



Labour Market Bulletin

Newfoundland and Labrador

March 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 the first quarter of 2018, the unemployment rate decreased to 14.1% from 14.5% in the previous quarter due to a decline in the size of the labour force. Employment levels were relatively unchanged over this period. Compared to the same quarter a year ago, the unemployment rate was also slightly lower, due to a decline in the labour force that was greater than the decline in employment. Most of the employment decline was part-time in nature.

Newfoundland and Labrador Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	1st Quarter 2018	4th Quarter 2017	1st Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	444.7	445.2	445.4	-0.5	-0.1	-0.7	-0.2
Labour Force ('000)	261.0	263.0	264.4	-2.0	-0.8	-3.4	-1.3
Employment ('000)	224.2	224.8	226.3	-0.6	-0.3	-2.1	-0.9
Full-Time ('000)	190.8	190.9	190.9	-0.1	-0.1	-0.1	-0.1
Part-Time ('000)	33.4	33.8	35.5	-0.4	-1.2	-2.1	-5.9
Unemployment ('000)	36.8	38.2	38.1	-1.4	-3.7	-1.3	-3.4
Unemployment Rate (%)	14.1	14.5	14.4	-0.4	-	-0.3	-
Participation Rate (%)	58.7	59.1	59.3	-0.4	-	-0.6	-
Employment Rate (%)	50.4	50.5	50.8	-0.1	-	-0.4	-

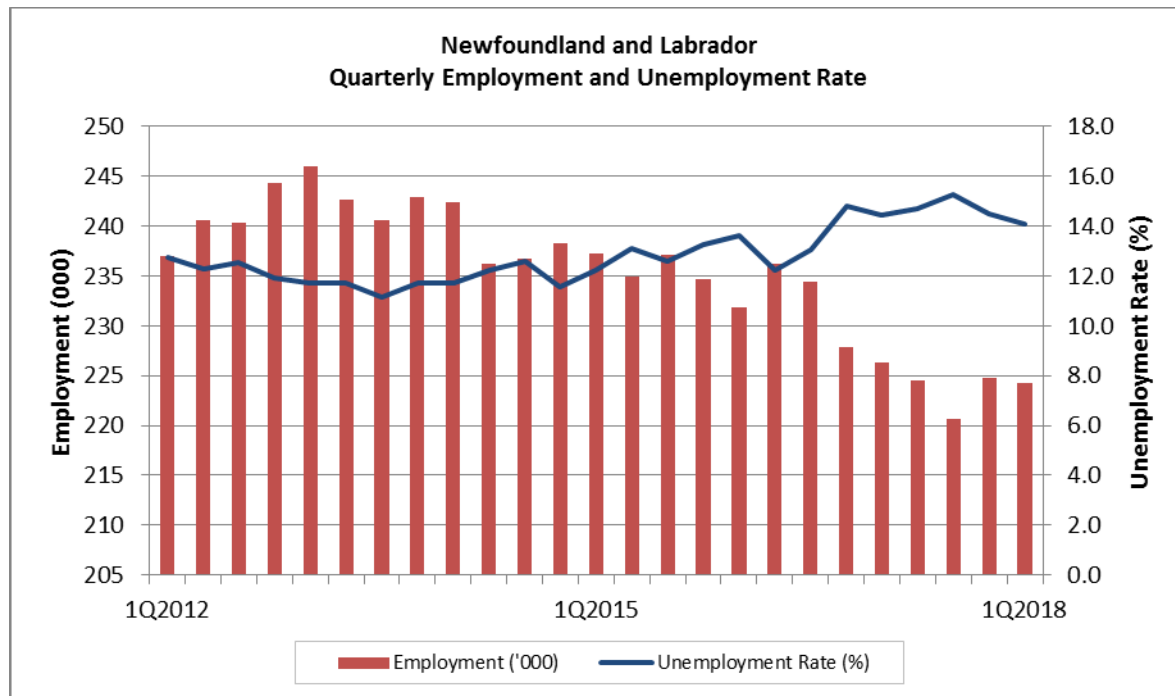
Note: Totals may not add due to rounding

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

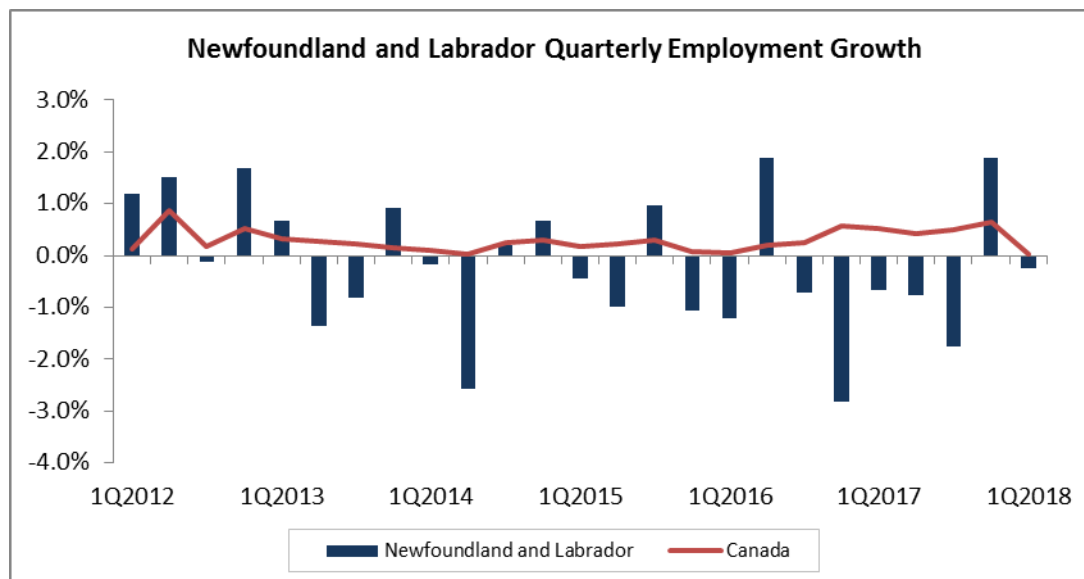
Since reaching a quarterly record high of 246,000 in the first quarter of 2013, employment has generally been trending downward in Newfoundland and Labrador, reaching a recent low in the third quarter of 2017. It has since rebounded slightly in the last two quarters.

A broader look at the data shows the province's unemployment rate has been on an upward trend since it reached a quarterly low of 11.1% in the third quarter of 2013. Since then, the labour force has declined by 9,800 while employment declined even further, with 16,400 fewer jobs. Against this backdrop, the unemployment rate

has exceeded 14% for the past six quarters. Prior to these recent quarters, the quarterly unemployment rate did not exceed 14% since the third quarter of 2010.



Since Q2 2013 the pace of employment growth in the province has generally lagged behind the rest of the country. In fact, fifteen of the past twenty quarters had employment declines. Prior to the most recent two quarters, Newfoundland and Labrador ranked last among all provinces in employment growth for five quarters in a row.



For youth (aged 15 to 24 years), the unemployment rate has steadily declined over the past year. Employment levels have been relatively stable, while the size of the labour force has declined. Male youth had a higher unemployment rate than females of the same age group. However, the gap between these two rates has not

been this narrow since the middle of 2013. The male youth unemployment rate has notably declined over the past year, mainly due to employment growth. In comparison, the unemployment rate for female youth has not declined as much over the same period.

For males 25 years and older, the unemployment rate has declined compared to the previous quarter, as well as the same quarter a year ago. In the first three quarters of 2017, the unemployment rate for this group increased, mainly due to employment losses. However, the rate has declined over the past two quarters as employment has grown while the labour force remained steady.

For females 25 years and older, labour market conditions in recent years have generally been more stable than for males of the same age group. Employment and labour force size have typically shown little change from one period to another. The unemployment rate increased slightly compared to the same quarter a year ago due to no change in the labour force and a small decline in employment.

Newfoundland and Labrador Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	1st Quarter	4th Quarter	1st Quarter	Quarterly	Yearly
	2018 (%)	2017 (%)	2017 (%)	Variation (% points)	Variation (% points)
Total	14.1	14.5	14.4	-0.4	-0.4
25 years and over	13.8	14.1	13.8	-0.3	0.0
Men - 25 years and over	17.0	17.8	17.5	-0.8	-0.6
Women - 25 years and over	10.5	10.2	9.8	0.3	0.7
15 to 24 years	16.2	17.5	18.7	-1.3	-2.5
Men - 15 to 24 years	17.8	21.4	21.7	-3.5	-3.9
Women - 15 to 24 years	14.0	13.2	15.4	0.9	-1.3

Note: Totals may not add due to rounding

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

In the first quarter (Q1) of 2018, the total population aged 15+ in the Atlantic Provinces was 1.99 million. The Indigenous population living off-reserve accounted for 3.5% of that, or 69,200 people. Employment among Indigenous people in the Atlantic provinces reached 34,800, representing an increase of 2,000 (6.1%) from a year earlier (Q1 2017). The increase was in both full-time positions (+1,500 or +5.6%) and part-time positions (+500 or 8.3%).

The unemployment rate among the Indigenous population was 16% in Q1 2018, representing an increase of 2.2 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate was also relatively stable at 10.7% (-0.5pp). Year-over-year, the participation rate among Indigenous people increased to 59.9% (+3.4pp) while the participation rate for the non-Indigenous population stood at 60% (-0.2pp). The employment rate of the Indigenous population increased year-over-year to 50.3% (+1.6pp), and the employment rate amongst the non-Indigenous population remained unchanged at 53.5%, compared to a year earlier.

Atlantic - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q1 2018	Q1 2017	number	%	Q1 2018	Q1 2017	number	%
Population 15 + ('000)	69.2	67.3	1.9	2.8%	1,922.5	1,915.2	7.3	0.4%
Labour Force ('000)	41.4	38.1	3.3	8.7%	1,153.0	1,153.8	-0.8	-0.1%
Employment ('000)	34.8	32.8	2.0	6.1%	1,029.4	1,024.9	4.5	0.4%
Full-Time ('000)	28.3	26.8	1.5	5.6%	850.4	838.4	12.0	1.4%
Part-Time ('000)	6.5	6.0	0.5	8.3%	179.0	186.5	-7.5	-4.0%
Unemployment ('000)	6.6	5.3	1.3	24.5%	123.6	128.9	-5.3	-4.1%
Unemployment Rate (%)	16.0	13.8	2.2	-	10.7	11.2	-0.5	-
Participation Rate (%)	59.9	56.5	3.4	-	60.0	60.2	-0.2	-
Employment Rate (%)	50.3	48.7	1.6	-	53.5	53.5	0.0	-

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

Estimates are based on three-month moving 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 the first quarter of 2018, the **Goods-producing sector** gained 400 jobs compared to the previous quarter. **Construction** employment had its strongest quarterly employment growth since Q3 2016, boosted by infrastructure spending and favourable weather conditions. **Manufacturing** employment showed no change from the previous quarter, but employment has rebounded from a year ago, when industry employment was near a record low. The main source of growth has been in the manufacturing of durable goods. Employment in food manufacturing remained weak. This industry has been negatively impacted by quota cuts for crab and shrimp. Employment in **Forestry, fishing, mining, quarrying, oil and gas**, meanwhile, has reached its lowest point since Q2 1978. Mining and oil and gas extraction have been mainly responsible for the industry's decline in recent years.

The **Services-producing sector** experienced a loss of 1,000 jobs compared to the previous quarter, with the greatest decline being in **Wholesale and retail trade**. This is the continuation of a longer-term trend. A weaker economy has resulted in lower employment in the industry. In the most recent quarter, **Trade** employment reached its lowest level since the third quarter of 2014. Compared to the same quarter a year ago, **Trade** employment has led the decline in the Services-producing sector. **Professional, scientific and technical services** has also decreased. Much of the loss in this industry has been related to a drop in Architectural, engineering and design services, as major project investment in mining and oil and gas has declined from peak levels. On the positive side, **Transportation and warehousing** has rebounded from a record low in Q4 2015, though growth has slowed recently. **Accommodation and food services**, and **Educational services** have also seen notable gains over the past year.

Newfoundland and Labrador Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	1st Quarter 2018	4th Quarter 2017	1st Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	224.2	224.8	226.3	-0.5	-0.2	-2.1	-0.9
Goods-producing sector	48.6	48.2	46.8	0.4	0.8	1.8	3.9
Agriculture	2.0	2.5	1.7	-0.5	-20.0	0.3	17.6
Forestry, fishing, mining, quarrying, oil and gas	11.4	11.7	12.4	-0.4	-3.1	-1.1	-8.6
Utilities	3.2	3.4	2.8	-0.2	-5.9	0.4	14.3
Construction	22.1	20.6	21.4	1.5	7.1	0.7	3.3
Manufacturing	10.0	10.0	8.5	0.0	-0.3	1.5	17.7
Services-producing sector	175.6	176.5	179.5	-1.0	-0.5	-4.0	-2.2
Trade	37.6	39.4	41.5	-1.8	-4.6	-3.9	-9.3
Transportation and warehousing	12.0	11.8	10.8	0.2	1.4	1.2	11.1
Finance, insurance, real estate and leasing	6.7	6.7	6.6	0.0	0.5	0.1	2.0
Professional, scientific and technical services	8.7	8.7	10.4	-0.1	-0.8	-1.8	-16.9
Business, building and other support services	6.7	6.8	6.4	-0.1	-1.0	0.3	4.1
Educational services	15.6	16.0	14.4	-0.4	-2.5	1.2	8.4
Health care and social assistance	38.8	38.4	40.1	0.4	1.0	-1.3	-3.2
Information, culture and recreation	6.2	6.4	7.5	-0.2	-3.6	-1.3	-17.7
Accommodation and food services	15.5	15.4	14.1	0.1	0.6	1.4	10.2
Other services	12.1	11.4	12.0	0.7	6.1	0.1	0.8
Public administration	15.7	15.4	15.5	0.2	1.5	0.2	1.1

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

A significant employment decline over the past year on the **Avalon Peninsula** slightly offset gains in the rest of the province. This economic region was also the only one with a higher unemployment compared to the first quarter of last year.

The unemployment rate on the **Avalon Peninsula** increased by 1.5 percentage points from the first quarter 2017, as the number of people active in the labour market declined by a greater amount than employment. While still notable, labour force and employment losses have not been as strong over the past two quarters compared to Q3 2017, when year-over-year losses were their strongest on record. Most of the employment loss was in the **Services-producing sector**, with **Trade** experiencing more than half of the sector's decline. **Public administration** had a drop in employment for the third straight quarter. The **Goods-producing sector** gained 600 jobs compared to the same period a year ago. A loss in **Forestry, fishing, mining, quarrying, oil and gas** was slightly outweighed by employment growth in other industries in the sector.

The **South Coast–Burin Peninsula and Notre Dame–Central–Bonavista Bay** region's unemployment rate declined in the first quarter of 2018 when compared to the same period last year. Employment increased by 4,400 jobs, up nearly 10%. Most of these jobs were full-time in nature. The size of the labour force also had a notable gain, as more people were either employed or were looking for work. The past two quarters have shown employment and labour force growth, a notable contrast from most of the past two years, when losses were very common. This recent employment growth has been mainly in the **Services-producing sector**, with increases in most industries. The **Goods-producing sector** gained 1,100 jobs. This sector had commonly experienced losses for the past three years.

In the **West Coast–Northern Peninsula–Labrador** region, the unemployment rate dropped by nearly six percentage points compared to the same quarter a year ago. While there were fewer people in the labour force, employment has increased over this time and has been full-time in nature. As with the previous two quarters, the employment gain was concentrated in the **Services-producing sector**. **Educational services**, **Public administration**, and **Accommodation and food services** had notable increases.

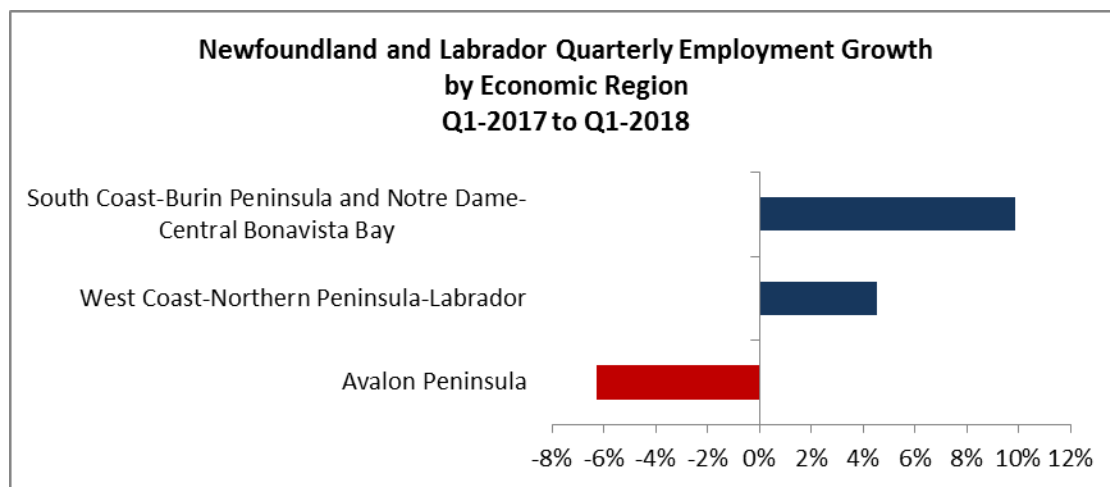
Newfoundland and Labrador Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	1st Quarter 2018 ('000)	1st Quarter 2017 ('000)	Yearly Variation (%)	1st Quarter 2018 (%)	1st Quarter 2017 (%)	Yearly Variation (% points)
Newfoundland and Labrador	212.2	214.4	-1.0	16.5	17.0	-0.5
Economic Regions						
Avalon Peninsula	123.7	132.0	-6.3	13.4	11.9	1.5
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	49.1	44.7	9.8	23.2	25.5	-2.3
West Coast-Northern Peninsula-Labrador	39.4	37.7	4.5	16.7	22.5	-5.8

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122

The **Avalon Peninsula** had the lowest employment growth rate for the third straight quarter. Meanwhile, the **South Coast–Burin Peninsula and Notre Dame–Central–Bonavista Bay** region had the strongest employment growth rate in the province for the second straight quarter after not leading the province for nearly two years.



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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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

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