



Labour Market Bulletin

New Brunswick

October 2017



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

The level of employment in New Brunswick increased by 2,300 in October. The unemployment rate, however, remained unchanged, because 2,600 people re-entered the labour force. For the second consecutive month, the rise in employment was concentrated in full-time work. In fact, the number of full-time jobs rose by a combined 4,000 in September and October.

New Brunswick Monthly Labour Force Statistics

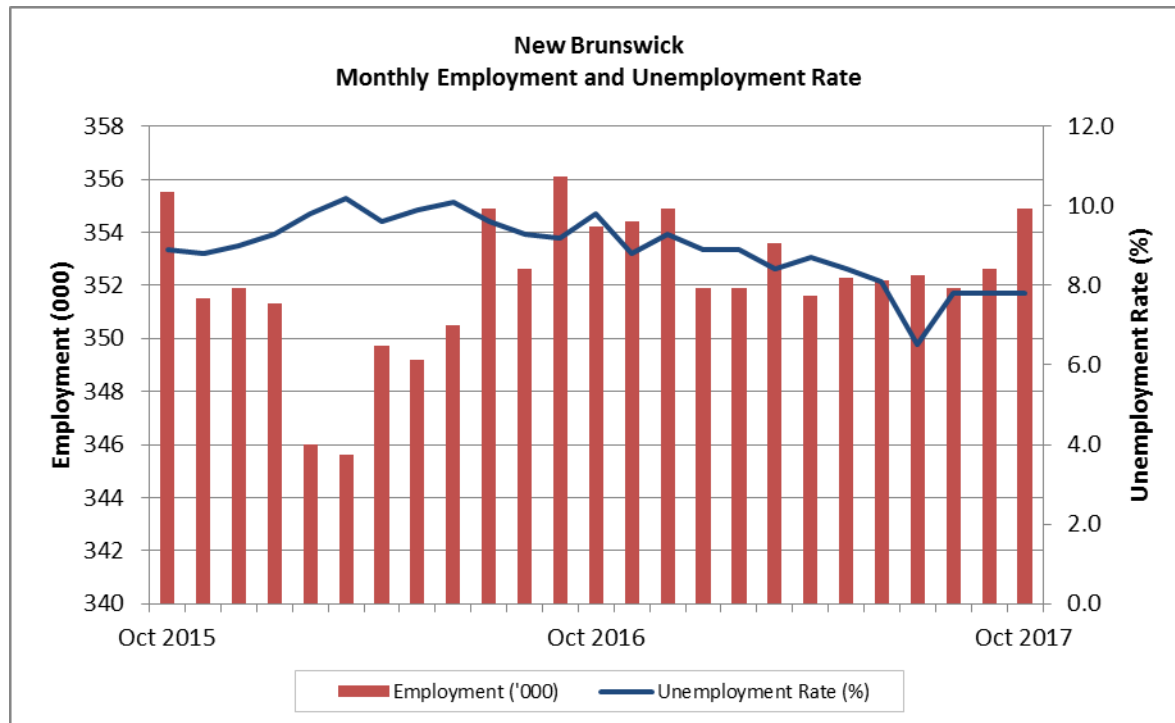
Seasonally Adjusted Monthly Data	Oct 2017	Sept 2017	Oct 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	625.4	625.2	623.8	0.2	0.0	1.6	0.3
Labour Force ('000)	384.9	382.3	392.8	2.6	0.7	-7.9	-2.0
Employment ('000)	354.9	352.6	354.2	2.3	0.7	0.7	0.2
Full-Time ('000)	302.9	301.5	297.7	1.4	0.5	5.2	1.7
Part-Time ('000)	52.0	51.2	56.5	0.8	1.6	-4.5	-8.0
Unemployment ('000)	30.0	29.7	38.6	0.3	1.0	-8.6	-22.3
Unemployment Rate (%)	7.8	7.8	9.8	0.0	-	-2.0	-
Participation Rate (%)	61.5	61.1	63.0	0.4	-	-1.5	-
Employment Rate (%)	56.7	56.4	56.8	0.3	-	-0.1	-

Note: Totals may not add due to rounding

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

In general, labour market conditions in New Brunswick have been mixed in 2017. The average level of employment of 352,000 through the first ten months of the year is 1,500 higher than it was during the same period last year. The strong 5,400 rise in full-time employment was solely responsible for the overall increase in employment, more than offsetting the 3,800 decline in part-time work. Otherwise, after falling sharply since the beginning of the year, the labour force has rebounded in recent months. Nonetheless, despite rising by nearly 8,000 over the past three months, the labour force in October 2017 still remains nearly 8,000 smaller than it was

in October 2016. The participation rate has exhibited a similar trend. Despite registering a moderate rebound over the past few months, at 61.5% in October, it remained almost two full percentage points below its recent peak twelve months earlier.



The month-over-month increase in employment in October was concentrated primarily among those in the prime working age (25 to 54 years), where employment rose by 2,400. The youth cohort (aged 15 to 24) registered a modest 800 increase in October, following a year of steady declines. Over the past twelve months, youth employment has fallen by 4,100. The modest month-over-month decline in employment among the aged 55 and over cohort runs contrary to the trend of steady employment gains over the past three years. Over the past year, employment among seniors has risen by 3,500, which helped lower the unemployment rate by 4.9 percentage points to 8.5%. As mentioned, labour market conditions have been a little less encouraging among the youth population, which is illustrated by the 4,100 decline in employment over the past twelve months. Compounding matters is the fact that nearly 5,000 youth have left the labour force during the same period, resulting in a 5 percentage point decline in the participation rate. At 62.6% in October, the participation rate among youth is much lower than the prime working age rate of 86.7%.

New Brunswick Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Oct 2017	Sept 2017	Oct 2016	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	7.8	7.8	9.8	0.0	-2.0
25 years and over	6.9	6.6	9.2	0.3	-2.3
Men - 25 years and over	8.7	8.4	11.9	0.3	-3.2
Women - 25 years and over	5.0	4.6	6.3	0.4	-1.3
15 to 24 years	13.5	15.4	13.4	-1.9	0.1
Men - 15 to 24 years	15.1	14.2	17.9	0.9	-2.8
Women - 15 to 24 years	11.8	16.4	8.8	-4.6	3.0

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

EMPLOYMENT BY INDUSTRY

A 2,400 month-over-month rebound in **Services-producing sector** employment reversed the decline a month earlier and led the overall job gains in October. Employment in the **Good-producing sector**, by comparison, was mostly unchanged.

The month-over-month employment gains in the **Services-producing sector** were most heavily concentrated in **Accommodation and food services** (+1,500), **Transportation** (+800) and **Health Care and Social Assistance** (+700). There were no material employment gains in the **Goods-producing sector**, with the exception of **Manufacturing** (+800), which registered its second consecutive monthly increase.

On a year-over-year basis, employment exhibited little change in either the **Goods-producing** or **Services-producing sector**. Nevertheless, there were some fairly significant changes at the sectoral level. Within the **Goods-producing sector**, healthy employment gains occurred in **Construction** (+2,100) and **Manufacturing** (+1,500). At the same time, **Forestry, fishing, mining, quarrying, oil and gas** (-1,500), **Agriculture** (-1,100) and **Utilities** (-1,000) all registered sharp declines.

The bulk of the deterioration in **Agriculture** has taken place over the past six months. Since reaching a peak level of employment of 6,300 in March of this year, employment in **Agriculture** has since declined to 4,200, representing a 33% decline. At its current level, employment in the sector is still in-line with its longer-term average. The opening of a new production line at McCain foods in the next few weeks should help increase demand for local potatoes in the near future. Increased allocation of crown land for blueberry production and public funding to support the establishment of new maple syrup operations should provide some support to the sector in the near future.

A breakdown of the **Services-producing sector** also reveals mixed performance in labour market activity during the past year. Strong year-over-year employment gains were registered in **Health care and social assistance** (+5,000), which has become the norm in recent years, as the province attempts to deal with rising demands for health care services associated with an aging population. Gains were also registered in **Business, building and other support services** (+2,200), **Professional, scientific and technical services** (+1,600) and **Educational services** (+1,500). At the same time, job losses were also evident across the board within the **Services-producing sector**. In particular, the level of employment in **Trade** fell by 5,900 in the twelve months to October, which could be related to the recent appreciation in the Canadian dollar and the increased uncertainty surrounding international trade. It should be noted, however, that at 60,300 in October 2016, the level of employment in **Trade** was at its highest on record. Meanwhile, at its current level, employment in **Trade** remains only slightly below its long-term average. Otherwise, job losses were also registered in **Information, culture and recreation** (-2,500), **Other services** (-2,400) and **Public Administration** (-2,300).

New Brunswick Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Oct 2017	Sept 2017	Oct 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	354.9	352.6	354.2	2.3	0.7	0.7	0.2
Goods-producing sector	73.4	73.7	73.3	-0.3	-0.4	0.1	0.1
Agriculture	4.2	4.9	5.3	-0.7	-14.3	-1.1	-20.8
Forestry, fishing, mining, quarrying, oil and gas	8.3	8.5	9.8	-0.2	-2.4	-1.5	-15.3
Utilities	2.9	2.8	3.9	0.1	3.6	-1.0	-25.6
Construction	25.2	25.4	23.1	-0.2	-0.8	2.1	9.1
Manufacturing	32.8	32.0	31.3	0.8	2.5	1.5	4.8
Services-producing sector	281.4	279.0	280.9	2.4	0.9	0.5	0.2
Trade	54.4	54.7	60.3	-0.3	-0.5	-5.9	-9.8
Transportation and warehousing	18.0	17.2	17.2	0.8	4.7	0.8	4.7
Finance, insurance, real estate and leasing	16.7	17.0	17.3	-0.3	-1.8	-0.6	-3.5
Professional, scientific and technical services	15.9	15.4	14.3	0.5	3.2	1.6	11.2
Business, building and other support services	17.6	17.4	15.4	0.2	1.1	2.2	14.3
Educational services	26.9	27.2	25.4	-0.3	-1.1	1.5	5.9
Health care and social assistance	59.2	58.5	54.2	0.7	1.2	5.0	9.2
Information, culture and recreation	10.1	10.1	12.6	0.0	0.0	-2.5	-19.8
Accommodation and food services	25.8	24.3	22.5	1.5	6.2	3.3	14.7
Other services	14.9	14.4	17.3	0.5	3.5	-2.4	-13.9
Public administration	22.0	22.8	24.3	-0.8	-3.5	-2.3	-9.5

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

The **Campbelton-Miramichi** economic region was one of three regions in the province to register employment gains over the past year. However, the 3.8% year-over-year increase was easily the strongest gain. This helped generate a 2.7 percentage point decline in the unemployment rate, which, at 11.5%, still remains elevated and is the highest in the province.

Labour market conditions improved slightly in the **Moncton-Richibucto** economic region over the course of the past year, as illustrated by the 1.8% rise in employment. When coupled with a moderate decline in the labour force, the rise in employment helped lower the unemployment rate by 1.8 percentage points to 5.6% in October, leaving it the second lowest in the province. Generally speaking, the region is home to several small to medium size investment projects, which are anticipated to provide further support to the region's labour market in the near future. Construction activity has been underway for some time in the development of the \$104 million events centre in Moncton. The city is also preparing for the \$20 million Five Five Queen Street project, which includes construction of condominiums, a boutique hotel and a restaurant. The Richibucto region, meanwhile, is expected to benefit from the construction of a new facility that will process seafood waste into fertilizer. The new facility is expected to create 74 permanent jobs over the next two years.

The **Saint John-St. Stephen** economic region registered a modest 0.8% increase in employment over the past year. Compared to other regions, however, the decline in the participation rate was not as pronounced, which helps explain why the unemployment rate declined only slightly, to 6.7%. The presence of several investment projects in the region, including the revitalization of the Port of Saint John and the Saint John Safe Clean Drinking Water (SCDW) project continue to provide support to the region's job market.

Labour market conditions appear to have deteriorated in the **Fredericton-Oromocto** economic region over the past year. While the 1.0 percentage point decline in the unemployment rate would seem to suggest otherwise, the catalyst behind the lower unemployment rate was a considerable decline in the participation rate. The level

of employment actually declined by 6.9% (or 4,300) over the past twelve months. The city of Fredericton and surrounding region is home to several large employers, including many provincial and federal government offices, as well as two major universities. Recently, projects such as the \$17.6 million development of Kingswood Cambria Suites hotel and waterpark near Fredericton have provided a boost to the region's labour market. The first phase of the project is currently underway, with completion expected around the fall of 2017. Once completed, the hotel is expected to employ 100 people. Construction of a new \$20 million Hilton Garden Inn hotel is also well underway in downtown Fredericton, with completion anticipated by early next year. Looking ahead, a \$200 million expansion of the Dr. Everett Chalmers hospital in Fredericton will begin in 2019, with expected completion around 2025.

The level of employment in the **Edmundston-Woodstock** economic region fell by 3,900 over the past twelve months. A similar decline in the labour force explains why the unemployment rate rose by only 0.3 percentage points to 6.1% in October. The region's relatively strong reliance on forestry-related employment does represent some downside risk to the labour market in the months ahead, as softwood lumber producers contend with countervailing and anti-dumping duties on shipments to the United States. On a more positive note, the region's labour market should continue to benefit greatly from the stability associated with the presence of several large and successful employers, such as McCain Foods.

New Brunswick Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Oct 2017 ('000)	Oct 2016 ('000)	Yearly Variation (%)	Oct 2017 (%)	Oct 2016 (%)	Yearly Variation (% points)
New Brunswick	361.4	362.2	-0.2	6.9	8.2	-1.3
Economic Regions						
Campbellton-Miramichi	63.1	60.8	3.8	11.5	14.2	-2.7
Moncton-Richibucto	110.7	108.7	1.8	5.6	7.4	-1.8
Saint John-St. Stephen	85.2	84.5	0.8	6.7	7.4	-0.7
Fredericton-Oromocto	65.2	69.5	-6.2	5.2	6.2	-1.0
Edmundston-Woodstock	37.2	38.7	-3.9	6.1	5.8	0.3

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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