



# Labour Market Bulletin

## New Brunswick

### July 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

Although employment was unchanged on a month-over-month basis in July, the unemployment rate fell 1.6 percentage points to 6.5% in July, which is the lowest on record dating back to 1976. The primary contributor was an unusually steep 1.0 percentage point decline in the participation rate. Furthermore, at 60.4% in July, the proportion of participants in the labour force fell to its lowest level since August 1999, as more than 6,000 stopped searching for work.

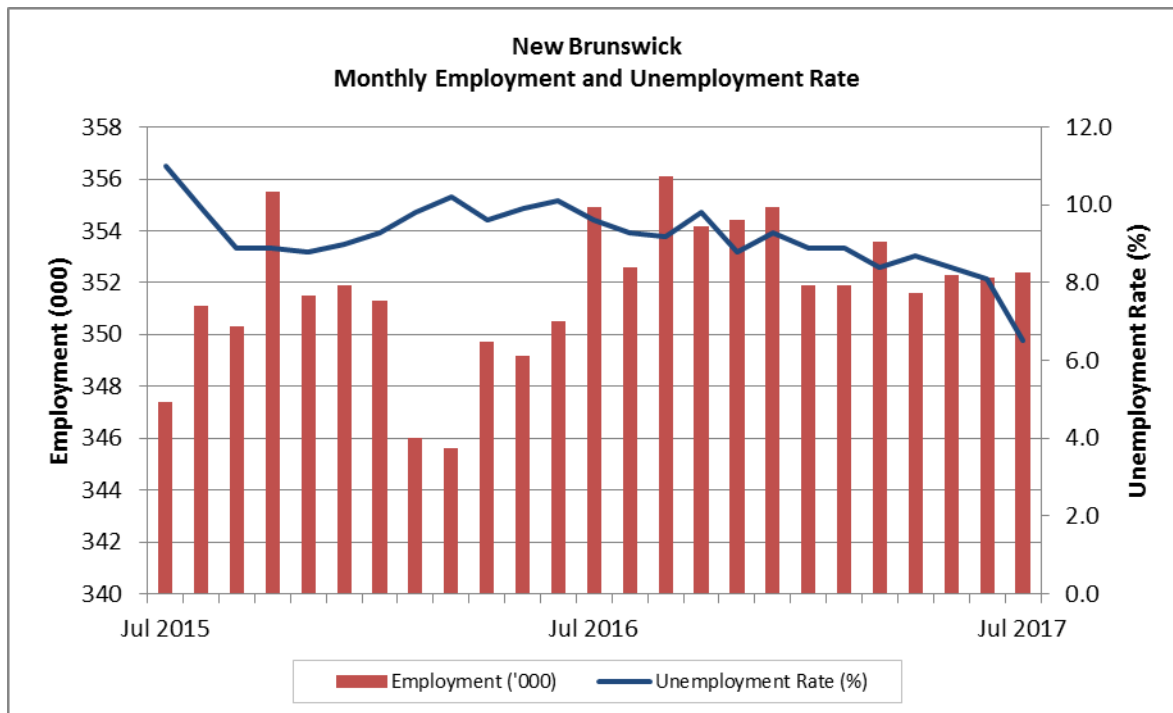
**New Brunswick Monthly Labour Force Statistics**

Seasonally Adjusted Monthly Data	July 2017	June 2017	July 2016	Monthly		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	624.8	624.5	623.6	0.3	0.0	1.2	0.2
<b>Labour Force ('000)</b>	377.1	383.2	392.7	-6.1	-1.6	-15.6	-4.0
<b>Employment ('000)</b>	352.4	352.2	354.9	0.2	0.1	-2.5	-0.7
Full-Time ('000)	300.6	302.9	299.9	-2.3	-0.8	0.7	0.2
Part-Time ('000)	51.8	49.3	55.0	2.5	5.1	-3.2	-5.8
<b>Unemployment ('000)</b>	24.7	31.0	37.8	-6.3	-20.3	-13.1	-34.7
<b>Unemployment Rate (%)</b>	6.5	8.1	9.6	-1.6	-	-3.1	-
<b>Participation Rate (%)</b>	60.4	61.4	63.0	-1.0	-	-2.6	-
<b>Employment Rate (%)</b>	56.4	56.4	56.9	0.0	-	-0.5	-

Note: Totals may not add due to rounding

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

The 2,500 year-over-year decline in employment in July was entirely concentrated in part-time work. Meanwhile, full-time employment edged up slightly from the same month last year. The bigger development last month is arguably the 15,600 decline in the size of the labour force, triggered by a sizeable 2.5 percentage point decline in the participation rate. The working age population actually grew by 1,200 over the past twelve months.



Although employment among youth was little changed on a month-over-month basis in July, the unemployment rate fell by 4.8 percentage points to 8.2% due to a decline in the participation rate. Year-over-year developments paint a similar picture, as a 5,100 decline in the number of participants in the labour force overshadowed a 2,600 decline in employment. Over the last twelve months alone, the participation rate among the youth population has fallen from 63.9% in July 2016, to 58.0% last month.

**New Brunswick Monthly Unemployment Rates, by Gender and Age**

Seasonally Adjusted Data	July 2017	June 2017	July 2016	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
<b>Total</b>	6.5	8.1	9.6	-1.6	-3.1
<b>25 years and over</b>	6.3	7.4	9.1	-1.1	-2.8
Men - 25 years and over	8.3	8.9	11.7	-0.6	-3.4
Women - 25 years and over	4.1	5.7	6.2	-1.6	-2.1
<b>15 to 24 years</b>	8.2	13.0	13.3	-4.8	-5.1
Men - 15 to 24 years	9.4	17.1	17.0	-7.7	-7.6
Women - 15 to 24 years	6.9	9.1	9.5	-2.2	-2.6

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

The large year-over-year decline in the unemployment rate among those aged 55 years and over in the past year was a little more positive since it was due to a 4,400 increase in employment. Compared to the youth population, the drop in the participation rate for the older cohort was a much more modest 1.1 percentage points.

---

## EMPLOYMENT BY INDUSTRY

After declining for the better part of 2017, employment in the **Services-producing sector** was little changed on a month-over-month basis in July. There were gains in **Business, building and other support services** (+1,500), **Health care and social assistance** (+900) and **Information, culture and recreation** (+600) which offset sharp declines in **Education services** (-2,100), **Public administration** and **professional services** (-500). By comparison, employment in the **Goods-producing sector** rose by 700 compared to the previous month, as a sizeable increase in **Manufacturing** (+1,300) outpaced declines in **Construction**(-400), **Agriculture** (-400), **Utilities** (-100).

Year-over-year developments remains one of strength in the goods-producing sector, as illustrated by the 3.1% (+2,300) increase in July. Job gains in the sector were concentrated almost entirely in **Manufacturing** (+2,400) and **Construction** (+1,100), which offset a decline in **Forestry, fishing, mining, quarrying, oil and gas** (-1,100).

The strength in manufacturing is particularly encouraging, given the recent appreciation in the value of the dollar and the countervailing and anti-dumping duties currently imposed on softwood lumber being shipped south of the border. Conditions appear to be favourable for healthy growth in food manufacturing due to some 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 is expected to be operational as early as September, further supporting labour market activity in the sector.

Following a modest gain in 2016, employment in Agriculture has been relatively unchanged since the start of this year. Increased allocation of crown land for blueberry production and public funding to support the establishment of new maple syrup operations suggest the slowdown in employment gains could be temporary.

The year-over-year decline in the **Services-producing sector** (-4,800) was due primarily to losses in **Transportation and warehousing** (-3,400), **Educational services** (-2,000), **Trade** (-1,600), **Public administration** (-1,400) and **Finance, insurance, real estate and leasing** (-1,200). Employment gains in the broader service sector were limited to **Health care and social assistance** (+4,200), **Accommodation and food services** (+2,100) and **Professional, scientific and technical services** (+500). The strong gain in Health-care and social assistance appears to be part of a broader upward trend related to the aging demographics and the associated boost in demand for health care services in the province.

**New Brunswick Monthly Employed Labour Force, by Industry**

Seasonally Adjusted Data ('000)	July 2017	June 2017	July 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	352.4	352.2	354.9	0.2	0.1	-2.5	-0.7
<b>Goods-producing sector</b>	75.4	74.7	73.1	0.7	0.9	2.3	3.1
Agriculture	5.2	5.6	5.3	-0.4	-7.1	-0.1	-1.9
Forestry, fishing, mining, quarrying, oil and gas	8.4	8.3	9.5	0.1	1.2	-1.1	-11.6
Utilities	3.7	3.8	3.6	-0.1	-2.6	0.1	2.8
Construction	25.5	25.9	24.4	-0.4	-1.5	1.1	4.5
Manufacturing	32.6	31.3	30.2	1.3	4.2	2.4	7.9
<b>Services-producing sector</b>	277.0	277.5	281.8	-0.5	-0.2	-4.8	-1.7
Trade	56.1	56.1	57.7	0.0	0.0	-1.6	-2.8
Transportation and warehousing	16.2	16.8	19.6	-0.6	-3.6	-3.4	-17.3
Finance, insurance, real estate and leasing	16.9	16.9	18.1	0.0	0.0	-1.2	-6.6
Professional, scientific and technical services	15.5	16.0	15.0	-0.5	-3.1	0.5	3.3
Business, building and other support services	16.6	15.1	17.4	1.5	9.9	-0.8	-4.6
Educational services	24.4	26.5	26.4	-2.1	-7.9	-2.0	-7.6
Health care and social assistance	57.7	56.8	53.5	0.9	1.6	4.2	7.9
Information, culture and recreation	11.3	10.7	12.3	0.6	5.6	-1.0	-8.1
Accommodation and food services	23.3	23.0	21.2	0.3	1.3	2.1	9.9
Other services	16.1	16.1	16.4	0.0	0.0	-0.3	-1.8
Public administration	22.8	23.6	24.2	-0.8	-3.4	-1.4	-5.8

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 only two regions in the province to register employment gains over the past year. Compared to twelve months prior, employment in the region was 10% higher in July. This helped generate a significant decline in the unemployment rate, which, for all intents and purposes, still remains the highest in the province at 10.6%.

Although the level of employment declined in the **Moncton-Richibucto** economic region, the unemployment rate fell by 2.6 percentage points to 6.1% over the same period, due to a sharp decline in the rate of participation among the working age population. More generally, a number of investment projects are anticipated to provide support to the region's labour market in the near future. Construction activity is already underway 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 1.5% increase in employment over the past year. Since the decline in the participation rate was much less severe than the rest of the province, the unemployment rate fell by a more modest 1.1 percentage points to 6.8% during the same period. The presence of several investment projects in the region, including the revitalization of the Port 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.

At 5.7%, the unemployment rate in the **Fredericton-Oromocto** economic region has fallen by 3.4 percentage points over the past year. Unfortunately, the catalyst behind the decline has been a sharp decline in the rate of participation among the working age population. The level of employment actually declined by 3.9% over the

same period. 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 registered the sharpest decline over the past twelve months, falling by 4.6% during the period. As a result, the unemployment rate rose by 2.2 percentage points to 7.3% in July. 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 increasingly feel the effect of countervailing duties on shipments to the United States. On a more positive note, the region's labour market depends greatly on the presence of 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		
	July 2017 ('000)	July 2016 ('000)	Yearly Variation (%)	July 2017 (%)	July 2016 (%)	Yearly Variation (% points)
<b>New Brunswick</b>	363.0	362.5	0.1	7.2	9.4	-2.2
<b>Economic Regions</b>						
Campbellton-Miramichi	66.7	60.3	10.6	10.6	14.8	-4.2
Moncton-Richibucto	107.1	109.8	-2.5	6.1	8.7	-2.6
Saint John-St. Stephen	85.9	84.6	1.5	6.8	7.9	-1.1
Fredericton-Oromocto	66.4	69.1	-3.9	5.7	9.1	-3.4
Edmundston-Woodstock	37.0	38.8	-4.6	7.3	5.8	1.5

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.

**Prepared by:** Labour Market Analysis Directorate, Service Canada, Atlantic Region

**For further information,** please contact the LMI team at:

[NC-LMI-IMT-GD@hrsdcc.gc.ca](mailto:NC-LMI-IMT-GD@hrsdcc.gc.ca)

**For information on the Labour Force Survey,** please visit the Statistics Canada Web site at: [www.statcan.gc.ca](http://www.statcan.gc.ca)

© Her Majesty the Queen in Right of Canada as represented by Employment and Social Development Canada, 2017, all rights reserved