



Labour Market Bulletin

Newfoundland and Labrador

March 2019



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 dropped below 12% in the first quarter of 2019, the first quarter below 12% since the end of 2014. Employment increased slightly faster than the size of the labour force, through both gains were strong. Compared to the same quarter a year ago, the unemployment rate was down by more than two percentage points. While the labour force showed little change in size from a year ago, employment increased by more than 7,000, mainly in full-time positions.

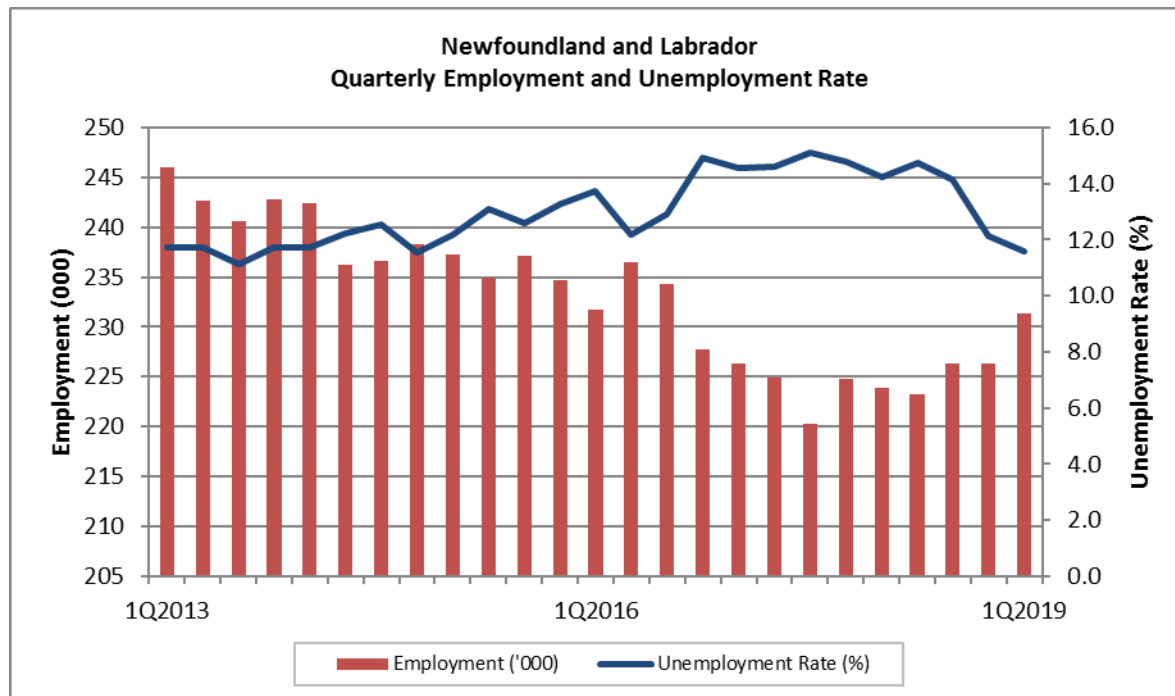
Newfoundland and Labrador Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	1st Quarter 2019	4th Quarter 2018	1st Quarter 2018	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	441.7	442.4	444.7	-0.7	-0.2	-3.0	-0.7
Labour Force ('000)	261.6	257.6	261.0	4.0	1.6	0.6	0.2
Employment ('000)	231.3	226.3	223.9	5.0	2.2	7.4	3.3
Full-Time ('000)	195.8	188.7	190.5	7.1	3.8	5.3	2.8
Part-Time ('000)	35.5	37.7	33.4	-2.2	-5.8	2.1	6.3
Unemployment ('000)	30.3	31.2	37.1	-0.9	-2.9	-6.8	-18.3
Unemployment Rate (%)	11.6	12.1	14.2	-0.5	-	-2.6	-
Participation Rate (%)	59.2	58.2	58.7	1.0	-	0.5	-
Employment Rate (%)	52.4	51.2	50.3	1.2	-	2.1	-

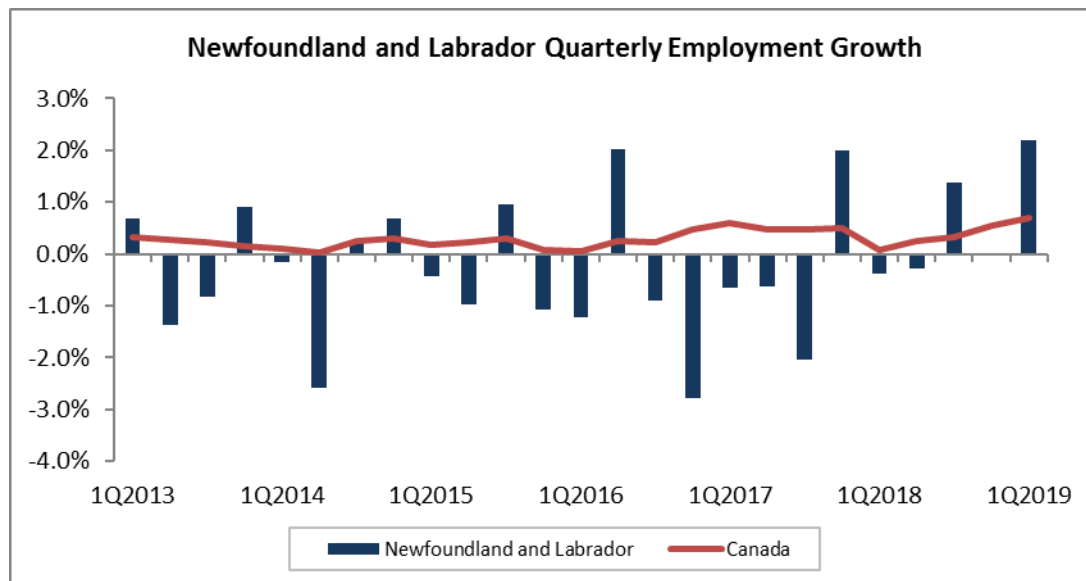
Note: Totals may not add due to rounding

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 15.1% in the third quarter of 2017. This rate remained above 14% over the next four quarters due to slow employment and labour force growth. However, since last fall, the unemployment rate fell sharply, mainly due to full-time employment gains. While employment has increased recently, it remains nearly 15,000 lower than the record high in 2013, with full-time employment absorbing the loss.



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 three times in the past six quarters, the pace of employment growth in the province has generally lagged behind the rest of the country since Q2, 2013. Compared to six year ago, Canada’s employment levels have risen by more than seven percent, while Newfoundland and Labrador’s employment has dropped by six percent.



The youth (aged 15 to 24 years) unemployment rate decreased from the previous quarter, down 3.1 percentage points. Employment grew faster than the size of the labour force. Both measures had reached record lows in the fourth quarter of 2018. Even with this quarter’s gains, employment and labour force size are approximately 20% lower than the last quarter of 2012, with full-time employment down by 30%.

While the unemployment rate for males 25 years and older was relatively unchanged from the previous quarter, it was considerably lower than a year ago. Both employment and labour force size increased by more than 2,000 from the fourth quarter of 2018, with a rise in full-time employment outweighing part-time losses. While the labour force has shown some growth over the past year, employment gains have been notably strong with an increase of 7,100 jobs, mainly full-time in nature.

The unemployment rate for females 25 years and over reached a record low in the first quarter of 2019. However, this decline was due to a drop in labour force size. Employment was unchanged from the fourth quarter of 2018. The unemployment rate has been notably lower for females than for males for a number of years.

Newfoundland and Labrador Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	1st Quarter	4th Quarter	1st Quarter	Quarterly	Yearly
	2019 (%)	2018 (%)	2018 (%)	Variation	Variation
				(% points)	(% points)
Total	11.6	12.1	14.2	-0.6	-2.7
25 years and over	10.7	11.0	13.9	-0.3	-3.2
Men - 25 years and over	13.3	13.3	17.0	0.1	-3.7
Women - 25 years and over	7.8	8.5	10.6	-0.7	-2.8
15 to 24 years	18.0	21.1	16.5	-3.1	1.5
Men - 15 to 24 years	21.3	24.5	17.9	-3.3	3.4
Women - 15 to 24 years	14.3	16.7	14.9	-2.4	-0.6

Note: Totals may not add due to rounding

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

In the first quarter (Q1) of 2019, the total population aged 15+ in the Atlantic provinces was 2 million. The Indigenous population living off reserve accounted for 3.6% of that, or 71,200 people. Employment among Indigenous people in the Atlantic provinces reached 37,500, representing an increase of 2700 (7.8%) from a year earlier (Q1 2018). The increase was in full-time positions (+1,100 or +3.9%) and especially in part-time positions (+1,600 or 24.6%).

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 2019	Q1 2018	number	%	Q1 2019	Q1 2018	number	%
Population 15 + ('000)	71.2	69.2	2.0	2.9%	1,930.1	1,922.5	7.6	0.4%
Labour Force ('000)	42.8	41.4	1.4	3.4%	1,160.2	1,153.0	7.2	0.6%
Employment ('000)	37.5	34.8	2.7	7.8%	1,050.9	1,029.4	21.5	2.1%
Full-Time ('000)	29.4	28.3	1.1	3.9%	865.3	850.4	14.9	1.8%
Part-Time ('000)	8.1	6.5	1.6	24.6%	185.6	179.0	6.6	3.7%
Unemployment ('000)	5.3	6.6	-1.3	-19.7%	109.2	123.6	-14.4	-11.7%
Unemployment Rate (%)	12.4	16.0	-3.6	-	9.4	10.7	-1.3	-
Participation Rate (%)	60.0	59.9	0.1	-	60.1	60.0	0.1	-
Employment Rate (%)	52.6	50.3	2.3	-	54.4	53.5	0.9	-

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 12.4% in Q1 2019, down 3.6 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate was also relatively stable at 9.4% (-1.3pp). Year-over-year, the participation rate among Indigenous people increased to 60% (+0.1pp), at par with the participation rate for the non-Indigenous population at 60.1% (+0.1pp). The employment rate of the Indigenous population increased year-over-year to 52.6% (+2.3pp), and the employment rate amongst the non-Indigenous population reached 54.4% (+0.9%), compared to a year earlier.

EMPLOYMENT BY INDUSTRY

Employment in the **Goods-producing sector** and **Services-producing sector** both increased to reach their highest levels in over two years.

Despite the quarterly gain, employment in the **Goods-producing sector** remains considerably lower than earlier in the decade. **Forestry, fishing, mining, quarrying, and oil and gas** had the strongest increase in the sector for the fourth consecutive quarter, after falling close to a record low a year ago. The rise in the number of jobs in this industry came mostly from Mining and Oil and Gas. **Construction** was virtually unchanged from the previous quarter. Employment in this industry has been trending downward over the past two years as major construction project activity declined from peak levels. Construction related to the West White Rose Oil Project and Vale's underground mine expansion have prevented an otherwise steeper loss in the industry. The Hebron Oil Project has been completed and activity is winding down on the Muskrat Falls Hydroelectric Project.

The **Services-producing sector** gained jobs in the fourth quarter, as increases throughout the sector brought employment to its highest level since the third quarter of 2016. **Accommodation and food services** had the strongest growth, reaching a record high. **Health care and social assistance** also reached a new employment high. The industry has gained jobs in each of the past five quarters as demand for these services continues to strengthen. Employment in **Wholesale and retail trade** has been an exception to the widespread growth in the sector. Since reaching a record high three years ago, there were 8,500 fewer jobs in the industry for the most recent quarter, bringing industry employment to its lowest level since 2009.

Newfoundland and Labrador Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	1st Quarter 2019	4th Quarter 2018	1st Quarter 2018	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	231.3	226.3	223.9	5.0	2.2	7.4	3.3
Goods-producing sector	48.6	46.8	47.9	1.7	3.7	0.7	1.4
Agriculture	1.4	1.1	1.9	0.3	24.2	-0.5	-28.1
Forestry, fishing, mining, quarrying, oil and gas	14.9	14.0	11.2	0.9	6.4	3.7	32.7
Utilities	2.7	3.1	3.2	-0.3	-10.9	-0.5	-14.6
Construction	20.2	19.5	21.8	0.7	3.8	-1.6	-7.3
Manufacturing	9.4	9.2	9.8	0.1	1.4	-0.4	-4.1
Services-producing sector	182.8	179.5	176.0	3.3	1.8	6.8	3.9
Trade	35.4	37.6	37.6	-2.2	-5.9	-2.2	-5.9
Transportation and warehousing	12.4	12.0	11.9	0.4	3.6	0.6	4.8
Finance, insurance, real estate and leasing	7.8	6.8	7.0	1.0	14.6	0.9	12.4
Professional, scientific and technical services	10.4	10.4	8.8	0.0	-0.3	1.5	17.4
Business, building and other support services	7.3	6.5	6.6	0.8	12.8	0.7	10.6
Educational services	16.0	15.6	15.6	0.4	2.4	0.3	2.1
Health care and social assistance	41.5	40.8	38.8	0.6	1.6	2.6	6.8
Information, culture and recreation	7.9	7.5	6.3	0.4	5.4	1.6	25.5
Accommodation and food services	17.1	15.7	15.6	1.4	9.1	1.5	9.6
Other services	8.5	9.1	12.0	-0.6	-6.2	-3.5	-28.9
Public administration	18.5	17.5	15.7	0.9	5.3	2.7	17.4

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

The unemployment rate on the **Avalon Peninsula** has declined sharply in the past two quarters, mainly due to employment growth. The job gain in the most recent quarter was the strongest since 2012, and most of the increase was in full-time positions. The size of the labour force also grew in this region, but not as fast as employment. Most gains were concentrated in services-producing industries. **Accommodation and food services**, and **Public administration** had the largest increases in the sector. In the **Goods-producing sector**, strong growth in **Forestry, fishing, mining, quarrying, and oil and gas** offset losses in the rest of the sector.

The **South Coast–Burin Peninsula and Notre Dame-Central-Bonavista Bay** region had the largest drop in the unemployment rate in the province. However, this was mainly due to a considerable reduction in the size of the labour force. Employment decreased by 1,000 jobs from the same period a year ago. Quarterly employment levels in the **Services-producing sector** declined for the first time in over a year. **Wholesale and retail trade** had the largest job loss among the industries. Employment increased in the **Goods-producing sector** as gains in **Manufacturing**, and **Forestry, fishing, mining, quarrying, and oil and gas** outweighed a loss in **Construction**.

In the **West Coast–Northern Peninsula–Labrador** region, the unemployment rate was lower than a year ago. Fewer people were in the labour force, while employment showed little change. Job losses were mainly in the **Goods-producing sector** lost jobs while the **Services-producing sector** increased. Results among industries varied considerably. **Health care and social assistance** had the strongest gain. This industry has not experienced a loss since the third quarter of 2017. **Forestry, fishing, mining, quarrying, and oil and gas** had the strongest loss for the second straight quarter.

Newfoundland and Labrador Quarterly Labour Force Statistics, by Economic Region

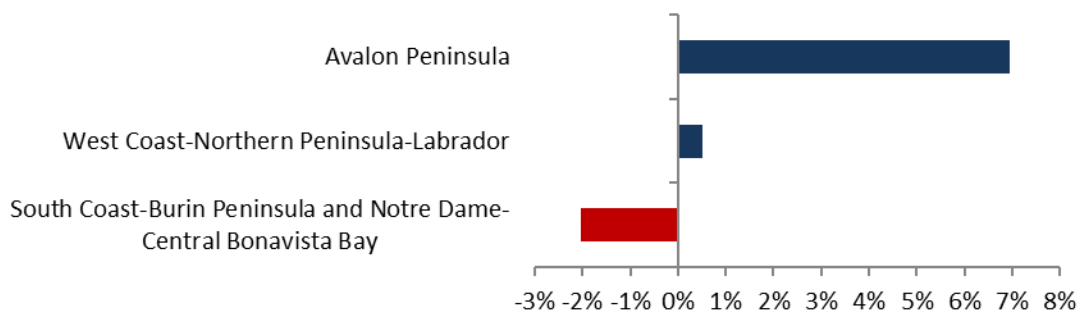
3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	1st Quarter 2019 ('000)	1st Quarter 2018 ('000)	Yearly Variation (%)	1st Quarter 2019 (%)	1st Quarter 2018 (%)	Yearly Variation (% points)
Newfoundland and Labrador	220.0	212.2	3.7	13.2	16.5	-3.3
Economic Regions						
Avalon Peninsula	132.3	123.7	7.0	10.5	13.4	-2.9
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	48.1	49.1	-2.0	18.8	23.2	-4.4
West Coast-Northern Peninsula-Labrador	39.6	39.4	0.5	14.7	16.7	-2.0

Note: Totals may not add due to rounding

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

The **Avalon Peninsula** had the the strongest employment growth rate for the third quarter in a row, while the **South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay** region had its first employment loss since the fall of 2017.

**Newfoundland and Labrador Quarterly Employment Growth
by Economic Region
Q1-2018 to Q1-2019**



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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