



Labour Market Bulletin

Newfoundland and Labrador

May 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

In May, employment declined for the fourth straight month, resulting in the lowest employment level since November of 2018. Most of May's job losses were part-time in nature. The labour force has also declined for the past four months, but to a lesser extent. On a positive note, labour market conditions remain better than a year ago, with a lower unemployment rate and the strongest full-time employment growth rate in the country.

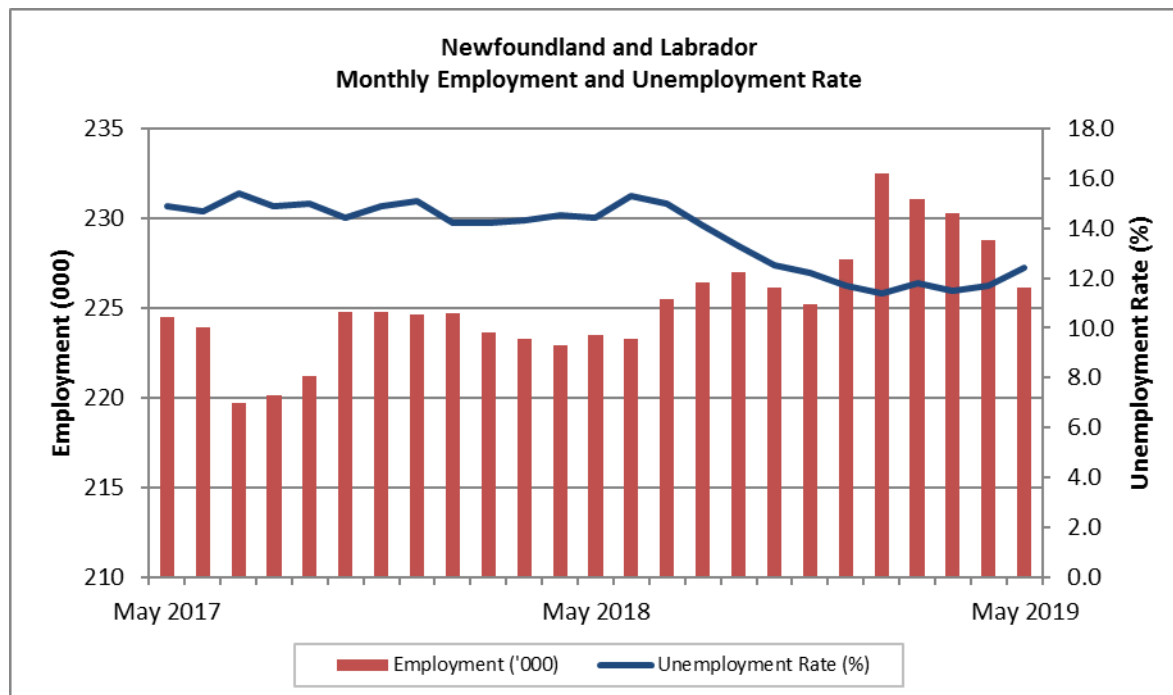
Newfoundland and Labrador Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	May 2019	Apr 2019	May 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	440.9	441.2	444.2	-0.3	-0.1	-3.3	-0.7
Labour Force ('000)	258.2	259.2	261.0	-1.0	-0.4	-2.8	-1.1
Employment ('000)	226.1	228.8	223.5	-2.7	-1.2	2.6	1.2
Full-Time ('000)	194.5	194.2	185.9	0.3	0.2	8.6	4.6
Part-Time ('000)	31.6	34.6	37.7	-3.0	-8.7	-6.1	-16.2
Unemployment ('000)	32.1	30.4	37.5	1.7	5.6	-5.4	-14.4
Unemployment Rate (%)	12.4	11.7	14.4	0.7	-	-2.0	-
Participation Rate (%)	58.6	58.7	58.8	-0.1	-	-0.2	-
Employment Rate (%)	51.3	51.9	50.3	-0.6	-	1.0	-

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 unemployment rate to a seven-year high of 15.4% in July 2017. Relatively steady labour market conditions kept the unemployment rate elevated through the first half of 2018, until falling in the second half of the year due to employment growth. In 2019, employment losses have raised the unemployment rate slightly. The province's unemployment rate remained the highest in Canada, with 20,000 fewer jobs than the province's record high at the start of 2013. This loss has been mainly in full-time employment.



Males ages 25 years and older had most of the monthly employment loss, mainly in full-time positions. This group also experienced a drop in labour force size. For females of the same age group, employment declined slightly in May. However, it was the fifth month in a row with job losses, resulting in the lowest number of jobs for this group since May of 2018.

Compared to a year ago, labour market conditions have generally improved, with higher employment and a lower unemployment rate. Males aged 25 years and older accounted for the bulk of the employment gain over the past year, with all of the increase being in full-time positions. The unemployment rate for females of this age group was also lower than a year ago, but this was mainly due to a small drop in labour force size. For those aged 15 to 24 years, a slight decline in labour force size moved the unemployment rate down.

The aging of the province’s labour force has also been evident. Over the past two years, the labour force for those 55 years of age and older has increased by 6,800. This compares to a decrease of 12,500 for those under 55 years. The result has been fewer people in the labour force overall, with a greater portion near retirement.

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	May 2019	Apr 2019	May 2018	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	12.4	11.7	14.4	0.7	-2.0
25 years and over	11.5	10.7	13.3	0.8	-1.8
Men - 25 years and over	13.8	13.4	16.3	0.4	-2.5
Women - 25 years and over	9.1	7.7	10.0	1.4	-0.9
15 to 24 years	18.5	18.9	21.5	-0.4	-3.0
Men - 15 to 24 years	20.5	23.2	23.2	-2.7	-2.7
Women - 15 to 24 years	17.0	14.8	19.3	2.2	-2.3

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

EMPLOYMENT BY INDUSTRY

Most of May's employment loss over the previous month was in the **goods-producing sector**, driven by a loss in **construction**. While employment in this industry has declined from historically strong levels in recent years, construction employment has shown resilience overall. Despite the near completion of the Muskrat Falls hydroelectric project, investment remains strong with ventures such as the Voisey's Bay underground mine expansion and the concrete gravity structure for the West White Rose oil project.

Forestry, fishing, mining, quarrying, oil and gas has been increasing over the past year, led by mining and oil and gas. The Hebron Oil Project became operational in 2018, while mining has experienced increased activity with the start of the Voisey's Bay Mine Expansion among the positive developments. **Manufacturing** declined for the third consecutive month, bringing employment in the industry to a near-record low. Recent losses have been in the manufacturing of durable goods.

While the **services-producing sector** employment showed little change from the previous month, employment has been slowly declining since the start of 2019. Most of the recent drop has been in **wholesale and retail trade**. Employment in this industry in recent months has fallen to its lowest level in ten years. The industry classified as **other services** has been relatively stable in recent months, but remains notably lower than in previous years. Most of the loss has been in repair and maintenance. **Accommodation and food services** nearly matched the record high that was set two months earlier. **Public administration** has increased over the past year, with most of the job gain coming from the federal and local levels.

Newfoundland and Labrador Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	May 2019	Apr 2019	May 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	226.1	228.8	223.5	-2.7	-1.2	2.6	1.2
Goods-producing sector	45.2	47.6	45.7	-2.4	-5.0	-0.5	-1.1
Agriculture	1.5	1.7	1.8	-0.2	-11.8	-0.3	-16.7
Forestry, fishing, mining, quarrying, oil and gas	14.4	14.5	11.9	-0.1	-0.7	2.5	21.0
Utilities	2.7	2.6	3.5	0.1	3.8	-0.8	-22.9
Construction	18.6	20.4	20.2	-1.8	-8.8	-1.6	-7.9
Manufacturing	8.0	8.3	8.3	-0.3	-3.6	-0.3	-3.6
Services-producing sector	180.9	181.2	177.8	-0.3	-0.2	3.1	1.7
Trade	34.5	34.7	37.9	-0.2	-0.6	-3.4	-9.0
Transportation and warehousing	12.7	12.5	11.1	0.2	1.6	1.6	14.4
Finance, insurance, real estate and leasing	7.6	7.5	7.8	0.1	1.3	-0.2	-2.6
Professional, scientific and technical services	10.0	10.3	9.4	-0.3	-2.9	0.6	6.4
Business, building and other support services	7.5	7.5	6.2	0.0	0.0	1.3	21.0
Educational services	15.5	15.5	15.9	0.0	0.0	-0.4	-2.5
Health care and social assistance	40.5	40.6	39.0	-0.1	-0.2	1.5	3.8
Information, culture and recreation	7.2	7.8	7.0	-0.6	-7.7	0.2	2.9
Accommodation and food services	17.7	17.4	16.5	0.3	1.7	1.2	7.3
Other services	9.0	9.1	11.1	-0.1	-1.1	-2.1	-18.9
Public administration	18.9	18.2	15.9	0.7	3.8	3.0	18.9

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

The unemployment rate dropped compared to a year ago in each of the province's economic regions, but the reasons vary.

The **Avalon Peninsula** region had experienced strong employment gain for most of the past year. Nearly all of the increase has been in the St. John's Census Metropolitan Area CMA. This economic region was the only one that showed an increase in labour force size. There were strong employment gains in various industries, led by transportation and warehousing, forestry, fishing, mining, quarrying, oil and gas, as well as educational services.

In the **South Coast–Burin Peninsula and Notre Dame-Central-Bonavista Bay** region, the lower unemployment rate compared to a year ago was mainly due to a sharp decline in labour force size. These losses have been deepening over the past year. May's employment loss was the strongest in nearly two years. Most of the job reduction was in the services-producing sector, with declines in most service industries. In the goods-producing sector, lower construction employment was offset by growth in forestry, fishing, mining, quarrying, oil and gas.

The **West Coast–Northern Peninsula–Labrador** region had the sharpest decline in the unemployment rate for the second consecutive month. This economic region had its strongest employment gain in over a year, while the labour force declined in size. Construction, health care and social assistance, and public administration showed notable strength.

In May, the unemployment rate in the **St. John's Census Metropolitan Area (CMA)** was over eight percentage points lower than in the rest of the province. Over the past year, the St. John's CMA experienced notable gains in the size of the labour force (+6,300) and employment (+6,800). Meanwhile, the rest of the province had 9,000 fewer people in the labour force, and an employment loss of 2,300 jobs.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	May 2019 ('000)	May 2018 ('000)	Yearly Variation (%)	May 2019 (%)	May 2018 (%)	Yearly Variation (% points)
Newfoundland and Labrador	224.6	219.8	2.2	12.8	15.6	-2.8
Economic Regions						
Avalon Peninsula	134.6	128.8	4.5	10.3	12.1	-1.8
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	49.1	51.6	-4.8	18.0	20.7	-2.7
West Coast-Northern Peninsula-Labrador	40.8	39.4	3.6	14.5	19.3	-4.8

Note: Totals may not add due to rounding

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

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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