



Labour Market Bulletin

Newfoundland and Labrador

August 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 August, the unemployment rate increased slightly from the month before. There was a very small employment decline, while the number of people in the labour force rose marginally. Full-time employment dropped to its lowest level of 2019. The unemployment rate was lower than a year ago, but this was mainly due to fewer people being active in the labour market.

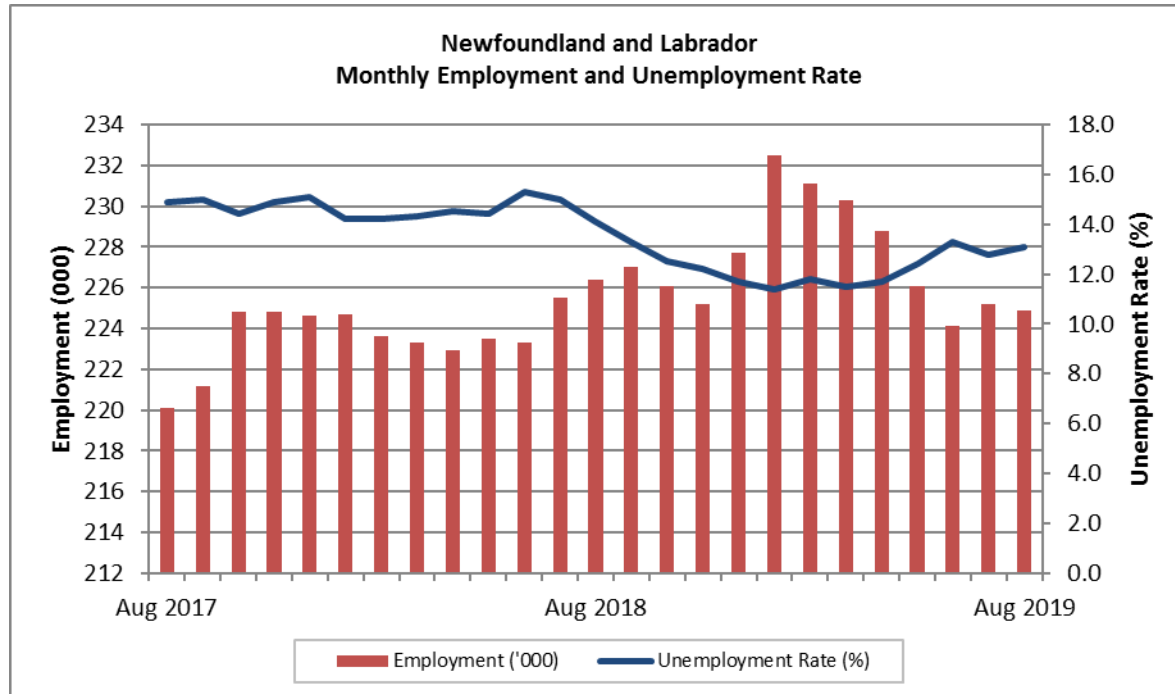
Newfoundland and Labrador Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Aug 2019	July 2019	Aug 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	439.9	440.1	443.2	-0.2	0.0	-3.3	-0.7
Labour Force ('000)	258.8	258.3	263.6	0.5	0.2	-4.8	-1.8
Employment ('000)	224.9	225.2	226.4	-0.3	-0.1	-1.5	-0.7
Full-Time ('000)	190.3	194.3	186.7	-4.0	-2.1	3.6	1.9
Part-Time ('000)	34.6	31.0	39.8	3.6	11.6	-5.2	-13.1
Unemployment ('000)	33.9	33.0	37.2	0.9	2.7	-3.3	-8.9
Unemployment Rate (%)	13.1	12.8	14.1	0.3	-	-1.0	-
Participation Rate (%)	58.8	58.7	59.5	0.1	-	-0.7	-
Employment Rate (%)	51.1	51.2	51.1	-0.1	-	0.0	-

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 contributed to a rising unemployment rate. The province's unemployment rate remained the highest in Canada, with nearly 22,000 fewer jobs than the province's record high at the start of 2013. Practically all of this loss has been in full-time employment.



The youth (ages 15 to 24 years) unemployment rate in August was the highest for this group since 2013. This rate was six percentage points higher than a year ago, mainly the result of more people in the labour force. Part-time employment losses outweighed a notable rise in full-time employment over the past year.

For males ages 25 years and older, employment was higher than the previous month as well as a year ago. Over the same periods, the labour force decreased in size. These events resulted in the lowest unemployment rate for this group since the end of 2014. Meanwhile, the unemployment rate for females of the same age group has risen since the start of 2019. August was the eighth straight month with an employment loss for this group, resulting in the lowest number of jobs since 2010.

The aging of the province's labour force has also been evident. Compared to two years ago, the size of the labour force was virtually the same. However, the 55 years of age and older cohort has increased by 5,600. This compares to a decrease of 5,500 for those under 55 years. Even though the overall size of the labour force was similar to two years ago, a greater portion is nearing retirement. In addition, there have not been enough young people entering the labour market to offset the impending departures.

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Aug 2019	July 2019	Aug 2018	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	13.1	12.8	14.1	0.3	-1.0
25 years and over	11.7	11.9	13.8	-0.2	-2.1
Men - 25 years and over	12.7	14.1	16.1	-1.4	-3.4
Women - 25 years and over	10.4	9.5	11.2	0.9	-0.8
15 to 24 years	22.9	18.8	16.7	4.1	6.2
Men - 15 to 24 years	21.6	16.3	21.0	5.3	0.6
Women - 15 to 24 years	24.4	21.5	12.1	2.9	12.3

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

EMPLOYMENT BY INDUSTRY

Employment in the **goods-producing sector** was virtually the same as the previous month. A decline in **agriculture** was offset by a gain in **forestry, fishing, mining, quarrying, oil and gas**, 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. In **construction**, employment has declined from historically strong levels in recent years, but it has shown resilience. 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.

While the **services-producing sector** employment showed little change from the previous month, employment has been slowly declining since the start of 2019. **Wholesale and retail trade** has declined over most months in the past year, losing more jobs than any other industry and falling to its lowest level in ten years. After showing signs of a rebound in early 2019, **finance, insurance, real estate and leasing** has generally declined in recent months. Despite a monthly loss, **accommodation and food services** had the fifth-highest employment on record for the industry. **Public administration** has increased over the previous month, with employment generally climbing over the past two years. Most of the job gain has come from the federal and local levels.

Newfoundland and Labrador Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Aug 2019	July 2019	Aug 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	224.9	225.2	226.4	-0.3	-0.1	-1.5	-0.7
Goods-producing sector	46.9	47.0	44.9	-0.1	-0.2	2.0	4.5
Agriculture	1.1	1.8	1.4	-0.7	-38.9	-0.3	-21.4
Forestry, fishing, mining, quarrying, oil and gas	14.3	13.7	12.9	0.6	4.4	1.4	10.9
Utilities	2.8	2.7	3.0	0.1	3.7	-0.2	-6.7
Construction	19.8	19.9	18.9	-0.1	-0.5	0.9	4.8
Manufacturing	8.8	8.8	8.6	0.0	0.0	0.2	2.3
Services-producing sector	178.0	178.3	181.6	-0.3	-0.2	-3.6	-2.0
Trade	33.6	34.1	37.0	-0.5	-1.5	-3.4	-9.2
Transportation and warehousing	12.1	12.0	12.1	0.1	0.8	0.0	0.0
Finance, insurance, real estate and leasing	6.7	7.3	7.9	-0.6	-8.2	-1.2	-15.2
Professional, scientific and technical services	9.4	9.5	10.2	-0.1	-1.1	-0.8	-7.8
Business, building and other support services	7.2	7.4	6.2	-0.2	-2.7	1.0	16.1
Educational services	16.1	15.8	17.4	0.3	1.9	-1.3	-7.5
Health care and social assistance	38.4	38.6	39.5	-0.2	-0.5	-1.1	-2.8
Information, culture and recreation	8.0	7.7	7.8	0.3	3.9	0.2	2.6
Accommodation and food services	17.0	17.2	16.0	-0.2	-1.2	1.0	6.3
Other services	11.2	10.8	9.5	0.4	3.7	1.7	17.9
Public administration	18.4	17.8	18.0	0.6	3.4	0.4	2.2

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

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

The **Avalon Peninsula** region had experienced employment gains throughout the past year. Nearly all of the increase has been in the St. John's Census Metropolitan Area CMA. There were strong employment gains in various

industries, led by educational services, transportation and warehousing, and forestry, fishing, mining, quarrying, oil and gas.

In the **South Coast–Burin Peninsula and Notre Dame–Central–Bonavista Bay** region, the unemployment rate dropped because the labour force declined faster than employment. The size of the labour force has shrunk in each month since June of 2018. After more than a year of employment gains, the past six months have shown losses. Declines in many services-producing industries have outweighed gains in construction and manufacturing.

The unemployment rate in the **West Coast–Northern Peninsula–Labrador** region has dropped for seven consecutive months. Losses in labour force size have been larger than employment declines. Wholesale and retail trade; forestry, fishing, mining, oil and gas; and educational services have experienced the largest employment losses. However, accommodation and food services and public administration have shown recent growth.

In August, the unemployment rate in the **St. John’s Census Metropolitan Area (CMA)** was almost seven percentage points lower than in the rest of the province. Over the past year, the St. John’s CMA experienced a small gain in the size of the labour force and added 2,500 jobs. Meanwhile, the rest of the province had nearly 6,000 fewer people in the labour force, and an employment loss of 3,500 jobs.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Aug 2019 ('000)	Aug 2018 ('000)	Yearly Variation (%)	Aug 2019 (%)	Aug 2018 (%)	Yearly Variation (% points)
Newfoundland and Labrador	234.6	235.6	-0.4	12.0	13.2	-1.2
Economic Regions						
Avalon Peninsula	137.4	135.3	1.6	9.9	11.5	-1.6
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	53.6	54.4	-1.5	15.6	16.2	-0.6
West Coast-Northern Peninsula-Labrador	43.7	45.9	-4.8	13.6	14.5	-0.9

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.

Prepared by: Labour Market Analysis Directorate, Service Canada, Atlantic Region

For further information, please contact the LMI team at:

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