



Labour Market Bulletin

Newfoundland and Labrador

February 2021



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 February, employment in the province had a sharp decline of 15,000 jobs compared to the previous month. This was the second largest loss on record going back to 1976. This decline was only exceeded in April of 2020, at the start of the COVID-19 pandemic. The size of the labour force also declined considerably, resulting in a higher unemployment rate. Labour market conditions had improved in recent months. However, a variant of COVID-19 was detected early in the month, quickly raising infections and resulting in a virtual lockdown through much of the economy.

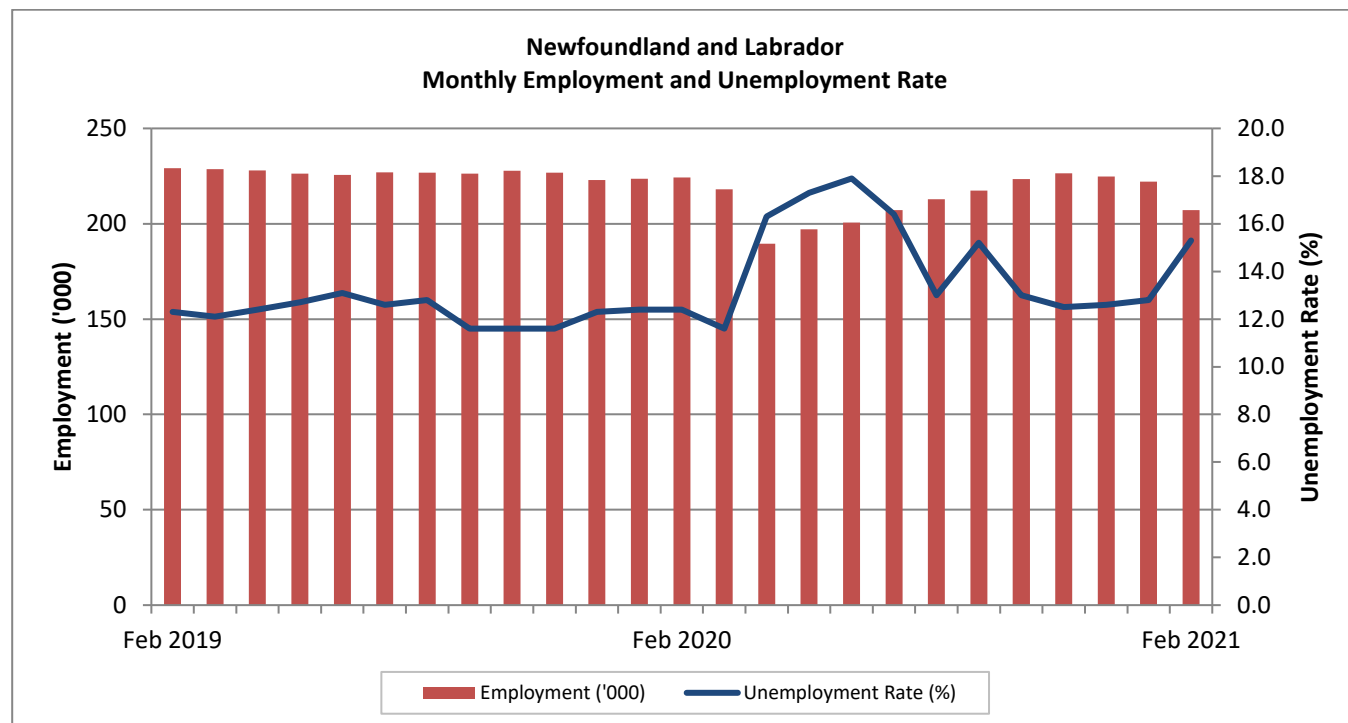
Newfoundland and Labrador Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Feb 2021	Jan 2021	Feb 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	445.1	445.3	445.7	-0.2	0.0	-0.6	-0.1
Labour Force ('000)	244.4	254.5	255.8	-10.1	-4.0	-11.4	-4.5
Employment ('000)	207.1	222.1	224.2	-15.0	-6.8	-17.1	-7.6
Full-Time ('000)	174.8	185.4	187.5	-10.6	-5.7	-12.7	-6.8
Part-Time ('000)	32.3	36.7	36.7	-4.4	-12.0	-4.4	-12.0
Unemployment ('000)	37.3	32.5	31.6	4.8	14.8	5.7	18.0
Unemployment Rate (%)	15.3	12.8	12.4	2.5	-	2.9	-
Participation Rate (%)	54.9	57.2	57.4	-2.3	-	-2.5	-
Employment Rate (%)	46.5	49.9	50.3	-3.4	-	-3.8	-

Note: Totals may not add due to rounding

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

Prior to April of 2020, 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 that month, raising the unemployment rate considerably. Since then, employment increased by 32,600 jobs between April of 2020 and January 2021, rising slightly faster than the labour force. This has brought the unemployment rate below 13% for three consecutive months. However, the February’s restrictive health measures reduced employment and raised the unemployment rate.



The largest employment loss was for those 25 years and older, nearly all in full-time positions. While this decline was evenly split between males and females, the unemployment rate for males of this age group had a sharper increase since the size of their labour force did not drop as it did for women.

Youth (ages 15 to 24 years) employment declined by 4,200 jobs in February, representing a 15% reduction from the previous month and the lowest number of jobs since May of 2020. Virtually all of this loss was in part-time positions. The youth labour force also declined, but not as fast as employment. This raised the youth unemployment rate above the 20% mark for the first month since July of 2020. In the past two months combined, about one in every five jobs among youth has disappeared.

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Feb 2021	Jan 2021	Feb 2020	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	15.3	12.8	12.4	2.5	2.9
25 years and over	14.4	11.7	11.5	2.7	2.9
Men - 25 years and over	17.3	13.2	15.0	4.1	2.3
Women - 25 years and over	11.1	10.1	7.6	1.0	3.5
15 to 24 years	21.3	19.3	18.2	2.0	3.1
Men - 15 to 24 years	20.1	18.3	22.0	1.8	-1.9
Women - 15 to 24 years	22.6	20.4	14.2	2.2	8.4

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

EMPLOYMENT BY INDUSTRY

The **goods-producing sector** (-3,800) has its largest loss since April of 2020. The largest decline in the sector was in **construction** (-2,100). In recent months, the number of jobs in the industry improved but remained lower than prior to the pandemic. These gains were wiped out in February by public health restrictions to control the spread of the COVID-19. **Manufacturing** (-600) lost the gain it had in January. Employment for this industry was nearly 10% lower than it was a year earlier, with most of the loss being in durable goods manufacturing.

The **services-producing sector** (-11,100) had its largest decline since April of 2020, at the start of the pandemic. **Wholesale and retail trade** (-2,600) has lost jobs for two consecutive months, losing the gains it made through the fall. **Accommodation and food services** as well as an industry classified as **other services** both employed nearly 40% fewer people compared to twelve months earlier. Hotels and restaurants, as well as hair salons and other personal services have been deeply affected by public health restrictions aimed to contain the spread of COVID-19. On a more positive note, while **health care and social assistance** (-200) had a monthly decline, employment was the third-highest on record and nearly 15% higher than was a year earlier.

Newfoundland and Labrador Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Feb 2021	Jan 2021	Feb 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	207.1	222.1	224.2	-15.0	-6.8	-17.1	-7.6
Goods-producing sector	40.1	43.9	46.1	-3.8	-8.7	-6.0	-13.0
Agriculture	1.3	1.1	1.9	0.2	18.2	-0.6	-31.6
Forestry, fishing, mining, quarrying, oil and gas	12.4	13.7	14.1	-1.3	-9.5	-1.7	-12.1
Utilities	2.7	2.9	2.5	-0.2	-6.9	0.2	8.0
Construction	15.3	17.4	18.5	-2.1	-12.1	-3.2	-17.3
Manufacturing	8.3	8.9	9.2	-0.6	-6.7	-0.9	-9.8
Services-producing sector	167.0	178.1	178.1	-11.1	-6.2	-11.1	-6.2
Trade	33.3	35.9	36.9	-2.6	-7.2	-3.6	-9.8
Transportation and warehousing	8.4	8.1	10.9	0.3	3.7	-2.5	-22.9
Finance, insurance, real estate and leasing	7.3	6.5	6.8	0.8	12.3	0.5	7.4

Professional, scientific and technical services	9.9	11.3	8.4	-1.4	-12.4	1.5	17.9
Business, building and other support services	7.0	6.3	7.2	0.7	11.1	-0.2	-2.8
Educational services	15.0	16.6	16.9	-1.6	-9.6	-1.9	-11.2
Health care and social assistance	44.0	44.2	38.3	-0.2	-0.5	5.7	14.9
Information, culture and recreation	5.1	7.0	6.0	-1.9	-27.1	-0.9	-15.0
Accommodation and food services	11.1	14.6	18.1	-3.5	-24.0	-7.0	-38.7
Other services	7.4	9.4	12.1	-2.0	-21.3	-4.7	-38.8
Public administration	18.5	18.2	16.6	0.3	1.6	1.9	11.4

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 moved higher in all three economic regions of the province. However, the reasons behind this increase differed. While employment declined on the Avalon Peninsula, it increased elsewhere.

The **Avalon Peninsula** economic region had a higher unemployment rate than a year ago. This has been the case since January of 2020. Employment was lower (-8,300) than a year earlier, mainly in full-time positions. Participation in the labour force has been lower for twelve consecutive months. Employment in the oil and gas industry has remained weak since the start of the pandemic. Public health restrictions have also lowered employment over this time in accommodation and food services, and transportation and warehousing. This has strongly impacted hotels, restaurants and airlines in particular. Construction declined in February, while educational services had its strongest loss in nearly three years. However, health care and social assistance, and professional, scientific, and technical services have both produced gains for eight consecutive months.

The unemployment rate was increased from twelve months earlier in the **South Coast–Burin Peninsula and Notre Dame-Central-Bonavista Bay** region, as an increase in labour force size exceeded a smaller rise in employment. February was the fourth consecutive month with an employment gain, mainly in part-time positions. Gains in wholesale and retail trade, educational services, and health care and social assistance outweighed losses in transportation, and accommodation and food services.

In the **West Coast-Northern Peninsula-Labrador** economic region, the size of the labour force grew at a slightly faster rate than for employment. The result was a small increase in the unemployment rate. Employment has risen for the past five months, largely in full-time work. The goods-producing sector has declined for eleven consecutive months, mainly in construction. Employment in the services-producing sector has strengthened for the past six months. Many industries in this sector gained jobs, led by health and social assistance. However, wholesale and retail trade losses have been deepening for seven months, and accommodation and food services had its strongest decline since February of 2020.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Feb 2021 ('000)	Feb 2020 ('000)	Yearly Variation (%)	Feb 2021 (%)	Feb 2020 (%)	Yearly Variation (%)
Newfoundland and Labrador	208.8	214.9	-2.8	14.7	13.4	1.3
Economic Regions						
Avalon Peninsula	122.1	130.4	-6.4	12.3	10.6	1.7
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	45.3	45.1	0.4	19.8	18.9	0.9
West Coast-Northern Peninsula-Labrador	41.5	39.4	5.3	15.9	15.6	0.3

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0387

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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