



Labour Market Bulletin

Newfoundland and Labrador

October 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 October, the unemployment rate reached its lowest point in over two years. The number of people in the labour force declined by nearly 7,000 in the past three months, while employment increased slightly. Full-time employment has rebounded somewhat since July when it reached its lowest level since 2010. On the other hand, part-time employment has declined since reaching a record high in July.

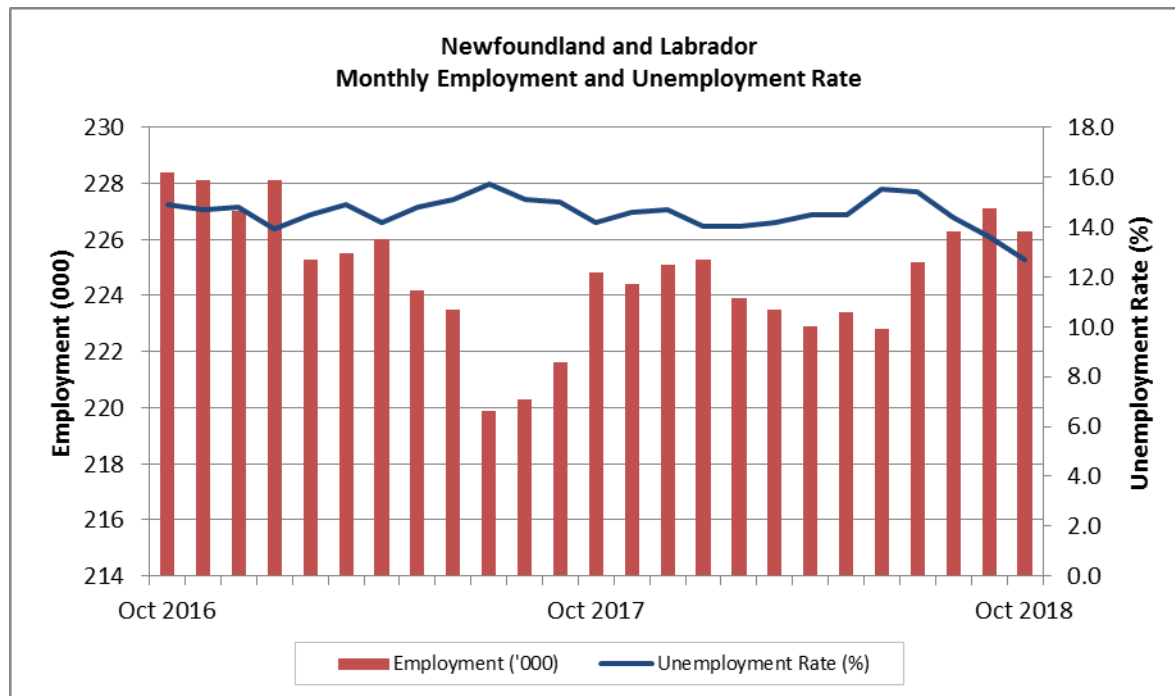
Newfoundland and Labrador Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Oct 2018	Sept 2018	Oct 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	442.7	442.8	445.4	-0.1	0.0	-2.7	-0.6
Labour Force ('000)	259.2	262.7	262.1	-3.5	-1.3	-2.9	-1.1
Employment ('000)	226.3	227.1	224.8	-0.8	-0.4	1.5	0.7
Full-Time ('000)	189.3	187.0	192.2	2.3	1.2	-2.9	-1.5
Part-Time ('000)	37.0	40.1	32.5	-3.1	-7.7	4.5	13.8
Unemployment ('000)	32.9	35.6	37.3	-2.7	-7.6	-4.4	-11.8
Unemployment Rate (%)	12.7	13.6	14.2	-0.9	-	-1.5	-
Participation Rate (%)	58.5	59.3	58.8	-0.8	-	-0.3	-
Employment Rate (%)	51.1	51.3	50.5	-0.2	-	0.6	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287

A sustained decline in employment from the spring of 2016 to the summer of 2017 had brought the unemployment rate to a seven-year high of 15.7% in July 2017. Starting in October of last year, however, the unemployment rate has hovered around 14% as the decline in employment was matched by a similar reduction in the size of the labour force. Recently, this rate has since fallen below 13% for the first time in over two years, due to a sharp decline in labour force size and a small employment gain in recent months.



The youth (aged 15 to 24 years) unemployment rate remained near 20% as the size of the labour force and employment both reached record lows in October. Participation in the labour force among youth has not been this low in more than four years.

Among males 25 years and older, the unemployment rate showed little change from the previous month. However, employment for this group has increased by nearly 6,500 jobs over the past year. Growth in the labour force has not been as strong. This has resulted in a lower unemployment rate than a year ago.

Women 25 years and older have generally had a lower unemployment rate than for males of the same age group. In addition, females have experienced a more stable labour market than for males, but a notably higher share of female employment has been part-time in nature.

The aging of the province's labour force was also evident in the data. Compared to a year ago, the youth labour force had declined by 5,100 while the core working age group (25 to 54 years) had 4,600 fewer people active in the labour market. In contrast, the labour force for those 55 and older had increased by 6,800.

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Oct 2018	Sept 2018	Oct 2017	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	12.7	13.6	14.2	-0.9	-1.5
25 years and over	11.8	12.6	13.8	-0.8	-2.0
Men - 25 years and over	13.8	13.6	17.2	0.2	-3.4
Women - 25 years and over	9.7	11.5	10.1	-1.8	-0.4
15 to 24 years	19.7	20.7	17.3	-1.0	2.4
Men - 15 to 24 years	24.5	25.6	20.4	-1.1	4.1
Women - 15 to 24 years	13.5	14.6	13.9	-1.1	-0.4

Source: Statistics Canada Labour Force Survey – Table 14-10-0287

EMPLOYMENT BY INDUSTRY

Compared to July, employment in the **Goods-producing sector** increased while it declined in the **Services-producing sector**. This went against the broader trend of the past year in which services-producing industries had most of the gains. Manufacturing continued its recent gains from a near-record low, but employment in this industry remained lower than a year earlier. **Construction** has remained resilient in the face of reduced demand for labour for major projects in oil and gas and hydroelectricity. Oil and gas and related support services have been a source of employment growth as well, with the Hebron Oil Project in operation.

The **Services-producing sector** employment has risen over the past year. While **Trade** (wholesale and retail) employment was lower than a year ago, levels have stabilized through 2018 after dropping sharply from a record high in early 2016. Employment in this industry is closely related to provincial economic conditions. **Public administration** and **Professional, scientific and technical services** have produced notable gains over the past year after considerable declines. **Computer system design services** has been a source of growth in recent months. For **Public administration**, employment has been increasing at the federal and municipal levels, while slow declines have continued at the provincial level. Despite a large budget deficit, the provincial government has not made drastic job cuts, relying instead on attrition and finding efficiencies in service delivery.

Newfoundland and Labrador Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Oct 2018	Sept 2018	Oct 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	226.3	227.1	224.8	-0.8	-0.4	1.5	0.7
Goods-producing sector	47.0	46.5	48.8	0.5	1.1	-1.8	-3.7
Agriculture	1.3	1.6	2.5	-0.3	-18.8	-1.2	-48.0
Forestry, fishing, mining, quarrying, oil and gas	13.2	12.9	11.7	0.3	2.3	1.5	12.8
Utilities	2.9	2.9	3.4	0.0	0.0	-0.5	-14.7
Construction	20.3	20.6	21.5	-0.3	-1.5	-1.2	-5.6
Manufacturing	9.3	8.4	9.7	0.9	10.7	-0.4	-4.1
Services-producing sector	179.3	180.6	176.0	-1.3	-0.7	3.3	1.9
Trade	38.0	37.9	39.9	0.1	0.3	-1.9	-4.8
Transportation and warehousing	12.0	12.1	11.2	-0.1	-0.8	0.8	7.1
Finance, insurance, real estate and leasing	7.1	7.5	6.4	-0.4	-5.3	0.7	10.9
Professional, scientific and technical services	10.7	11.0	8.8	-0.3	-2.7	1.9	21.6
Business, building and other support services	6.5	6.6	6.9	-0.1	-1.5	-0.4	-5.8
Educational services	15.8	15.7	16.2	0.1	0.6	-0.4	-2.5
Health care and social assistance	39.3	39.8	38.5	-0.5	-1.3	0.8	2.1
Information, culture and recreation	7.3	7.8	6.6	-0.5	-6.4	0.7	10.6
Accommodation and food services	15.3	15.5	15.0	-0.2	-1.3	0.3	2.0
Other services	9.8	9.2	11.7	0.6	6.5	-1.9	-16.2
Public administration	17.6	17.4	14.6	0.2	1.1	3.0	20.5

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0355

REGIONAL ANALYSIS

The **Avalon Peninsula** had a strong employment gain for the third-straight month and was the only economic region in the province with an increase in labour force size compared to a year ago. The unemployment rate declined slightly since employment growth outpaced labour force growth. **Professional, scientific and technical services** and **Public administration** led the increase in jobs.

The **South Coast–Burin Peninsula and Notre Dame–Central-Bonavista Bay** region's has the strongest drop in the unemployment rate versus twelve months earlier. However, this was due to a decrease in labour force size.

Overall employment was virtually unchanged, with part-time gains offsetting losses in full-time work. **Construction and Trade** had the largest declines. Both industries have produced losses for six months in a row. On the positive side, **Accommodation and food services** and **Health care and social assistance** both continued to show employment gains.

In the **West Coast–Northern Peninsula–Labrador** region, there was a loss of 1,000 jobs compared to a year ago. Full-time employment bore the brunt of the decline. The unemployment rate was slightly lower as the decrease in labour force size was slightly stronger than the drop in employment. **Construction** and **Educational** services had the strongest employment gains, while **Trade** had the sharpest fall in the number of jobs.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Oct 2018 ('000)	Oct 2017 ('000)	Yearly Variation (%)	Oct 2018 (%)	Oct 2017 (%)	Yearly Variation (% points)
Newfoundland and Labrador	233.2	227.9	2.3	11.9	13.1	-1.2
Economic Regions						
Avalon Peninsula	134.7	128.5	4.8	10.0	11.0	-1.0
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	54.1	53.9	0.4	15.3	17.7	-2.4
West Coast-Northern Peninsula-Labrador	44.4	45.4	-2.2	12.9	13.4	-0.5

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0293

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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