

# 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

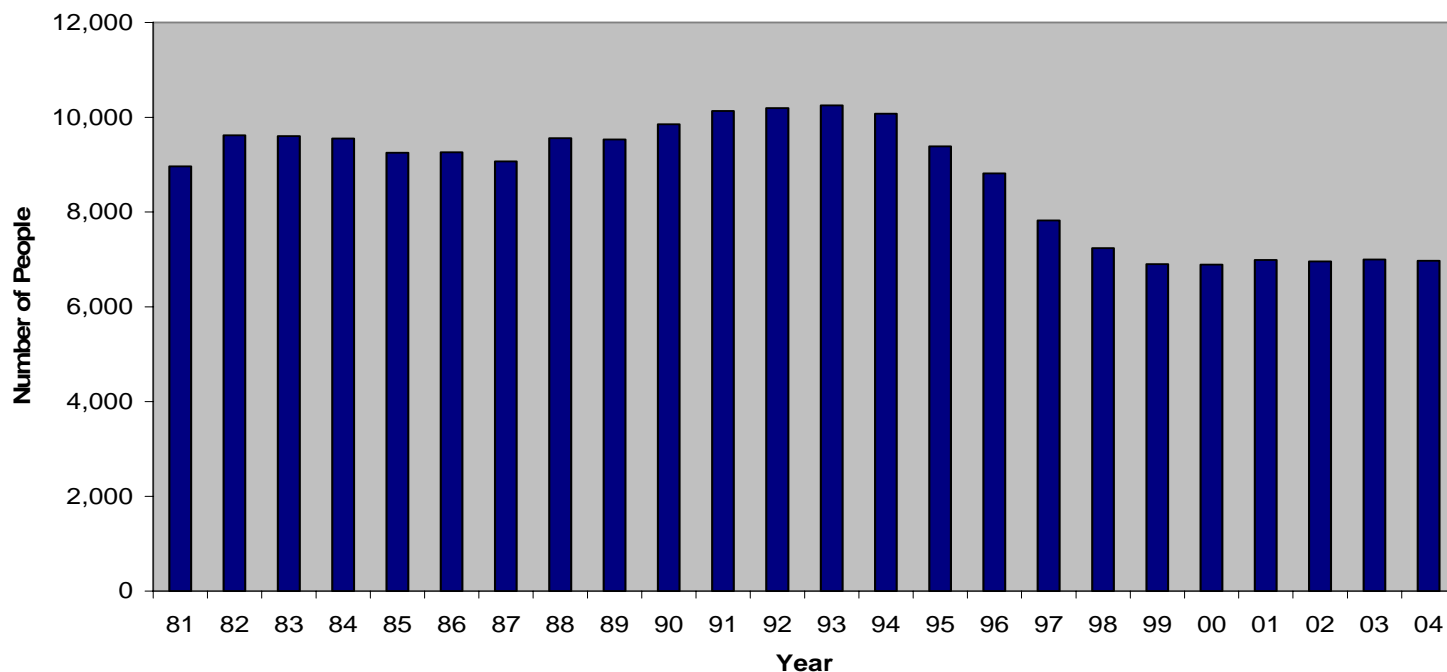
# II. Highlights of Results

- 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

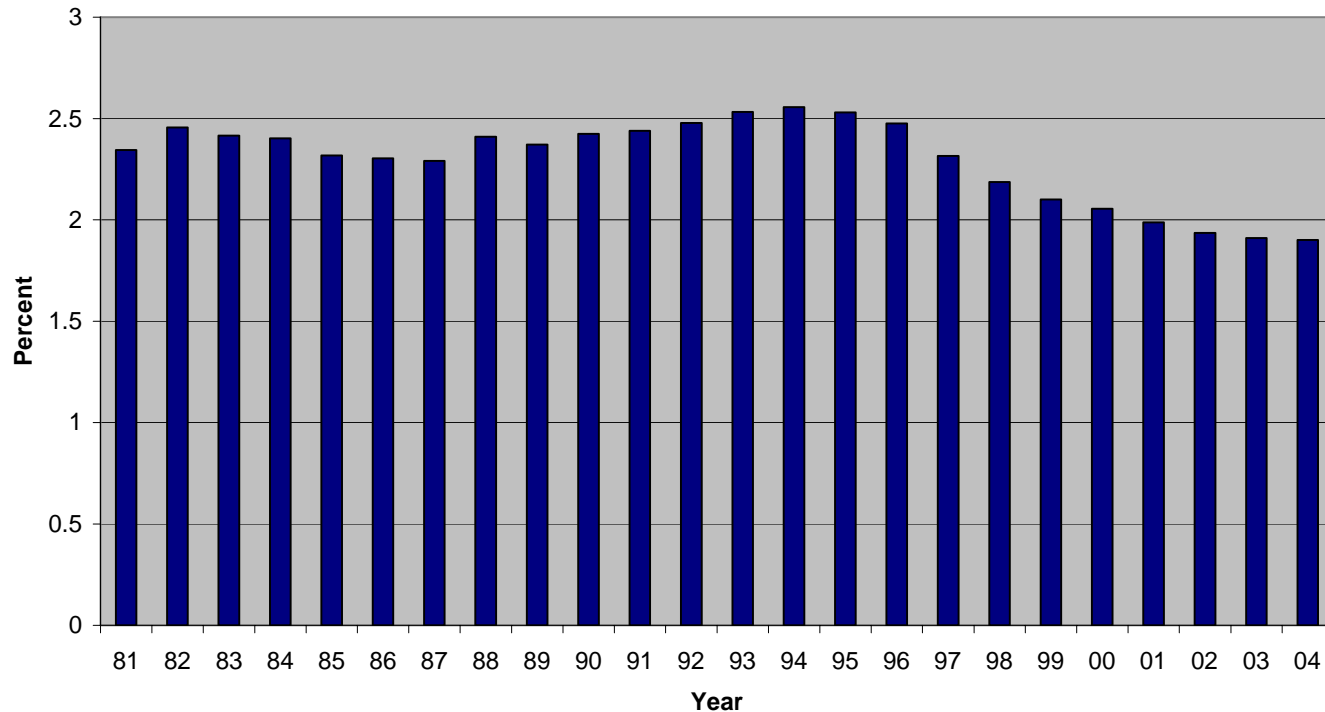
**Figure 4**  
**Federal Government Employment**  
**Newfoundland and Labrador, 1981-2004**



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

# NL's Share of Federal Employment

**Figure 6**  
**Federal Government Employment in Newfoundland & Labrador**  
**as a Percentage of Total Federal Employment, 1981 - 2004**

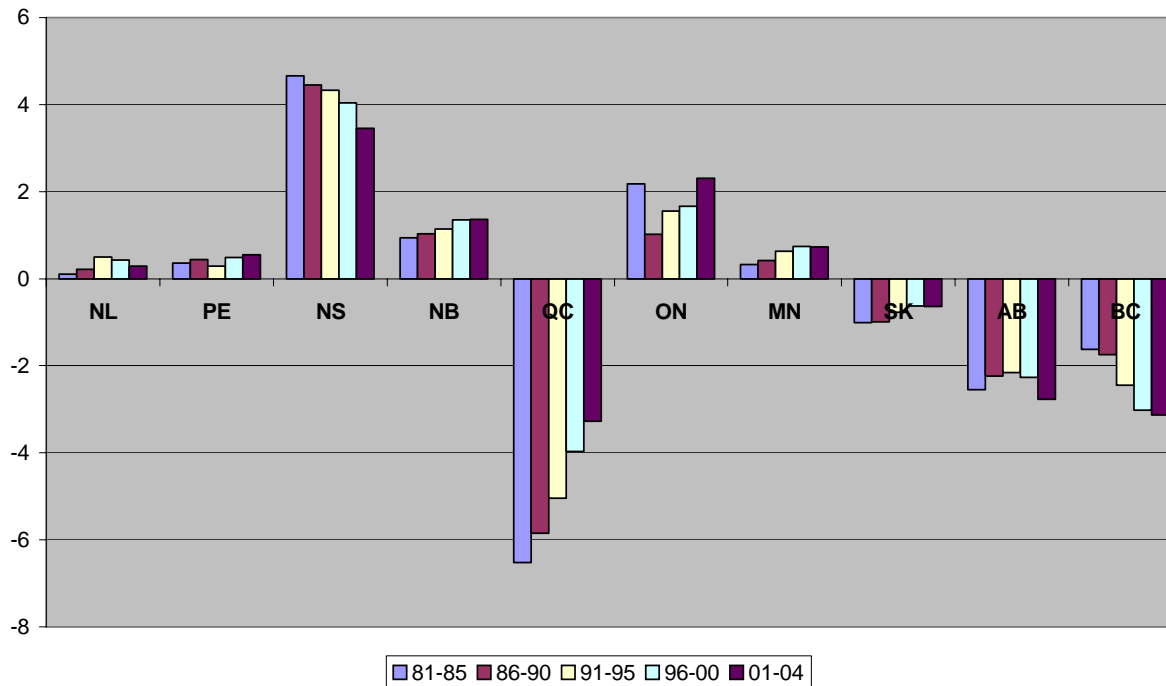


Source: Statistics Canada, Public Sector Employment, Table 183-0002.



# Employment Shares Across Provinces

**Figure 7**  
**Difference between Provinces' Share of Federal Employment**  
**and Share of National Population, 5 year averages, 1981-2004**



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

# Executive Employment

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

Year	NL	PE	NS	NB	QU	ON	MB	SK	AB	BC
1997	55	55	203	86	1317	3784	143	100	245	392
1998	50	61	207	95	1294	3977	144	104	262	392
1999	58	71	221	98	1347	4067	141	112	263	406
2000	60	74	228	102	1465	4337	153	117	291	446
2001	66	75	259	119	1638	4797	175	128	330	475
2002	68	72	274	119	1722	5284	188	143	347	520
2003	72	74	278	128	1843	5557	199	162	370	554
2004	76	74	290	127	1873	5642	204	171	379	574

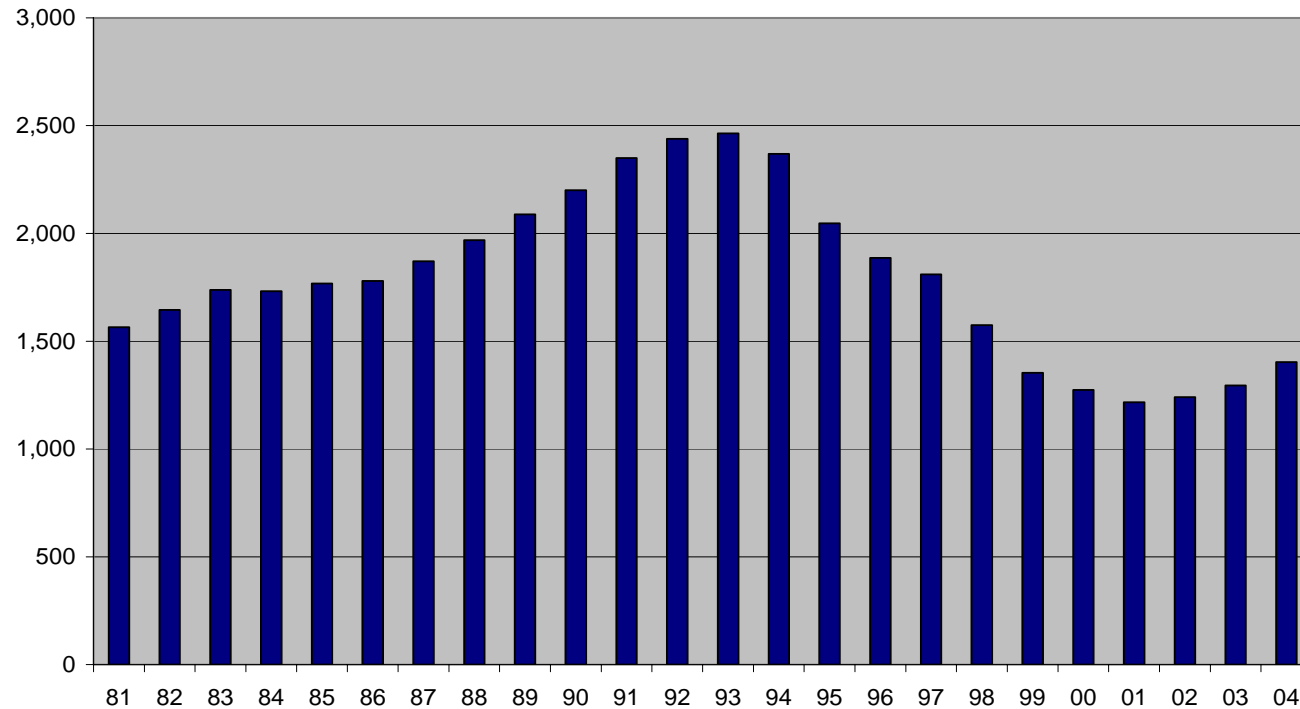
**Table 3: Number of Executives in Newfoundland and Labrador as a Percent of Total Executive Employment, 1997-2004**

Years	1997	1998	1999	2000	2001	2002	2003	2004
'97-'04	0.85%	0.75%	0.85%	0.82%	0.81%	0.77%	0.77%	0.81%

Source: Treasury Board Secretariat, Government of Canada.

# Military Presence

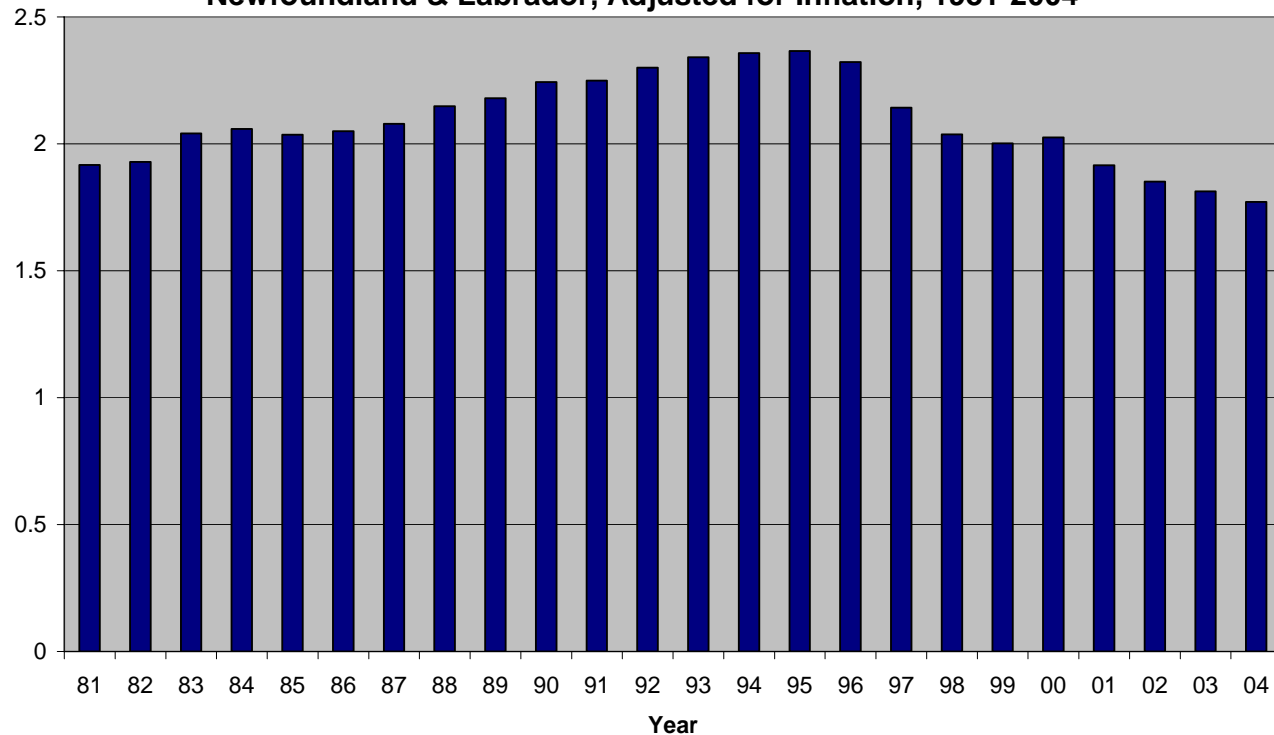
**Figure 8**  
**Military Personnel, Newfoundland & Labrador, 1981-2004**



Source: Statistics Canada, Department of National Defence, Table 183-0004.

# NL's Share of Federal Wages & Salaries

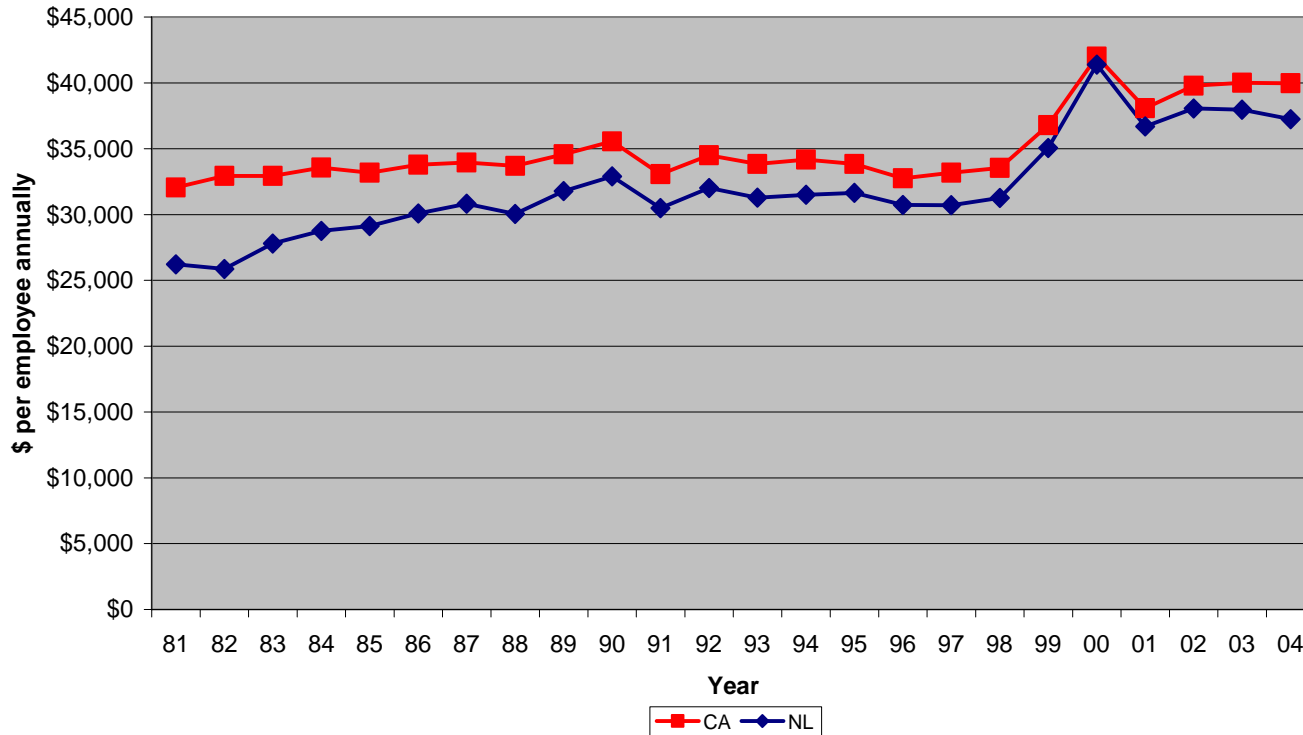
**Figure 12**  
**Federal Government Wages as a Percent of Total**  
**Newfoundland & Labrador, Adjusted for Inflation, 1981-2004**



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

# Average Wages & Salaries

**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