six months. However, the **Services-producing sector** was down by 4,600 jobs compared to a year ago, bringing overall employment levels down versus January of 2017.

The monthly employment gain in the **Goods-producing sector** was mainly due to an increase in **Construction**. Since reaching a record high two years ago, employment has been generally declining in this industry, but employment bucked this trend in January to reach its highest point since November of 2016. The winding down and completion of construction work on the Hebron Oil Project was a key factor in the recent decreases. Work continues on the Muskrat Falls Hydroelectric Project while a recent announcement of construction related to the West White Rose Oil Project has also been positive for the industry. The largest decline in this sector was in **Forestry, fishing, mining, quarrying, and oil and gas**, where employment reached its lowest level since November of 2001. This industry has been generally declining for the past four years, with the sharpest drops happening in fishing, mining and oil and gas. The industry has been affected by low quotas in recent years for crab and shrimp as well as low prices for iron ore and other commodities.

The **Services-producing sector** registered a small loss over the previous month due to a number of small declines in various industries. This sector has been mainly responsible for the overall year-over-year employment decline. **Wholesale and retail trade** has been declining since May, and had 6,200 fewer jobs in January than its record high in February of 2016. An overall decline in the provincial economy is the main contributor to this industry's drop in employment. While **Finance, insurance, real estate, rental and leasing** did not show a change from a year ago, employment levels over the past year remain notably lower than recent years due to a slowing economy. **Professional, scientific and technical services** showed little change in employment from a month ago, remaining considerably lower than the record high in June 2015. Employment levels in this industry have not been this low since February of 2011. Over the past couple of years, most of this industry's losses have been in architectural, engineering and design services. **Health care and social services** was unchanged for the month but had 2,300 fewer jobs than a year earlier. On a positive note, **Transportation and warehousing** has increased over the past year, mainly in Scenic and sightseeing transportation and support activities for transportation. **Educational services** also increased from a year ago, mainly in primary and secondary education.

## Newfoundland and Labrador Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Jan 2018	Dec 2017	Jan 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	225.3	225.1	228.1	0.2	0.1	-2.8	-1.2
<b>Goods-producing sector</b>	49.3	48.4	47.6	0.9	1.9	1.7	3.6
Agriculture	2.6	2.7	1.1	-0.1	-3.7	1.5	136.4
Forestry, fishing, mining, quarrying, oil and gas	10.6	12.0	13.2	-1.4	-11.7	-2.6	-19.7
Utilities	3.3	3.4	2.8	-0.1	-2.9	0.5	17.9
Construction	22.1	20.1	21.9	2.0	10.0	0.2	0.9
Manufacturing	10.7	10.2	8.6	0.5	4.9	2.1	24.4
<b>Services-producing sector</b>	175.9	176.7	180.5	-0.8	-0.5	-4.6	-2.5
Trade	38.2	38.8	41.7	-0.6	-1.5	-3.5	-8.4
Transportation and warehousing	12.0	12.3	10.3	-0.3	-2.4	1.7	16.5
Finance, insurance, real estate and leasing	6.9	6.9	6.9	0.0	0.0	0.0	0.0
Professional, scientific and technical services	8.4	8.5	10.6	-0.1	-1.2	-2.2	-20.8
Business, building and other support services	6.7	6.4	6.5	0.3	4.7	0.2	3.1
Educational services	15.6	15.7	14.5	-0.1	-0.6	1.1	7.6
Health care and social assistance	38.1	38.1	40.4	0.0	0.0	-2.3	-5.7
Information, culture and recreation	6.2	6.7	7.8	-0.5	-7.5	-1.6	-20.5
Accommodation and food services	15.6	15.8	14.6	-0.2	-1.3	1.0	6.8
Other services	12.3	11.3	11.9	1.0	8.8	0.4	3.4
Public administration	15.9	16.4	15.2	-0.5	-3.0	0.7	4.6

Note: Totals may not add due to rounding

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

## REGIONAL ANALYSIS

The **Avalon Peninsula** had a large decline in both the level of employment and size of the labour force from a year ago and was the only region to have an increase in the unemployment rate. Employment and labour force gains were strongest in the **South Coast - Burin Peninsula and Notre Dame - Central - Bonavista Bay** economic region.

On the **Avalon Peninsula**, the unemployment rate was up by 0.3 percentage points compared to January of last year. Employment declined at a slightly faster rate than the size of the labour force. On a positive note, the pace of employment declines has moderated since September. Most of January's employment loss was full-time in nature and mainly in the **Services-producing sector**, with the largest job losses in **Trade**. This was the tenth straight month with a decrease in this industry. **Public administration** and **Information, culture and recreation** also had notable losses in January. **Professional, scientific and technical services** declined in each month since March 2016, though the losses have been less steep in recent months. **Finance, insurance, real estate and leasing** increased for the third straight month after fourteen months of decline. Like **Trade**, this industry has experienced the effects of an economic downturn, though it is too early to determine if employment is on a sustained rebound. The **Goods-producing sector** had its first employment gain since November of 2016, as gains in **Manufacturing** and **Utilities** outweighed losses in **Construction** as well as **Forestry, fishing, mining, quarrying, and oil and gas**. Losses in **Construction** were pronounced in the spring, much of which was related to the completion of construction phase for the Hebron Oil Project. However, in recent months the losses have been less severe.

In the **South Coast - Burin Peninsula and Notre Dame - Central - Bonavista Bay** economic region, the unemployment rate had its first decline since September 2016. Employment increased at a slightly faster rate than the size of the labour force. Job gains were full-time in nature. This was the third straight month with an employment gain. The size of the labour force has also been increasing in recent months, indicating greater optimism in the labour market. The employment increase was mainly in the **Services-producing sector**. This was the sector's third straight monthly gain, after not registering an increase for nineteen months in a row. Most industries in the sector showed gains, led by **Trade** and **Transportation and warehousing**. The only losses were

in **Health care and social assistance** and **Finance, insurance, real estate and leasing**. The **Goods-producing sector** lost 400 jobs compared to a year ago. A small gain in **Construction** helped offset a notable loss in **Forestry, fishing, mining, quarrying, and oil and gas**.

The unemployment rate in the **West Coast - Northern Peninsula - Labrador** economic region decreased by 1.6 percentage points from a year ago. Employment increased slightly while the size of the labour force had a small decline. Job gains were full-time in nature. This was the sixth month in a row with an employment gain. The employment increase was similarly minimal in both the **Goods-producing** and **Services-producing sectors**. In the **Services-producing sector**, **Educational services** had a strong increase for the fifth straight month. **Accommodation and food services** also had notable job gain. However, **Trade** had a strong loss, which reduced overall growth in the sector. Employment in the **Goods-producing sector** increased slightly, as small gains in **Manufacturing, Agriculture, and Forestry, fishing, mining, quarrying, and oil and gas** were mostly offset by a loss in **Construction**.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Jan 2018 ('000)	Jan 2017 ('000)	Yearly Variation (%)	Jan 2018 (%)	Jan 2017 (%)	Yearly Variation (% points)
<b>Newfoundland and Labrador</b>	219.5	222.1	-1.2	15.5	15.5	0.0
<b>Economic Regions</b>						
Avalon Peninsula	128.1	134.8	-5.0	12.4	12.1	0.3
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	50.6	47.0	7.7	22.5	22.7	-0.2
West Coast-Northern Peninsula-Labrador	40.8	40.2	1.5	15.7	17.3	-1.6

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.

**Prepared by:** Labour Market Analysis Directorate, Service Canada, Atlantic Region

**For further information,** please contact the LMI team at:

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