



Labour Market Bulletin

Newfoundland and Labrador

June 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

Similar gains in labour force size and employment resulted in an unemployment rate that showed little change from the previous quarter, at 13.4%.

Newfoundland and Labrador Quarterly Labour Force Statistics

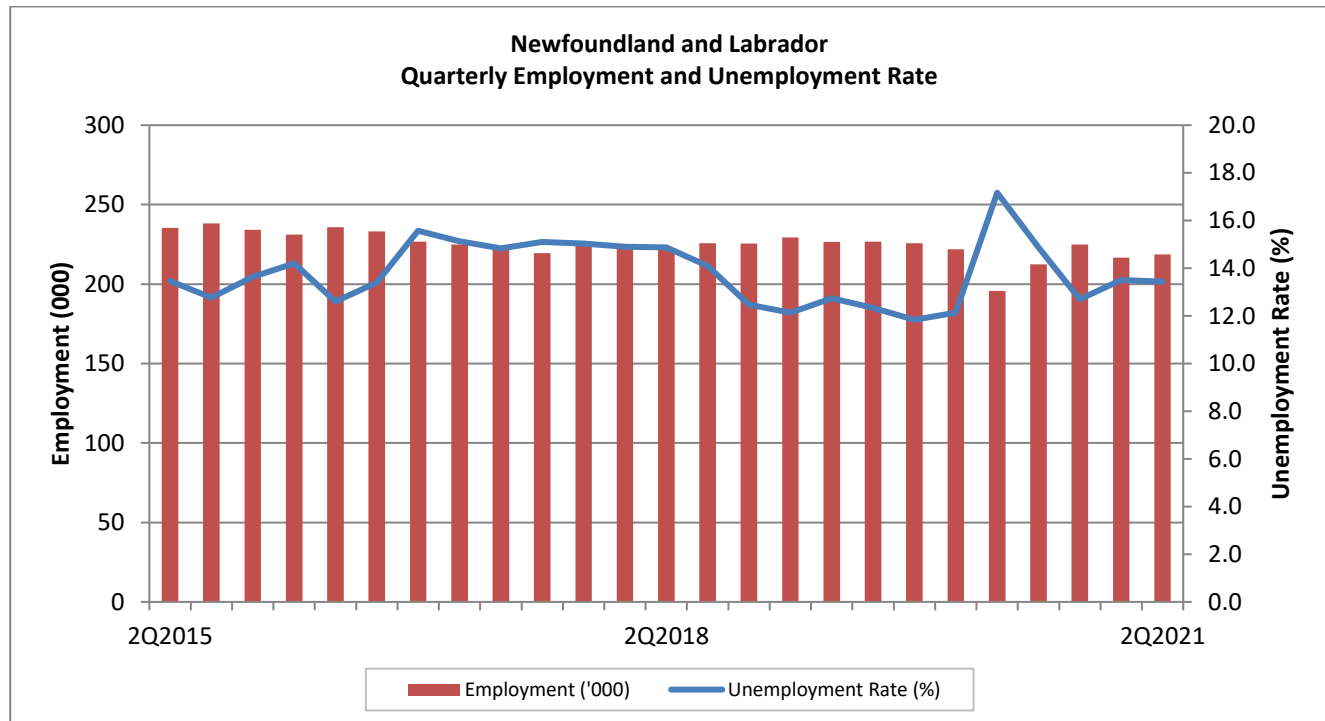
Seasonally Adjusted Monthly Data	2nd Quarter 2021	1st Quarter 2021	2nd Quarter 2020	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	445.0	445.2	445.6	-0.2	0.0	-0.6	-0.1
Labour Force ('000)	252.6	250.2	236.3	2.4	1.0	16.3	6.9
Employment ('000)	218.7	216.6	195.7	2.1	1.0	23.0	11.8
Full-Time ('000)	184.1	182.2	165.0	1.9	1.0	19.1	11.6
Part-Time ('000)	34.5	34.4	30.7	0.1	0.3	3.8	12.4
Unemployment ('000)	34.0	33.7	40.6	0.3	0.9	-6.6	-16.3
Unemployment Rate (%)	13.4	13.5	17.2	-0.1	-	-3.8	-
Participation Rate (%)	56.8	56.2	53.0	0.6	-	3.8	-
Employment Rate (%)	49.1	48.6	43.9	0.5	-	5.2	-

Note: Totals may not add due to rounding

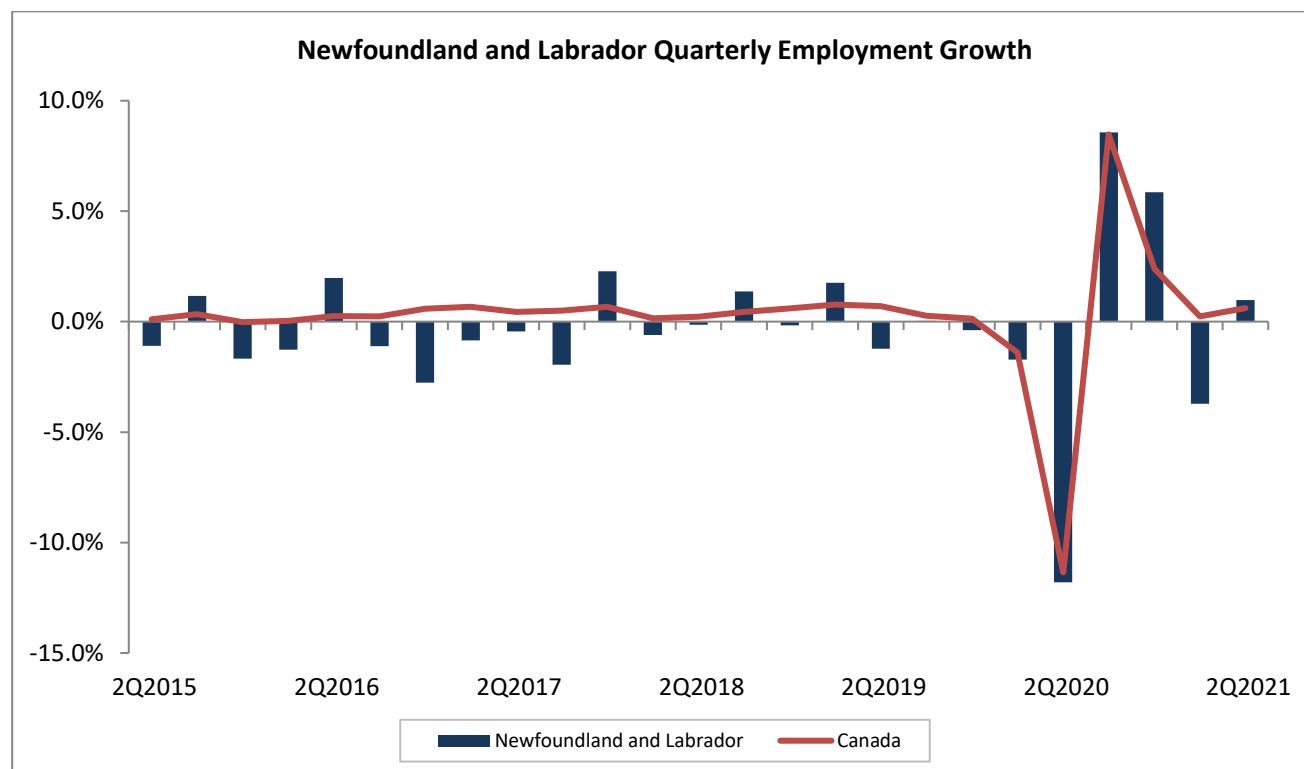
Source: Statistics Canada Labour Force Survey – Table 14-10-0287

Historically, a fall in major project spending contributed to a sustained reduction in employment beginning in 2013. This raised the quarterly unemployment rate to a six-year high of 15.6% in the fourth quarter of 2016. This rate remained near 15% over the next six quarters as employment and labour force levels remained steady. In the second half of 2018, a decline in labour force size reduced the unemployment rate, where it remained steady until

pandemic-related job losses elevated the rate through most of 2020. While labour market conditions improved in Q4 of 2020, employment fell from that level in the past two quarters, keeping the unemployment rate above 13%.



Prior to the COVID-19 pandemic, Canada generally experienced small, consistent employment gains, whereas employment levels in Newfoundland and Labrador were more volatile. The onset of the pandemic caused massive job losses at both the provincial and national levels in the second quarter of 2020. While the two quarters that followed brought employment gains at both levels, Newfoundland and Labrador had its sharpest loss in the first quarter of 2021 as a COVID-19 outbreak resulted in widespread restrictions and business closures.



The youth (aged 15 to 24 years) unemployment rate decreased (-2.0) from the previous quarter, as employment increased (+1,500), mainly in part-time positions. Compared to a year earlier, youth employment has grown considerably (+6,300) from a pandemic-related low.

For females aged 25 years and older, the unemployment rate declined as employment added 1,300 jobs. While males 25 years and older had a higher unemployment rate compared to the previous quarter, this group had 10,200 more jobs than a year earlier. The vast majority of these jobs were full-time in nature.

Newfoundland and Labrador Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	2nd Quarter 2021 %	1st Quarter 2021 %	2nd Quarter 2020 %	Quarterly Variation (% points)	Yearly Variation (% points)
Total	13.4	13.5	17.2	-0.1	-3.8
25 years and over	12.9	12.6	15.5	0.3	-2.6
Men - 25 years and over	15.8	14.9	20.4	0.9	-4.6
Women - 25 years and over	9.6	10.1	10.2	-0.5	-0.6
15 to 24 years	17.1	19.1	27.7	-2.0	-10.6
Men - 15 to 24 years	20.8	17.5	33.2	3.3	-12.4
Women - 15 to 24 years	13.1	20.9	22.5	-7.8	-9.4

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

EMPLOYMENT BY INDUSTRY

Employment in the **goods-producing sector** increased slightly from the previous quarter. A gain in **manufacturing** outweighed a loss in **construction**. Construction for the West White Rose Project has been put on hold until at least 2022, leaving uncertainty on whether the project will move forward or not. This has been a key reason why construction employment has remained notably lower than pre-pandemic levels.

The **services-producing sector** experienced a small employment gain over the previous quarter. **Public administration** increased for the fourth consecutive quarter. Wholesale and retail trade gained jobs, resulting in 4,100 jobs compared to a year earlier, when closures related to the pandemic were at their peak. **Accommodation and food services** continued to decline, as public health restrictions related to COVID-19 have translated into job losses. Compared to a year ago, employment in that industry was down by nearly 20 percent. Following a record high in the previous quarter, **health care and social assistance** had a small decline. Employment in this industry has grown by 6,700 jobs compared to a year earlier.

Newfoundland and Labrador Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	2nd Quarter 2021	1st Quarter 2021	2nd Quarter 2020	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	218.7	216.6	195.7	2.1	1.0	23.0	11.8
Goods-producing sector	43.1	42.4	35.7	0.7	1.7	7.4	20.7
Agriculture	1.5	1.0	1.3	0.5	50.0	0.2	15.4
Forestry, fishing, mining, quarrying, oil and gas	13.0	12.9	11.4	0.1	0.8	1.6	14.0
Utilities	2.2	2.8	2.4	-0.6	-21.4	-0.2	-8.3
Construction	15.6	16.7	13.4	-1.1	-6.6	2.2	16.4
Manufacturing	10.8	8.9	7.1	1.9	21.3	3.7	52.1
Services-producing sector	175.5	174.1	160.0	1.4	0.8	15.5	9.7
Trade	36.5	35.8	32.4	0.7	2.0	4.1	12.7
Transportation and warehousing	7.8	8.4	8.6	-0.6	-7.1	-0.8	-9.3
Finance, insurance, real estate and leasing	7.1	7.0	6.6	0.1	1.4	0.5	7.6
Professional, scientific and technical services	10.2	10.4	8.8	-0.2	-1.9	1.4	15.9
Business, building and other support services	7.7	6.9	6.6	0.8	11.6	1.1	16.7
Educational services	15.8	15.7	15.9	0.1	0.6	-0.1	-0.6
Health care and social assistance	44.2	44.4	37.5	-0.2	-0.5	6.7	17.9
Information, culture and recreation	6.6	6.4	4.5	0.2	3.1	2.1	46.7
Accommodation and food services	11.3	12.2	14.1	-0.9	-7.4	-2.8	-19.9
Other services	8.2	8.1	9.2	0.1	1.2	-1.0	-10.9
Public administration	20.0	18.7	15.8	1.3	7.0	4.2	26.6

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Compared to a year earlier, employment increased throughout the province, resulting in lower unemployment rate in all three economic regions. Most of the employment increase was in full-time positions.

Quarterly employment on the **Avalon Peninsula** increased (+7,400) for the first time since the fourth quarter of 2019, mainly in full-time positions. The labour force also increased, but could not match the gain in jobs. As a result, the unemployment rate fell. Virtually all of the employment gain was in the services-producing sector, led by public administration as well as wholesale and retail trade. In the goods-producing sector, employment declined slightly as a loss in construction outweighed growth elsewhere in the sector.

The unemployment rate declined in the **South Coast–Burin Peninsula and Notre Dame–Central–Bonavista Bay** economic region. Employment increased slightly faster than the size of the labour force, though both gains were notably strong. The goods-producing sector had most of the job gain, mainly in construction and manufacturing. The services-producing sector rose slightly as an increase in health care and social assistance exceeded a loss in accommodation and food services.

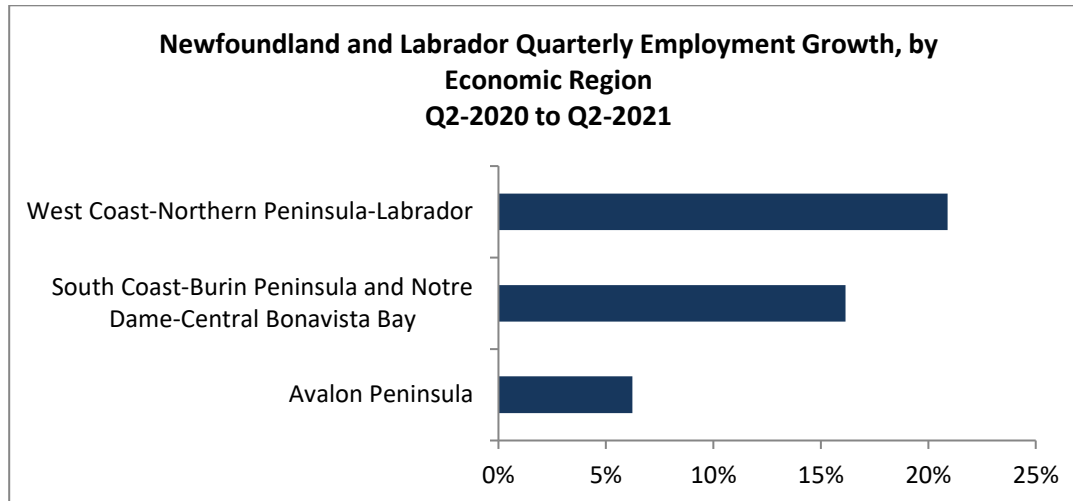
The **West Coast–Northern Peninsula–Labrador** region showed an employment gain (+7,500), mainly in full-time positions. This was the third consecutive quarter with a rise in employment. While the size of the labour force also grew, the main factor behind a drop in the unemployment rate was strong employment growth. The services-producing sector had most of the job gain, led by health care and social assistance, and educational services. The goods-producing sector also showed positive signs, with increases in construction and manufacturing.

Newfoundland and Labrador Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	2nd Quarter 2021 ('000)	2nd Quarter 2020 ('000)	Yearly Variation (%)	2nd Quarter 2021 (%)	2nd Quarter 2020 (%)	Yearly Variation (%)
Newfoundland and Labrador	221.3	199.2	11.1	13.8	17.3	-3.5
Economic Regions						
Avalon Peninsula	126.1	118.7	6.2	10.6	14.5	-3.9
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	51.8	44.6	16.1	18.3	20.6	-2.3
West Coast-Northern Peninsula-Labrador	43.4	35.9	20.9	17.0	22.2	-5.2

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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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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