



Labour Market Bulletin

New Brunswick

September 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 quarter-over-quarter basis in New Brunswick during the third quarter of 2016, driven by increases from both full-time and part-time positions. During the same period, the unemployed population decreased slightly, while the labour force increased by 3,500. This resulted in a slightly lower unemployment rate at 9.5%, an improvement of 0.4 percentage points over the previous quarter.

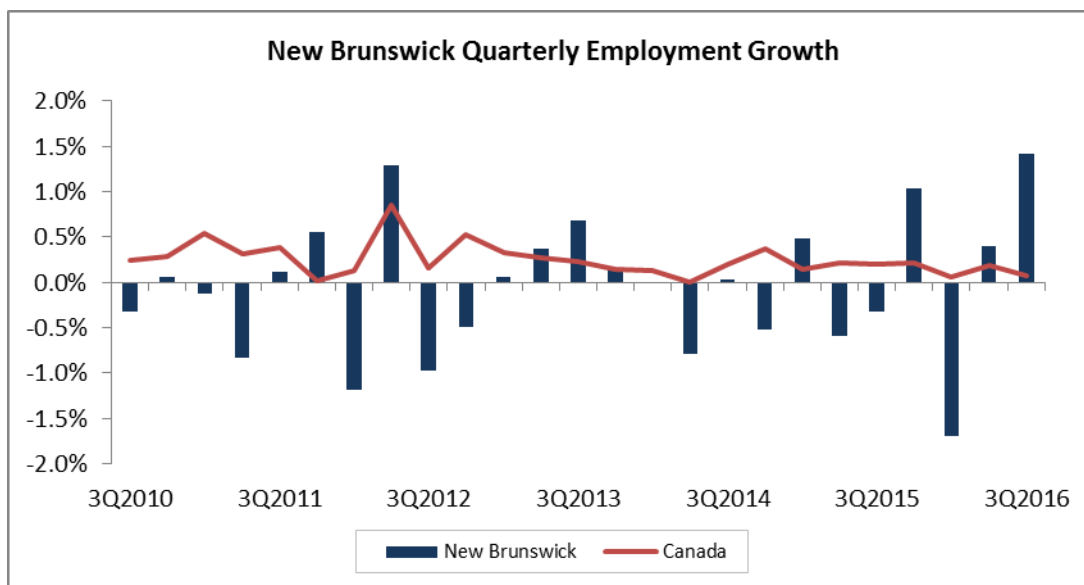
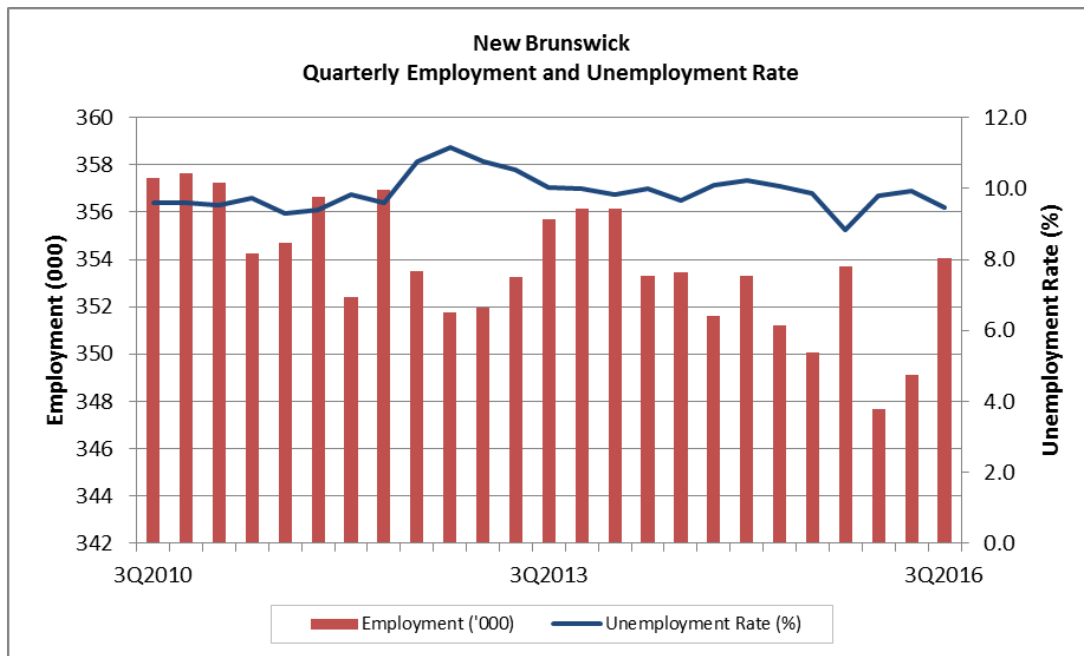
New Brunswick Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	3rd Quarter 2016	2nd Quarter 2016	3rd Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	623.6	623.4	621.8	0.2	0.0	1.8	0.3
Labour Force ('000)	391.1	387.6	388.5	3.5	0.9	2.5	0.7
Employment ('000)	354.1	349.1	350.1	5.0	1.4	4.0	1.1
Full-Time ('000)	297.7	295.6	297.2	2.1	0.7	0.5	0.2
Part-Time ('000)	56.4	53.4	52.8	2.9	5.5	3.5	6.7
Unemployment ('000)	37.0	38.5	38.5	-1.5	-4.0	-1.5	-3.8
Unemployment Rate (%)	9.5	9.9	9.9	-0.5	-	-0.4	-
Participation Rate (%)	62.7	62.2	62.5	0.5	-	0.2	-
Employment Rate (%)	56.8	56.0	56.3	0.8	-	0.5	-

Note: Totals may not add due to rounding

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

The most recent labour force survey results suggest that New Brunswick's labour market may be gaining momentum following a long-term period of decline. Compared to last year's third quarter, employment is up by 4,000 in the province; while at the same time, the employed population has decreased and labour force participation has picked up. Nevertheless, with population growth remaining sluggish and a lack of new major public and private investments, it remains to be seen if the provincial labour market can sustain this drive.



The most significant employment increase was recorded in the youth cohort (those aged 15-24). Compared to the third quarter of 2015, employment was up by 8% for the province’s younger workers. During this same time, the number of unemployed in the 15-24 age group also declined significantly, which helped push the youth unemployment rate down to 12.4% in the third quarter of 2016. Similarly, the youth employment rate was also improved by over five percentage points on a year-over-year basis in the third quarter. At 56.6%, the youth employment rate reached its highest point since 2009. Nevertheless, population growth within New Brunswick’s age 15-24 segment was negative on a year-over-year basis, which played a determining factor in increasing the group’s employment rate.

New Brunswick Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly Variation	Yearly Variation
	2016 (%)	2016 (%)	2015 (%)	(% points)	(% points)
Total	9.5	9.9	9.9	-0.5	-0.4
25 years and over	9.0	8.7	8.5	0.3	0.5
Men - 25 years and over	11.4	11.2	10.7	0.3	0.7
Women - 25 years and over	6.4	6.0	6.2	0.4	0.2
15 to 24 years	12.4	18.1	18.4	-5.7	-6.0
Men - 15 to 24 years	15.9	22.7	23.2	-6.8	-7.3
Women - 15 to 24 years	8.7	13.4	12.9	-4.7	-4.2

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

In the third quarter (Q3) of 2016, the total population aged 15+ in the Atlantic Provinces was 1.98 million. The Indigenous population living off-reserve accounted for 3.4% of that, or 66,800 people. Employment among the Indigenous population stood at 36,800 representing a decline of -1,000 (-2.6%) from a year earlier. The declines were in both full-time (-300 or -1.0%) and part-time (-700 or -10.4%) positions.

In Q3 2016, the unemployment rate among the Indigenous population increased significantly from Q3 2015 to 16.2%, representing a +3.5 percentage point (pp) increase, while that of the non-Indigenous population declined slightly to 8.7% (-0.3pp). Year-over-year, the participation rate among the Indigenous population, at 65.7%, did not experience variation and a smaller decline was seen amongst the non-Indigenous population whose participation rate fell from 63.9% to 63.2% in Q3 2016 (-0.7pp). The employment rate of the Indigenous population also declined year-over-year to 55.1% (-2.3pp), and the employment rate amongst the non-Indigenous population fell slightly from 58.2% to 57.7% (-0.5pp) compared to a year earlier.

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)	
	Q3 2016	Q3 2015	number	%	Q3 2016	Q3 2015	number	%
Population 15+ ('000)	66.8	65.9	0.9	1.4%	1,912.8	1,905.5	7.3	0.4%
Labour Force ('000)	43.9	43.3	0.6	1.4%	1,209.1	1,217.4	-8.3	-0.7%
Employment ('000)	36.8	37.8	-1.0	-2.6%	1,104.3	1,108.5	-4.2	-0.4%
Full-Time ('000)	30.8	31.1	-0.3	-1.0%	934.5	950.2	-15.7	-1.7%
Part-Time ('000)	6.0	6.7	-0.7	-10.4%	169.8	158.3	11.5	7.3%
Unemployment ('000)	7.1	5.5	1.6	29.1%	104.8	109.0	-4.2	-3.9%
Unemployment Rate (%)	16.2	12.7	3.5	-	8.7	9.0	-0.3	-
Participation Rate (%)	65.7	65.7	0.0	-	63.2	63.9	-0.7	-
Employment Rate (%)	55.1	57.4	-2.3	-	57.7	58.2	-0.5	-

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 is up in the **Goods-producing sector**, increasing by nearly 3% on a year-over-year basis in the third quarter. Gains in **Manufacturing** and in the **Agriculture** industry helped offset the employment losses in **Forestry, fishing, mining, quarrying, and oil and gas**. 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 new production line is expected to be operational by late 2017 or early 2018. Likewise, manufactures in the province are also advancing from the low value of the loonie and the growing US economy, which serves as New Brunswick's biggest trade partner.

The **Services-producing** sector displayed some signs of rebounding in the third quarter; however, year-over-year growth has been slow. Employment gains in this sector were driven by growth in the **Trade** industry and from an expansion in the **Finance, insurance, real estate and leasing** industry. With Canadian buying power diminished south of the border, New Brunswickers are more enticed to doing their shopping domestically, which has been a boon to local retailers. Furthermore, the conditions for wholesale trade are also favorable with New Brunswick businesses setting more competitive prices in comparison to their American competitors.

New Brunswick Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	3rd Quarter 2016	2nd Quarter 2016	3rd Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	354.1	349.1	350.1	5.0	1.4	4.0	1.1
Goods-producing sector	74.1	72.3	72.1	1.7	2.4	2.0	2.7
Agriculture	5.5	5.0	4.3	0.4	8.6	1.2	28.1
Forestry, fishing, mining, quarrying, oil and gas	9.3	9.9	10.8	-0.5	-5.4	-1.5	-13.6
Utilities	3.7	3.5	3.5	0.2	5.7	0.2	4.7
Construction	24.5	24.1	24.1	0.4	1.5	0.4	1.7
Manufacturing	31.1	29.8	29.4	1.3	4.4	1.7	5.8
Services-producing sector	280.0	276.8	278.0	3.3	1.2	2.1	0.7
Trade	58.8	55.6	55.1	3.1	5.6	3.6	6.6
Transportation and warehousing	19.5	20.0	19.4	-0.5	-2.3	0.1	0.3
Finance, insurance, real estate and leasing	17.5	16.7	14.4	0.7	4.4	3.1	21.6
Professional, scientific and technical services	14.7	15.4	16.5	-0.7	-4.3	-1.7	-10.5
Business, building and other support services	16.7	16.3	17.8	0.4	2.2	-1.1	-6.2
Educational services	26.1	25.0	27.4	1.1	4.5	-1.3	-4.6
Health care and social assistance	52.8	53.4	52.4	-0.7	-1.2	0.4	0.8
Information, culture and recreation	12.1	13.0	11.9	-0.9	-7.2	0.1	1.1
Accommodation and food services	21.6	22.4	24.3	-0.8	-3.4	-2.7	-11.1
Other services	16.5	15.5	15.3	1.0	6.4	1.2	8.1
Public administration	23.8	23.4	23.5	0.4	1.6	0.3	1.1

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/>

REGIONAL ANALYSIS

Employment declined by 4% in **Campbellton-Miramichi** on a year-over-year basis in the third quarter. Compared to the third quarter of 2015 the unemployment rate was up by 1.3 percentage points, making it the highest in the province at 13.9%. On the bright side, Comer Defense, a Winnipeg-based aerospace and defense firm, is nearing a ramp-up of its Miramichi operation nearly three years after landing a lucrative military contract. The company expects to create 80 jobs to retrofit military vehicles.

Employment was up by over 2% in the **Moncton-Richibucto** region since last year, with the unemployment rate falling slightly during this same time. However, at 8.1% in the third quarter of 2016, the region's unemployment rate was only slightly better than the provincial average. Nonetheless, employment has trended up in the short-term and with a number of major projects either underway or on the horizon in the region this trend could continue. Recent construction activity in Moncton includes the development of the \$104 million events centre; the Tuttle Brothers building revitalization; the WestJet call centre training facility; and additions to the Organigram medical marijuana facility. The city is also gearing up for the recently announced \$20 million Five Five Queen Street project, which includes construction of condominiums, a boutique hotel and a restaurant.

Compared to the third quarter of last year, employment was down by less than a half-percent in the **Saint John-St. Stephen** region. During this same period, the unemployment rate fell by 1.1 percentage points to 7.8% in the third quarter of 2016. 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. However, a recent investment announcement by Irving Oil Ltd. suggests that some economic stimulus is on the way. Indeed, Irving has scheduled a \$135 million turnaround at its Saint John refinery. The refinery will continue to operate during the maintenance period, but at a reduced rate. At the same time, it is expected that an additional 2,000 workers will be required on site for the duration of this project.

The **Fredericton-Oromocto** labour market posted employment growth of nearly 6% between the third 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. At 6.7% in the third quarter of 2016, the Fredericton-Oromocto unemployment rate was significantly improved from the same period last year and well below the provincial average. Among the projects which are propelling the region's labour market include the \$17.6 million development of Kingswood Cambria Suites hotel and water park near Fredericton. With phase one of the project currently underway, completion is slated for fall 2017. Once completed, the hotel is expected to employ 100 people.

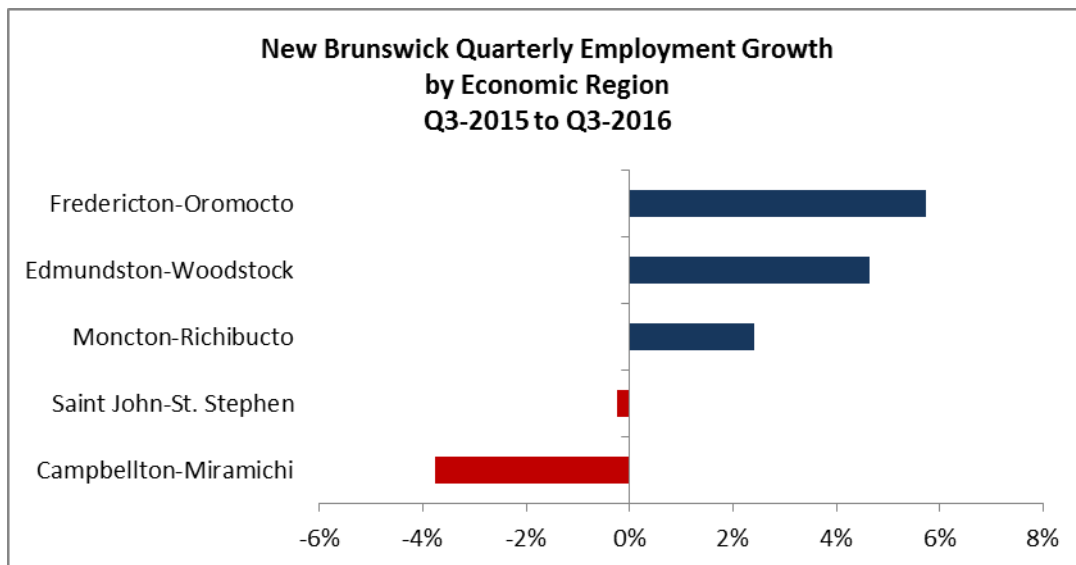
Employment was up by nearly 5% in **Edmundston-Woodstock** on a year-over-year basis in the third quarter, trailing only the Fredericton-Oromocto region as a leading growth spot for jobs in the province. The unemployment rate was also greatly improved compared to last year, declining by 2.4 percentage points to 6.6% in the third quarter of 2016.

New Brunswick Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	3rd Quarter 2016 ('000)	3rd Quarter 2015 ('000)	Yearly Variation (%)	3rd Quarter 2016 (%)	3rd Quarter 2015 (%)	Yearly Variation (% points)
New Brunswick	365.8	360.4	1.5	8.6	9.3	-0.7
Economic Regions						
Campbellton-Miramichi	61.4	63.8	-3.8	13.9	12.6	1.3
Moncton-Richibucto	110.6	108.0	2.4	8.1	8.0	0.1
Saint John-St. Stephen	85.4	85.6	-0.2	7.8	8.9	-1.1
Fredericton-Oromocto	70.1	66.3	5.7	6.7	8.7	-2.0
Edmundston-Woodstock	38.3	36.6	4.6	6.6	9.0	-2.4

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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