



Labour Market Bulletin

New Brunswick

2nd Quarter 2016



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of New Brunswick, including the regions of Campbellton—Miramichi, Edmundston—Woodstock, Fredericton—Oromocto, Moncton—Richibucto and Saint John—St. Stephen.

OVERVIEW

Employment was up by 1,300 on a quarter-over-quarter basis in New Brunswick during the second quarter of 2016, driven by an increase in the level of full-time work. During the same period, the unemployed population increased slightly, while the labour force increased by 2,200. As a result, the unemployment rate continued to rise during the second quarter, inching up to 9.9%.

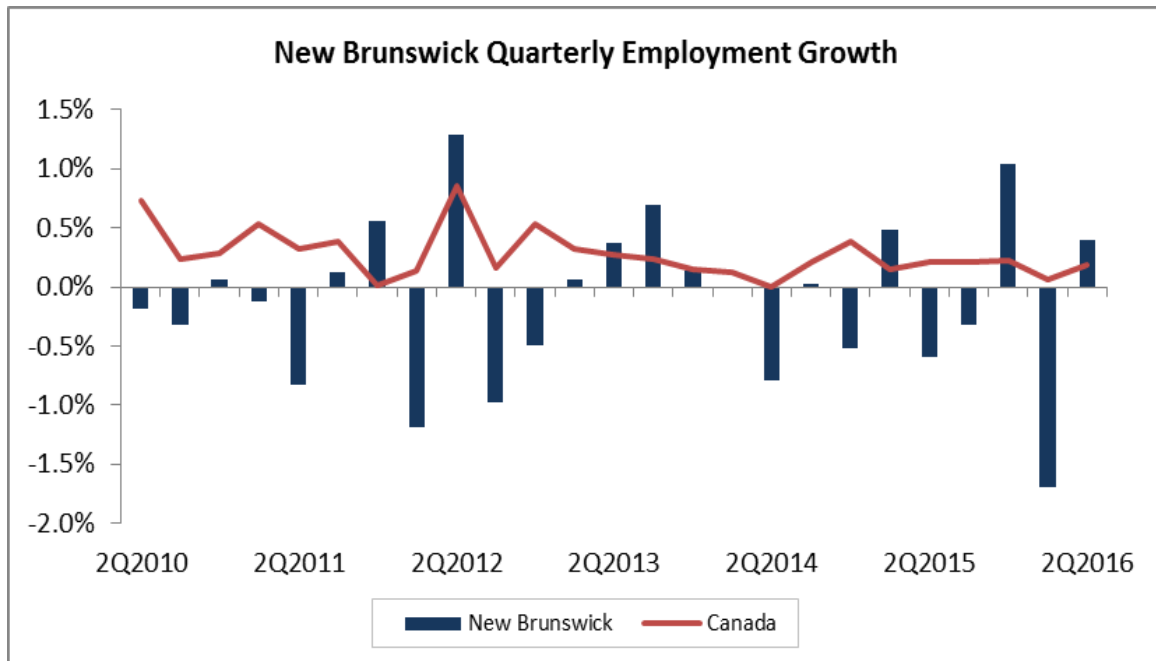
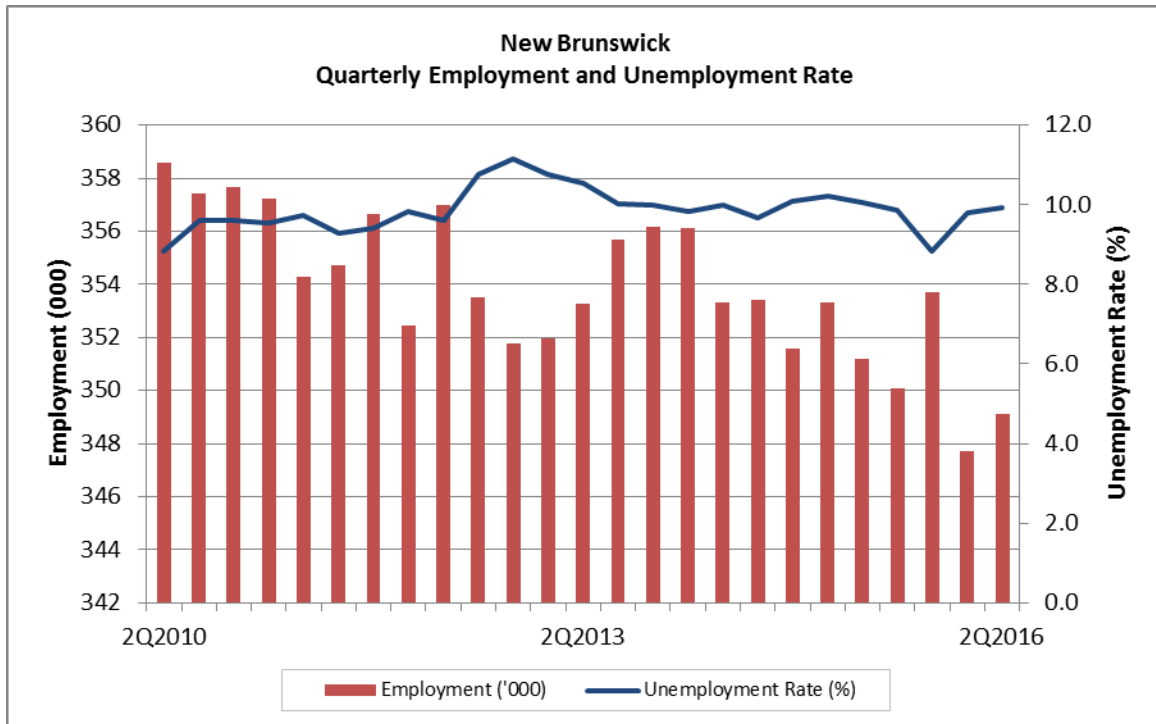
New Brunswick Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	2nd Quarter 2016	1st Quarter 2016	2nd Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	623.4	622.6	622.1	0.8	0.1	1.4	0.2
Labour Force ('000)	387.6	385.4	390.4	2.2	0.6	-2.8	-0.7
Employment ('000)	349.1	347.7	351.2	1.4	0.4	-2.1	-0.6
Full-Time ('000)	295.6	294.3	297.0	1.3	0.4	-1.3	-0.4
Part-Time ('000)	53.4	53.4	54.2	0.1	0.1	-0.8	-1.5
Unemployment ('000)	38.5	37.7	39.3	0.8	2.1	-0.7	-1.9
Unemployment Rate (%)	9.9	9.8	10.1	0.1	-	-0.1	-
Participation Rate (%)	62.2	61.9	62.8	0.2	-	-0.6	-
Employment Rate (%)	56.0	55.8	56.5	0.2	-	-0.5	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

While employment has been on a general decline in New Brunswick for the past few years, the provincial labour market has displayed some signs of stabilizing since late 2015. Nevertheless, employment remains below the levels observed last year. Specifically, employment declined by 2,100 on a quarterly year-over-year basis in the second quarter of 2016. During this same period, a lack of labour force growth pushed the participation rate down to 62.2% while the employment rate also fell to 56%. The declining participation and employment rates highlight the province's labour market struggles. Indeed, an aging population base is leading more people to retirement while at the same time, fewer young workers are available to take their place.



Most of the year-over-year employment losses were focused within the province’s youth population. Compared to the second quarter of 2015, employment for people age 15-24 was down by 1,900, or 4%. New Brunswick continues to hold the highest unemployment rate for younger workers. The youth unemployment rate was actually slightly improved in the second quarter of 2016, but this was largely due to a shrinking labour force. In contrast to the youth segment, there were 2,000 more older workers (those aged 55 and over) participating in the labour force this year compared to last year. Meanwhile, employment for the aged 55 and over population was up by 1,500 on a year-over-year basis in the second quarter of 2016.

New Brunswick Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	2nd Quarter	1st Quarter	2nd Quarter	Quarterly Variation	Yearly Variation
	2016 (%)	2016 (%)	2015 (%)	(% points)	(% points)
Total	9.9	9.8	10.1	0.1	-0.1
25 years and over	8.7	8.6	8.6	0.1	0.0
Men - 25 years and over	11.2	11.2	10.7	0.0	0.5
Women - 25 years and over	6.0	5.8	6.5	0.1	-0.5
15 to 24 years	18.1	17.6	18.7	0.5	-0.6
Men - 15 to 24 years	22.7	21.3	23.1	1.4	-0.5
Women - 15 to 24 years	13.4	13.8	13.7	-0.4	-0.3

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

In the second quarter (Q2) of 2016, the total population aged 15 and over in the Atlantic Provinces was 1.97 million. The Indigenous population living off-reserve accounted for 3.4% of that, or 66,700 people. Employment among the Indigenous population stood at 33,200, representing a decline of 4,900 (-12.9%) from a year earlier. The declines were in both full-time (-4,000 or -12.9%) and part-time (-900 or -12.5%) positions.

In Q2 2016, the unemployment rate among the Indigenous population increased significantly from Q2 2015 to 19.8%, a 6.4 percentage point (pp) increase, while that of the non-Indigenous population declined slightly to 9.3% (-0.8pp). Year-over-year, the participation rate among the Indigenous population declined by a substantial margin to 62.0% (-5.2pp) and a smaller decline was seen amongst the non-Indigenous population whose participation rate stood at 62.5% in Q2 2016 (-0.6pp). The employment rate of the Indigenous population also declined significantly on a year-over-year basis to 49.7% (-8.5pp), while the employment rate amongst the non-Indigenous population remained unchanged at 56.7%.

Atlantic Canada - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q2 2016	Q2 2015	number	%	Q2 2016	Q2 2015	number	%
Population 15+ ('000)	66.7	65.4	1.3	2.0%	1,910.7	1,905.2	5.5	0.3%
Labour Force ('000)	41.4	44.0	-2.6	-5.9%	1,194.4	1,202.2	-7.8	-0.6%
Employment ('000)	33.2	38.1	-4.9	-12.9%	1,083.1	1,080.4	2.7	0.2%
Full-Time ('000)	26.9	30.9	-4.0	-12.9%	901.9	903.7	-1.8	-0.2%
Part-Time ('000)	6.3	7.2	-0.9	-12.5%	181.3	176.7	4.6	2.6%
Unemployment ('000)	8.2	5.9	2.3	39.0%	111.3	121.8	-10.5	-8.6%
Unemployment Rate (%)	19.8	13.4	6.4	-	9.3	10.1	-0.8	-
Participation Rate (%)	62.0	67.2	-5.2	-	62.5	63.1	-0.6	-
Employment Rate (%)	49.7	58.2	-8.5	-	56.7	56.7	0.0	-

Notes: The Labour Force Survey excludes those living on-reserve.

Estimates are based on three-month moving averages.

Totals may not add due to rounding.

Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.

Source: Statistics Canada Labour Force Survey - ESDC custom table.

EMPLOYMENT BY INDUSTRY

Employment in the **Goods-producing sector** has remained somewhat steady over the past year, increasing slightly on a year-over-year basis in the second quarter. Gains in the **Agriculture industry** (+1,000) and in the **Construction industry** (+300) helped offset the employment losses in **Manufacturing** (-800). The province's Agriculture industry is likely benefiting from the low Canadian dollar, which is helping to make New Brunswick-grown foods more attractive in the global marketplace. For instance, McCain Foods announced in June 2016 plans to spend \$65 million to add a new production line at its Florenceville-based French fry plant.¹ McCain Foods' expansion comes in response to growing consumer demand for a number of potato products.

The **Services-producing sector** has been the primary weak spot in the provincial labour market over the past year, with employment in this sector declining by 2,600 on a year-over-year basis in the second quarter. **Educational services** (-3,400), **Business, building and other support services** (-3,200), and **Accommodation and food services** (-2,900) were the industries which accounted for most of the sector's employment losses. Fewer student enrollments have likely led to the employment decline in **Educational services**. In fact, the provincial government announced in the 2016 budget that the number of school teachers would be reduced this year². An aging population coupled with low birthrates and an exodus of the province's youth has hampered overall population growth which is having a negative effect on economic growth.

New Brunswick Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	2nd Quarter 2016	1st Quarter 2016	2nd Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	349.1	347.7	351.2	1.4	0.4	-2.1	-0.6
Goods-producing sector	72.3	73.2	71.9	-0.9	-1.2	0.5	0.6
Agriculture	5.0	4.2	4.0	0.9	20.8	1.1	26.9
Forestry, fishing, mining, quarrying, oil and gas	9.9	10.7	10.1	-0.8	-7.8	-0.2	-2.3
Utilities	3.5	3.4	3.5	0.1	1.9	0.0	1.0
Construction	24.1	25.4	23.8	-1.2	-4.9	0.3	1.4
Manufacturing	29.8	29.5	30.5	0.3	0.9	-0.8	-2.5
Services-producing sector	276.8	274.5	279.3	2.3	0.8	-2.6	-0.9
Trade	55.6	55.1	55.2	0.6	1.0	0.5	0.8
Transportation and warehousing	20.0	19.7	18.9	0.3	1.5	1.1	5.6
Finance, insurance, real estate and leasing	16.7	15.5	14.4	1.2	8.0	2.3	16.2
Professional, scientific and technical services	15.4	15.2	16.6	0.2	1.5	-1.2	-7.4
Business, building and other support services	16.3	17.3	19.5	-1.0	-6.0	-3.2	-16.6
Educational services	25.0	25.1	28.4	-0.1	-0.3	-3.4	-12.0
Health care and social assistance	53.4	52.5	51.1	0.9	1.7	2.3	4.5
Information, culture and recreation	13.0	11.6	11.3	1.4	12.4	1.7	14.7
Accommodation and food services	22.4	23.2	25.3	-0.8	-3.6	-2.9	-11.6
Other services	15.5	16.0	15.1	-0.5	-3.1	0.4	2.6
Public administration	23.4	23.3	23.4	0.1	0.3	0.0	0.1

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

¹ <http://www.theglobeandmail.com/report-on-business/mccain-foods-plans-65-million-expansion-of-new-brunswick-french-fry-plant/article30535657/>

² Roger Melanson unveils list of civil service cuts, mergers; CBC; February 2, 2016

REGIONAL ANALYSIS

Employment declined by 4% in **Campbellton-Miramichi** on a year-over-year basis in the second quarter. Compared to the second quarter of 2015 the unemployment rate was up by 1.4 percentage points, making it the highest in the province at 16.5%.

Employment declined by slightly under 1% in the **Moncton-Richibucto** region since last year; but this region continues to hold roughly one-third of the province's employed population. At 8.6% in the second quarter of 2016, the Moncton-Richibucto unemployment rate is well below the provincial average.

Compared to the second quarter of last year, employment was down by a half-percent in the **Saint John-St. Stephen** region. During this same period, the unemployment rate has remained steady at 8.6%. This region has struggled with job creation over the past year. Most notably, the closure of PotashCorp's Picadilly mine at the beginning of the year was a major blow for the region.

The **Fredericton-Oromocto** labour market posted employment growth of 2.5% between the second quarters of 2015 and 2016. After showing some signs of regression to start the calendar year, this region's labour market is again outperforming the other urban regions within the province. Nevertheless, at 10.2% in the second quarter of 2016, the Fredericton-Oromocto unemployment rate was slightly above the provincial average.

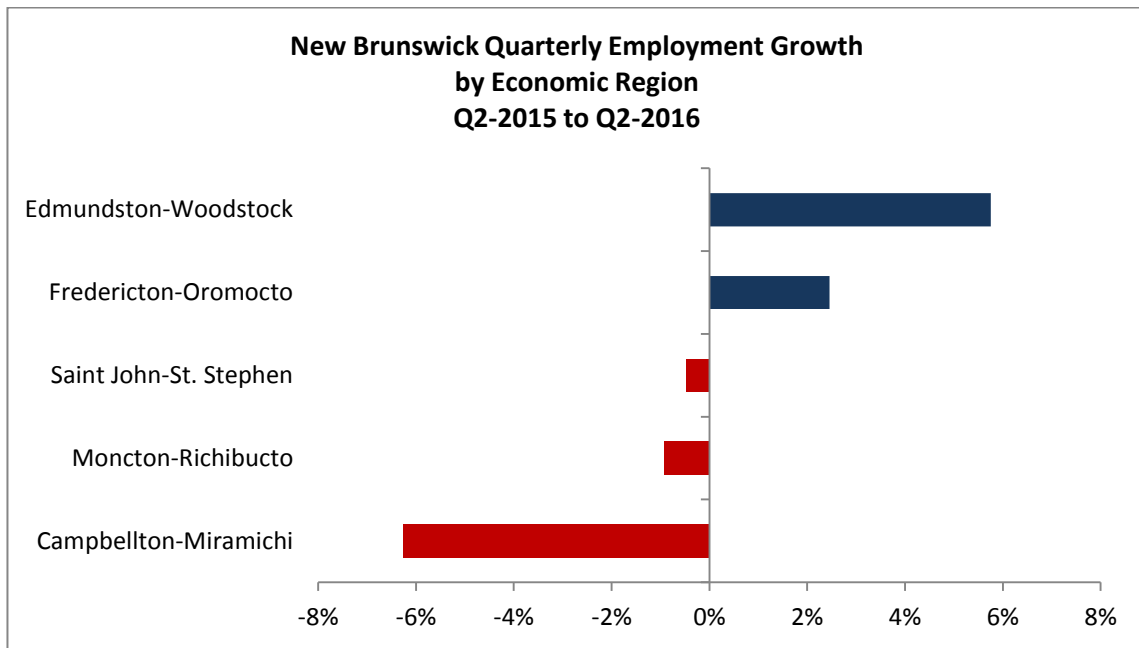
Employment was up by nearly 6% in **Edmundston-Woodstock** on a year-over-year basis in the second quarter, surpassing the Fredericton-Oromocto region as the leading growth spot for jobs in the province. The unemployment rate was also greatly improved compared to last year, declining by four percentage points to 5.9% in the second quarter of 2016.

New Brunswick Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	2nd Quarter 2016 ('000)	2nd Quarter 2015 ('000)	Yearly Variation (%)	2nd Quarter 2016 (%)	2nd Quarter 2015 (%)	Yearly Variation (% points)
New Brunswick	353.0	354.7	-0.5	10.0	10.4	-0.4
Economic Regions						
Campbellton-Miramichi	58.4	62.3	-6.3	16.5	15.1	1.4
Moncton-Richibucto	106.3	107.3	-0.9	8.6	9.8	-1.2
Saint John-St. Stephen	83.0	83.4	-0.5	8.6	8.6	0.0
Fredericton-Oromocto	66.8	65.2	2.5	10.2	9.3	0.9
Edmundston-Woodstock	38.6	36.5	5.8	5.9	9.9	-4.0

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122



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.

Prepared by: Labour Market Analysis Directorate, Service Canada, Atlantic Region

For further information, please contact the LMI team at:

NC-LMI-IMT-GD@hrsdc-rhdcc.gc.ca

For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

© Her Majesty the Queen in Right of Canada as represented by Employment and Social Development Canada, 2016, all rights reserved