



Labour Market Bulletin

New Brunswick



August 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 fell on a month-over-month basis in New Brunswick during August 2016, with all of the losses coming in the form of full-time work. While, part-time employment grew by nearly 5% on a month-over-month basis, it wasn't enough to offset the losses from full-time employment. During the same period, the unemployed population decreased by just over 4%, which helped push the unemployment rate down to 9.4%. With a 1% gain in labour force participation since last month, but zero growth to the working age population, the province's employment rate declined slightly to 56.4% in August 2016.

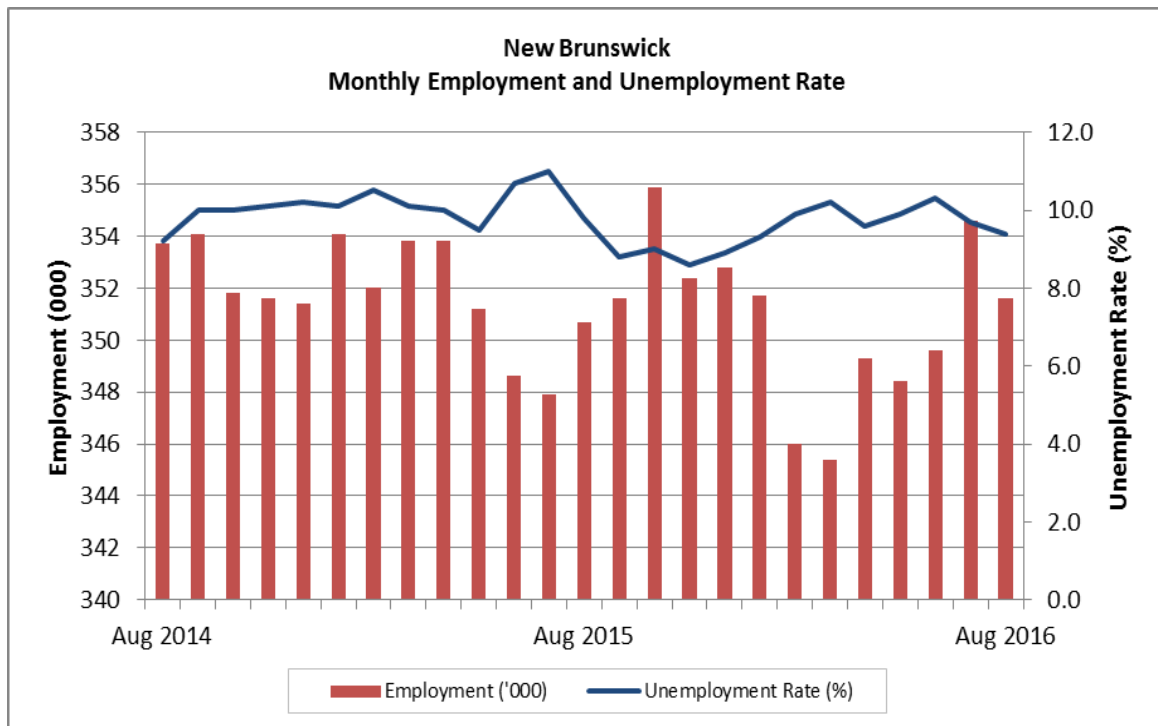
New Brunswick Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Aug 2016	July 2016	Aug 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15+ ('000)	623.6	623.6	621.8	0.0	0.0	1.8	0.3
Labour Force ('000)	388.1	392.7	388.9	-4.6	-1.2	-0.8	-0.2
Employment ('000)	351.6	354.6	350.7	-3.0	-0.8	0.9	0.3
Full-Time ('000)	294.7	300.2	296.2	-5.5	-1.8	-1.5	-0.5
Part-Time ('000)	57.0	54.4	54.4	2.6	4.8	2.6	4.8
Unemployment ('000)	36.5	38.1	38.3	-1.6	-4.2	-1.8	-4.7
Unemployment Rate (%)	9.4	9.7	9.8	-0.3	-	-0.4	-
Participation Rate (%)	62.2	63.0	62.5	-0.8	-	-0.3	-
Employment Rate (%)	56.4	56.9	56.4	-0.5	-	0.0	-

Note: Totals may not add due to rounding

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

From a longer term perspective, the provincial employment level has been on a general decline for the past several years. On the bright side, New Brunswick's labour market appears to be gaining some momentum this year. Indeed, employment was up slightly on a year-over-year basis in August 2016. During this same period, the labour force has declined slightly, which in turn led to a similarly small decline to the participation rate. Meanwhile, the province's employment rate hasn't moved since last year, likely due to a growing number of retirements and sluggish population growth.



Employment increases were seen across the youth segment, while growth was essentially flat for the province’s other age groups. Specifically, employment was up by nearly 4% for the aged 15-24 segment. The positive employment growth among the province’s youth cohort departs from a longer term trend for this group, which shows a significant employment decline since the 2008 economic downturn. Nevertheless, the encouraging 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 of jobs offered through their respective student summer job programs. While the provincial government hired an additional 200 jobs to its summer job program¹, the Canada Summer Jobs program is expected to have increased its number of positions in New Brunswick by over 800 compared to last year². At 11.5% in August 2016, the youth unemployment rate has fallen significantly since the same time last year.

New Brunswick Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Aug 2016	July 2016	Aug 2015	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	9.4	9.7	9.8	-0.3	-0.4
25 years and over	9.1	9.0	8.6	0.1	0.5
Men - 25 years and over	11.5	11.8	10.5	-0.3	1.0
Women - 25 years and over	6.5	6.1	6.6	0.4	-0.1
15 to 24 years	11.5	13.9	17.4	-2.4	-5.9
Men - 15 to 24 years	15.2	17.5	22.0	-2.3	-6.8
Women - 15 to 24 years	7.5	10.2	12.0	-2.7	-4.5

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

The **Services-producing sector** shed most of the monthly job gains recorded in July; however, compared to last year employment in this sector was up slightly in August 2016. Most of these year-over-year employment gains were focused in the **Trade; Finance, insurance, real estate and leasing; and Transportation and warehousing**. 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. While at the same time, it encourages Canadians to do their shopping domestically. Meanwhile, the **Transportation and warehousing** industry is advancing from these same conditions as increased demands on the trade industry trickle down.

Employment in the **Goods-producing sector** was flat on a year-over-year basis in August. The **Forestry, fishing, mining, quarrying, oil and gas** industry has undergone a sharp contraction since last year, with employment declining by 17%. This is likely tied to Potash Corp's closure of its Picadilly mine near Sussex, which resulted in 420-430 layoffs. Additionally, Potash Corp had previously closed its Penobsquis mine in November 2015, resulting in 140 layoffs. Nevertheless, the goods-producing sector job losses were offset by modest gains in the **Agriculture** industry and in the **Manufacturing** industry. 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)	Aug 2016	July 2016	Aug 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	351.6	354.6	350.7	-3.0	-0.8	0.9	0.3
Goods-producing sector	73.5	73.0	73.6	0.5	0.7	-0.1	-0.1
Agriculture	5.3	5.2	4.4	0.1	1.9	0.9	20.5
Forestry, fishing, mining, quarrying, oil and gas	9.2	9.8	11.1	-0.6	-6.1	-1.9	-17.1
Utilities	3.8	3.5	3.5	0.3	8.6	0.3	8.6
Construction	24.7	24.5	24.8	0.2	0.8	-0.1	-0.4
Manufacturing	30.4	30.0	29.8	0.4	1.3	0.6	2.0
Services-producing sector	278.2	281.6	277.1	-3.4	-1.2	1.1	0.4
Trade	59.3	57.3	54.7	2.0	3.5	4.6	8.4
Transportation and warehousing	19.6	19.9	18.8	-0.3	-1.5	0.8	4.3
Finance, insurance, real estate and leasing	17.3	18.2	14.5	-0.9	-4.9	2.8	19.3
Professional, scientific and technical services	14.8	15.0	16.1	-0.2	-1.3	-1.3	-8.1
Business, building and other support services	16.6	17.6	17.8	-1.0	-5.7	-1.2	-6.7
Educational services	26.5	26.3	27.4	0.2	0.8	-0.9	-3.3
Health care and social assistance	51.5	53.3	51.9	-1.8	-3.4	-0.4	-0.8
Information, culture and recreation	11.4	12.2	11.6	-0.8	-6.6	-0.2	-1.7
Accommodation and food services	21.7	21.3	25.0	0.4	1.9	-3.3	-13.2
Other services	16.1	16.2	15.4	-0.1	-0.6	0.7	4.5
Public administration	23.4	24.4	23.9	-1.0	-4.1	-0.5	-2.1

Note: Totals may not add due to rounding

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

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

REGIONAL ANALYSIS

Employment declined by 5% in **Campbellton-Miramichi** on a year-over-year basis in August 2016. Compared to the same month last year, the unemployment rate was up by nearly a full percentage point, making it the highest in the province at 14.6%.

Following several months of declines, employment has increased in each of the last two months in **Moncton-Richibucto**. Compared to last August, employment is up nearly 3% in the region. This is a positive sign for the province's largest labour market, which holds roughly one-third of the total employment in New Brunswick. At 8.1% in August, the Moncton-Richibucto unemployment rate was down by 0.7 percentage points since last year.

Employment was down by almost 2% on a year-over-year basis in the **Saint John-St. Stephen** region during August. During this same period the labour force size has also contracted, which resulted in the unemployment rate falling by 1.2 percentage points to 8.2%. Negatively impacted by the closure of the PotashCorp's mining operations earlier this year, job creation remains a challenge in this region.

The **Fredericton-Oromocto** labour market has posted an impressive 7% employment growth since August 2015. After showing some signs of slowing down at the beginning of 2016, this region's labour market is once again gaining momentum. At 7.6% in August 2016, the Fredericton-Oromocto unemployment rate has fallen by nearly two percentage points since last year, coming in well below the provincial average.

Employment was up by nearly 4% in **Edmundston-Woodstock** on a year-over-year basis in August. The unemployment rate is also much improved compared to last year, declining by over three percentage points to 6.6% in August of 2016.

New Brunswick Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Aug 2016 ('000)	Aug 2015 ('000)	Yearly Variation (%)	Aug 2016 (%)	Aug 2015 (%)	Yearly Variation (% points)
New Brunswick	366.3	362.3	1.1	9.0	10.1	-1.1
Economic Regions						
Campbellton-Miramichi	61.0	64.2	-5.0	14.6	13.7	0.9
Moncton-Richibucto	112.1	109.2	2.7	8.1	8.8	-0.7
Saint John-St. Stephen	84.6	86.1	-1.7	8.2	9.4	-1.2
Fredericton-Oromocto	70.4	65.8	7.0	7.6	9.5	-1.9
Edmundston-Woodstock	38.3	36.9	3.8	6.6	9.8	-3.2

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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