



# Labour Market Bulletin

## New Brunswick

### June 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

Despite a modest quarter-over-quarter decline in employment in the second quarter, the unemployment rate fell by 0.3 percentage points, as fewer people were searching for work. The labour force shrank by 0.5% in the second quarter, as an increase in the working age population was more than offset by a decline in the participation rate.

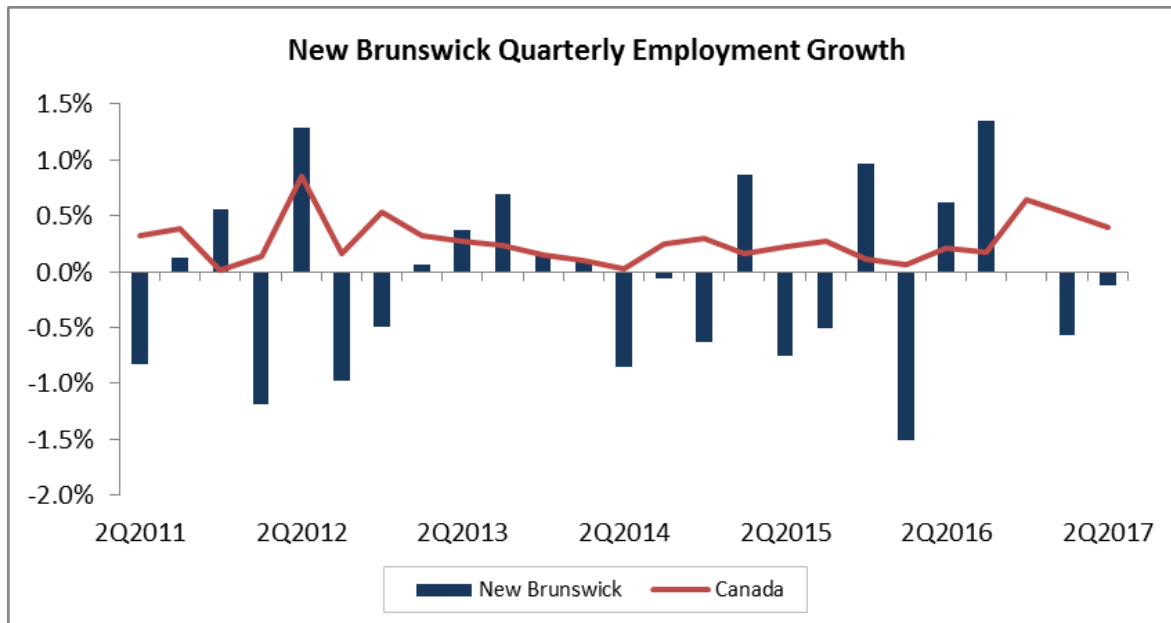
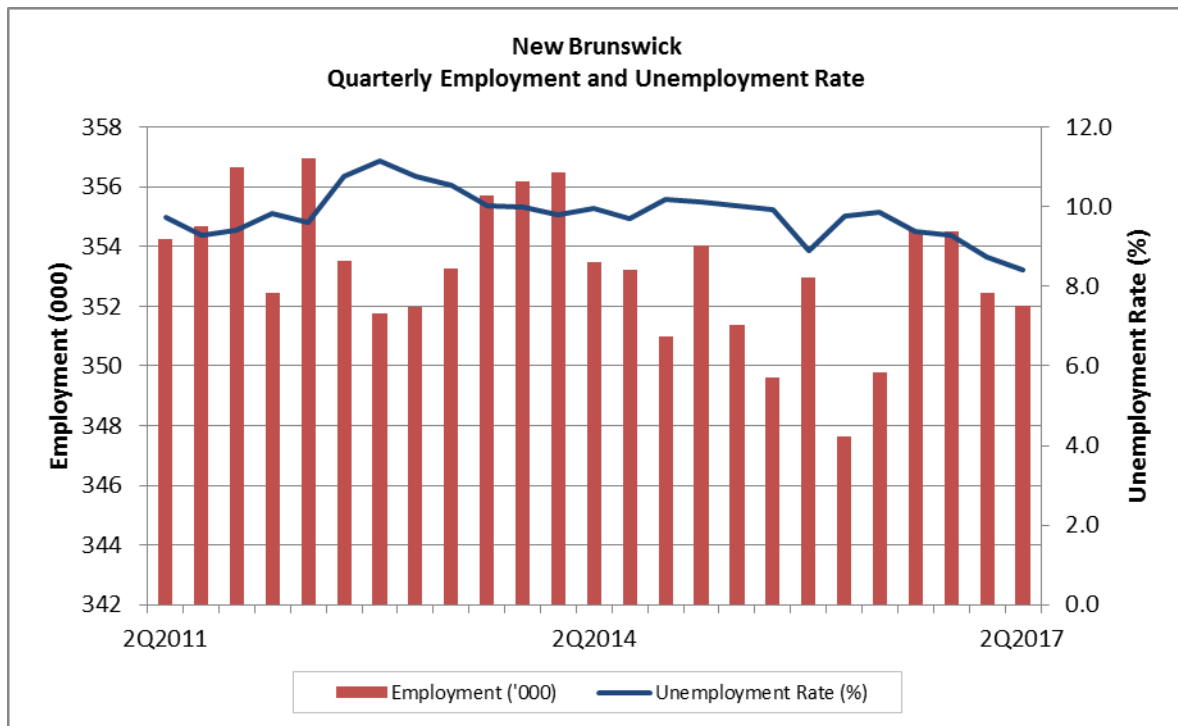
**New Brunswick Quarterly Labour Force Statistics**

Seasonally Adjusted Quarterly Data	2nd Quarter 2017	1st Quarter 2017	2nd Quarter 2016	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	624.4	624.0	623.4	0.4	0.1	1.0	0.2
<b>Labour Force ('000)</b>	384.3	386.3	388.2	-2.0	-0.5	-3.9	-1.0
<b>Employment ('000)</b>	352.0	352.5	349.8	-0.5	-0.1	2.2	0.6
Full-Time ('000)	302.6	301.0	296.1	1.6	0.5	6.5	2.2
Part-Time ('000)	49.5	51.5	53.7	-2.0	-3.9	-4.2	-7.8
<b>Unemployment ('000)</b>	32.3	33.8	38.4	-1.5	-4.4	-6.1	-15.9
<b>Unemployment Rate (%)</b>	8.4	8.7	9.9	-0.3	-	-1.5	-
<b>Participation Rate (%)</b>	61.6	61.9	62.3	-0.3	-	-0.7	-
<b>Employment Rate (%)</b>	56.4	56.5	56.1	-0.1	-	0.3	-

*Note: Totals may not add due to rounding*

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

Employment has now fallen in two consecutive quarters to start the year. Despite the declines, the level of employment still remains 2,200 (or, 0.6%) higher when compared to the second quarter of 2016. Meanwhile, over the past year, the unemployment rate has remained on a downward trend, falling by 1.5 percentage points to 8.4% in the second quarter. The driving factor behind the decline has been a sizeable drop in the size of the labour force, triggered by a drop in the participation rate. At 61.9% in the second quarter, the latter has fallen by 3 percentage points since reaching a peak in the first quarter of 2009.



Labour market conditions among the youth population have exhibited some signs of improvement over the past year. The unemployment rate among those belonging to the aged 15 to 24 cohort exhibited the sharpest decline among all age groups over the past year, falling by 3.5 percentage points, to 13.8%. The decline, while most pronounced for men (-3.8 percentage points), was still fairly healthy among women (-2.6 percentage points).

### New Brunswick Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	2nd Quarter	1st Quarter	2nd Quarter	Quarterly	Yearly
	2017 (%)	2017 (%)	2016 (%)	(% points)	(% points)
<b>Total</b>	8.4	8.7	9.9	-0.3	-1.5
<b>25 years and over</b>	7.6	7.8	8.7	-0.2	-1.2
Men - 25 years and over	9.1	9.7	11.2	-0.5	-2.1
Women - 25 years and over	5.9	5.7	6.1	0.2	-0.2
<b>15 to 24 years</b>	13.8	15.0	17.3	-1.2	-3.5
Men - 15 to 24 years	17.6	17.6	21.4	0.1	-3.8
Women - 15 to 24 years	10.3	12.3	12.9	-2.0	-2.6

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

In the second quarter (Q2) of 2017, the total population aged 15+ in the Atlantic Provinces was around 2 million. The Indigenous population living off-reserve accounted for 3.4% of that, or 67,900 people. Employment among Indigenous people in the Atlantic provinces was 37,600, representing an increase of 4,400 (+13.3%) from a year earlier (Q2 2016). The increase was primarily driven by full-time positions (+4,000 or +14.9%). Part-time positions also saw an increase over the same time period (+500 or +7.9%).

The unemployment rate among the Indigenous population was 12.0% in Q2 2017, representing a decrease of -7.8 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate was 9.6% (+0.3pp). Between Q2 2016 and Q2 2017, the participation rate of Indigenous people stood at 63.0% (+1.0pp) while among non-Indigenous population, it was 62.0% (-0.5pp). The employment rate of Indigenous people increased year-over-year to 55.5% (+5.8pp); for the non-Indigenous population, it was 56.7% (-0.7pp).

### Atlantic - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q2 2017	Q2 2016	number	%	Q2 2017	Q2 2016	number	%
	<b>Population 15 + ('000)</b>	67.9	66.7	1.2	1.8%	1,917.5	1,910.7	6.8
<b>Labour Force ('000)</b>	42.8	41.4	1.4	3.4%	1,188.2	1,194.4	-6.2	-0.5%
<b>Employment ('000)</b>	37.6	33.2	4.4	13.3%	1,074.1	1,083.1	-9.0	-0.8%
<b>Full-Time ('000)</b>	30.9	26.9	4.0	14.9%	901.8	901.9	-0.1	0.0%
<b>Part-Time ('000)</b>	6.8	6.3	0.5	7.9%	172.3	181.3	-9.0	-5.0%
<b>Unemployment ('000)</b>	5.1	8.2	-3.1	-37.8%	114.1	111.3	2.8	2.5%
<b>Unemployment Rate (%)</b>	12.0	19.8	-7.8	-	9.6	9.3	0.3	-
<b>Participation Rate (%)</b>	63.0	62.0	1.0	-	62.0	62.5	-0.5	-
<b>Employment Rate (%)</b>	55.5	49.7	5.8	-	56.0	56.7	-0.7	-

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

The **Services-producing sector** drove the decline in employment in the second quarter. That said, the weakness in the sector was mostly limited to **Information, culture and recreation** (-1,600) and **Finance, Indurance, real**

**estate and leasing** (-600). In the **Goods-producing sector**, employment edged up by 800 (or 1.1%), as a decline in **Forestry, fishing, mining, quarrying, oil and gas** (-1,000) was more than offset by healthy gains in **Manufacturing** (+1,600) and **Construction** (+800).

The healthy performance in manufacturing and construction, as illustrated by the 1,400 and 800 respective gains, have been the primary drivers of the 1,600 rise in employment in the **Goods-producing sector** over the past year. More generally, the relative health of the manufacturing sector is encouraging, particularly since the boost to domestic manufacturers from the currency depreciation between mid-2014 and early 2016 would have faded significantly by now. Furthermore, the second quarter labour force survey data would have captured any job losses in wood product and paper manufacturing stemming from the implementation of countervailing duties on softwood lumber exports destined south of the border. Employment in food manufacturing, which has trended down over the past two decades, is set to stabilize thanks to recent upgrades at the Oxford Frozen food berry-processing plant in the Acadian peninsula. A new specialty line at the McCain Foods French fry plant in Florenceville, which is expected to be operational later this year, should provide further support to activity in the sector.

Despite declining slightly on a quarter-over-quarter basis, employment in the **Agriculture** industry has risen by 10.5% over the past year, growing from 5,100 to 5,600. New developments, including an increased allocation of crown land for blueberry production as well as provincial and federal investments to support the establishment of new maple syrup operations, are expected to boost production in the near term. Nonetheless, productivity gains across the sector have kept job gains somewhat limited. Finally, the weakness in the goods-producing sector over the past year has been concentrated almost entirely in **Forestry, fishing, mining, quarrying, oil and gas**, where employment has fallen by 13.8% over the past year and 11% since the first quarter.

Labour market conditions in the services-producing sector as a whole have been relatively unchanged over the past twelve months. The strongest gains were in **Health care and social assistance**, where employment rose a healthy 3,500 during the same period, which is likely a reflection of the aging population and associated boost in demand for health care services. Some relatively vigorous gains were also registered in **Educational services** (+1,500) and **Trade** (+1,000). Going in the other direction, employment fell back in **Transportation and warehousing** (-3,000) and **Information, culture and recreation** (-2,700).

New Brunswick Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	2nd Quarter 2017	1st Quarter 2017	2nd Quarter 2016	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	352.0	352.5	349.8	-0.4	-0.1	2.2	0.6
<b>Goods-producing sector</b>	73.9	73.1	72.4	0.8	1.1	1.6	2.2
Agriculture	5.6	5.7	5.1	-0.1	-2.3	0.5	10.5
Forestry, fishing, mining, quarrying, oil and gas	8.3	9.4	9.7	-1.0	-11.0	-1.3	-13.8
Utilities	3.9	4.1	3.5	-0.2	-4.9	0.4	10.5
Construction	25.0	24.2	24.2	0.8	3.2	0.8	3.3
Manufacturing	31.3	29.7	29.9	1.6	5.5	1.4	4.7
<b>Services-producing sector</b>	278.1	279.4	277.4	-1.3	-0.5	0.6	0.2
Trade	57.0	57.3	56.0	-0.4	-0.6	1.0	1.8
Transportation and warehousing	16.9	16.9	19.9	0.0	-0.2	-3.0	-15.2
Finance, insurance, real estate and leasing	16.9	17.5	16.7	-0.6	-3.4	0.1	0.8
Professional, scientific and technical services	16.0	15.8	15.4	0.1	0.8	0.6	3.7
Business, building and other support services	14.8	15.1	16.3	-0.3	-2.0	-1.6	-9.6
Educational services	26.5	25.8	25.0	0.7	2.7	1.5	6.0
Health care and social assistance	57.0	56.0	53.5	1.0	1.8	3.5	6.5
Information, culture and recreation	10.3	11.9	13.0	-1.6	-13.2	-2.7	-20.8
Accommodation and food services	23.1	23.1	22.4	0.0	0.0	0.7	3.3
Other services	15.5	16.0	15.7	-0.5	-3.1	-0.2	-1.1
Public administration	24.1	23.9	23.4	0.2	0.8	0.7	2.8

Note: Totals may not add due to rounding

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

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## REGIONAL ANALYSIS

The lion's share of the job gains across the province over the past year were concentrated in the **Campbelton-Miramichi** economic region, which registered a 9.1% increase in employment. This departs from the longer term trend, characterised by several years of deterioration and job losses. At 13.9%, while still the highest in the province, the unemployment rate is down sharply from a year earlier, when it stood at 16.5%.

On balance, labour market conditions in the **Moncton-Richibucto** region have exhibited little change over the past year. Despite a modest 1.2% decline in employment during that time, the unemployment rate fell by 1.9 percentage points as people exited the labour force. At 6.7%, the region's unemployment rate is the lowest in the province. A number of investment projects are providing support to the labour market in the region. Construction activity is already underway on 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.

In the **Saint John-St. Stephen** economic region, a 1.0% increase in employment over the past year helped lower the unemployment rate by 1.3 percentage points to 7.3%. The presence of several investment projects in the region, including the revitalization of the Port of Saint John and the various wastewater projects, continue to provide support to the region's job market. Meanwhile, estimates suggest the \$135 million turnaround at the Saint John refinery, which began last fall, will require an additional 2,400 workers over the duration of the project.

The 3.4 percentage point decline in the unemployment rate in the **Fredericton-Oromocto** economic region was due entirely to fewer people in the area searching for work. Indeed, employment in the region has fallen by 1,200 (or 1.2%) since the second quarter of last year. 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 water park 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.

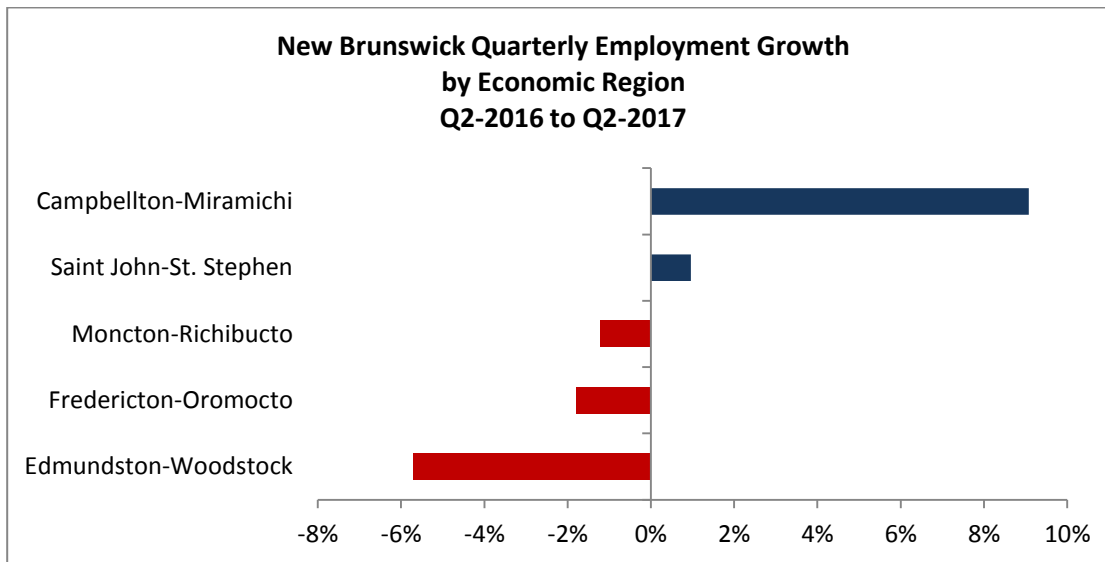
The level of employment in the **Edmundston-Woodstock** economic region has fallen by a sharp 5.7% over the past twelve months, raising the unemployment rate by 2.6 percentage points to 8.5% in the second quarter. The region's relatively strong reliance on forestry-related employment does leave the job market susceptible to further weakness in the months ahead, as softwood lumber producers feel the effects of a second round of duties on shipments to the United States. On a more positive note, the region's dependence on large and successful employers, such as McCain Foods, is encouraging moving forward.

**New Brunswick Quarterly Labour Force Statistics, by Economic Region**

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	2nd Quarter 2017 ('000)	2nd Quarter 2016 ('000)	Yearly Variation (%)	2nd Quarter 2017 (%)	2nd Quarter 2016 (%)	Yearly Variation (% points)
<b>New Brunswick</b>	354.6	353.0	0.5	8.4	10.0	-1.6
<b>Economic Regions</b>						
Campbellton-Miramichi	63.7	58.4	9.1	13.9	16.5	-2.6
Moncton-Richibucto	105.0	106.3	-1.2	6.7	8.6	-1.9
Saint John-St. Stephen	83.8	83.0	1.0	7.3	8.6	-1.3
Fredericton-Oromocto	65.6	66.8	-1.8	6.8	10.2	-3.4
Edmundston-Woodstock	36.4	38.6	-5.7	8.5	5.9	2.6

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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