Federal Government Presence in Newfoundland and Labrador

November 2005
I. Introduction

- Motivation
- Our Focus
- Methodology
Motivation

- Many concerns expressed about the decline in Federal Presence in the Province over the past decade
  - Royal Commission on Renewing and Strengthening our Place in Canada
  - City of St. John’s
  - Government of Newfoundland and Labrador
  - Local Media
  - General Public
Our Focus

- The Federal Government’s Presence takes many forms. Our focus is on:
  - Employment
  - Spending on goods and services
  - Provincial involvement in Federal decision-making
- Our time frame (1981-2004, with emphasis on the 1990s)
  - Fisheries moratoriums, high unemployment and population loss
Methodology

- **Quantitative analysis**
  - Shows changes in Federal involvement in the provinces over time
    - Statistics Canada
    - Newfoundland Statistics Agency

- **Qualitative analysis**
  - Provides context and insight into the changes
    - Discussions with Federal & Provincial employees and other interested parties
    - Media reports
    - Press releases
II. Highlights of Results

- Federal Employment
- Employment and Population
- Changes in Employment
- Executive Employment
- Military Presence
- Wages and Salaries
- Federal Expenditures
- Qualitative Evidence
Federal Employment
Down 25% since 1981: Down 32% since 1993

Figure 4
Federal Government Employment
Newfoundland and Labrador, 1981-2004

Source: Statistics Canada, Public Sector Employment, Table 183-0002.
NL’s Share of Federal Employment

Figure 6

Source: Statistics Canada, Public Sector Employment, Table 183-0002.
Employment Shares Across Provinces

Figure 7

Source: Statistics Canada, Population, Table 51-0001 and Public Sector Employment, Table 183-0002
### Executive Employment

#### Table 2: Executive and Equivalent Positions, 1997-2004

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<tr>
<th>Year</th>
<th>NL</th>
<th>PE</th>
<th>NS</th>
<th>NB</th>
<th>QU</th>
<th>ON</th>
<th>MB</th>
<th>SK</th>
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<td>5642</td>
<td>204</td>
<td>171</td>
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</table>

#### Table 3: Number of Executives in Newfoundland and Labrador as a Percent of Total Executive Employment, 1997-2004

<table>
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<th>Years ’97-’04</th>
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<th>1998</th>
<th>1999</th>
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<th>2002</th>
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<tr>
<td></td>
<td>0.85%</td>
<td>0.75%</td>
<td>0.85%</td>
<td>0.82%</td>
<td>0.81%</td>
<td>0.77%</td>
<td>0.77%</td>
<td>0.81%</td>
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Military Presence

Figure 8
Military Personnel, Newfoundland & Labrador, 1981-2004

Source: Statistics Canada, Department of National Defence, Table 183-0004.
NL’s Share of Federal Wages & Salaries

Figure 12
Federal Government Wages as a Percent of Total
Newfoundland & Labrador, Adjusted for Inflation, 1981-2004

Source: Statistics Canada, Public Sector Employment, Table 183-0004.
Figure 13
Federal Government Wages & Salaries per Federal Employee
Newfoundland & Labrador and Canada, Adjusted for Inflation, 1981-2004

Source: Statistics Canada, Public Sector Employment, Table 183-0004.
Other Results

- Share of Federal Government spending on goods and services is less than it was in 1981 and has followed a downward trend since 1996

- Qualitative evidence suggests:
  - Lack of regional offices
  - Ongoing closures, e.g. closure of PSC office
  - Sector specific concerns, e.g. Chair of Fisheries research, Gander Weather Office
Conclusion

- The number of Federal government jobs in the Province has dropped by 25% since 1981
- NL’s share of Federal employment has declined
- Relatively few Executive level positions in NL
- Average earnings per Federal employee is below national average
- NL’s share of Federal expenditures on goods and services has declined
- Continued concerns over closures and downsizing of Federal offices in specific areas