

# LABOUR MARKET OBSERVER

## Commentary on Labour Market Performance in Newfoundland and Labrador

### MARCH 2019

Like the early Spring weather, the Newfoundland & Labrador labour market did not heat up much in March according to estimates from the Labour Force Survey (LFS).

**Table 1** highlights key features of the NL labour force in March 2019 and compares these to the previous month (February 2019) and previous year (March 2018). Whilst unemployment declined between February and March 2019 (by around 800 persons or 2.6%), so did the numbers in employment (800

persons or 0.3%) and the labour force overall (1,500 persons or 0.6%). Considering the figures for March 2019 compared to the same month in 2018 shows more positive developments. Over the year, there was a marked increase in employment (7,000 persons or 3.1%), a significant drop in unemployment (7,300 persons or 19.6%) with little change in the size of the labour force (a reduction of 200 persons or less than 1%).

The participation rate stood at 59% in March 2019 which was less than a half percentage point lower than the previous month but higher than the rate of 58.6% one year earlier in March 2018. The unemployment rate changed little between February and March 2019 (decreasing from 11.8% to 11.5%) however the unemployment rate fell by nearly 3 percentage points from March 2018 (14.3%) to March 2019.

#### FULL-TIME AND PART-TIME EMPLOYMENT

The majority of employment in the Province is full-time. In March 2019, of the approximately 230,300 employed persons in NL, just less than 85% (194,400 persons) were working full-time. As noted above, the total level of employment in the province fell by 800 persons between February and March 2019 however this overall change was comprised of full-time employment dropping by 2,000 persons and part-time employment increasing by 1,200 persons. The growth in part-time employment and decline in full-time work suggests a weaker labour market than the relatively low reduction in the overall employment figure might indicate at first glance. Over the year from March 2018 to March 2019, both full-time and part-time employment grew but growth was stronger for part-time than for full-time employment (8.8% compared to 2.2%). Hours of work, on average, tend to differ by sex. As is found throughout Canada, in NL, part-time employment is more common amongst females than males. In March 2019, more than 20% of employed females worked part-time compared to just 11.1% of employed males. Between February and March 2019, the number of males that were employed full-time fell by 1,800 (or 1.7%) and the number that were employed part-time increased by 700 (or 5.7%). For women, there were smaller changes: full-time employment fell by 200 (or 0.2%) and part-time increased by 500 (or 2.2%).

**Table 1: Labour market characteristics, NL**

	Mar-19	Feb-19	Change		% Change	
			Mar-18 to Mar-19	Feb-19 to Mar-19	Mar-18 to Mar-19	Feb-19 to Mar-19
<b>Population</b>	441,600	441,700	-2,900	-100	-0.7	0.0
<b>Labour force</b>	260,400	261,900	-200	-1,500	-0.1	-0.6
<b>Employment</b>	230,300	231,100	7,000	-800	3.1	-0.3
<b>Unemployment</b>	30,000	30,800	-7,300	-800	-19.6	-2.6
<b>Unemployment rate (%)</b>	11.5	11.8	-2.8	-0.3	-	-
<b>Participation rate (%)</b>	59.0	59.3	0.4	-0.3	-	-
<b>Employment rate (%)</b>	52.2	52.3	2.0	-0.1	-	-

*Source: Statistics Canada. Table 14-10-0287-01 Labour force characteristics, monthly, seasonally adjusted (number of persons unless otherwise stated). Adults age 15+.*

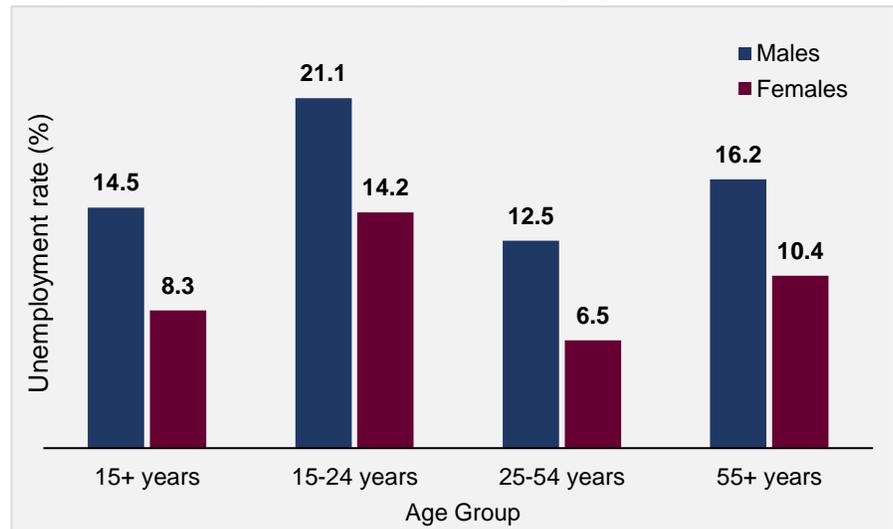
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Note: All opinions expressed in commentary are those of the author(s) and do not represent those of Memorial University of Newfoundland nor CARE.

### UNEMPLOYMENT RATE BY SEX

Behind the overall unemployment rate of 11.5% in March 2019, are markedly different rates for males and females and different age groups in the Province. **Figure 1** shows the unemployment rate across different age groups and by sex in NL in March 2019. The unemployment rate is lower for females than males across all age groups shown. For those aged 15 years and older, the unemployment rate was 14.5% for males but just 8.3% for women. For the core working age population (25-54 years), the overall unemployment rate was 9.6% but this was

**Figure 1: Unemployment rate by sex and age group, NL, March 2019**

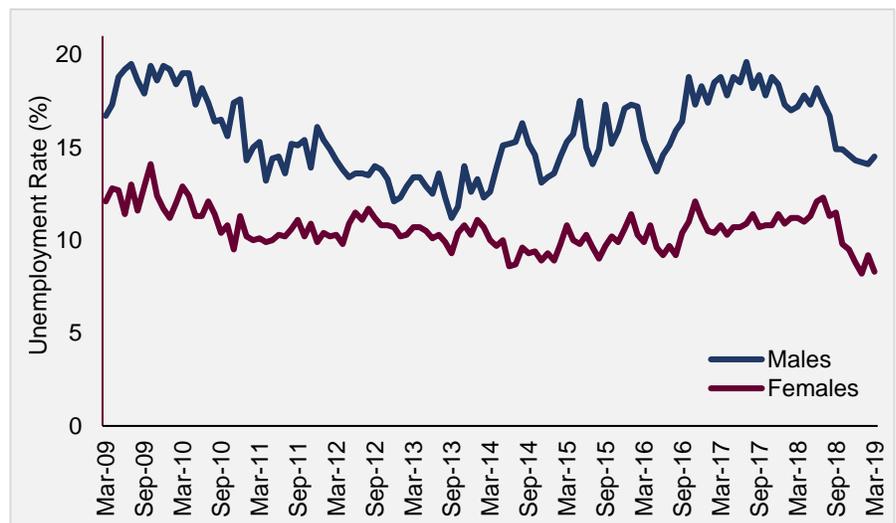


Source: Statistics Canada. Table 14-10-0287-01 Labour force characteristics, monthly, seasonally adjusted.

significantly higher for males (16.2%) than females (6.5%). Younger and older age groups have higher unemployment rates, too, compared to the core working age and 15+ age groups. The difference by sex is still evident within these age brackets. In March 2019, the unemployment rate was 17.8% for all of the 15 to 24 year old age group, but was 21.1% for males and 14.2% for females. For those aged 55 years and older, the overall unemployment rate was lower at 13.7% but again was higher for men than women (16.2% compared to 10.4%).

Monthly unemployment rates by sex from March 2009 to March 2019 are shown in **Figure 2**. Over this period, the unemployment rate was at its lowest for males in September 2013 at 11.2% but was lowest for females in January 2019 at 8.2%. The gap between males and females was smallest at 1.4 percentage points in December 2012 and again in October 2013. The largest gap was observed in July 2017 when the male unemployment rate was at its peak over the period shown (19.6%) whilst for females the unemployment rate was 10.9% (difference of 8.7 percentage

**Figure 2: Monthly unemployment rate by sex (15+ years of age), March 2009 to 2019**



Source: Statistics Canada. Table 14-10-0287-01 Labour force characteristics, monthly, seasonally adjusted. Adults age 15+.

points). For females, the highest unemployment rate between March 2009 and March 2019 was seen in October 2009 at 14.1%. A variety of factors contribute to the difference in unemployment rates between males and females, including differences in participation in the labour market and importantly, gender differences in patterns of employment by occupation and industry.

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