



Labour Market Bulletin

Newfoundland and Labrador

February 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 February, employment and the size of the labour force both had slight declines from the prior month. Since both dropped at a very similar rate, the unemployment rate was unchanged from January.

Employment was down by 1,400 jobs compared to a year earlier. However, the size of the labour force declined to a greater extent. As a result, the unemployment rate decreased by 0.5 percentage points as fewer people were active in the labour market. The employment losses from a year ago were all part-time in nature.

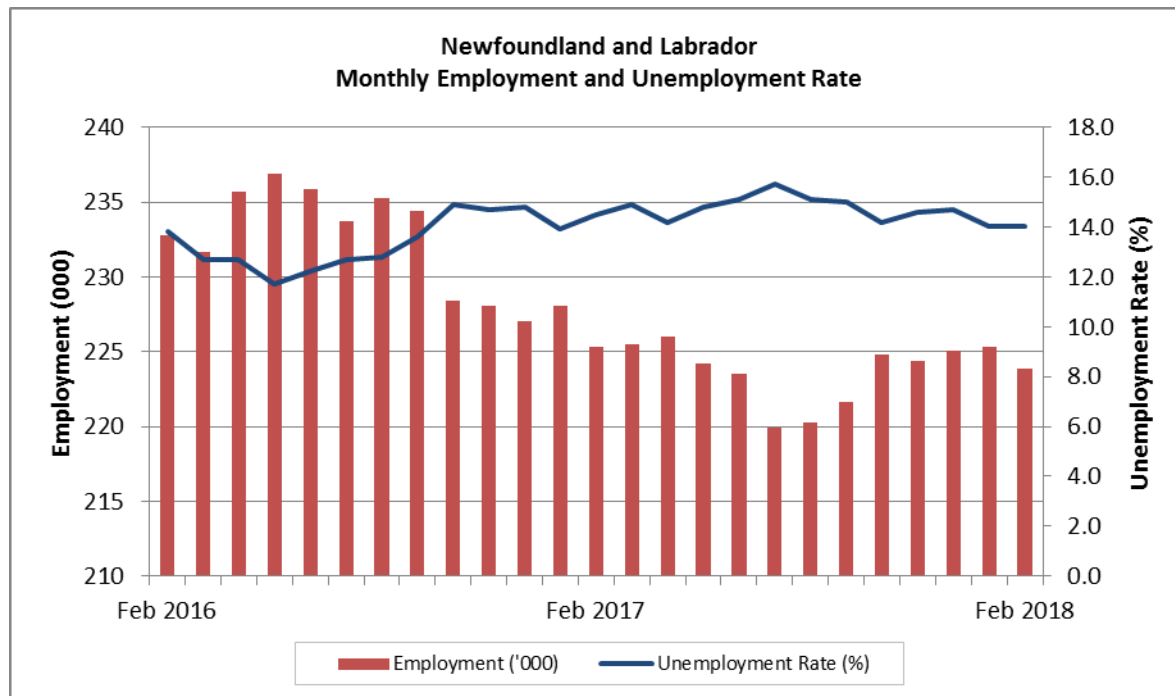
Newfoundland and Labrador Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Feb 2018	Jan 2018	Feb 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	444.7	444.9	445.4	-0.2	0.0	-0.7	-0.2
Labour Force ('000)	260.3	262.1	263.4	-1.8	-0.7	-3.1	-1.2
Employment ('000)	223.9	225.3	225.3	-1.4	-0.6	-1.4	-0.6
Full-Time ('000)	190.1	191.3	189.9	-1.2	-0.6	0.2	0.1
Part-Time ('000)	33.8	34.0	35.4	-0.2	-0.6	-1.6	-4.5
Unemployment ('000)	36.4	36.8	38.1	-0.4	-1.1	-1.7	-4.5
Unemployment Rate (%)	14.0	14.0	14.5	0.0	-	-0.5	-
Participation Rate (%)	58.5	58.9	59.1	-0.4	-	-0.6	-
Employment Rate (%)	50.3	50.6	50.6	-0.3	-	-0.3	-

Note: Totals may not add due to rounding

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

A steady decline in employment since May 2016 had brought the unemployment rate to a seven-year high of 15.7% in July 2017. However, the unemployment rate has fallen to around 14% over the last seven months as employment has risen slightly while the labour force size has been more stable. 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 February, the youth (aged 15 to 24 years) unemployment rate decreased by 1.3 percentage points compared to the previous month. Employment increased slightly while the size of the labour force was unchanged. Full-time employment losses were outweighed by part-time gains. Compared to a year earlier, youth employment showed little change. However, the number of youth who were active in the labour market declined, which lowered the unemployment rate. Over the past two years, the size of the labour force and employment among youth declined by 13% and 14%, respectively. The youth population in the province has been reduced by 50% over the past thirty years.

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Feb 2018	Jan 2018	Feb 2017	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	14.0	14.0	14.5	0.0	-0.5
25 years and over	13.7	13.6	13.9	0.1	-0.2
Men - 25 years and over	16.9	16.7	17.8	0.2	-0.9
Women - 25 years and over	10.4	10.3	9.8	0.1	0.6
15 to 24 years	15.7	17.0	18.3	-1.3	-2.6
Men - 15 to 24 years	17.1	20.0	22.0	-2.9	-4.9
Women - 15 to 24 years	14.2	12.8	13.9	1.4	0.3

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

The unemployment rate among males aged 25 years and older was slightly higher than in the previous month, as employment declined at a slightly faster rate than that of the labour force. Compared to a year earlier, the unemployment rate was lower. However, this was mainly due to a drop in the number of people active in the labour market. The decline in employment was small in comparison.

February's unemployment rate for females 25 years and older showed little change from a month ago, with employment and the size of the labour force producing small declines. However, the unemployment rate has risen from a year ago. While the size of the labour force showed little change over this time, employment

declined as 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 February, the month-over-month employment loss was concentrated in the **Goods-producing sector**. The **Services-producing sector** showed no change in employment from the month before. Employment in the **Goods-producing sector** increased from a year ago. However, this year-over-year increase was outweighed by a loss in the **Services-producing sector**.

The monthly employment loss in the **Goods-producing sector** was mainly due to decreases in **Manufacturing** and **Agriculture**. This was partially offset by an increase in **Construction**. Since reaching a record high in October of 2014, employment had been generally declining in this industry. However, there have been increases in the past two months, raising **Construction** employment to its highest point since August of 2015. Work continues on the Muskrat Falls Hydroelectric Project while an announcement of construction related to the West White Rose Oil Project has also been positive for the industry. Despite a monthly increase in **Forestry, fishing, mining, quarrying, and oil and gas**, the broader trend shows employment in this industry declining over the past four years. The sharpest drops have been in fishing, mining and oil and gas. The industry has been affected by quota cuts in recent years for crab and shrimp as well as low prices for iron ore and other commodities.

Employment in the **Services-producing sector** was unchanged from the previous month. However, this sector has been mainly responsible for the overall year-over-year employment decline. **Wholesale and retail trade** declined in eight of the past nine months. This industry had 6,600 fewer jobs in February than its record high two years ago. An overall decline in the provincial economy is the main contributor to this industry's drop in employment. **Professional, scientific and technical services** showed a small gain in employment from a month ago. However, this industry has been a key contributor to the sector's decline in employment from a year ago. 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 the only industry with a notable gain in employment from January. Despite the increase, employment in this industry was slightly lower than it was a year ago. In recent months, employment levels have been relatively stable in **Transportation and warehousing, Educational services, and Accommodation and food services**. However, these industries have shown gains when compared to a year ago.

Newfoundland and Labrador Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Feb 2018	Jan 2018	Feb 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	223.9	225.3	225.3	-1.4	-0.6	-1.4	-0.6
Goods-producing sector	48.0	49.3	46.7	-1.3	-2.6	1.3	2.8
Agriculture	1.4	2.6	2.1	-1.2	-46.2	-0.7	-33.3
Forestry, fishing, mining, quarrying, oil and gas	11.2	10.6	12.1	0.6	5.7	-0.9	-7.4
Utilities	3.2	3.3	2.8	-0.1	-3.0	0.4	14.3
Construction	23.2	22.1	21.0	1.1	5.0	2.2	10.5
Manufacturing	9.0	10.7	8.6	-1.7	-15.9	0.4	4.7
Services-producing sector	175.9	175.9	178.7	0.0	0.0	-2.8	-1.6
Trade	37.8	38.2	41.0	-0.4	-1.0	-3.2	-7.8
Transportation and warehousing	12.3	12.0	10.9	0.3	2.5	1.4	12.8
Finance, insurance, real estate and leasing	6.6	6.9	6.6	-0.3	-4.3	0.0	0.0
Professional, scientific and technical services	8.7	8.4	10.6	0.3	3.6	-1.9	-17.9
Business, building and other support services	6.7	6.7	6.5	0.0	0.0	0.2	3.1
Educational services	15.5	15.6	14.2	-0.1	-0.6	1.3	9.2
Health care and social assistance	39.0	38.1	39.4	0.9	2.4	-0.4	-1.0
Information, culture and recreation	6.3	6.2	7.2	0.1	1.6	-0.9	-12.5
Accommodation and food services	15.4	15.6	13.7	-0.2	-1.3	1.7	12.4
Other services	12.1	12.3	12.6	-0.2	-1.6	-0.5	-4.0
Public administration	15.5	15.9	15.8	-0.4	-2.5	-0.3	-1.9

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 1.2 percentage points compared to February of last year. Employment declined at a slightly faster rate than that of the labour force. On a positive note, employment declines in recent months have been less severe than the period of August to November of 2017, when year-over-year losses were 10,000 and greater. Most of February's employment loss was full-time in nature and mainly in the **Services-producing sector**, with the largest job losses in **Trade**. This industry has led the region's employment decline for seven straight months. **Public administration** and **Information, culture and recreation** also had notable losses in February. **Finance, insurance, real estate and leasing** increased for the fourth 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 whether employment is on a sustained rebound.

The **Goods-producing sector** had an employment gain for the second month in a row after thirteen months of losses. Gains in **Manufacturing** and **Utilities** outweighed a loss in **Forestry, fishing, mining, quarrying, and oil and gas**. **Construction** employment was relatively unchanged. Losses in that industry were quite heavy in the spring and summer of 2017, much of which was related to the completion of the 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 declined for the second straight month. Employment increased at a slightly faster rate than that of the labour force. Job gains were full-time in nature. Growth in the size of the labour force has increased in recent months, indicating greater optimism in the labour market. The employment increase was mainly in the **Services-producing sector**. Employment growth in this sector has not been this strong in the region since December of 2015. Most industries in the sector showed gains, led by **Trade** and **Public administration**.

However, **Health care and social assistance, Professional, scientific and technical Services, and Finance, insurance, real estate and leasing** have all experienced losses for a number of months. The **Goods-producing sector** was unchanged compared to a year ago. A notable loss in **Forestry, fishing, mining, quarrying, and oil and gas** was offset by small gains in other industries.

The unemployment rate in the **West Coast - Northern Peninsula - Labrador** economic region had its strongest decline since July of 2016. Employment increased while the size of the labour force had a small decline. Job gains were full-time in nature. This was the seventh month in a row with an employment gain. Most of the increase was in the **Services-producing sector**, with **Educational services** having a strong increase for the sixth month in a row. **Public administration** and **Accommodation and food services** also experienced notable gains. However, employment losses in **Trade**, and **Professional, scientific and technical services** partially offset the increases in the sector noted above. Employment in the **Goods-producing sector** grew slightly, as increases in **Construction, and Forestry, fishing, mining, quarrying, and oil and gas** outweighed a small loss in **Manufacturing**.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Feb 2018 ('000)	Feb 2017 ('000)	Yearly Variation (%)	Feb 2018 (%)	Feb 2017 (%)	Yearly Variation (% points)
Newfoundland and Labrador	215.3	217.3	-0.9	16.1	16.2	-0.1
Economic Regions						
Avalon Peninsula	125.2	132.9	-5.8	13.2	12.0	1.2
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	49.9	45.7	9.2	22.6	23.9	-1.3
West Coast-Northern Peninsula-Labrador	40.2	38.7	3.9	15.9	19.7	-3.8

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:

http://www.esdc.gc.ca/cgi-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi

For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

© Her Majesty the Queen in Right of Canada as represented by Employment and Social Development Canada, 2018, all rights reserved