



Labour Market Bulletin

New Brunswick

July 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 5,000 on a month-over-month basis in New Brunswick during July 2016, with most of these gains coming in the form of full-time work. During the same period, the unemployed population decreased by 1,900, which helped push the unemployment rate down to 9.7%. With little change to the working age population since last month, the province's employment rate inched up by 0.8 percentage points to 56.9% in July 2016.

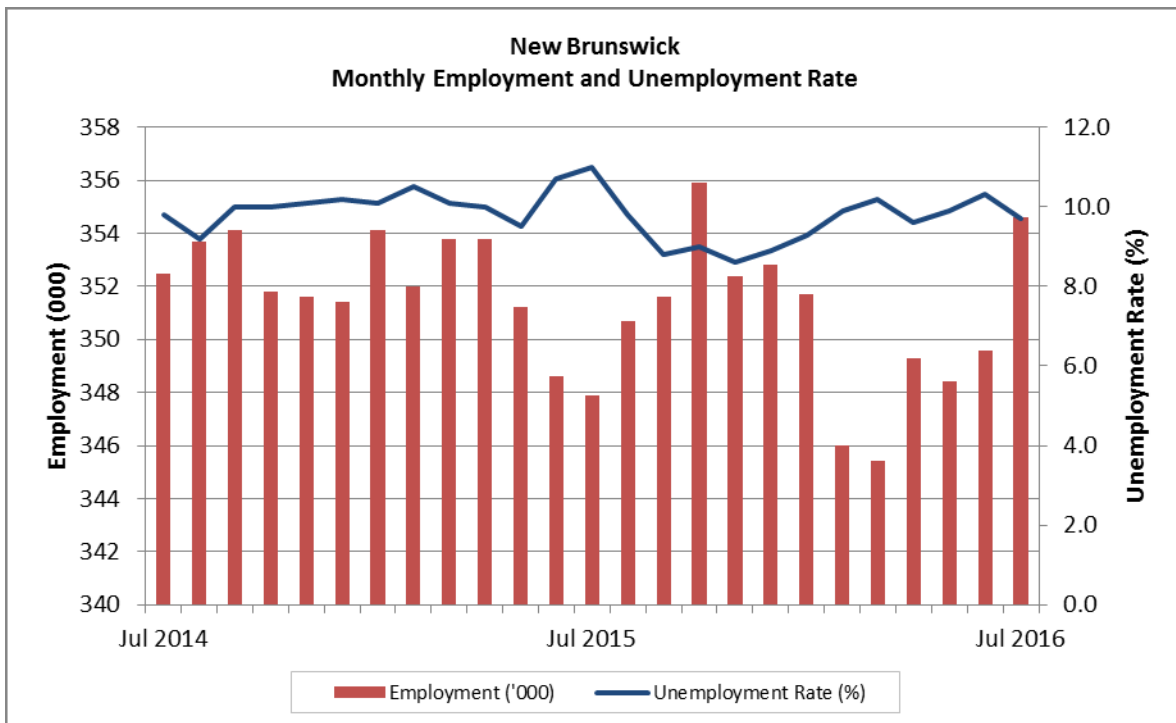
New Brunswick Monthly Labour Force Statistics

| Seasonally Adjusted Monthly Data | July 2016 | June 2016 | July 2015 | Monthly Variation | | Yearly Variation | |
|-------------------------------------|-----------|-----------|-----------|-------------------|------|------------------|-------|
| | | | | Number | % | Number | % |
| Population 15+ ('000) | 623.6 | 623.4 | 621.9 | 0.2 | 0.0 | 1.7 | 0.3 |
| Labour Force ('000) | 392.7 | 389.5 | 391.0 | 3.2 | 0.8 | 1.7 | 0.4 |
| Employment ('000) | 354.6 | 349.6 | 347.9 | 5.0 | 1.4 | 6.7 | 1.9 |
| Full-Time ('000) | 300.2 | 296.4 | 298.0 | 3.8 | 1.3 | 2.2 | 0.7 |
| Part-Time ('000) | 54.4 | 53.1 | 49.9 | 1.3 | 2.4 | 4.5 | 9.0 |
| Unemployment ('000) | 38.1 | 40.0 | 43.0 | -1.9 | -4.8 | -4.9 | -11.4 |
| Unemployment Rate (%) | 9.7 | 10.3 | 11.0 | -0.6 | - | -1.3 | - |
| Participation Rate (%) | 63.0 | 62.5 | 62.9 | 0.5 | - | 0.1 | - |
| Employment Rate (%) | 56.9 | 56.1 | 55.9 | 0.8 | - | 1.0 | - |

Note: Totals may not add due to rounding

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

Although the provincial employment level has been on a general decline for the past several years, New Brunswick's labour market has recently displayed some signs of steadying since the end of last year. Indeed, employment was up by 1.9% on a year-over-year basis in July 2016. During this same period, the labour force has grown by nearly 1%, which helped elevate the participation rate to 63% in July. The province's employment rate was also up on a year-over-year basis in July 2016, as it continues to move away from the decade low rates which have persisted during the most of this year.



Employment increases were seen across the youth segment and the aged 25 to 54 group, while growth was essentially flat for the province’s older workers. In fact, employment was up by 2,800, or 6.5%, for the aged 15-24 segment. The positive employment growth among the province’s youth cohort bucks a longer term trend for this group, which shows a significant employment decline since the 2008 economic downturn. Nonetheless, the positive results for this month’s labour market indicators among the youth population could point to some success of recently launched public investments to boost job opportunities for this group. Earlier this year, both the federal and provincial governments announced plans to increase the number jobs offered through their respective student summer job programs. While the provincial government was expected to add an additional 200 jobs to its summer job program¹, the Canada Summer Jobs program is expected to increase the number of positions in New Brunswick by over 800 compared to last year². At 13.9% in July 2016, the youth unemployment rate has fallen by 3.4 percentage points since the same time last year, marking a significant improvement.

New Brunswick Monthly Unemployment Rates, by Gender and Age

| Seasonally Adjusted Data | July 2016 | June 2016 | July 2015 | Monthly Variation | Yearly Variation |
|---------------------------|-----------|-----------|-----------|-------------------|------------------|
| | % | % | % | (% points) | (% points) |
| Total | 9.7 | 10.3 | 11.0 | -0.6 | -1.3 |
| 25 years and over | 9.0 | 9.1 | 9.7 | -0.1 | -0.7 |
| Men - 25 years and over | 11.8 | 11.9 | 11.9 | -0.1 | -0.1 |
| Women - 25 years and over | 6.1 | 6.1 | 7.3 | 0.0 | -1.2 |
| 15 to 24 years | 13.9 | 17.3 | 19.3 | -3.4 | -5.4 |
| Men - 15 to 24 years | 17.5 | 20.5 | 22.8 | -3.0 | -5.3 |
| Women - 15 to 24 years | 10.2 | 14.6 | 15.3 | -4.4 | -5.1 |

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

¹ Government of New Brunswick; March 31, 2016: http://www2.gnb.ca/content/gnb/en/news/news_release.2016.03.0246.html

² Government of Canada; June 22, 2016: <http://news.gc.ca/web/article-en.do?nid=1088929>

EMPLOYMENT BY INDUSTRY

After recording employment declines during the second quarter, the **Services-producing sector** perked up in July, with the employment level in this sector increasing by 4,800 on a year-over-year basis. Most of these employment gains were centralized in the **Finance, insurance, real estate and leasing** (+4,200), **Trade** (+3,200), and **Public Administration** (+1,400) industries. It's likely that the Trade industry is benefiting from the depreciating Canadian dollar. With US buying power remaining strong in Canada, New Brunswick-made goods and services are becoming more attractive south of the border. Furthermore, the province's retail trade should also benefit from the lower value of the loonie as it encourages more New Brunswick residents to vacation and shop in New Brunswick instead of crossing the border to the US.

Employment in the **Goods-producing sector** (+1,900) was up by nearly 2% on a year-over-year basis in July. Modest gains in the **Agriculture industry** (+800) and in the **Construction industry** (+900) more than offset a small employment decline in **Forestry, fishing, mining, quarrying, oil and gas**. The province's Agriculture industry is likely also advancing from the low Canadian dollar, which is helping to make New Brunswick-grown foods more attractive in the global marketplace. For example, McCain Foods recently announced in June 2016 plans to spend \$65 million to add a new production line at its Florenceville-based French fry plant.³ McCain Foods' expansion comes in response to growing consumer demand for a number of potato products.

New Brunswick Monthly Labour Force Statistics, by Industry

| Seasonally Adjusted Data ('000) | July 2016 | June 2016 | July 2015 | Monthly Variation | | Yearly Variation | |
|---|-----------|-----------|-----------|-------------------|------|------------------|-------|
| | | | | Number | % | Number | % |
| Total employed, all industries | 354.6 | 349.6 | 347.9 | 5.0 | 1.4 | 6.7 | 1.9 |
| Goods-producing sector | 73.0 | 71.7 | 71.1 | 1.3 | 1.8 | 1.9 | 2.7 |
| Agriculture | 5.2 | 5.2 | 4.4 | 0.0 | 0.0 | 0.8 | 18.2 |
| Forestry, fishing, mining, quarrying, oil and gas | 9.8 | 9.5 | 9.9 | 0.3 | 3.2 | -0.1 | -1.0 |
| Utilities | 3.5 | 3.5 | 3.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| Construction | 24.5 | 23.5 | 23.6 | 1.0 | 4.3 | 0.9 | 3.8 |
| Manufacturing | 30.0 | 29.9 | 29.7 | 0.1 | 0.3 | 0.3 | 1.0 |
| Services-producing sector | 281.6 | 277.9 | 276.8 | 3.7 | 1.3 | 4.8 | 1.7 |
| Trade | 57.3 | 56.5 | 54.1 | 0.8 | 1.4 | 3.2 | 5.9 |
| Transportation and warehousing | 19.9 | 19.3 | 19.4 | 0.6 | 3.1 | 0.5 | 2.6 |
| Finance, insurance, real estate and leasing | 18.2 | 16.8 | 14.0 | 1.4 | 8.3 | 4.2 | 30.0 |
| Professional, scientific and technical services | 15.0 | 14.9 | 17.0 | 0.1 | 0.7 | -2.0 | -11.8 |
| Business, building and other support services | 17.6 | 17.6 | 17.8 | 0.0 | 0.0 | -0.2 | -1.1 |
| Educational services | 26.3 | 25.0 | 28.0 | 1.3 | 5.2 | -1.7 | -6.1 |
| Health care and social assistance | 53.3 | 53.9 | 52.3 | -0.6 | -1.1 | 1.0 | 1.9 |
| Information, culture and recreation | 12.2 | 12.9 | 11.4 | -0.7 | -5.4 | 0.8 | 7.0 |
| Accommodation and food services | 21.3 | 21.7 | 25.1 | -0.4 | -1.8 | -3.8 | -15.1 |
| Other services | 16.2 | 15.5 | 14.8 | 0.7 | 4.5 | 1.4 | 9.5 |
| Public administration | 24.4 | 23.7 | 23.0 | 0.7 | 3.0 | 1.4 | 6.1 |

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Employment declined by nearly 6% in **Campbellton-Miramichi** on a year-over-year basis in July 2016. Compared to the same month last year, the unemployment rate was up by 0.8 percentage points, making it the highest in the province at 14.8%.

³ <http://www.theglobeandmail.com/report-on-business/mccain-foods-plans-65-million-expansion-of-new-brunswick-french-fry-plant/article30535657/>

Following several months of declines, employment inched up nearly 1% in the **Moncton-Richibucto** region in July 2016. This was a positive sign for the province’s largest labour market, which holds roughly one-third of the total employment in New Brunswick. At 8.7% in July, the Moncton-Richibucto unemployment rate was down by 0.6 percentage points since last year.

Employment was stagnant on a year-over-year basis in the **Saint John-St. Stephen** region during July. Throughout this same period, the labour force size has contracted, which resulted in the unemployment rate falling by 1.1 percentage points to 7.9%. Heavily impacted by the closure of PotashCorp’s Picadilly mine at the beginning of this year, job creation remains a challenge in this region.

The **Fredericton-Oromocto** labour market has posted employment growth of almost 6% since July 2015. 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 9.1% in July 2016, the Fredericton-Oromocto unemployment rate was higher than the rate in Saint John and Moncton.

Employment was up by nearly 5% in **Edmundston-Woodstock** on a year-over-year basis in July. The unemployment rate has also greatly improved compared to last year, declining by over three percentage points to 5.8% July of 2016.

New Brunswick Monthly Labour Force Statistics, by Economic Region

| 3-Month Moving Averages Seasonally Unadjusted Data | Employment | | | Unemployment Rate | | |
|---|---------------------|---------------------|----------------------------|-------------------|------------------|-----------------------------------|
| | July 2016 ('000) | July 2015 ('000) | Yearly Variation (%) | July 2016 (%) | July 2015 (%) | Yearly Variation (% points) |
| New Brunswick | 362.5 | 360.0 | 0.7 | 9.4 | 10.2 | -0.8 |
| Economic Regions | | | | | | |
| Campbellton-Miramichi | 60.3 | 64.1 | -5.9 | 14.8 | 14.0 | 0.8 |
| Moncton-Richibucto | 109.8 | 108.8 | 0.9 | 8.7 | 9.3 | -0.6 |
| Saint John-St. Stephen | 84.6 | 84.6 | 0.0 | 7.9 | 9.0 | -1.1 |
| Fredericton-Oromocto | 69.1 | 65.3 | 5.8 | 9.1 | 9.8 | -0.7 |
| Edmundston-Woodstock | 38.8 | 37.1 | 4.6 | 5.8 | 9.1 | -3.3 |

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.

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

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