



# Labour Market Bulletin

## Newfoundland and Labrador

December 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

Employment increased for the third consecutive quarter, rising faster than the size of the labour force. As a result, the quarterly unemployment rate fell to 12.0%.

Newfoundland and Labrador Quarterly Labour Force Statistics

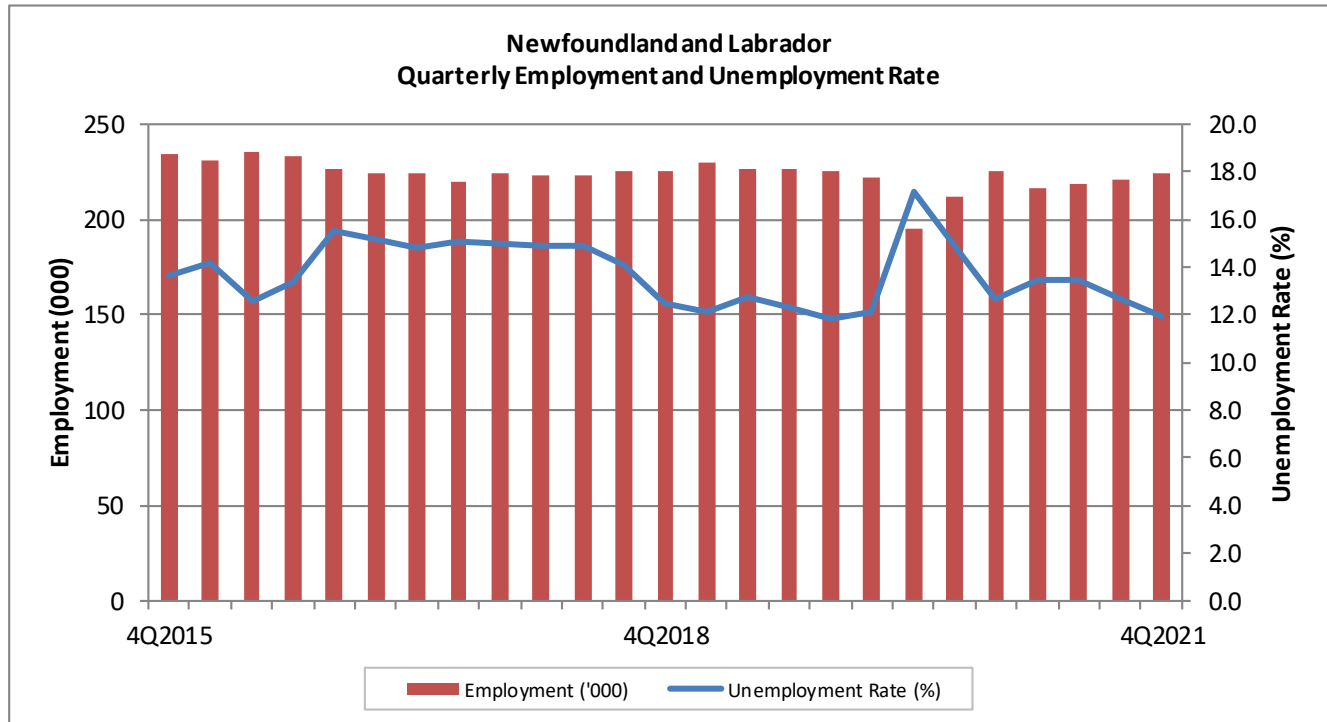
| Seasonally Adjusted Monthly Data | 4th Quarter 2021 | 3rd Quarter 2021 | 4th Quarter 2020 | Quarterly Variation |      | Yearly Variation |      |
|----------------------------------|------------------|------------------|------------------|---------------------|------|------------------|------|
|                                  |                  |                  |                  | Number              | %    | Number           | %    |
| <b>Population 15 + ('000)</b>    | 445.7            | 445.2            | 445.4            | 0.5                 | 0.1  | 0.3              | 0.1  |
| <b>Labour Force ('000)</b>       | 254.8            | 252.3            | 257.6            | 2.5                 | 1.0  | -2.8             | -1.1 |
| <b>Employment ('000)</b>         | 224.3            | 220.4            | 224.9            | 3.9                 | 1.8  | -0.6             | -0.3 |
| Full-Time ('000)                 | 190.8            | 186.8            | 187.9            | 4.0                 | 2.1  | 2.9              | 1.5  |
| Part-Time ('000)                 | 33.6             | 33.7             | 37.0             | -0.1                | -0.3 | -3.4             | -9.2 |
| <b>Unemployment ('000)</b>       | 30.5             | 31.9             | 32.7             | -1.4                | -4.4 | -2.2             | -6.7 |
| <b>Unemployment Rate (%)</b>     | 12.0             | 12.6             | 12.7             | -0.6                | -    | -0.7             | -    |
| <b>Participation Rate (%)</b>    | 57.2             | 56.7             | 57.8             | 0.5                 | -    | -0.6             | -    |
| <b>Employment Rate (%)</b>       | 50.3             | 49.5             | 50.5             | 0.8                 | -    | -0.2             | -    |

Note: Totals may not add due to rounding

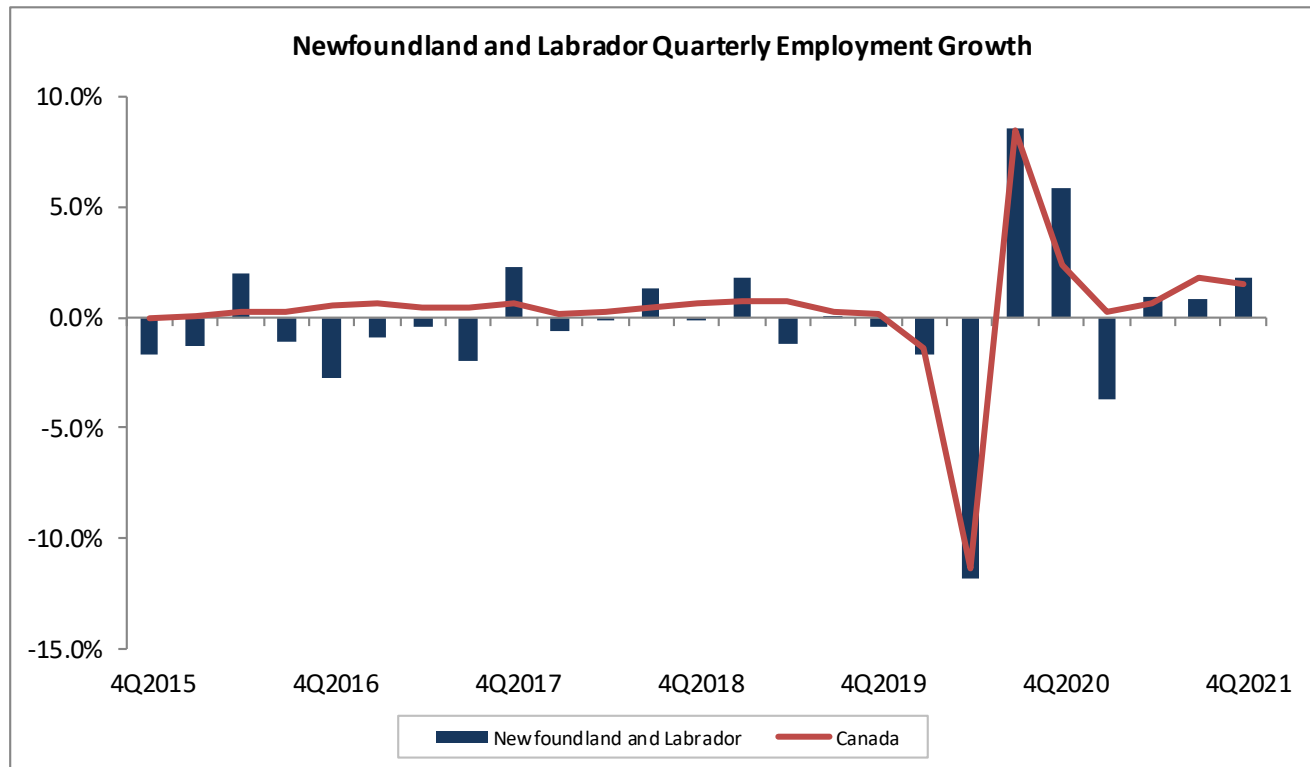
Source: Statistics Canada Labour Force Survey – Table 14-10-0287

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 in the following quarter due to a large COVID-19 outbreak. Since then, employment has grown slowly, moving the unemployment rate to 12.0% in the most recent quarter, the lowest rate since the fourth quarter of 2019.



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 a sharp loss in the first quarter of 2021 as a COVID-19 outbreak resulted in widespread restrictions and business closures. Since then, the rate of provincial job growth has been slightly weaker than for the country as a whole.



The youth (aged 15 to 24 years) unemployment rate increased (+1.1) from the previous quarter, but this was due to a very small increase in the size of the labour force and a similarly sized drop in employment. Compared to a year earlier, the youth unemployment rate has risen (+2.8), due to lower full-time employment (-1,700).

For those aged 25 years and older, both males and females had a decline (-1.0) in the unemployment rate from the previous quarter. This was due to employment gains, mainly in full-time positions. For females of this age group, the unemployment rate in the latest quarter was the lowest on record. For males of this age group, employment reached its highest level since Q4 of 2020.

**Newfoundland and Labrador Quarterly Unemployment Rates, by Gender and Age**

| Seasonally Adjusted Data  | 4th Quarter 2021<br>% | 3rd Quarter 2021<br>% | 4th Quarter 2020<br>% | Quarterly Variation<br>(% points) | Yearly Variation<br>(% points) |
|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------------------|--------------------------------|
| <b>Total</b>              | 12.0                  | 12.6                  | 12.7                  | -0.6                              | -0.7                           |
| <b>25 years and over</b>  | 11.2                  | 12.2                  | 12.5                  | -1.0                              | -1.3                           |
| Men - 25 years and over   | 14.5                  | 15.5                  | 15.6                  | -1.0                              | -1.1                           |
| Women - 25 years and over | 7.6                   | 8.6                   | 9.2                   | -1.0                              | -1.6                           |
| <b>15 to 24 years</b>     | 16.6                  | 15.5                  | 13.8                  | 1.1                               | 2.8                            |
| Men - 15 to 24 years      | 20.6                  | 18.1                  | 13.3                  | 2.5                               | 7.3                            |
| Women - 15 to 24 years    | 12.0                  | 12.6                  | 14.1                  | -0.6                              | -2.1                           |

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

## EMPLOYMENT BY INDUSTRY

Employment in the **goods-producing sector** increased (+2,200) from the previous quarter. Gains in **construction** (+1,200) and **forestry, fishing, mining, quarrying, and oil and gas** (+1,800) outweighed a loss in **agriculture** (-1,300). **Construction** employment remained notably lower than pre-pandemic levels. Construction for the West White Rose Project has been put on hold, leaving uncertainty on whether the project will move forward or not. Meanwhile, work began in the most recent quarter towards a return to operations on the Terra Nova oilfield.

The **services-producing sector** added jobs (+1,600) over the previous quarter. **Educational services** (+1,700) reached its highest level since 2012. **Professional, scientific, and technical services** rose to its second highest quarterly employment on record, led by the province's growing technology sector. **Information, culture and recreation** (+700) grew to a level not achieved since Q3 of 2019. However, **finance, insurance, real estate and leasing** has lost 1,300 jobs over the past two quarters, and **accommodation and food services** had considerably fewer workers (-4,100) than a year ago.

Newfoundland and Labrador Quarterly Employed Labour Force, by Industry

| Seasonally Adjusted Data ('000)                   | 4th Quarter 2021 | 3rd Quarter 2021 | 4th Quarter 2020 | Quarterly Variation |       | Yearly Variation |       |
|---|------------------|------------------|------------------|---------------------|-------|------------------|-------|
|   |                  |                  |                  | Number              | %     | Number           | %     |
| <b>Total employed, all industries</b>             | 224.3            | 220.4            | 224.9            | 3.9                 | 1.8   | -0.6             | -0.3  |
| <b>Goods-producing sector</b>                     | 45.4             | 43.2             | 43.7             | 2.2                 | 5.1   | 1.7              | 3.9   |
| Agriculture                                       | 0.6              | 1.9              | 1.1              | -1.3                | -68.4 | -0.5             | -45.5 |
| Forestry, fishing, mining, quarrying, oil and gas | 15.0             | 13.2             | 13.0             | 1.8                 | 13.6  | 2.0              | 15.4  |
| Utilities   | 1.4              | 1.6              | 2.8              | -0.2                | -12.5 | -1.4             | -50.0 |
| Construction                                      | 17.1             | 15.9             | 17.1             | 1.2                 | 7.5   | 0.0              | 0.0   |
| Manufacturing                                     | 11.3             | 10.6             | 9.7              | 0.7                 | 6.6   | 1.6              | 16.5  |
| <b>Services-producing sector</b>                  | 178.9            | 177.3            | 181.2            | 1.6                 | 0.9   | -2.3             | -1.3  |
| Trade   | 37.6             | 37.2             | 36.9             | 0.4                 | 1.1   | 0.7              | 1.9   |
| Transportation and warehousing                    | 9.1              | 9.0              | 9.8              | 0.1                 | 1.1   | -0.7             | -7.1  |
| Finance, insurance, real estate and leasing       | 5.8              | 6.6              | 7.9              | -0.8                | -12.1 | -2.1             | -26.6 |
| Professional, scientific and technical services   | 11.1             | 10.8             | 10.6             | 0.3                 | 2.8   | 0.5              | 4.7   |
| Business, building and other support services     | 6.6              | 6.2              | 5.9              | 0.4                 | 6.5   | 0.7              | 11.9  |
| Educational services                              | 18.6             | 16.9             | 16.8             | 1.7                 | 10.1  | 1.8              | 10.7  |
| Health care and social assistance                 | 43.1             | 43.4             | 43.6             | -0.3                | -0.7  | -0.5             | -1.1  |
| Information, culture and recreation               | 7.6              | 6.9              | 6.5              | 0.7                 | 10.1  | 1.1              | 16.9  |
| Accommodation and food services                   | 11.9             | 12.3             | 16.0             | -0.4                | -3.3  | -4.1             | -25.6 |
| Other services                                    | 7.7              | 7.9              | 8.7              | -0.2                | -2.5  | -1.0             | -11.5 |
| Public administration                             | 19.8             | 20.2             | 18.6             | -0.4                | -2.0  | 1.2              | 6.5   |

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, two economic regions had employment gains, resulting in lower unemployment rates.

Quarterly employment on the **Avalon Peninsula** increased for the third consecutive quarter, mainly in full-time positions. The labour force also grew, but could not match the gain in jobs. This resulted in a lower unemployment rate. The goods-producing sector (+3,600) has most of the job growth. With the exception of a sharp loss in utilities (-1,800), all other industries in the sector had notable increases. In the services-producing sector (+800), educational services (+3,000) had a large gain. However, accommodation and food services employment was down by 30% compared to a year ago.

The unemployment rate declined in the **South Coast–Burin Peninsula and Notre Dame–Central–Bonavista Bay** economic region. This was mainly due to a considerable drop (-2,800) in the size of the labour force. A gain in the services-producing sector (+1,700) slightly outweighed a loss in the goods-producing sector (-1,400). The largest loss was in construction (-1,400), while public administration (+1,700) had the largest increase.

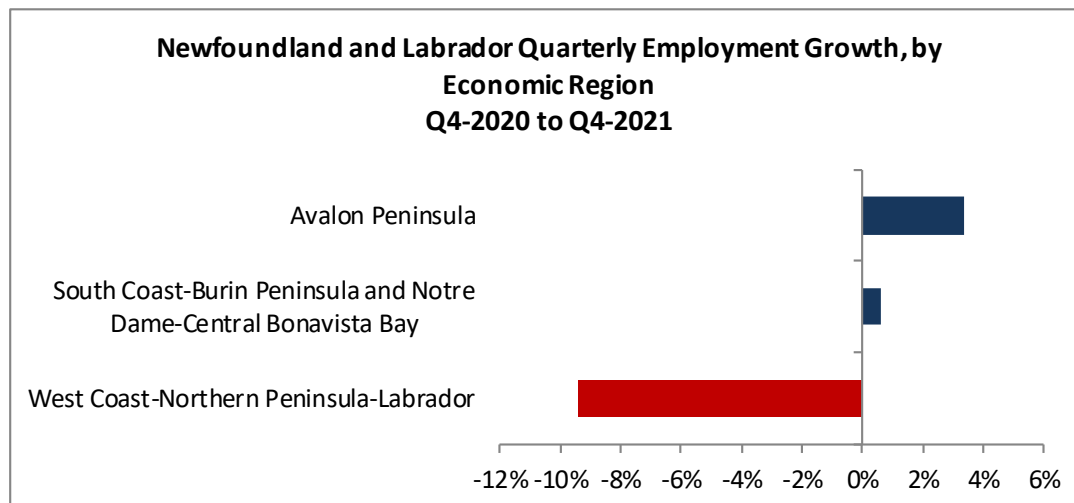
The **West Coast–Northern Peninsula–Labrador** region was the only area of the province to experience a lower unemployment rate than a year ago. Employment declined faster than the size of the labour force. Nearly all of the job loss was in full-time work, mainly in the services-producing sector. Health care and social assistance had the largest loss (-1,900), while the sector's only notable gain was in wholesale and retail trade (+1,200). In the goods-producing sector, a loss in forestry, fishing, mining, and oil and gas (-1,400) was offset by growth in the rest of the sector.

**Newfoundland and Labrador Quarterly Labour Force Statistics, by Economic Region**

| 3-Month Moving Averages<br>Seasonally Unadjusted Data               | Employment                       |                                  |                            | Unemployment Rate          |                            |                         |
|---|----------------------------------|----------------------------------|----------------------------|----------------------------|----------------------------|-------------------------|
|   | 4th<br>Quarter<br>2021<br>('000) | 4th<br>Quarter<br>2020<br>('000) | Yearly<br>Variation<br>(%) | 4th<br>Quarter<br>2021 (%) | 4th<br>Quarter<br>2020 (%) | Yearly<br>Variation (%) |
| <b>Newfoundland and Labrador</b>                                    | 224.1                            | 223.4                            | 0.3                        | 11.2                       | 11.9                       | -0.7                    |
| <b>Economic Regions</b>   |                                  |                                  |                            |                            |                            |                         |
| Avalon Peninsula  | 134.2                            | 129.8                            | 3.4                        | 8.3                        | 9.3                        | -1.0                    |
| South Coast–Burin Peninsula and<br>Notre Dame–Central Bonavista Bay | 50.3                             | 50.0                             | 0.6                        | 14.2                       | 18.6                       | -4.4                    |
| West Coast–Northern Peninsula–Labrador                              | 39.6                             | 43.7                             | -9.4                       | 16.1                       | 11.4                       | 4.7                     |

*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](http://www.statcan.gc.ca)

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