



# Labour Market Bulletin

## Newfoundland and Labrador

September 2022



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 declined slightly for the first time since the first quarter of 2021. Despite the employment loss, the quarterly unemployment rate fell to a quarterly record low as the size of the labour force dropped faster than employment.

Newfoundland and Labrador Quarterly Labour Force Statistics

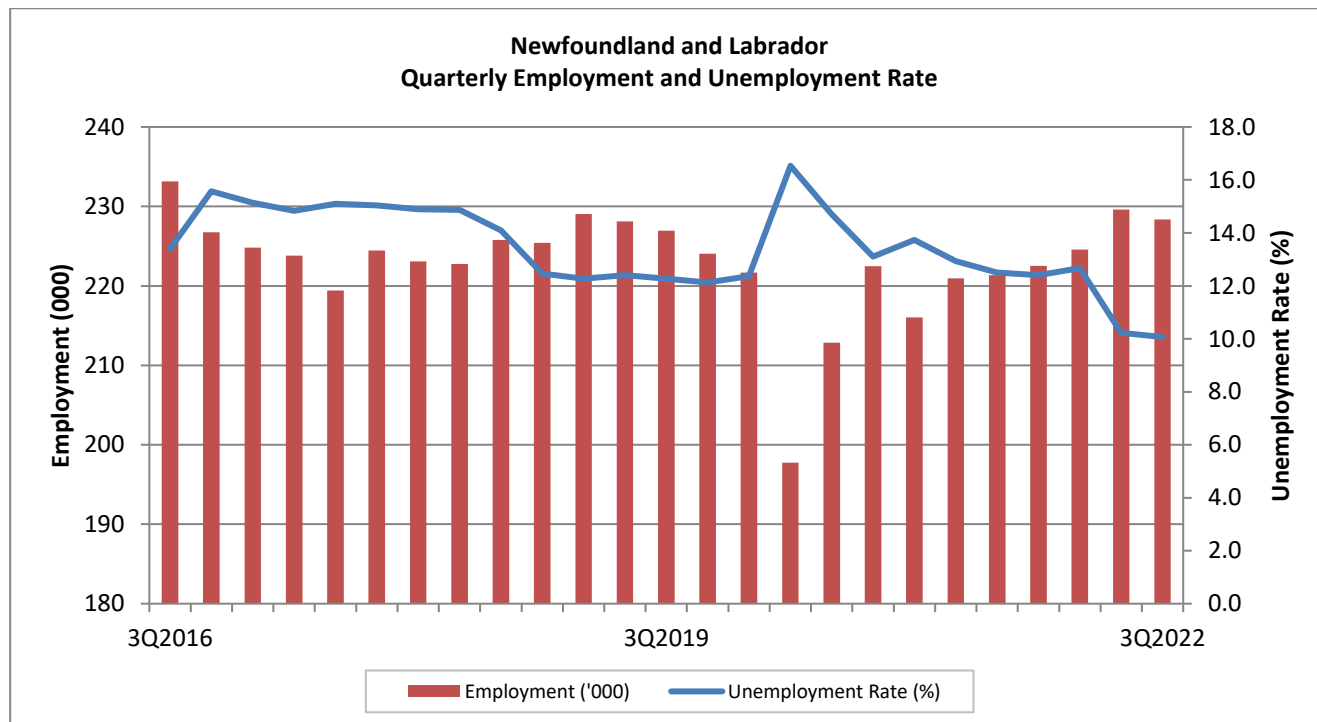
Seasonally Adjusted Monthly Data	3rd Quarter 2022	2nd Quarter 2022	3rd Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	449.1	447.7	445.2	1.4	0.3	3.9	0.9
<b>Labour Force ('000)</b>	254.0	255.8	253.0	-1.8	-0.7	1.0	0.4
<b>Employment ('000)</b>	228.4	229.6	221.3	-1.2	-0.5	7.1	3.2
Full-Time ('000)	192.8	190.5	187.9	2.3	1.2	4.9	2.6
Part-Time ('000)	35.5	39.1	33.4	-3.6	-9.2	2.1	6.3
<b>Unemployment ('000)</b>	25.6	26.2	31.6	-0.6	-2.3	-6.0	-19.0
<b>Unemployment Rate (%)</b>	10.1	10.2	12.5	-0.1	-	-2.4	-
<b>Participation Rate (%)</b>	56.6	57.1	56.8	-0.5	-	-0.2	-
<b>Employment Rate (%)</b>	50.8	51.3	49.7	-0.5	-	1.1	-

Note: Totals may not add due to rounding

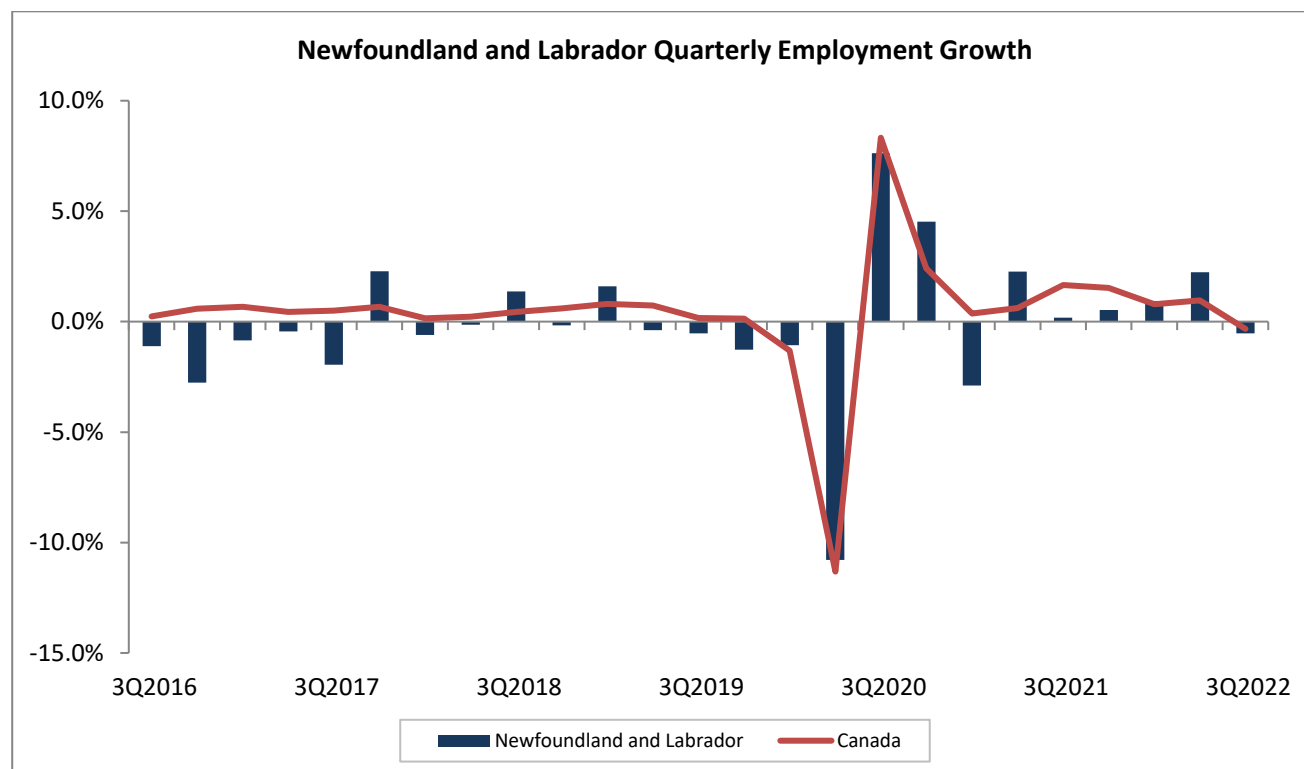
Source: Statistics Canada Labour Force Survey – Table 14-10-0287

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 faster than the labour force, pushing the unemployment rate downward.



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, both the province and country have experienced varying degrees of quarterly growth, with each area having similar employment growth over the past six quarters (5.3% for Canada, 5.7% for NL).



Most of the employment loss over the past quarter has been among males 25 years and older, with a loss of 1,100 jobs, mainly in part-time positions. Over the same period the labour force for this group did not decline to the same extent. This resulted in a small increase in the unemployment rate over the quarter, but still notably lower than it was a year earlier. The unemployment rate for females of this age group declined slightly over the quarter, due to a small drop in labour force size.

The youth (aged 15 to 24 years) unemployment rate moved lower over the quarter, the labour force fell slightly faster than employment. However, both changes were relatively small. Over the past three quarters, the youth unemployment rate fell by 4.7 percentage points, mainly due to employment growth.

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

Seasonally Adjusted Data	3rd Quarter 2022 %	2nd Quarter 2022 %	3rd Quarter 2021 %	Quarterly Variation (% points)	Yearly Variation (% points)
<b>Total</b>	10.1	10.2	12.5	-0.2	-2.4
<b>25 years and over</b>	9.8	9.8	12.0	0.0	-2.3
Men - 25 years and over	11.6	11.3	15.3	0.2	-3.7
Women - 25 years and over	7.9	8.2	8.5	-0.3	-0.6
<b>15 to 24 years</b>	12.2	13.2	15.6	-1.0	-3.4
Men - 15 to 24 years	16.0	16.7	17.9	-0.7	-1.9
Women - 15 to 24 years	7.6	9.5	13.3	-1.9	-5.7

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

## EMPLOYMENT BY INDUSTRY

The drop in employment since the previous quarter was mainly in the **goods-producing sector** (-1,900). **Construction** (-1,800) was the main driver behind the sector's employment loss. Prior to this quarter's loss, this industry had increased for four consecutive quarters, and was at pre-pandemic levels. **Manufacturing** was the sector's only industry with a gain (+400), following a loss of 1,900 jobs in the two previous quarters.

Employment in the **services-producing sector** (+500) showed little change from the previous quarter. However, results varied at the industry level. **Finance, insurance, real estate and leasing** had its strongest quarterly employment growth on record (+1,800). **Transportation and warehousing** (+1,200) grew for the fifth consecutive quarter, leaving employment approximately 30% higher than a year ago. **Accommodation and food services** (+800) increased, adding 3,500 jobs since the last quarter of 2021. **Educational services** (-1,700), **wholesale and retail trade** (-700) and **information, culture and recreation** (-700) all declined, leaving employment in these industries essentially the same as a year earlier. Compared to the third quarter of 2021, this sector has added 7,200 jobs. This accounted for virtually all of the province's employment growth over this time.

Newfoundland and Labrador Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	3rd Quarter 2022	2nd Quarter 2022	3rd Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	228.4	229.6	221.3	-1.2	-0.5	7.0	3.2
<b>Goods-producing sector</b>	43.3	45.2	43.5	-1.9	-4.2	-0.2	-0.5
<b>Agriculture</b>	1.0	1.2	1.9	-0.2	-14.3	-0.9	-48.3
<b>Forestry, fishing, mining, quarrying, oil and</b>	14.3	14.4	13.6	-0.1	-0.9	0.6	4.6
<b>Utilities</b>	1.4	1.5	1.5	-0.1	-6.5	-0.1	-4.4
<b>Construction</b>	17.0	18.9	15.9	-1.8	-9.7	1.1	7.1
<b>Manufacturing</b>	9.5	9.2	10.6	0.4	4.0	-1.0	-9.8
<b>Services-producing sector</b>	185.0	184.5	177.8	0.6	0.3	7.2	4.0
<b>Trade</b>	37.3	38.0	37.6	-0.7	-1.9	-0.3	-0.8
<b>Transportation and warehousing</b>	11.5	10.3	8.8	1.2	11.3	2.7	30.7
<b>Finance, insurance, real estate and leasing</b>	8.1	6.3	6.6	1.8	29.3	1.5	23.4
<b>Professional, scientific and technical services</b>	11.6	11.2	10.7	0.4	3.3	0.9	8.1
<b>Business, building and other support services</b>	6.0	5.8	6.3	0.3	4.6	-0.3	-4.7
<b>Educational services</b>	16.7	18.4	17.1	-1.8	-9.6	-0.4	-2.5
<b>Health care and social assistance</b>	43.4	43.6	43.5	-0.2	-0.4	-0.1	-0.2
<b>Information, culture and recreation</b>	6.8	7.5	6.8	-0.7	-8.9	0.0	0.0
<b>Accommodation and food services</b>	15.2	14.4	12.4	0.7	5.1	2.7	22.0
<b>Other services</b>	8.2	8.1	7.7	0.1	0.8	0.5	6.5
<b>Public administration</b>	20.4	20.8	20.4	-0.5	-2.2	0.0	0.0

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 growth was concentrated in one economic region. However, all three regions of the province experienced a drop in their unemployment rates.

Quarterly employment on the **Avalon Peninsula** increased (+8,600) for the sixth 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 services-producing sector (+10,100) dominated job growth compared to a year earlier, led by accommodation and food services (+3,500), and wholesale and retail trade (+2,100). However, there were losses in health care and social assistance (-1,500), as well as educational services (-1,000). In the goods-producing sector (-1,400), construction was the only industry to show growth (+1,000).

The unemployment rate declined in the **South Coast–Burin Peninsula and Notre Dame–Central–Bonavista Bay** economic region. The labour force had a sharper loss (-3,000) compared to employment (-1,700). Growth in the services-producing sector (+800) was outweighed by a drop in the goods-producing sector (-2,400). Wholesale and retail trade (-1,500) and construction (-1,300) had the deepest losses, while the strongest gain was in transportation and warehousing (+1,500).

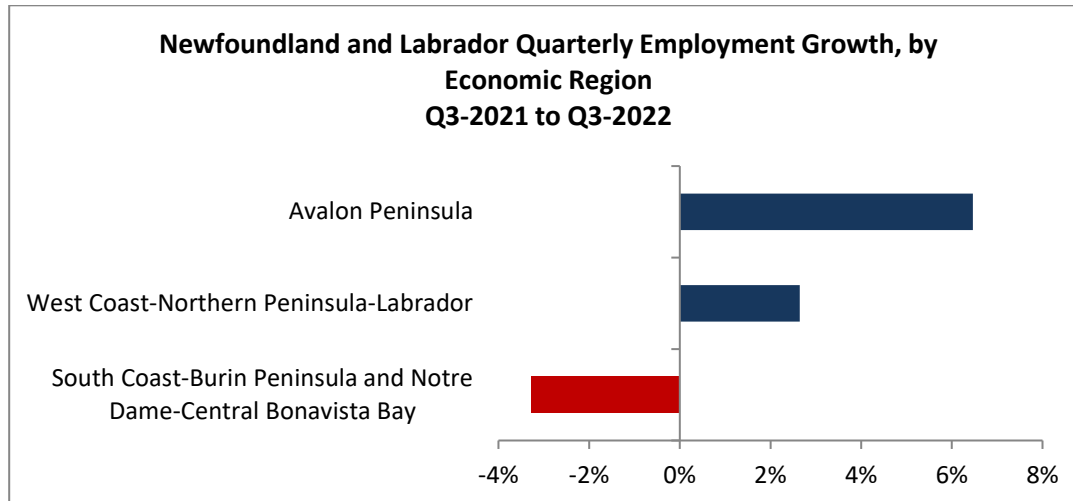
In the **West Coast–Northern Peninsula–Labrador** region, labour force size fell slightly (-500) while employment grew (+1,200), resulting in a lower unemployment rate. The goods producing sector led the increase (+3,100), with gains throughout the sector. The strongest growth was in construction (+1,400). The services-producing sector (-1,900) lost jobs, led by public administration (-1,600).

Newfoundland and Labrador Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	3rd Quarter 2022 (‘000)	3rd Quarter 2021 (‘000)	Yearly Variation (%)	3rd Quarter 2022 (%)	3rd Quarter 2021 (%)	Yearly Variation (% Points )
<b>Newfoundland and Labrador</b>	238.3	230.2	3.5	9.1	11.4	-2.3
<b>Economic Regions</b>						
Avalon Peninsula	141.7	133.1	6.5	6.7	8.8	-2.1
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	50.2	51.9	-3.3	13.1	14.6	-1.5
West Coast-Northern Peninsula-Labrador	46.5	45.3	2.6	11.8	14.8	-3.0

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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