



Labour Market Bulletin

Newfoundland and Labrador

2018



The Annual Edition of the Labour Market Bulletin is a look back over the past year, providing an analysis of annual 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 2018, the unemployment rate declined for the first time since 2013. Employment increased while the size of the labour force declined. Part-time employment increased while full-time employment declined for the sixth year in a row. Despite the slight gain in 2018, the level of employment still rests 17,400 below its record-high in 2013, mainly due to fewer full-time jobs. The size of the labour force also fell considerably over this time (-13,100).

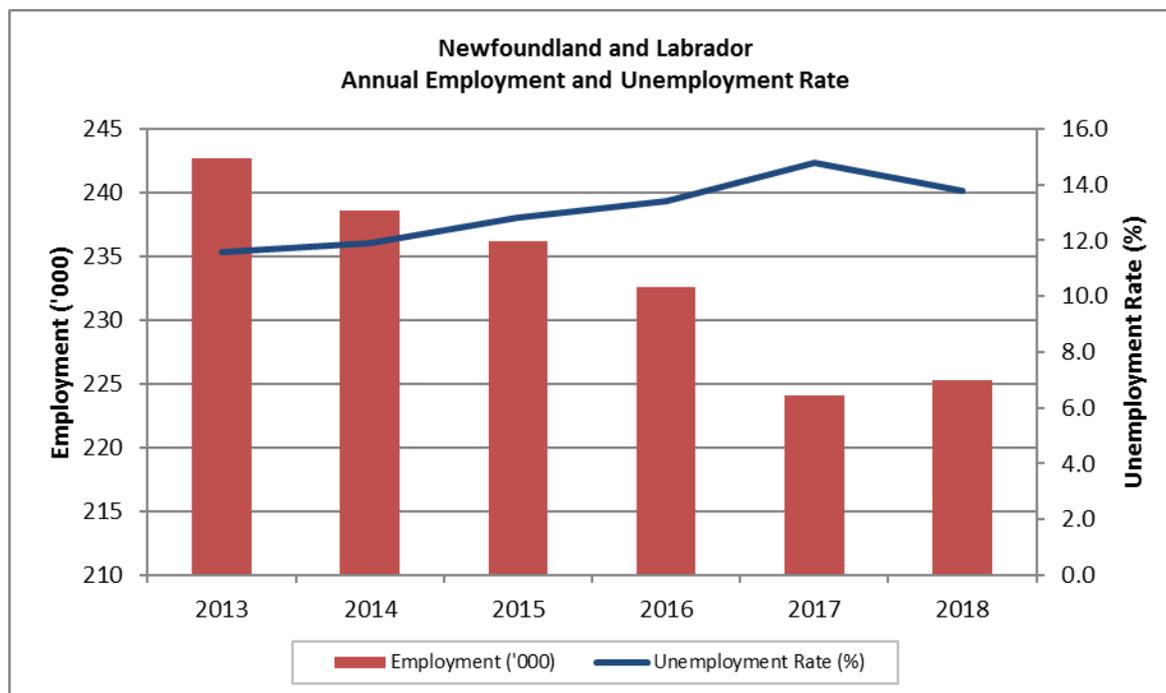
Overall employment increased by 0.5% in 2018 from the year before, among the lowest growth rates in the country. Nationally, employment grew by 1.3%, with the strongest rates of increase happening in Prince Edward Island, Alberta, and Ontario. Every province recorded an employment gain in 2018, the first year this has happened since 2008.

Newfoundland and Labrador Annual Labour Force Statistics							
Annual Labour Force Survey Estimates	2018	2017	2016	2017 to 2018		2016 to 2017	
				Number	%	Number	%
Population 15+ ('000)	443.6	445.5	444.3	-1.9	-0.4%	1.2	0.3%
Labour force ('000)	261.4	262.9	268.7	-1.5	-0.6%	-5.8	-2.2%
Employment ('000)	225.3	224.1	232.6	1.2	0.5%	-8.5	-3.7%
Full-time ('000)	189	190.9	194.7	-1.9	-1.0%	-3.8	-2.0%
Part-time ('000)	36.4	33.2	37.9	3.2	9.6%	-4.7	-12.4%
Unemployment ('000)	36.1	38.8	36.1	-2.7	-7.0%	2.7	7.5%
Unemployment rate (%)	13.8	14.8	13.4	-1	-	1.4	-
Participation rate (%)	58.9	59	60.5	-0.1	-	-1.5	-
Employment rate (%)	50.8	50.3	52.4	0.5	-	-2.1	-

Note: Totals may not add up due to rounding

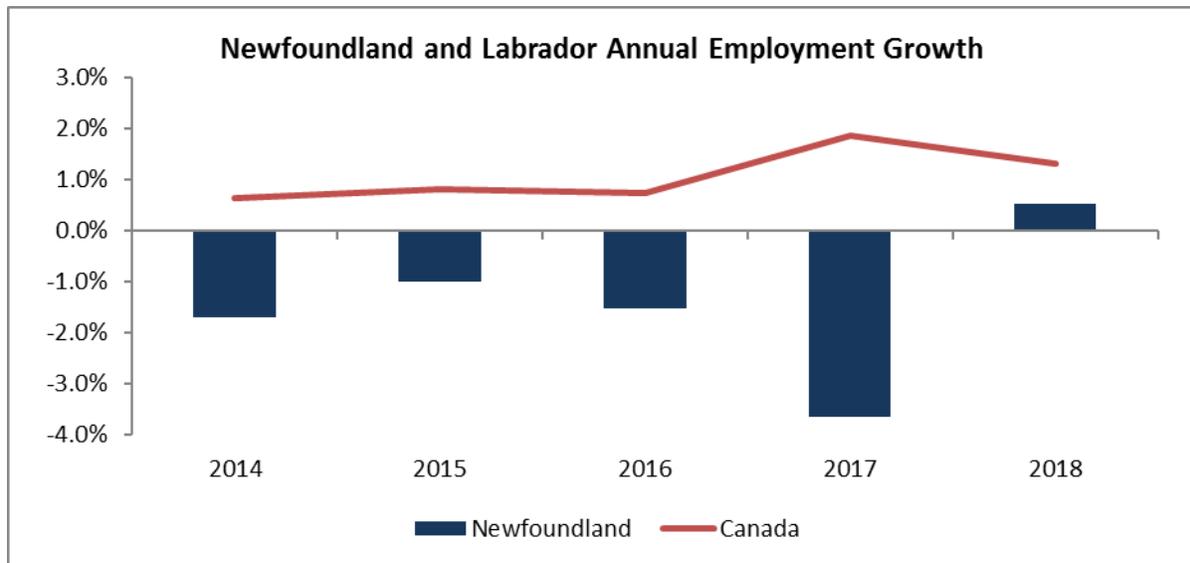
Source: Statistics Canada Labour Force Survey - Table 14-10-0018-01

Based on data since 1976, 2013 was the province's best year from a labour market standpoint: employment was at a record high and there were more people active in the labour market than ever before. The unemployment rate dropped to 11.6%, a record low for the province. In the four years following this, however, employment declined each year, losing 18,600 jobs, with 2017 being the worst year. Optimism in the economy and labour market declined as a result. Falling commodity prices and reduced activity on major construction projects were two key factors. Subsequently, the size of the labour force declined as fewer people looked for work. However, these annual reductions were not as large as the employment losses, which led to a rising unemployment rate. The most recent year was better than the 2013-2017 period. In 2018, the labour force declined by a lesser extent while there was a small gain in jobs. As a result, the unemployment rate fell for the first time in five years.



In the early part of the current decade, employment in Newfoundland and Labrador increased considerably through to 2013, as major construction projects and strong activity in mining, oil and gas helped drive job growth. In the latter part of the decade, major project activity has declined after reaching peak employment levels. In addition, budgetary restraint measures have restrained employment growth in the provincial public sector, declining quotas for crab and shrimp have affected fish processing, and retail trade employment has declined as a slower economy and fewer jobs overall meant less discretionary income to spend.

In each year since 2013, the national employment growth rate exceeded the provincial rate; 2017 saw the largest difference between the two rates going back to 1976. Canada's employment growth rate has been positive in recent years, mainly due to employment gains in Quebec, Ontario, and British Columbia.



The unemployment rate for youth aged 15-24 years in the province increased in 2018, as employment declined at a deeper rate than the size of the labour force. The number of people in this age group in the province has been in decline for decades. Furthermore, size of the population, labour force, and employment all reached new lows in 2018.

For those aged 25 years and older, the unemployment rate declined in 2018 for the first time in five years. Employment increased significantly over the year before. Males represented the vast majority of this growth, led by their gains in the **Public administration** and **Transportation and warehousing** industries. Female employment levels for this age group showed little change overall.

Females have generally had a lower unemployment rate than males, dating back to 1990, and gap has been somewhat widening over the past decade. In the latest year, the unemployment rate for females aged 25 and over stood 5.6 percentage points below the rate for males in the same age group. Males have a notably higher share of their employment in **Construction**. For females, **Health care and social assistance** represents a much higher portion of their employment. Differences in industry seasonal hiring would partly explain the gender gap in unemployment.

Newfoundland and Labrador Annual Unemployment Rates, by Gender and Age

Annual Labour Force Survey Estimates	2018	2017	2016	2017 to 2018	2016 to 2017
	%	%	%	(% points)	(% points)
Total	13.8	14.8	13.4	-1	1.4
25 years and over	13.1	14.3	12.9	-1.2	1.4
Men - 25 years and over	15.8	18	15.6	-2.2	2.4
Women - 25 years and over	10.2	10.4	10	-0.2	0.4
15 to 24 years	18.9	17.6	16.7	1.3	0.9
Men - 15 to 24 years	21.4	21.5	20.6	-0.1	0.9
Women - 15 to 24 years	16.1	13.5	12.6	2.6	0.9

Note: Totals may not add due to rounding

Source: Statistics Canada, Labour Force Survey - Table 14-10-0018-01

In 2018, the total population aged 15+ in the Atlantic Provinces was approximately 2 million. The Indigenous population living off-reserve accounted for 3.5% of that, or 70,000 people. Employment among Indigenous people in the Atlantic region was 39,600, representing an increase of 3,600 (+10.0%) from 2017. The increase was primarily driven by full-time positions (+2,900 or +9.8%).

The unemployment rate among the Indigenous population was 13.9% in 2018, identical to the previous year. For the non-Indigenous population, the unemployment rate was 8.9%, a decrease of -0.7 percentage points (pp) compared to this time last year. Between 2017 and 2018, the participation rate of Indigenous people increased sharply to 65.8% (+4.4pp) while among non-Indigenous population, it declined slightly to 61.1% (-0.3pp). The employment rate of Indigenous people increased year-over-year to 56.6% (+3.7pp); for the non-Indigenous population, it was 55.7% (+0.2pp).

Atlantic - Labour Market Indicators for Indigenous People

Annual averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	2018	2017	number	%	2018	2017	number	%
Population 15 + ('000)	70.0	68.1	1.9	2.8%	1,925.4	1,918.4	7.0	0.4%
Labour Force ('000)	46.0	41.8	4.2	10.0%	1,177.3	1,177.3	0.0	0.0%
Employment ('000)	39.6	36.0	3.6	10.0%	1,072.2	1,064.3	7.9	0.7%
Full-Time ('000)	32.6	29.7	2.9	9.8%	898.9	889.7	9.2	1.0%
Part-Time ('000)	7.0	6.3	0.7	11.1%	173.3	174.7	-1.4	-0.8%
Unemployment ('000)	6.4	5.8	0.6	10.3%	105.0	113.0	-8.0	-7.1%
Unemployment Rate (%)	13.9	13.9	0.0	-	8.9	9.6	-0.7	-
Participation Rate (%)	65.8	61.4	4.4	-	61.1	61.4	-0.3	-
Employment Rate (%)	56.6	52.9	3.7	-	55.7	55.5	0.2	-

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

Estimates are based on annual 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 2018, employment in the **Goods-producing sector** experienced a small decline in Newfoundland and Labrador. A loss in **Construction** was nearly offset by a gain in **Forestry, fishing, mining, quarrying, and oil and gas**. **Construction** continued to decline from its high in 2013, falling to its lowest level in eight years. While construction related to the West White Rose Oil Project proceeded in 2018, the Muskrat Fall Hydroelectric Project moved closer towards completion. Investment in non-residential building construction has been steadily declining in recent years. **Fishing** rebounded from a record low in 2017. **Manufacturing** had a small loss in employment to hit a record low. Employment in fish processing has declined in recent years with lower quotas for shrimp and crab and some plant closures.

Employment in the **Services-producing sector** increased in 2018, with gains in most industries. After reaching its lowest level since 2006, **Public administration** added workers in 2018. Employment at the federal and local levels rebounded from a period of losses, while the provincial government shed jobs for the fifth-straight year. **Accommodation and food services** reached a record high for the second time in three years, with the gains in 2018 attributed to Food services and drinking places. In contrast, Accommodation services has been relatively stable in recent years, with lower employment levels than earlier in the decade. **Health care and social**

assistance had a small gain to reach a record high, in line with the demands of an aging population. While the sector produced broad gains in 2018, **Trade** employment had a considerable decline for the second-straight year, losing 5,700 jobs since peaking in 2016. A slower economy in recent years has translated into lower overall employment, disposable income, and consumer confidence. These are all factors in the notable decline in this industry. Retail trade has bore the brunt of this loss, with Wholesale trade remaining generally steady for a number of years.

Newfoundland and Labrador Annual Labour Force Statistics, by Industry

Employment ('000)	2018	2017	2016	2017 to 2018		2016 to 2017	
				Number	%	Number	%
Total, all industries	225.3	224.1	232.6	1.2	0.5%	-8.5	-3.7%
Goods-producing sector	46.3	46.8	50.5	-0.5	-1.1%	-3.7	-7.3%
Agriculture	1.6	1.9	1.5	-0.3	-15.8%	0.4	26.7%
Forestry, fishing, mining, quarrying, oil and gas	12.6	12.1	14.4	0.5	4.1%	-2.3	-16.0%
Utilities	3.1	2.9	2.8	0.2	6.9%	0.1	3.6%
Construction	20.1	20.7	21.9	-0.6	-2.9%	-1.2	-5.5%
Manufacturing	9	9.1	9.8	-0.1	-1.1%	-0.7	-7.1%
Services-producing sector	179	177.4	182.1	1.6	0.9%	-4.7	-2.6%
Trade	37.4	40.7	43.1	-3.3	-8.1%	-2.4	-5.6%
Transportation and warehousing	11.9	11.3	9.7	0.6	5.3%	1.6	16.5%
Finance, insurance, real estate and leasing	7.3	6.4	7.9	0.9	14.1%	-1.5	-19.0%
Professional, scientific and technical services	10	9.8	10.5	0.2	2.0%	-0.7	-6.7%
Business, building and other support services	6.5	6.9	6.9	-0.4	-5.8%	0	0.0%
Educational services	15.9	15.2	14.3	0.7	4.6%	0.9	6.3%
Health care and social assistance	39.6	39.4	39.2	0.2	0.5%	0.2	0.5%
Information, culture and recreation	7.2	6.5	7.1	0.7	10.8%	-0.6	-8.5%
Accommodation and food services	16	14.8	16	1.2	8.1%	-1.2	-7.5%
Other services	10.4	11.3	12.2	-0.9	-8.0%	-0.9	-7.4%
Public administration	16.8	15.1	15.3	1.7	11.3%	-0.2	-1.3%

Note: Totals may not add due to rounding

Source: Statistics Canada, Labour Force Survey - Table 14-10-0023-01

REGIONAL ANALYSIS

In the Avalon Peninsula economic region, the size of the labour force and employment showed little change from the year before. Both indicators were at their lowest levels since the early part of the decade. While overall employment did not significantly change in 2018, full-time employment declined. This was balanced by a gain in part-time work. The unemployment rate increased slightly, producing its highest rate since 2009.

Employment increased slightly in the **Goods-producing sector**. **Construction** had its first increase in four years, while **Manufacturing** employment dropped. In the **Services-producing sector**, there was a small employment loss over the year before. There were notable declines in **Trade** (specifically retail) as well as **Educational services**. As for industries with gains, **Professional, scientific, and technical services** saw its employment-base expand, led by hiring in **Computer system design services**. **Information, recreation, and culture**, and **Public administration** also added jobs in 2018.

Newfoundland and Labrador Annual Labour Force Statistics, by Economic Region							
Employment ('000)	2018	2017	2016	2017 to 2018		2016 to 2017	
				Number	%	Number	%
Newfoundland and Labrador	225.3	224.1	232.6	1.2	0.5%	-8.5	-3.7%
Avalon Peninsula	131.3	131.5	138.2	-0.2	-0.2%	-6.7	-4.8%
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	52.5	50.5	51.8	2	4.0%	-1.3	-2.5%
West Coast-Northern Peninsula-Labrador	41.6	42.2	42.6	-0.6	-1.4%	-0.4	-0.9%

Note: Totals may not add due to rounding

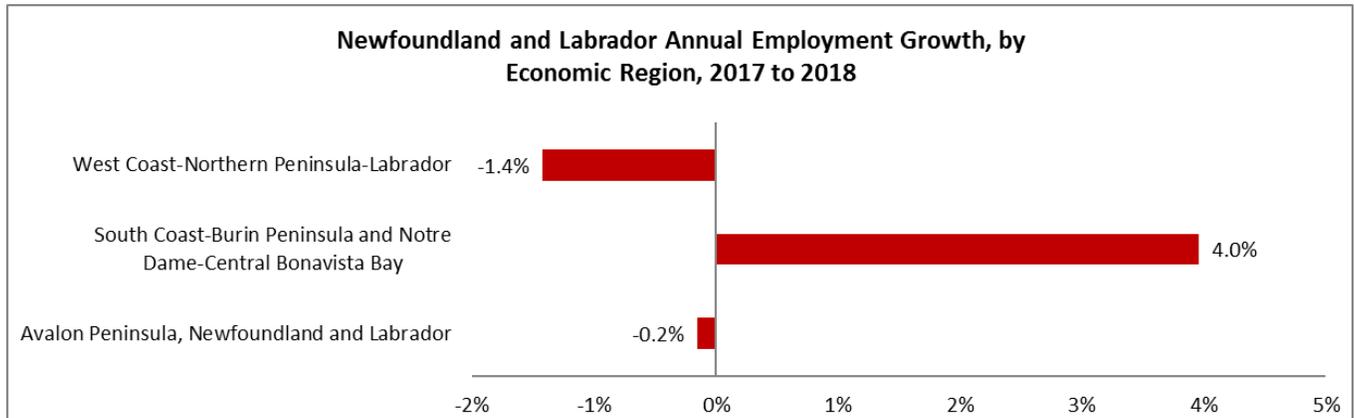
Source: Statistics Canada, Labour Force Survey - Table 14-10-0090-01

In the South Coast-Burin Peninsula and Notre Dame-Central-Bonavista Bay economic region, the unemployment rate dropped by more than three percentage points in 2018. Part-time employment gains were the main factor in the lower unemployment rate. Despite the employment growth in 2018, the number of jobs in this area was considerably lower than five years earlier (-4,900), mainly in full-time work. In addition, the labour force has experienced a similar loss in size.

Employment gains in 2018 were mainly in the **Services-producing sector**, which produced an increase for the first time in three years. **Accommodation and food services** led the growth, with its highest level of employment in five years. **Educational services** also increased in this economic region. The industry reached a low in 2016, but job gains in Primary and secondary education have been strong over the past two years. Small increases were common throughout the rest of the sector. However, **Wholesale and retail trade** had a considerable decline. In particular, Retail trade employment fell to its lowest level since 2005. The **Goods-producing sector** showed little overall change: employment gains in several industries were offset by a fall in **Construction** employment.

In the West Coast-Northern Peninsula-Labrador economic region, employment declined to reach its lowest level since 2010; the reductions were mainly in full-time positions. However, the size of the labour force had a steeper reduction, falling to its lowest level in ten years. As a result, the unemployment rate declined.

Employment reached a record low in the **Goods-producing sector** in 2018. This was due to a loss in **Forestry, fishing, mining, quarrying, oil and gas**, as well as **Manufacturing**. Both industries had their lowest employment levels on record going back to 1987. **Construction** was unchanged, remaining relatively strong. Construction activity related to the Muskrat Falls Hydroelectric Project has been a key factor in this elevated level of employment. Employment in the **Services-producing sector** had a small increase compared to 2017. From an overall employment perspective, this sector has been more stable than the Goods-producing sector. Job gains in **Educational services** and **Health care and social assistance** have both increased over the past couple of years. Public administration increased as well, rebounding from a loss the year before. However, employment in **Trade** fell to its lowest level since 2010. **Professional, scientific, and technical services** also declined after being stable at near-record levels for five 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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