



Labour Market Bulletin

New Brunswick

June 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 strengthened, for the most part, between the first and second quarters of this year. This was due in large part to a sizeable increase in the number of full-time jobs, which helped lift the level of employment by 2,400 during the period. These job gains, combined with a decline in the number of people looking for work, helped lower the unemployment rate to 7.6%, from 8.2%.

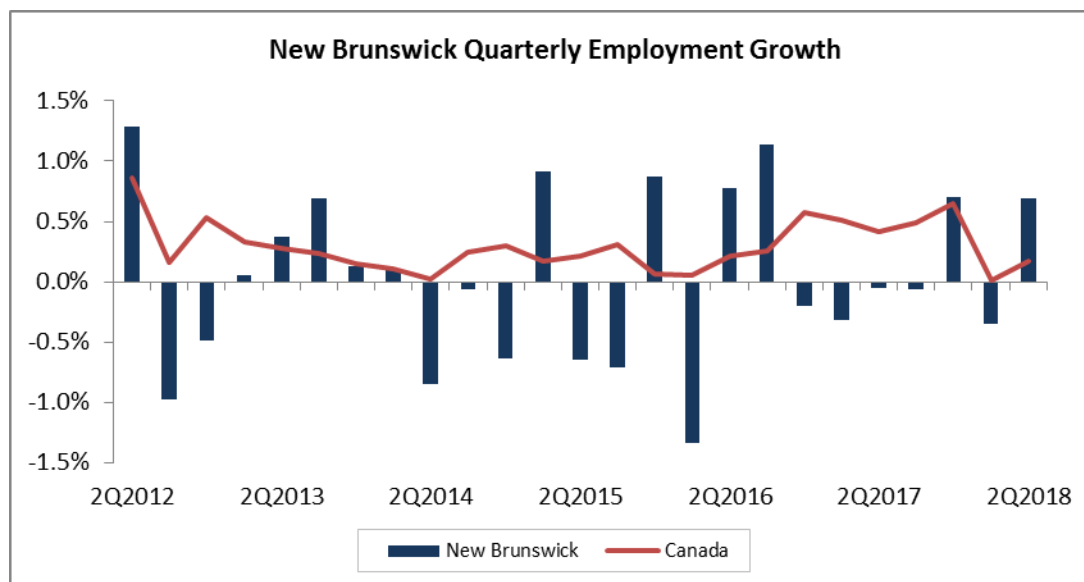
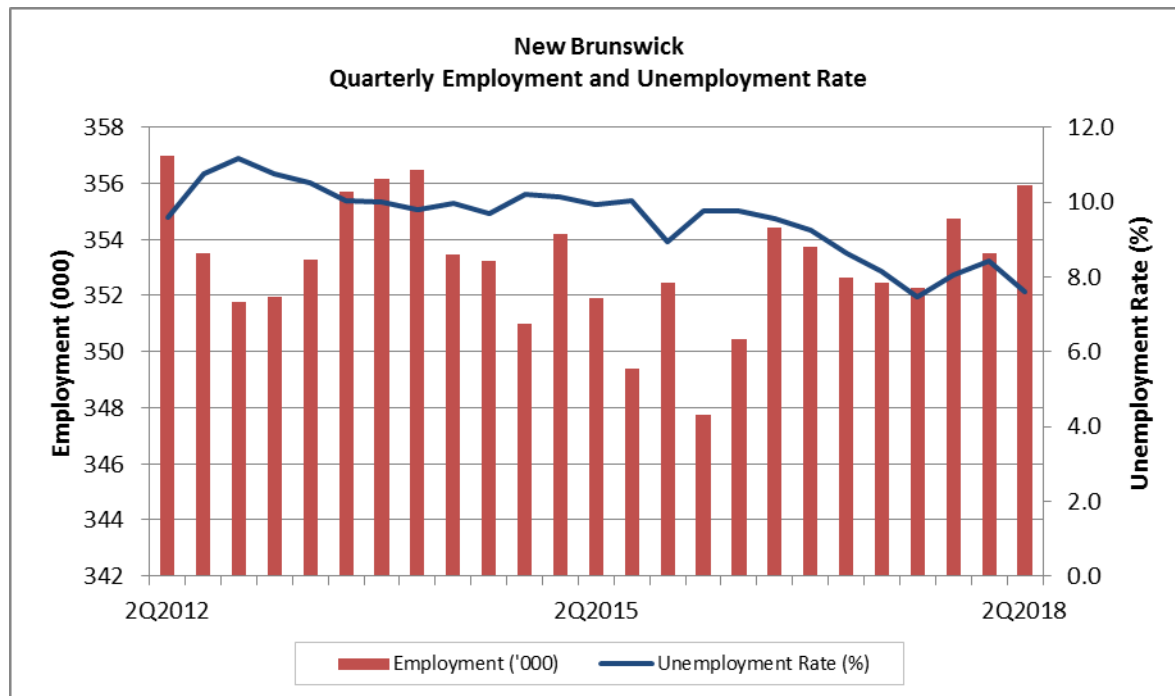
New Brunswick Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	2nd Quarter 2018	1st Quarter 2018	2nd Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	627.2	626.2	624.4	1.0	0.2	2.8	0.4
Labour Force ('000)	385.3	386.0	383.7	-0.7	-0.2	1.6	0.4
Employment ('000)	355.9	353.5	352.5	2.4	0.7	3.4	1.0
Full-Time ('000)	305.7	303.0	303.1	2.7	0.9	2.6	0.9
Part-Time ('000)	50.3	50.5	49.4	-0.2	-0.4	0.9	1.8
Unemployment ('000)	29.3	32.5	31.3	-3.2	-9.8	-2.0	-6.4
Unemployment Rate (%)	7.6	8.4	8.2	-0.8	-	-0.6	-
Participation Rate (%)	61.4	61.6	61.5	-0.2	-	-0.1	-
Employment Rate (%)	56.7	56.4	56.4	0.3	-	0.3	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287

The most encouraging development in the labour force over the past year is the 3,400 rise in employment, which was spread fairly evenly between full-time and part-time work. The decline in the unemployment rate was moderated by a rebound in the number of participants in the labour force. Compared to the second quarter of 2017, there were 1,600 more participants in the labour force by the second quarter of this year. The driving factor, however, was a strong increase in the working population. The participation rate, it turns out, edged down slightly since the second quarter of 2017.



The quarter-over-quarter rise in employment was concentrated entirely among the youth (15 to 24 years) segment of the population, as 2,900 more individuals in this cohort became employed during this period. Otherwise, employment edged down slightly among prime age (25 to 54 years) workers and remained broadly unchanged among senior (aged 55 years and over) workers.

The youth unemployment rate fell considerably in the second quarter, which is encouraging given that it followed two consecutive quarterly declines. Since the second quarter of 2017, the rate of unemployment among younger workers has fallen by close to a full percentage point. Broadly speaking, the improved labour market prospects among this segment appear to have coaxed many youth to re-join the labour force.

The year-over-year reduction in the unemployment rate among seniors was primarily a reflection of a reduction in the labour force. The sharp decline in the rate of participation among these older workers appears to have brought the steady and gradual upward trend to an end.

New Brunswick Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	2nd Quarter	1st Quarter	2nd Quarter	Quarterly	Yearly
	2018 (%)	2018 (%)	2017 (%)	Variation (% points)	Variation (% points)
Total	7.6	8.4	8.2	-0.8	-0.6
25 years and over	6.9	7.3	7.5	-0.4	-0.5
Men - 25 years and over	8.1	8.9	9.1	-0.8	-0.9
Women - 25 years and over	5.6	5.7	5.7	-0.1	-0.1
15 to 24 years	11.8	15.2	12.6	-3.5	-0.9
Men - 15 to 24 years	15.0	18.9	15.7	-3.9	-0.7
Women - 15 to 24 years	8.2	11.0	9.6	-2.8	-1.4

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287

In the second quarter (Q2) of 2018, the total population aged 15+ in the Atlantic Provinces was around 2 million. The Indigenous population living off-reserve accounted for 3.5% of that, or 69,600 people. Employment among Indigenous people in the Atlantic Provinces was 40,600, representing an increase of 3,000 (+8.0%) from a year earlier (Q2 2017). The increase was primarily driven by full-time positions (+3,300 or +10.7%). This was partially offset by a decrease in part-time positions over the same time period (-400 or -5.9%).

The unemployment rate among the Indigenous population was 13.7% in Q2 2018, representing an increase of +1.7 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate was 8.9% (-0.7pp). Between Q2 2017 and Q2 2018, the participation rate of Indigenous people increased to 67.6% (+4.6pp) while among non-Indigenous population, it was 61.7% (-0.3pp). The employment rate of Indigenous people increased year-over-year to 58.3% (+2.8pp); for the non-Indigenous population, it remained unchanged at 56.2% (+0.2pp).

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 2018	Q2 2017	number	%	Q2 2018	Q2 2017	number	%
Population 15+ ('000)	69.6	67.9	1.7	2.5%	1,924.5	1,917.5	7.0	0.4%
Labour Force ('000)	47.1	42.8	4.3	10.0%	1,187.7	1,188.2	-0.5	0.0%
Employment ('000)	40.6	37.6	3.0	8.0%	1,081.7	1,074.1	7.6	0.7%
Full-Time ('000)	34.2	30.9	3.3	10.7%	910.6	901.8	8.8	1.0%
Part-Time ('000)	6.4	6.8	-0.4	-5.9%	171.1	172.3	-1.2	-0.7%
Unemployment ('000)	6.5	5.1	1.4	27.5%	106.0	114.1	-8.1	-7.1%
Unemployment Rate (%)	13.7	12.0	1.7	-	8.9	9.6	-0.7	-
Participation Rate (%)	67.6	63.0	4.6	-	61.7	62.0	-0.3	-
Employment Rate (%)	58.3	55.5	2.8	-	56.2	56.0	0.2	-

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 majority of the job gains between the first and second quarters of the year occurred in the **Services-producing sector** (+1,900). A breakdown reveals that the largest gains were in **Information, culture and recreation** (+1,500), **Business, building and other support services** (+1,300) and **Public administration** (+1,300). Going in the other direction, job losses in **Trade** (-1,800) and **Health care and social assistance** (-1,300) helped contain the overall rise in services-related employment.

Labour market outcomes in the broader **Goods-producing sector** were a little more improved than the modest increase in employment (+500) would suggest. In particular, the only sub-sector that registered any noticeable decline in employment was **Manufacturing** (-1,500). Otherwise, some relatively healthy gains were recorded across **Forestry, fishing, mining, quarrying, oil and gas** (+1,400) and **Agriculture** (+900). Elsewhere, employment was essentially unchanged across the remaining goods-related industries.

The overall picture for the New Brunswick labour market is relatively unchanged when viewed over a longer time frame - the majority of the job gains since the first quarter of last year have been concentrated among the **Services-producing sector**, where employment grew by 3,100 during the period. The 3,600 decline in **Trade** employment underscores the strong magnitude of the gains across the remaining services-related sectors. The significant job gains in **Health care and social assistance** (+2,600) led the way, but employment was also significantly higher in **Business, building and other support services** (+1,700) and **Information, culture and recreation** (+1,700).

As a whole, labour market conditions of the broader **Goods-producing sector** were little changed on an annual basis in the second quarter. The level of employment edged up slightly. Digging deeper, however, some relatively healthy job gains were recorded in **Forestry, fishing, mining, quarrying, oil and gas** (+1,200) and **Agriculture** (+600). All of the weakness over the twelve month period has been confined to the **Utilities** and **Construction** sectors, which both shed 700 jobs on an annual basis. Otherwise, employment was unchanged in the **Manufacturing** sector, but still remains near a decade high. Part of this reflects stronger economic activity last year, including the opening of a new \$65 million production line at McCain Foods' new processing facility in Florenceville during the fall. The increasing concerns around trade casts some uncertainty over the outlook for many export-oriented manufacturers in the province.

New Brunswick Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	2nd Quarter 2018	1st Quarter 2018	2nd Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	355.9	353.5	352.5	2.4	0.7	3.5	1.0
Goods-producing sector	74.3	73.8	73.9	0.5	0.7	0.4	0.5
Agriculture	6.1	5.2	5.5	0.9	18.1	0.6	11.6
Forestry, fishing, mining, quarrying, oil and gas	9.4	8.0	8.2	1.4	17.0	1.2	14.6
Utilities	3.1	3.0	3.8	0.0	1.1	-0.7	-19.3
Construction	24.4	24.6	25.1	-0.2	-0.9	-0.7	-2.8
Manufacturing	31.4	32.8	31.4	-1.5	-4.5	0.0	-0.1
Services-producing sector	281.6	279.7	278.5	1.9	0.7	3.1	1.1
Trade	53.3	55.1	56.9	-1.8	-3.2	-3.6	-6.3
Transportation and warehousing	17.7	17.8	16.8	-0.1	-0.6	0.8	5.0
Finance, insurance, real estate and leasing	17.0	16.1	16.9	0.9	5.6	0.0	0.2
Professional, scientific and technical services	16.8	16.2	16.0	0.6	3.7	0.9	5.4
Business, building and other support services	16.8	15.4	15.1	1.3	8.6	1.7	11.0
Educational services	26.5	26.3	26.7	0.2	0.9	-0.1	-0.5
Health care and social assistance	59.9	61.2	57.3	-1.3	-2.1	2.6	4.6
Information, culture and recreation	11.9	10.4	10.2	1.5	14.1	1.7	16.3
Accommodation and food services	22.6	23.6	23.2	-0.9	-4.0	-0.6	-2.4
Other services	14.8	14.7	15.6	0.1	0.5	-0.8	-5.1
Public administration	24.4	23.1	24.0	1.3	5.6	0.4	1.7

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0355

REGIONAL ANALYSIS

Job growth (+2,100) was fairly pronounced in the **Campbellton-Miramichi** economic region over the past year, though this increase was entirely the result of an increase in part-time employment. The number of people looking for work, meanwhile, remained unchanged during the same period. Accordingly, the unemployment rate fell by 2.8 percentage points, to 11.1% in the second quarter of the year.

Labour market conditions were more broadly improved in the **Moncton-Richibucto** economic region, where 2,600 jobs were added during the second quarter. The unemployment rate was pushed upward somewhat, however, as the rise in employment was coupled with an even greater influx of people entering the labour force. More generally, labour market conditions continue to be supported by numerous investment projects currently in the works, including the \$104 million sports and entertainment centre in downtown Moncton as well as several multi-unit residential projects.

In contrast, labour market conditions deteriorated considerably in the **Saint John-St. Stephen** economic region over the past year. Compared to the second quarter of 2017, there were 4,500 fewer people employed in the second quarter of 2018. Even more people stopped searching for work over the course of the same twelve-month period, which resulted in the unemployment rate being little changed. Indeed, because labour force participation has been tracking downward with the number employed, the region's unemployment rate was actually below the provincial average during the second quarter of 2018.

In the **Fredericton-Oromocto** economic region, labour market conditions continued to rebound in the second quarter, following a relatively lackluster year for much of 2017. Compared to the second quarter of last year, the level of employment grew by 4,400. The improved labour market prospects appear to have encouraged workers to enter the labour force, which grew by 4,500 during the same period. The latter was attributable not only to an increase in the working population, but an increase in the rate of participation as well. On the whole, the unemployment rate edged down by 0.3 of a percentage point to 6.5%, lowest in the province. The city of Fredericton is home to several large employers, including many provincial and federal government departments and two major universities. Meanwhile, new investment has also supported the local job market, including a

\$17.6 million development of Kingswood Cambria Suites hotel and water park near Fredericton. The region boasts the healthiest labour market in the province.

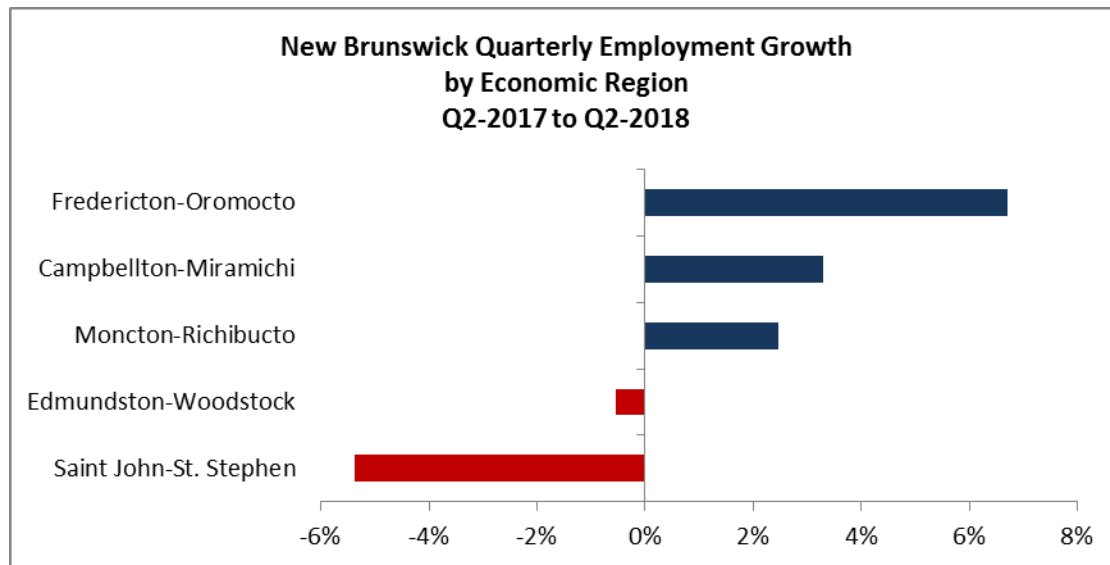
Labour market conditions turned slightly more negative in the **Edmundston-Woodstock** economic region, as a minimal gain in full-time employment was offset by a decline in the number of part-time jobs. The reduction in the unemployment rate was entirely because 900 people decided to stop searching for work. This region is probably most susceptible to the softwood lumber and now newsprint dispute between Canada and the United States. Some of this region’s largest employers have ties to the forest sector, including Twin Rivers Paper Company with its Edmundston pulp mill.

New Brunswick Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	2nd Quarter 2018 ('000)	2nd Quarter 2017 ('000)	Yearly Variation (%)	2nd Quarter 2018 (%)	2nd Quarter 2017 (%)	Yearly Variation (% points)
New Brunswick	358.8	354.6	1.2	7.8	8.4	-0.6
Economic Regions						
Campbellton-Miramichi	65.8	63.7	3.3	11.1	13.9	-2.8
Moncton-Richibucto	107.6	105.0	2.5	7.2	6.7	0.5
Saint John-St. Stephen	79.3	83.8	-5.4	7.0	7.3	-0.3
Fredericton-Oromocto	70.0	65.6	6.7	6.5	6.8	-0.3
Edmundston-Woodstock	36.2	36.4	-0.5	6.9	8.5	-1.6

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0293



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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