



Labour Market Bulletin

Newfoundland and Labrador

June 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 for the second quarter of 2019 increased over the previous quarter. Employment declined faster than the size of the labour force, though both losses were relatively strong. Compared to the same quarter a year ago, the unemployment rate was down by more than two percentage points. Despite the most recent quarter's results, employment remained higher than a year ago, particularly in full-time positions. Over the same period, the size of the labour market decreased as fewer people were either working or looking for a job.

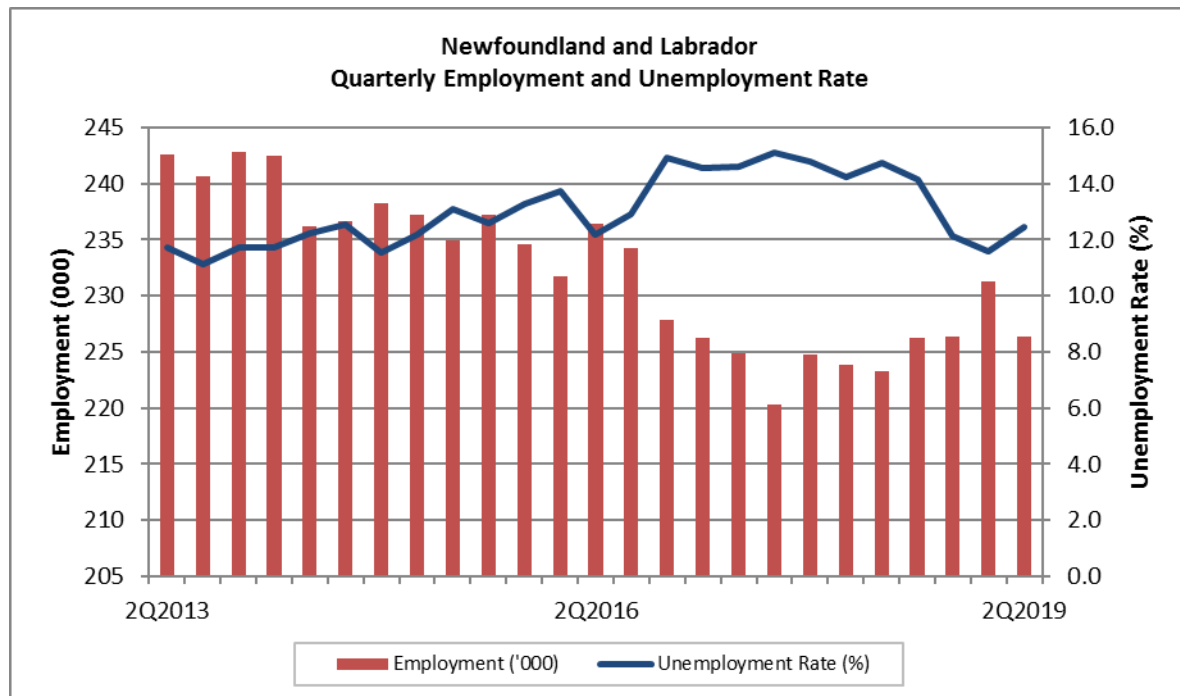
Newfoundland and Labrador Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	2nd Quarter 2019	1st Quarter 2019	2nd Quarter 2018	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	440.8	441.7	444.1	-0.9	-0.2	-3.3	-0.7
Labour Force ('000)	258.6	261.6	261.8	-3.0	-1.1	-3.2	-1.2
Employment ('000)	226.3	231.3	223.2	-5.0	-2.2	3.1	1.4
Full-Time ('000)	194.1	195.8	187.5	-1.7	-0.9	6.6	3.5
Part-Time ('000)	32.2	35.5	35.8	-3.3	-9.3	-3.6	-10.1
Unemployment ('000)	32.3	30.3	38.5	2.0	6.6	-6.2	-16.1
Unemployment Rate (%)	12.5	11.6	14.7	0.9	-	-2.2	-
Participation Rate (%)	58.7	59.2	59.0	-0.5	-	-0.3	-
Employment Rate (%)	51.4	52.4	50.3	-1.0	-	1.1	-

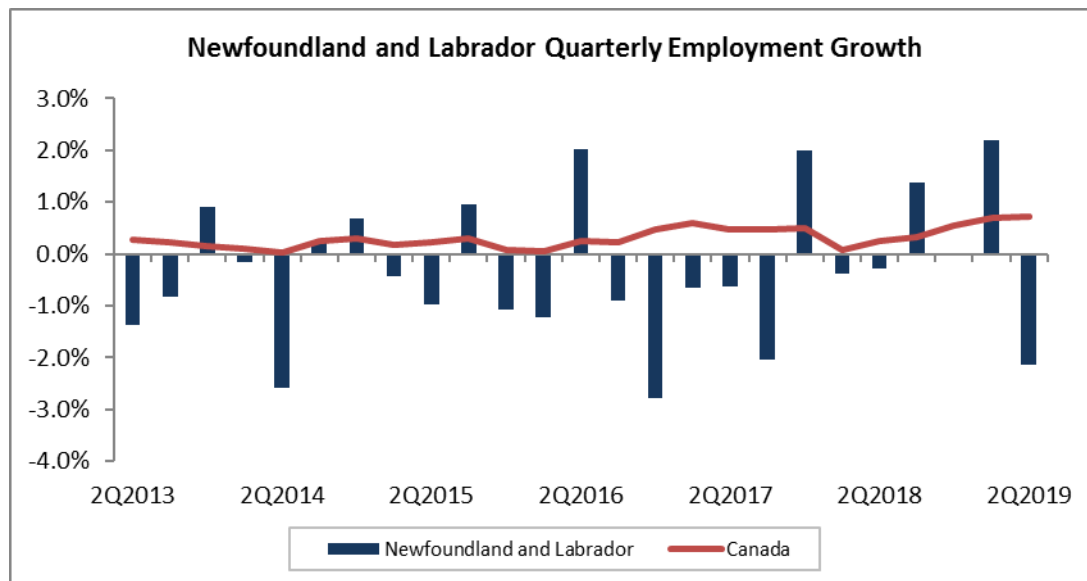
Note: Totals may not add due to rounding

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 dropped, mainly due to full-time employment gains. The unemployment rate was only slightly higher than when employment reached its peak in 2013. Employment declined by nearly 20,000 since its high, mainly in full-time work. However, the labour force also experienced a virtually identical loss. Because there were considerably fewer people in the workforce, most recent unemployment rate was only slightly higher than in 2013.



Canada has generally experienced consistent, small employment gains over the past six years, whereas employment levels in Newfoundland and Labrador have been more volatile. 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 nearly eight percent, while Newfoundland and Labrador’s employment has dropped by almost seven percent, the largest decline in the country over this time.



While the youth (aged 15 to 24 years) unemployment rate increased from the previous quarter and remains considerably higher than in other provinces, a broader look shows a slightly more positive picture. In the fourth quarter of 2018, the size of the labour force and employment both reached record lows. Since then, both measures have increased to similar levels as a year ago.

The unemployment rate for males 25 years and older was similar to the previous quarter's rate. While this rate did not change much, it was due to strong losses in employment and labour force size. However, the unemployment rate for this group was notably improved from a year ago. While the labour force was identical in size, employment increased by more than 4,000, with all of the gain in full-time employment.

The unemployment rate for females 25 years and over increased after reaching a record low in the first quarter of 2019. Employment declined faster than the size of the labour force, with both reaching their lowest levels since 2010. The unemployment rate for this group remained considerably lower than the rate for males of the same age group.

Newfoundland and Labrador Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	2nd Quarter	1st Quarter	2nd Quarter	Quarterly	Yearly
	2019 (%)	2019 (%)	2018 (%)	Variation (% points)	Variation (% points)
Total	12.5	11.6	14.7	0.9	-2.3
25 years and over	11.4	10.7	14.1	0.7	-2.7
Men - 25 years and over	13.8	13.3	17.3	0.5	-3.5
Women - 25 years and over	8.8	7.8	10.6	1.0	-1.8
15 to 24 years	19.7	18.0	19.2	1.7	0.5
Men - 15 to 24 years	22.6	21.3	20.8	1.3	1.8
Women - 15 to 24 years	17.1	14.3	17.1	2.8	-0.1

Note: Totals may not add due to rounding

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

In the second quarter (Q2) of 2019, the total population aged 15+ in the Atlantic provinces was approximately 2 million. The Indigenous population living off reserve accounted for 3.6% of that, or 71,700 people. Employment among Indigenous people in the Atlantic provinces reached 37,500, representing a decrease of 3,100 (-7.6%) from a year earlier (Q2 2018). The decrease was in full-time positions (-4,100 or -12.0%) that was partially offset by an increase in part-time positions (+900 or +14.1%).

Atlantic - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q2 2019	Q2 2018	number	%	Q2 2019	Q2 2018	number	%
Population 15 + ('000)	71.7	69.6	2.1	3.0%	1,933.0	1,924.5	8.5	0.4%
Labour Force ('000)	43.5	47.1	-3.6	-7.6%	1,201.0	1,187.7	13.3	1.1%
Employment ('000)	37.5	40.6	-3.1	-7.6%	1,103.6	1,081.7	21.9	2.0%
Full-Time ('000)	30.1	34.2	-4.1	-12.0%	924.3	910.6	13.7	1.5%
Part-Time ('000)	7.3	6.4	0.9	14.1%	179.2	171.1	8.1	4.7%
Unemployment ('000)	6.0	6.5	-0.5	-7.7%	97.4	106.0	-8.6	-8.1%
Unemployment Rate (%)	13.8	13.7	0.1	-	8.1	8.9	-0.8	-
Participation Rate (%)	60.7	67.6	-6.9	-	62.1	61.7	0.4	-
Employment Rate (%)	52.3	58.3	-6.0	-	57.1	56.2	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 13.8% in Q2 2019, up 0.1 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate decreased to 8.1% (-0.8pp). Year-over-year, the participation rate among Indigenous people decreased significantly to 60.7% (-6.9pp), while the participation rate for the non-Indigenous population increased marginally to 62.1% (+0.4pp). The employment rate of the Indigenous population decreased year-over-year to 52.3% (-6.0pp), and the employment rate amongst the non-Indigenous population reached 57.1% (+0.9%), compared to a year earlier.

EMPLOYMENT BY INDUSTRY

The employment loss from the previous quarter was split similarly between the **goods-producing sector** and **services-producing sector**. In the previous quarter, both sectors were at their highest levels in over two years.

In the **goods-producing sector**, **manufacturing** dropped to a record low, with durable goods manufacturing experiencing most of the loss. **Construction** also declined from the previous quarter. Employment in this industry has been trending downward over the past number of years due to a drop in major construction project activity. Construction related to the West White Rose Oil Project and Vale's underground mine expansion have prevented an otherwise steeper loss in the industry.

While **forestry, fishing, mining, quarrying, and oil and gas** had experienced a slight decline from the previous quarter, employment in the industry has increased considerably from a year ago. The employment growth over the past year has been mainly from mining, oil and gas, and support activities for these two industries.

In the **services-producing sector**, **retail and wholesale trade** declined for the sixth time in the past eight quarters. Since reaching a record high three years ago, there were 9,300 fewer jobs in the industry for the most recent quarter. **Health care and social services** had the sector's largest drop following five straight quarters with a gain. On a positive note, **accommodation and food services** has been trending higher over the past two years, reaching a new quarterly high in the most recent quarter.

Newfoundland and Labrador Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	2nd Quarter	1st Quarter	2nd Quarter	Quarterly Variation		Yearly Variation	
	2019	2019	2018	Number	%	Number	%
Total employed, all industries	226.3	231.3	223.2	-5.0	-2.1	3.1	1.4
Goods-producing sector	45.9	48.6	45.1	-2.7	-5.6	0.8	1.7
Agriculture	1.6	1.4	1.7	0.2	14.6	-0.1	-7.8
Forestry, fishing, mining, quarrying, oil and gas	14.3	14.9	11.8	-0.6	-4.0	2.5	21.2
Utilities	2.7	2.7	3.3	-0.1	-2.4	-0.6	-18.4
Construction	19.3	20.2	20.0	-0.9	-4.6	-0.7	-3.5
Manufacturing	8.1	9.4	8.4	-1.3	-13.9	-0.4	-4.3
Services-producing sector	180.5	182.8	178.1	-2.3	-1.3	2.3	1.3
Trade	34.6	35.4	37.1	-0.8	-2.2	-2.5	-6.7
Transportation and warehousing	12.6	12.4	11.2	0.2	1.3	1.4	12.2
Finance, insurance, real estate and leasing	7.3	7.8	7.6	-0.5	-6.4	-0.3	-3.9
Professional, scientific and technical services	9.7	10.4	9.6	-0.6	-6.1	0.1	1.0
Business, building and other support services	7.7	7.3	6.2	0.3	4.5	1.5	24.3
Educational services	15.7	16.0	15.9	-0.2	-1.5	-0.1	-0.8
Health care and social assistance	40.2	41.5	39.4	-1.2	-3.0	0.8	2.1
Information, culture and recreation	7.5	7.9	7.2	-0.3	-4.2	0.4	5.1
Accommodation and food services	17.3	17.1	16.6	0.2	1.4	0.8	4.6
Other services	9.2	8.5	11.2	0.7	8.2	-1.9	-17.3
Public administration	18.6	18.5	16.2	0.1	0.5	2.3	14.4

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 in each of the past three quarters, mainly due to employment growth. Most of the employment increase has been 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. Trade and educational services 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 elsewhere.

The **South Coast–Burin Peninsula and Notre Dame–Central–Bonavista Bay** region had a drop in the unemployment rate for the sixth consecutive quarter. However, much of this has been the result of a declining labour force. Employment has declined in the past two quarters. Quarterly employment levels in the services-producing sector have been declining since the start of the year. Educational services had the largest job loss among the industries. Employment in the goods-producing sector rose for the third quarter in a row, driven by rising employment in forestry, fishing, mining, quarrying, and oil and gas.

In the **West Coast–Northern Peninsula–Labrador** region, the unemployment rate was lower than a year earlier as employment increased, mainly in full-time positions. The size of the labour force has been declining since the start of 2018. The services-producing sector experienced most of the employment increase in the most recent quarter. Accommodation and food services as well as public administration had the strongest gains. Health care and social assistance has not experienced a loss since the third quarter of 2017. The strongest losses in the region were in wholesale and retail trade as well as forestry, fishing, mining, quarrying, and oil and gas.

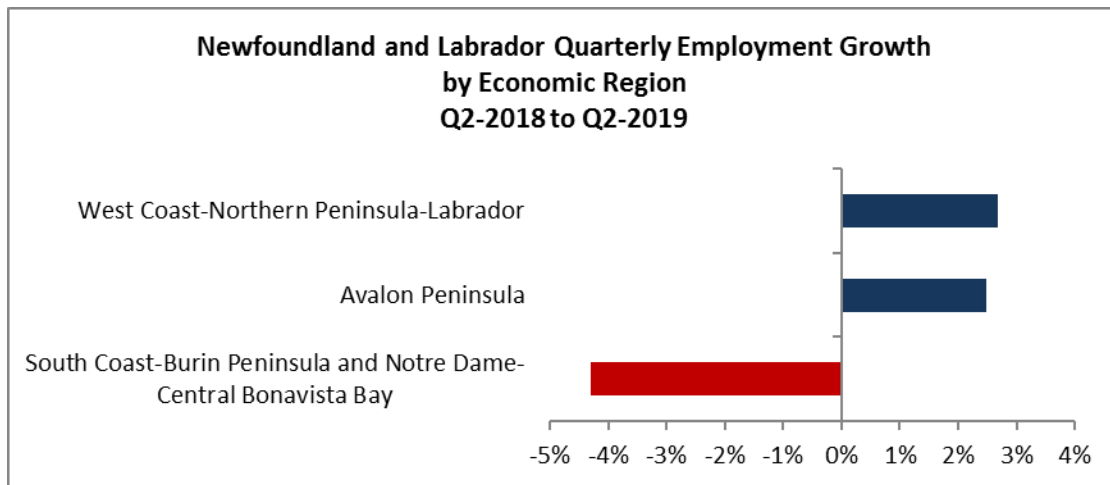
Newfoundland and Labrador Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	2nd Quarter 2019 ('000)	2nd Quarter 2018 ('000)	Yearly Variation (%)	2nd Quarter 2019 (%)	2nd Quarter 2018 (%)	Yearly Variation (% points)
Newfoundland and Labrador	229.2	227.1	0.9	12.4	14.4	-2.0
Economic Regions						
Avalon Peninsula	135.9	132.6	2.5	9.8	11.3	-1.5
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	51.2	53.5	-4.3	17.3	18.4	-1.1
West Coast-Northern Peninsula-Labrador	42.1	41.0	2.7	14.1	18.3	-4.2

Note: Totals may not add due to rounding

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

The **West Coast–Northern Peninsula–Labrador** region had the strongest growth in the province for the first quarter in nearly two years. Until the most recent quarter, the **Avalon Peninsula** region experienced the strongest employment growth rate in each quarter since the fall of 2018. The **South Coast–Burin Peninsula and Notre Dame–Central Bonavista Bay** region had its second consecutive quarterly employment loss after a prolonged period of gains.



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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