



Labour Market Bulletin

New Brunswick

January 2018



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

Labour market conditions in New Brunswick deteriorated significantly to start the year. The 5,800 month-over-month drop in January was not only the steepest drop since April 2014, it was also accompanied by a 1,000 decline in the labour force. On balance, these factors caused the unemployment rate to spike to 9.1%, its highest level in over a year.

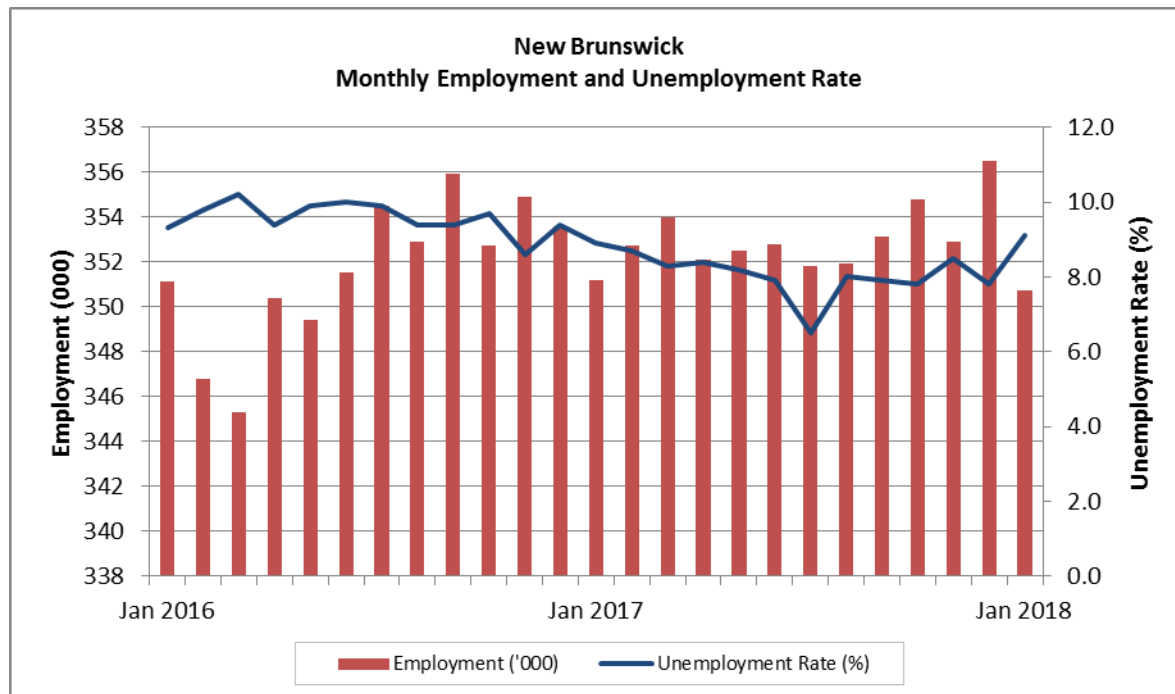
New Brunswick Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Jan 2018	Dec 2017	Jan 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	626.0	625.7	624.0	0.3	0.0	2.0	0.3
Labour Force ('000)	385.6	386.6	385.2	-1.0	-0.3	0.4	0.1
Employment ('000)	350.7	356.5	351.2	-5.8	-1.6	-0.5	-0.1
Full-Time ('000)	301.3	304.9	299.7	-3.6	-1.2	1.6	0.5
Part-Time ('000)	49.4	51.5	51.4	-2.1	-4.1	-2.0	-3.9
Unemployment ('000)	34.9	30.1	34.1	4.8	15.9	0.8	2.3
Unemployment Rate (%)	9.1	7.8	8.9	1.3	-	0.2	-
Participation Rate (%)	61.6	61.8	61.7	-0.2	-	-0.1	-
Employment Rate (%)	56.0	57.0	56.3	-1.0	-	-0.3	-

Note: Totals may not add due to rounding

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

Compared to January 2017, there were 2,000 fewer part-time workers in January 2018 and this more than offset the number of additional full-time workers (+1,600). Despite a working aged population that has been on the rise for nearly three consecutive years, January was one of the rare instances where the number of people searching for work was up from a year earlier.



On a month-over-month basis, job losses were most pronounced among those aged 15 to 24 years (-3.7%) and those aged 55 years and older (-3.6%), though the drop in the latter partly reflects the fact that employment for this segment was fairly elevated in December, 2017. The unemployment rate for those aged 15 to 24 grew by 5.2 percentage points to 17.4%, as job losses in this segment were met with a considerable rebound in the labour force. The prime working aged (25 to 54 years) segment was not completely spared from overall negative conditions, though the decline in employment for this group was less pronounced (-0.4%) than for other age groups.

New Brunswick Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Jan 2018	Dec 2017	Jan 2017	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	9.1	7.8	8.9	1.3	0.2
25 years and over	7.7	7.1	7.8	0.6	-0.1
Men - 25 years and over	9.0	8.2	9.8	0.8	-0.8
Women - 25 years and over	6.4	5.9	5.7	0.5	0.7
15 to 24 years	17.4	12.2	15.5	5.2	1.9
Men - 15 to 24 years	21.7	14.8	18.4	6.9	3.3
Women - 15 to 24 years	12.2	9.5	12.6	2.7	-0.4

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

Compared to January 2017, only the 55 and over age group registered a decline in the unemployment rate (from 9.7% to 8.6%), due to the combined effects of a 0.7% increase in the number employed and a 0.5% drop in the number of those searching for work. The participation rates for both the 15 to 24 years and 25 to 54 years age groups improved over this time period, but failed to translate into employment growth.

EMPLOYMENT BY INDUSTRY

The **Services-producing sector** shed 3,800 jobs on a month-over-month basis, in January, with losses observed across the majority of industries within this group. **Wholesale and retail trade** shed the most jobs (-1,900) over this period, followed by **Transportation and warehousing** (-1,300) and **Business, building and other support services** (-1,200). Conditions in the **Goods-producing sector** also worsened, as 2,000 jobs were lost between December, 2017 and January of this year. The majority of the decline was attributed to losses in **Manufacturing** (-1,500) and to a lesser extent **Construction** (-800) and **Forestry, fishing, mining, quarrying, oil and gas** (-100).

There was little change to overall conditions in the Goods-producing sector on a year-over-year basis, with gains in Manufacturing (+2,300) and Construction (+500) completely offsetting declines in Forestry, fishing, mining, quarrying, oil and gas (-1,200), **Utilities** (-1,200) and **Agriculture** (-300).

Employment in manufacturing has been trending upwards for much of the year, despite competitive challenges currently facing wood products manufacturers in the province as a result of countervailing and anti-dumping duties imposed by the U.S. Department of Commerce on New Brunswick softwood lumber shipments. Economic conditions appear to remain healthy overall, as wood product sales continue to remain elevated, thanks to record-high prices, a favourable exchange rate and elevated housing construction south of the border. At the same time, employment in the broader Forestry, fishing, mining, quarrying, oil and gas sector has been trending downwards for close to two years, despite recent positive mining developments in northern New Brunswick. The deterioration of employment in this industry dates back to early 2014, when the Brunswick Mine closed its doors and left several hundred people out of work.

The small year-over-year decline in Services-producing sector employment (-500) was primarily due to losses in **Information, culture and recreation** (-2,200), **Other services** (-2,100) and **Finance, insurance, real estate, rental and leasing** (-1,700). While a handful of sectors registered employment gains over the past year, the majority of those gains were in Health Care and Social Assistance, which was the one notable bright spot, and employed 6,400 more people than in January 2017. More generally, employment in this industry has been climbing for some time, reflecting rising demand for health and social services resulting from the province's ageing population.

New Brunswick Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Jan 2018	Dec 2017	Jan 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	350.7	356.5	351.2	-5.8	-1.6	-0.5	-0.1
Goods-producing sector	72.6	74.6	72.6	-2.0	-2.7	0.0	0.0
Agriculture	5.1	4.6	5.4	0.5	10.9	-0.3	-5.6
Forestry, fishing, mining, quarrying, oil and gas	8.2	8.3	9.4	-0.1	-1.2	-1.2	-12.8
Utilities	2.9	2.9	4.1	0.0	0.0	-1.2	-29.3
Construction	24.6	25.4	24.1	-0.8	-3.1	0.5	2.1
Manufacturing	31.8	33.3	29.5	-1.5	-4.5	2.3	7.8
Services-producing sector	278.1	281.9	278.6	-3.8	-1.3	-0.5	-0.2
Trade	55.2	57.1	56.7	-1.9	-3.3	-1.5	-2.6
Transportation and warehousing	17.3	18.6	17.2	-1.3	-7.0	0.1	0.6
Finance, insurance, real estate and leasing	15.8	16.1	17.5	-0.3	-1.9	-1.7	-9.7
Professional, scientific and technical services	14.8	14.6	15.1	0.2	1.4	-0.3	-2.0
Business, building and other support services	16.1	17.3	15.1	-1.2	-6.9	1.0	6.6
Educational services	25.9	26.0	25.7	-0.1	-0.4	0.2	0.8
Health care and social assistance	61.3	60.0	54.9	1.3	2.2	6.4	11.7
Information, culture and recreation	10.3	10.7	12.5	-0.4	-3.7	-2.2	-17.6
Accommodation and food services	23.9	25.0	23.0	-1.1	-4.4	0.9	3.9
Other services	14.6	14.9	16.7	-0.3	-2.0	-2.1	-12.6
Public administration	22.9	21.8	24.1	1.1	5.0	-1.2	-5.0

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

The unemployment rate in the **Campbelton-Miramichi** economic region fell by 2.2 percentage point, to 13.2%, over the past year. However, this had as much to do with 1,300 people exiting the labour force as it did with 500 jobs being added. On an encouraging note, employment gains were concentrated in full-time employment (+2,100).

The **Moncton-Richibucto** economic region led all regions in employment growth, adding 6,200 jobs between January of last year and January of 2018. A sectoral breakdown reveals that much of this gain is attributable to Health care and social assistance, which added 4,900 jobs over this period, alone. The number employed in construction is also up over prior year levels thanks in part to continued work on the \$104 million Moncton events centre development. Otherwise, the participation rate also increased sharply, resulting in 4,900 people entering the labour force, while the unemployment rate fell to 7.5%, from 8.9%.

Labour market conditions in the **Saint John-St. Stephen** economic region generally worsened on a year-over-year basis in January. In addition to experiencing the largest employment decline in the province (-4,900), an even more pronounced 5,600 people also left the labour force, thanks to a sharp decline in the participation rate. The unemployment rate was little changed, however, sitting at 7.1% in January. Job losses were widespread, although were noticeably pronounced in Utilities, where the number employed has fallen from 2,500 to just 500 in a matter of a year.

Labour market conditions in the **Fredericton-Oromocto** economic region also worsened over this time period. There were 3,600 fewer people employed in January than a year earlier, which caused the unemployment rate to spike from 5.7% to 7.9%. The participation rate sits 2.5 percentage points lower than the level observed in January 2017.

The **Edmundston-Woodstock** economic region added 1,400 jobs on a year-over-year basis. However, with more people entering the labour force (+2,000), the unemployment rate actually rose by 1.3 percentage points to

7.4%. The region's reliance on the forestry sector makes it vulnerable to countervailing and anti-dumping duties imposed on New Brunswick softwood lumber by the U.S. Department of Commerce.

New Brunswick Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Jan 2018 ('000)	Jan 2017 ('000)	Yearly Variation (%)	Jan 2018 (%)	Jan 2017 (%)	Yearly Variation (% points)
New Brunswick	346.8	347.2	-0.1	8.4	8.8	-0.4
Economic Regions						
Campbellton-Miramichi	58.0	57.5	0.9	13.2	15.4	-2.2
Moncton-Richibucto	108.0	101.8	6.1	7.5	8.9	-1.4
Saint John-St. Stephen	79.7	84.6	-5.8	7.1	7.4	-0.3
Fredericton-Oromocto	64.5	68.1	-5.3	7.9	5.7	2.2
Edmundston-Woodstock	36.5	35.1	4.0	7.4	6.1	1.3

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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For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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