



# Labour Market Bulletin

## Newfoundland and Labrador

September 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

The unemployment rate decreased in the third quarter of 2018 from the previous quarter. Employment rose slightly faster than the size of the labour force. The job gain was part-time in nature. Compared to the same quarter a year ago, the unemployment rate was down by nearly a percentage point as employment growth was stronger than the rise in the number of people actively looking for work in the labour market.

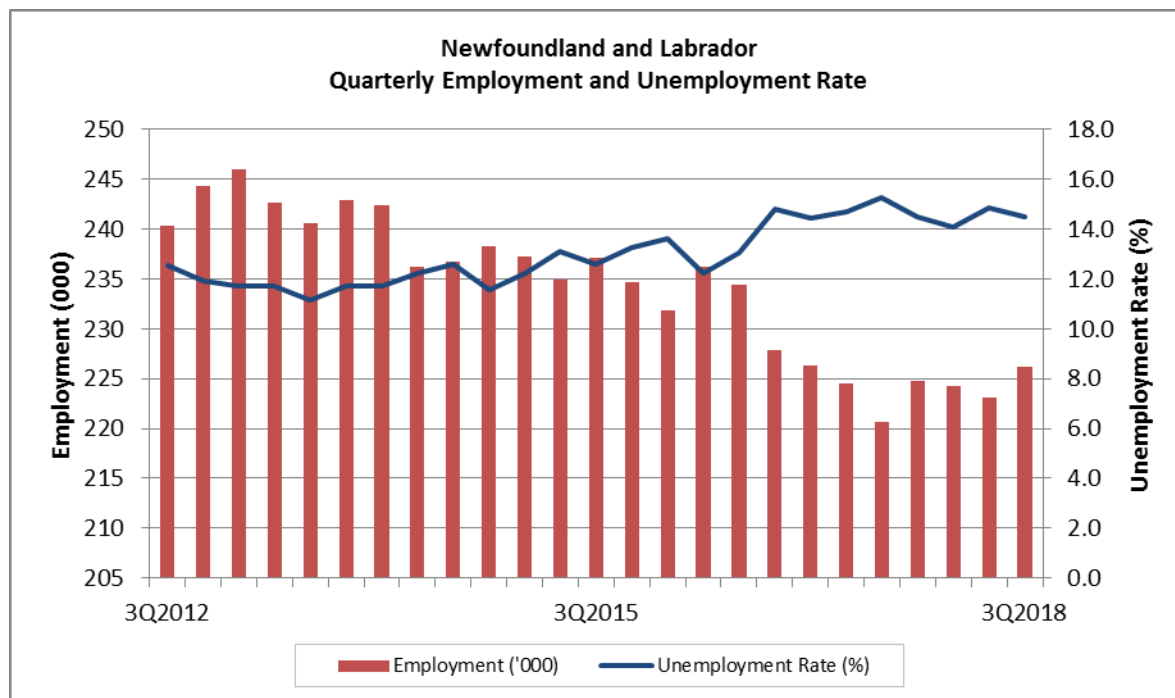
Newfoundland and Labrador Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	3rd Quarter 2018	2nd Quarter 2018	3rd Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	443.2	444.1	445.7	-0.9	-0.2	-2.5	-0.6
<b>Labour Force ('000)</b>	264.4	262.0	260.4	2.4	0.9	4.0	1.5
<b>Employment ('000)</b>	226.2	223.0	220.6	3.2	1.4	5.6	2.5
Full-Time ('000)	186.1	188.1	189.4	-2.0	-1.1	-3.3	-1.7
Part-Time ('000)	40.1	35.0	31.1	5.1	14.6	9.0	28.9
<b>Unemployment ('000)</b>	38.2	38.9	39.8	-0.7	-1.8	-1.6	-4.0
<b>Unemployment Rate (%)</b>	14.5	14.8	15.3	-0.3	-	-0.8	-
<b>Participation Rate (%)</b>	59.7	59.0	58.4	0.7	-	1.3	-
<b>Employment Rate (%)</b>	51.1	50.2	49.5	0.9	-	1.6	-

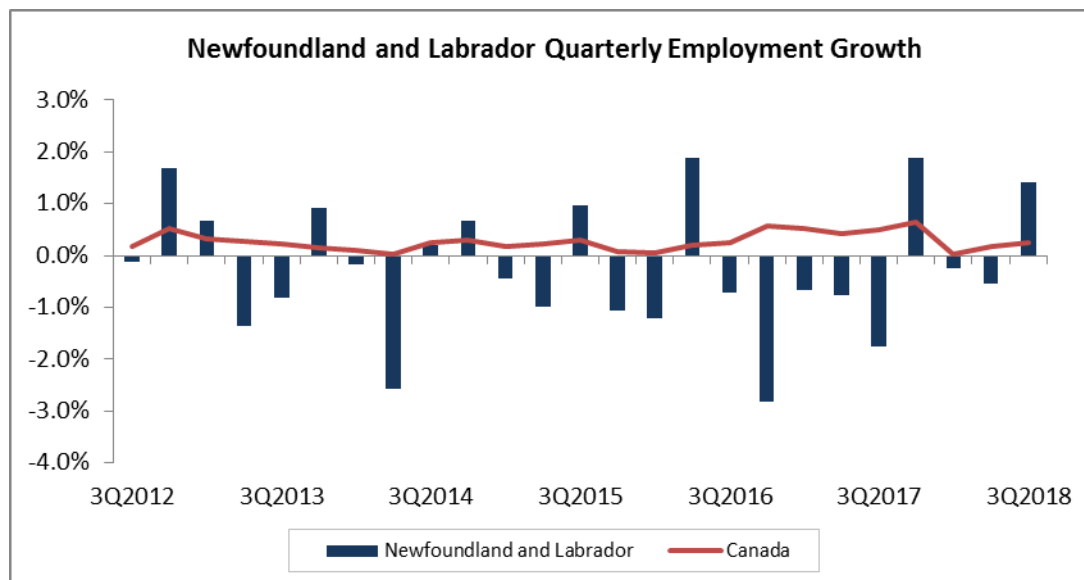
Note: Totals may not add due to rounding

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

Historically, a sustained decline in employment since 2013 had brought the quarterly unemployment rate to a seven-year high of 15.3% in the third quarter of 2017. However, since last fall, a small rebound in employment has lowered the unemployment rate slightly, though it still remains elevated compared to its 2013 and 2014 lows of below 12%. Compared to the record high in 2013, employment has declined by approximately 20,000 jobs. This loss has been in full-time employment, as part-time work has increased by more than 4,000 jobs.



Canada has generally experienced consistent, small employment gains over the past six years, whereas employment levels in Newfoundland and Labrador have been more volatile. While employment in the province increased in the third quarter, the pace of employment growth in the province has generally lagged behind the rest of the country since Q2, 2013. Over this time, Canada’s employment levels have risen by nearly six percent, while provincial employment has dropped by almost seven percent. Furthermore, Newfoundland and Labrador ranked last among all provinces in employment growth for six of the past nine quarters.



The youth (aged 15 to 24 years) unemployment rate declined in the third quarter, down one percentage point (18.0%), compared to the previous quarter. Employment was unchanged from the second quarter, while the size of the labour force declined slightly. While overall employment did not change, there was a full-time employment loss of nearly 3,000 jobs, matched by growth in part-time work.

Among males 25 years and older, the unemployment rate declined by nearly two percentage points. This was led by a gain of 3,200 jobs, mainly in full-time positions. While the labour force size also grew, the increase was not as notable. This was the fourth-straight quarterly employment gain for this group, adding nearly 6,000 jobs over that time.

The unemployment rate for females 25 years and over increased to 11.8% in the third quarter. Prior to this quarter, the unemployment rate had been relatively stable since the end of 2016. The rise in the unemployment rate was due to an increase in the size of the labour force while employment was virtually unchanged. Despite the increase, the unemployment rate remains notably lower for females than for males.

Newfoundland and Labrador Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly	Yearly
	2018 (%)	2018 (%)	2017 (%)	Variation	Variation
				(% points)	(% points)
<b>Total</b>	14.5	14.8	15.3	-0.4	-0.8
<b>25 years and over</b>	14.0	14.2	15.0	-0.3	-1.1
Men - 25 years and over	16.0	17.7	18.6	-1.7	-2.7
Women - 25 years and over	11.8	10.6	11.2	1.2	0.6
<b>15 to 24 years</b>	18.0	19.0	17.0	-1.0	1.1
Men - 15 to 24 years	22.3	19.9	21.2	2.4	1.1
Women - 15 to 24 years	13.1	18.2	12.6	-5.0	0.5

Note: Totals may not add due to rounding

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

In the third quarter (Q3) of 2018, the total population aged 15+ in the Atlantic Provinces was around 2 million. The Indigenous population living off-reserve accounted for 3.5% of that, or 70,300 people. Employment among Indigenous people in the Atlantic Provinces was 41,800, representing an increase of 3,300 (+8.6%) from a year earlier (Q3 2017). The increase was mostly driven by full-time positions (+2,800 or +8.7%). Part-time positions saw a moderate increase (600 or 9.8%).

Atlantic - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q3 2018	Q3 2017	number	%	Q3 2018	Q3 2017	number	%
Population 15+ ('000)	70.3	68.4	1.9	2.8%	1,926.4	1,919.5	6.9	0.4%
Labour Force ('000)	48.5	44.5	4.0	9.0%	1,204.6	1,194.4	10.2	0.9%
Employment ('000)	41.8	38.5	3.3	8.6%	1,103.9	1,090.2	13.7	1.3%
Full-Time ('000)	35.1	32.3	2.8	8.7%	940.1	928.9	11.2	1.2%
Part-Time ('000)	6.7	6.1	0.6	9.8%	163.8	161.3	2.5	1.5%
Unemployment ('000)	6.7	6.1	0.6	9.8%	100.7	104.2	-3.5	-3.4%
Unemployment Rate (%)	13.8	13.6	0.2	-	8.4	8.7	-0.3	-
Participation Rate (%)	69.0	65.1	3.9	-	62.5	62.2	0.3	-
Employment Rate (%)	59.5	56.2	3.3	-	57.3	56.8	0.5	-

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.

The unemployment rate among the Indigenous population was 13.8% in Q3 2018, representing an increase of +0.2 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate was 8.4% (-0.3pp). Between Q3 2017 and Q3 2018, the participation rate of Indigenous people increased significantly to 69% (+3.9pp) while among non-Indigenous population, it was 62.5% (+0.3pp). The employment rate of Indigenous people increased year-over-year to 59.5% (+3.3pp); for the non-Indigenous population, it increased to 57.3% (+0.5pp).

## EMPLOYMENT BY INDUSTRY

The **Services-producing sector** was mainly responsible for the overall increase in provincial employment in the third quarter. The strongest gains were in **Public administration, Transportation and warehousing, and Educational services**. While employment increased for most service industries, **Accommodation and food services** and the **Other services**<sup>1</sup> group experienced notable declines. Employment in **Wholesale and retail trade** did not change and was the first quarter without a loss in over a year. Nearly 7,000 jobs have been lost in this industry over the past two years as the economy has slowed.

The **Goods-producing sector** showed very little change in employment overall from the previous quarter. An increase in employment in **Forestry, fishing, mining, quarrying, oil and gas** was offset by declines in the rest of the sector. Similarly, this industry was the only goods-producing industry with an employment gain compared to a year ago. However, losses in the rest of the sector outweighed this increase, creating an overall employment decline from a year ago. Of note, **Manufacturing** remained near a record low for the industry. Employment in food manufacturing continues to be relatively subdued, given some of the negative pressures impacting the industry, including quota cuts for crab and shrimp.

Newfoundland and Labrador Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	3rd Quarter 2018	2nd Quarter 2018	3rd Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	226.2	223.0	220.6	3.2	1.4	5.6	2.5
<b>Goods-producing sector</b>	45.1	45.2	46.5	-0.1	-0.3	-1.4	-3.0
Agriculture	1.4	1.7	1.8	-0.3	-18.0	-0.4	-22.6
Forestry, fishing, mining, quarrying, oil and gas	12.7	11.7	11.8	1.0	8.6	0.9	7.6
Utilities	2.9	3.3	3.1	-0.3	-10.2	-0.2	-5.4
Construction	19.6	20.1	20.5	-0.4	-2.2	-0.9	-4.2
Manufacturing	8.4	8.5	9.3	-0.1	-1.2	-0.9	-9.6
<b>Services-producing sector</b>	181.1	177.8	174.1	3.3	1.9	7.0	4.0
Trade	37.1	37.1	40.4	0.0	0.1	-3.3	-8.2
Transportation and warehousing	12.3	11.1	11.4	1.2	11.1	0.9	8.2
Finance, insurance, real estate and leasing	7.8	7.4	5.9	0.4	5.4	1.9	32.8
Professional, scientific and technical services	10.4	9.6	9.4	0.8	8.7	1.0	10.2
Business, building and other support services	6.1	6.2	7.3	-0.1	-1.6	-1.2	-16.4
Educational services	16.8	15.8	15.6	1.0	6.5	1.2	7.7
Health care and social assistance	39.8	39.4	38.5	0.4	1.1	1.3	3.3
Information, culture and recreation	7.7	7.1	5.9	0.7	9.4	1.8	30.3
Accommodation and food services	15.9	16.6	15.0	-0.7	-4.0	1.0	6.5
Other services	9.6	11.4	10.5	-1.8	-16.0	-0.9	-8.3
Public administration	17.5	16.1	14.1	1.4	8.5	3.3	23.6

Note: Totals may not add due to rounding

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

<sup>1</sup> The Other services group includes industries such as repair and maintenance, personal services, and civic organizations.

## REGIONAL ANALYSIS

The unemployment rate on the **Avalon Peninsula** increased slightly since the third quarter of 2017, as the size of the labour force increased marginally faster than employment. This was the first quarter in over two years that employment increased in this economic region. However this growth was in part-time employment as the number of full-time positions continued to decline. Job gains in the third quarter were concentrated in services-producing industries. **Professional, scientific and technical services**, **Public administration**, and **Information, culture and recreation** had the strongest increases. **Finance, insurance, real estate and leasing** produced an employment gain for the fourth consecutive quarter. In the **Goods-producing sector**, small increases in **Utilities** and **Construction** were outweighed by a loss in **Manufacturing**.

The **South Coast–Burin Peninsula and Notre Dame-Central-Bonavista Bay** region's unemployment rate declined in the third quarter compared to a year earlier. Employment increased by 900 jobs, resulting in the fourth quarterly increase in a row after a lengthy period of decline. In the services-producing industries, increases were common in the third quarter, with **Educational services**, **Public administration**, and **Accommodation and food services** having experienced growth in multiple quarters. A notable exception to this was in **Wholesale and retail trade**, which lost 1,600 jobs since a year ago. Employment declined in the **Goods-producing sector** due to a notable loss in **Construction**.

In the **West Coast–Northern Peninsula–Labrador** region, the unemployment rate was slightly lower than a year ago, due to a small decrease in labour force size. Employment was unchanged over the same period. **Wholesale and retail trade** declined by 1,600 jobs. Employment in **Professional, scientific, and technical** also dropped notably. Both of these industries have lost jobs for four straight quarters. Conversely, **Educational services** continued its streak of quarterly employment gains.

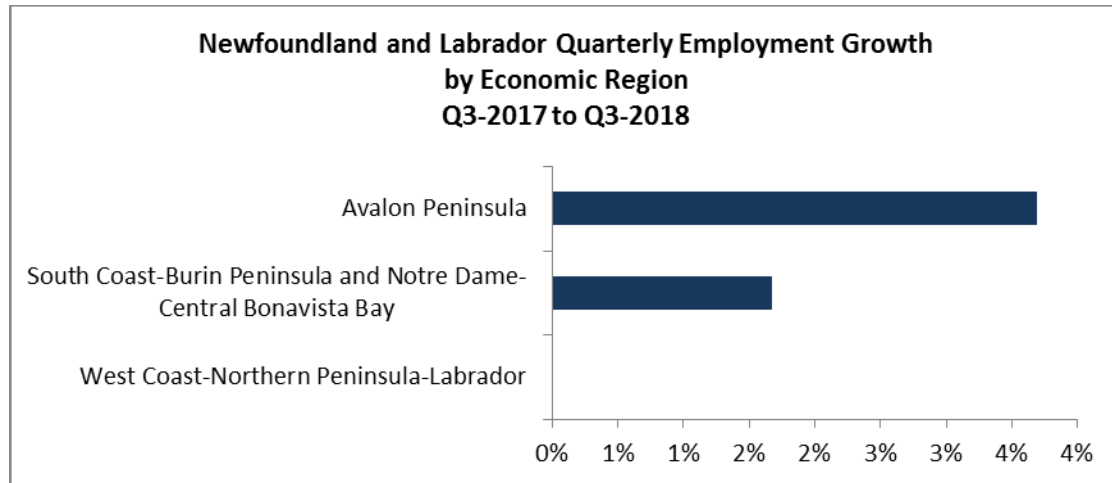
Newfoundland and Labrador Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	3rd Quarter 2018 ('000)	3rd Quarter 2017 ('000)	Yearly Variation (%)	3rd Quarter 2018 (%)	3rd Quarter 2017 (%)	Yearly Variation (% points)
<b>Newfoundland and Labrador</b>	235.5	229.8	2.5	12.7	13.5	-0.8
<b>Economic Regions</b>						
Avalon Peninsula	134.9	130.1	3.7	11.2	11.0	0.2
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	54.7	53.8	1.7	15.5	18.4	-2.9
West Coast-Northern Peninsula-Labrador	46.0	46.0	0.0	13.9	14.2	-0.3

Note: Totals may not add due to rounding

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

For the first quarter since Q1 2017, the **Avalon Peninsula** had the the strongest employment growth rate. It was also the first quarter in over five years that no economic region in the province had an employment loss.



**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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