



Labour Market Bulletin

Newfoundland and Labrador

October 2020



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 October, employment in the province increased by nearly 6,000 jobs compared to the previous month, resulting in a drop in the unemployment rate. Labour market conditions have improved since April, when the economy virtually closed due to the COVID-19 pandemic. In fact, most labour market indicators were similar to what they were in February, before the effects of the pandemic started.

Newfoundland and Labrador Monthly Labour Force Statistics

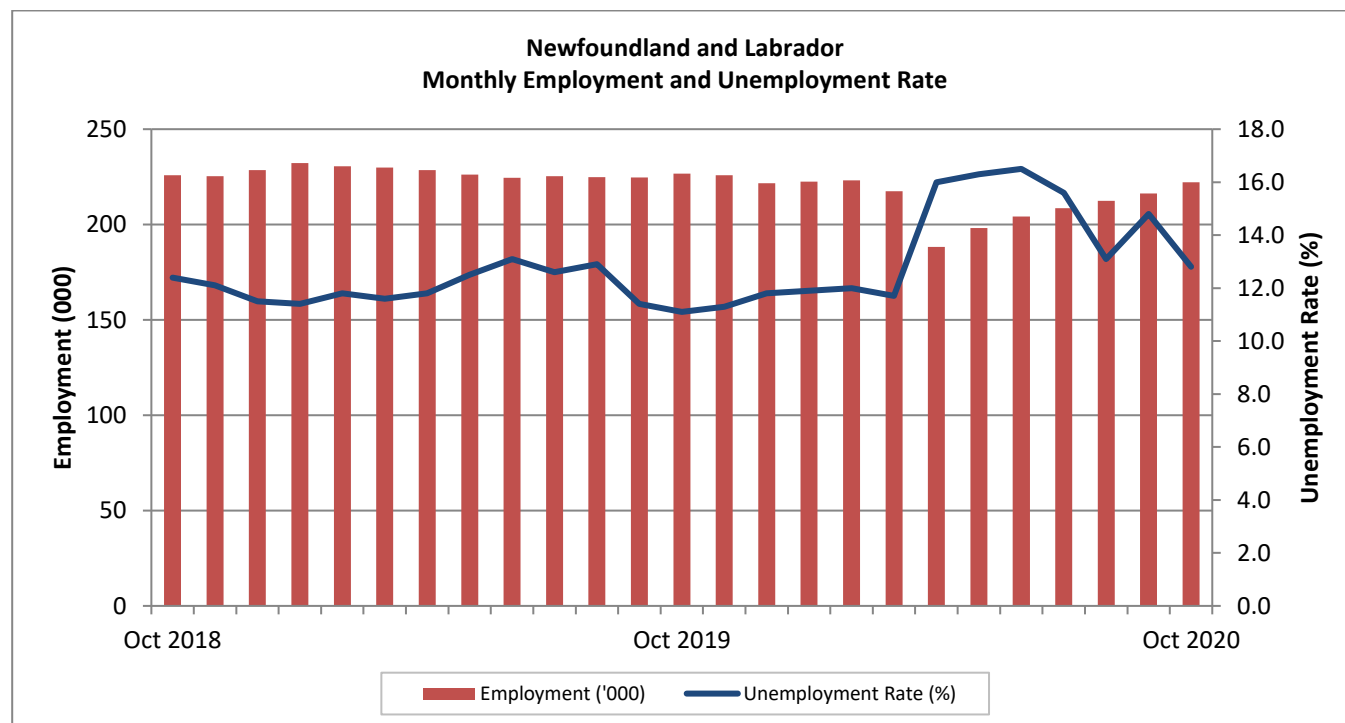
Seasonally Adjusted Monthly Data	Oct 2020	Sept 2020	Oct 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	439.3	439.3	439.9	0.0	0.0	-0.6	-0.1
Labour Force ('000)	254.7	253.9	254.8	0.8	0.3	-0.1	0.0
Employment ('000)	222.1	216.2	226.6	5.9	2.7	-4.5	-2.0
Full-Time ('000)	185.5	181.8	190.5	3.7	2.0	-5.0	-2.6
Part-Time ('000)	36.5	34.3	36.1	2.2	6.4	0.4	1.1
Unemployment ('000)	32.7	37.7	28.3	-5.0	-13.3	4.4	15.5
Unemployment Rate (%)	12.8	14.8	11.1	-2.0	-	1.7	-
Participation Rate (%)	58.0	57.8	57.9	0.2	-	0.1	-
Employment Rate (%)	50.6	49.2	51.5	1.4	-	-0.9	-

Note: Totals may not add due to rounding

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

Prior to April, the unemployment rate was generally stable, near 12% since the fall of 2018. This was because the size of the labour force moved in line with changing employment levels over this time. However, employment declined by nearly 30,000 jobs in April, raising the unemployment rate considerably. Since April, employment has

increased by approximately 34,000 jobs rising slightly faster than the labour force. This has lowered the unemployment rate to its lowest since March.



Females accounted for the bulk of the monthly employment gain for people ages 25 years and older, rising by 4,600 jobs, nearly all full-time positions. This was the highest employment level for this group since March of 2019. The size of the labour force also increased for females, compared to a slight drop for males.

Youth (ages 15 to 24 years) had the largest drop in the unemployment rate over the previous month. However, this was mainly due to a reduction in labour force size for this group. Youth employment increased slightly, mainly in part-time positions.

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Oct 2020	Sept 2020	Oct 2019	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	12.8	14.8	11.1	-2.0	1.7
25 years and over	12.9	14.6	10.3	-1.7	2.6
Men - 25 years and over	17.2	18.4	11.1	-1.2	6.1
Women - 25 years and over	8.3	10.5	9.5	-2.2	-1.2
15 to 24 years	11.7	16.6	16.3	-4.9	-4.6
Men - 15 to 24 years	12.4	22.0	18.6	-9.6	-6.2
Women - 15 to 24 years	11.6	10.1	14.6	1.5	-3.0

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

EMPLOYMENT BY INDUSTRY

The **goods-producing sector** increased for the second consecutive month. **Construction** employment (1,900) rose to its highest level since the start of the pandemic. However, this remained well below the number of jobs in the early months of 2020. **Forestry, fishing, mining, quarrying, and oil and gas** was notably lower than a year ago. This decline has mainly been in oil and gas and support services to the oil industry. Global factors, such as a reduced demand for oil, have resulted in lower prices. Oil producers have started to conduct global reviews of their operations, focusing on cost reduction and assessing which assets are to be given priority. One immediate impact has been the halt of construction related to the West White Rose Oil Project.

Most of October's employment growth was mainly in the **services-producing sector** (4,600), with the number of jobs on par with pre-pandemic levels. **Wholesale and retail trade** (2,500) had the largest gain. **Health care and social assistance** (1,000) also added jobs, reaching a new record high. **Accommodation and food services** has increased since a pandemic-related low in April. However, employment in this industry remained notably lower than in February, when it reached a record high and COVID-19 had not started to affect the labour market.

Newfoundland and Labrador Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Oct 2020	Sept 2020	Oct 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	222.1	216.2	226.6	5.9	2.7	-4.5	-2.0
Goods-producing sector	41.1	39.9	45.2	1.2	3.0	-4.1	-9.1
Agriculture	1.0	0.9	0.8	0.1	11.1	0.2	25.0
Forestry, fishing, mining, quarrying, oil and gas	11.8	12.0	14.3	-0.2	-1.7	-2.5	-17.5
Utilities	3.0	2.9	2.7	0.1	3.4	0.3	11.1
Construction	15.9	14.0	17.9	1.9	13.6	-2.0	-11.2
Manufacturing	9.5	10.1	9.5	-0.6	-5.9	0.0	0.0
Services-producing sector	180.9	176.3	181.4	4.6	2.6	-0.5	-0.3
Trade	36.6	34.1	35.5	2.5	7.3	1.1	3.1
Transportation and warehousing	10.3	9.8	10.9	0.5	5.1	-0.6	-5.5
Finance, insurance, real estate and leasing	8.1	7.9	6.4	0.2	2.5	1.7	26.6
Professional, scientific and technical services	9.8	9.8	9.4	0.0	0.0	0.4	4.3
Business, building and other support services	5.8	5.7	7.9	0.1	1.8	-2.1	-26.6
Educational services	17.3	17.4	16.7	-0.1	-0.6	0.6	3.6
Health care and social assistance	42.9	41.9	39.0	1.0	2.4	3.9	10.0
Information, culture and recreation	5.9	6.4	7.8	-0.5	-7.8	-1.9	-24.4
Accommodation and food services	15.4	15.1	16.9	0.3	2.0	-1.5	-8.9
Other services	10.4	10.5	11.5	-0.1	-1.0	-1.1	-9.6
Public administration	18.4	17.8	19.2	0.6	3.4	-0.8	-4.2

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Compared to a year ago, the unemployment rate in two of the three economic regions showed little change, but notably increased on the Avalon Peninsula. Employment and labour force size declined on the Avalon Peninsula, but showed little change elsewhere.

The **Avalon Peninsula** economic region had a higher unemployment rate than a year ago. This has been the case since February. Employment was lower (-8,200) than a year earlier, mainly in full-time positions. While the loss remained significant, it has been getting smaller since June. The COVID pandemic has contributed to a loss in oil and gas employment. Construction of the West White Rose Project has been suspended until at least 2022, and housing starts have been weak. The largest loss among all industries was in accommodation and food services, which has continued to struggle due to the pandemic and related restrictions. Losses have continued in transportation and warehousing, as a struggling economy has weakened activity and there has been a significant reduction in air travel.

The unemployment rate was unchanged from a year ago in the **South Coast–Burin Peninsula and Notre Dame–Central-Bonavista Bay** region. Employment showed a small gain. October was the first month since February of 2019 where employment did not decrease. Similarly, the size of the labour force also rose slightly, its first increase since May of 2018. Part-time job gains outweighed full-time gains. Gains in services-producing industries such as health care and education were slightly larger than losses in goods-producing industries, which had the largest loss. Grieg Seafood Newfoundland suspended the construction of a building in Marystown, as the pandemic lowered salmon prices.

The **West Coast-Northern Peninsula-Labrador** economic region had a small employment gain compared to a year ago, the area's first increase since June of 2019. This dropped the unemployment rate slightly. Full-time employment grew. The goods-producing sector declined, mainly in construction. However, the services-producing sector increased, led by transportation and warehousing, and health care and social assistance.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Oct 2020 ('000)	Oct 2019 ('000)	Yearly Variation (%)	Oct 2020 (%)	Oct 2019 (%)	Yearly Variation (%)
Newfoundland and Labrador	223.8	231.5	-3.3	11.9	10.6	1.3
Economic Regions						
Avalon Peninsula	129.9	138.1	-5.9	10.5	8.2	2.3
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	51.0	50.7	0.6	14.6	14.6	0.0
West Coast-Northern Peninsula-Labrador	43.0	42.7	0.7	12.6	12.9	-0.3

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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For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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