



Labour Market Bulletin

New Brunswick

September 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 deteriorated somewhat between the second and third quarters of this year. The level of employment fell by 2,000 in the third quarter, reflecting a considerable 4,600 reduction in full-time work. The unemployment rate grew only slightly, but only because fewer people were searching for work.

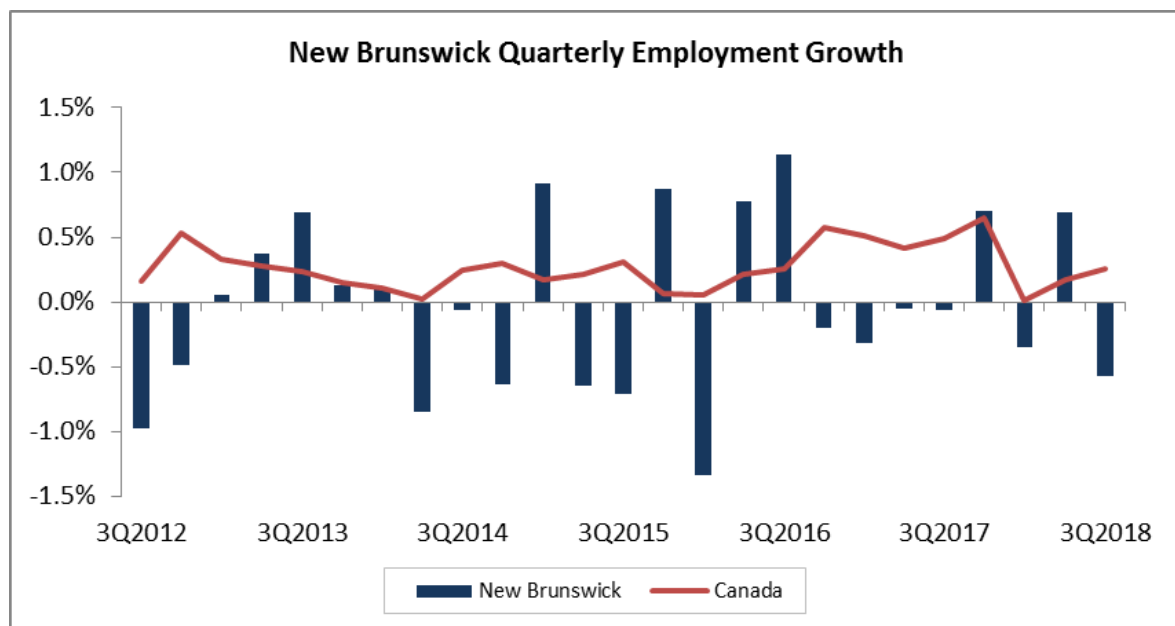
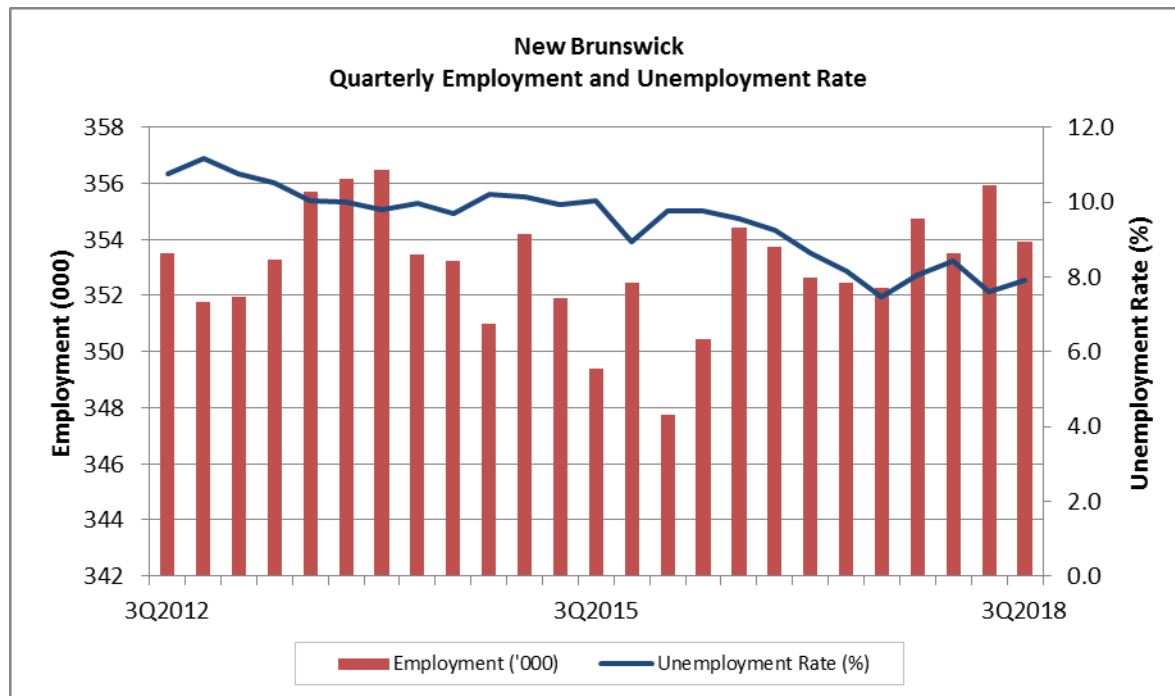
New Brunswick Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly Variation		Yearly Variation	
	2018	2018	2017	Number	%	Number	%
Population 15 + ('000)	627.8	627.2	625.0	0.6	0.1	2.8	0.4
Labour Force ('000)	384.4	385.3	380.6	-0.9	-0.2	3.8	1.0
Employment ('000)	353.9	355.9	352.3	-2.0	-0.6	1.6	0.5
Full-Time ('000)	301.1	305.7	300.3	-4.6	-1.5	0.8	0.3
Part-Time ('000)	52.8	50.3	52.0	2.5	5.0	0.8	1.5
Unemployment ('000)	30.4	29.3	28.3	1.1	3.8	2.1	7.4
Unemployment Rate (%)	7.9	7.6	7.5	0.3	-	0.4	-
Participation Rate (%)	61.2	61.4	60.9	-0.2	-	0.3	-
Employment Rate (%)	56.4	56.7	56.4	-0.3	-	0.0	-

Note: Totals may not add due to rounding

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

Despite having deteriorated in the third quarter, labour market conditions have generally strengthened over the past year, due to some healthy job gains during the first half. Through the first three quarters of the year, the average level of employment stands around 2,000 higher than it did during the same period last year. Furthermore, the majority of these jobs have been full-time positions. On a year-over-year basis, the unemployment rate rose from 7.5% in the third quarter of 2017 to 7.9% in the third quarter of this year, as a 1,600 rise in employment was accompanied by a much larger 3,800 increase in the labour force. The latter is rather encouraging, since it reflects both a rise in the participation rate and a growing population. In short, the labour pool has grown.



The quarter-over-quarter decline in the level of employment was spread across youth (aged 15 to 24 years) and prime age (25 to 54 years) workers. Combined, these job losses were sufficient to offset a relatively strong employment gain among older (55 years and over) workers. However, a similar surge in the number of active older workers joining the labour force kept the unemployment rate mostly unchanged during this period.

The 1,800 decline in youth employment in the third quarter was due entirely to a reduction in full-time work and helped raise the youth unemployment rate by 1.5 percentage points to 13.2%. The rise in the unemployment rate was fairly similar between men and women. Nevertheless, at 16.6% in the third quarter, the youth unemployment rate is still much higher for men.

The year-over-year developments paint a much more optimistic picture for younger workers. Compared to the third quarter of last year, the level of employment grew by 3,000 by the third quarter of this year. Close to two thirds of these job gains, meanwhile, were full-time positions. It appears that the improved labour market conditions may have prompted some to return to the labour force. The latter grew by almost 4,000 during the same period, thanks to a rise in the youth participation rate.

New Brunswick Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly	Yearly
	2018 (%)	2018 (%)	2017 (%)	Variation (% points)	Variation (% points)
Total	7.9	7.6	7.5	0.3	0.4
25 years and over	7.1	6.9	6.7	0.1	0.3
Men - 25 years and over	8.3	8.1	8.6	0.2	-0.3
Women - 25 years and over	5.8	5.6	4.7	0.1	1.1
15 to 24 years	13.2	11.8	12.1	1.5	1.1
Men - 15 to 24 years	16.6	15.0	13.3	1.5	3.3
Women - 15 to 24 years	9.6	8.2	11.1	1.3	-1.6

Note: Totals may not add due to rounding

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

In the third quarter (Q3) 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 70,300 people. Employment among Indigenous people in the Atlantic Provinces was 41,800, representing an increase of 3,300 (+8.6%) from a year earlier (Q3 2017). The increase was mostly driven by full-time positions (+2,800 or +8.7%). Part-time positions saw a moderate increase (600 or 9.8%).

The unemployment rate among the Indigenous population was 13.8% in Q3 2018, representing an increase of +0.2 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate was 8.4% (-0.3pp). Between Q3 2017 and Q3 2018, the participation rate of Indigenous people increased significantly to 69% (+3.9pp) while among non-Indigenous population, it was 62.5% (+0.3pp). The employment rate of Indigenous people increased year-over-year to 59.5% (+3.3pp); for the non-Indigenous population, it increased to 57.3% (+0.5pp).

Atlantic - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q3 2018	Q3 2017	number	%	Q3 2018	Q3 2017	number	%
Population 15 + ('000)	70.3	68.4	1.9	2.8%	1,926.4	1,919.5	6.9	0.4%
Labour Force ('000)	48.5	44.5	4.0	9.0%	1,204.6	1,194.4	10.2	0.9%
Employment ('000)	41.8	38.5	3.3	8.6%	1,103.9	1,090.2	13.7	1.3%
Full-Time ('000)	35.1	32.3	2.8	8.7%	940.1	928.9	11.2	1.2%
Part-Time ('000)	6.7	6.1	0.6	9.8%	163.8	161.3	2.5	1.5%
Unemployment ('000)	6.7	6.1	0.6	9.8%	100.7	104.2	-3.5	-3.4%
Unemployment Rate (%)	13.8	13.6	0.2	-	8.4	8.7	-0.3	-
Participation Rate (%)	69.0	65.1	3.9	-	62.5	62.2	0.3	-
Employment Rate (%)	59.5	56.2	3.3	-	57.3	56.8	0.5	-

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 quarter-over-quarter decline in employment was primarily because there were 2,300 fewer jobs in the **Goods-producing sector**. This was largely a reflection of weaker employment in **Construction** (-1,900), although job losses were also registered in **Manufacturing** (-800) and **Agriculture** (-300). A positive development in the broader Goods-producing sector was the addition of 600 jobs in **Forestry, fishing, mining, quarrying, oil and gas**.

Labour market conditions were little changed in the **Services-producing sector** between the second and third quarters of the year, as employment remained roughly the same. Job gains were, nonetheless, registered in **Public administration** (+1,300), **Accommodation and food services** (+1,100), as well as **Finance, insurance, real estate and leasing** and **Transportation and warehousing**, both of which added 800 jobs to the labour market. Offsetting these increases were reduced employment levels in **Information, culture and recreation** (-1,000), **Professional, scientific and technical services** (-900), **Educational services** (-700) and **Business, building and other support services** (-500).

On a year-over-year basis, job losses in the **Goods-producing sector** were more than offset by a 2,700 increase in services-related employment. While the latter is encouraging, further inspection reveals that big improvements were limited to **Public administration** and **Health care and social assistance**, which added 2,700 and 1,200 jobs to the labour market, respectively. Excluding these two industries, employment in the province has fallen by close to 4,000 over the past four quarters. The deteriorating labour market conditions in the trade sector are not entirely surprising given the mounting uncertainty that has surrounded the ongoing trade negotiations between Canada and the U.S. The absence of any meaningful job gains beyond **Public administration** and **Health care and social assistance** reveals that labour market conditions have shown little improvement in the private sector.

New Brunswick Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly Variation		Yearly Variation	
	2018	2018	2017	Number	%	Number	%
Total employed, all industries	353.9	355.9	352.3	-2.0	-0.6	1.6	0.5
Goods-producing sector	72.0	74.3	73.1	-2.3	-3.1	-1.1	-1.5
Agriculture	5.8	6.1	4.9	-0.3	-4.4	1.0	19.9
Forestry, fishing, mining, quarrying, oil and gas	10.0	9.4	8.1	0.6	6.7	1.9	23.4
Utilities	3.1	3.1	3.2	0.0	1.1	-0.1	-3.1
Construction	22.5	24.4	25.1	-1.9	-7.8	-2.6	-10.2
Manufacturing	30.5	31.4	31.8	-0.8	-2.7	-1.3	-4.1
Services-producing sector	281.9	281.6	279.2	0.3	0.1	2.7	1.0
Trade	52.9	53.3	55.5	-0.4	-0.8	-2.6	-4.7
Transportation and warehousing	18.5	17.7	17.1	0.8	4.7	1.4	8.4
Finance, insurance, real estate and leasing	17.7	17.0	16.7	0.8	4.5	1.0	6.0
Professional, scientific and technical services	15.9	16.8	15.6	-0.9	-5.3	0.4	2.4
Business, building and other support services	16.3	16.8	17.3	-0.5	-2.8	-1.0	-5.8
Educational services	25.9	26.5	25.7	-0.7	-2.5	0.1	0.5
Health care and social assistance	59.6	59.9	58.4	-0.3	-0.5	1.2	2.0
Information, culture and recreation	10.8	11.9	10.7	-1.0	-8.7	0.1	1.2
Accommodation and food services	23.8	22.6	24.0	1.1	5.0	-0.2	-1.0
Other services	14.7	14.8	15.1	0.0	-0.2	-0.4	-2.4
Public administration	25.7	24.4	23.0	1.3	5.5	2.7	11.6

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

A regional breakdown of the provincial labour market reveals mixed conditions across the various economic regions (ER). Job gains were particularly strong in the **Campbellton-Miramichi** ER, and also evident in **Fredericton-Oromocto**. At the same time, the level of employment fell in **Saint John-St. Stephen** and, to a lesser extent, in **Moncton-Richibucto**.

Labour market conditions strengthened considerably in the **Campbellton-Miramichi** ER over the past four quarters, as employment grew by a solid 3.6%, adding 2,300 jobs to the economy. The minimal rise in the unemployment rate is not concerning, since it reflects a surge in the participation rate. The latter could very well mean that previously discouraged workers returned to the labour market because they perceive greater prospects for employment (i.e. a better chance of obtaining a job). While relatively lower compared to past years, the unemployment rate, at 11.3%, remains significantly higher than any other region in the province.

The level of employment fell modestly in the **Moncton-Richibucto** ER in the year leading up to the third quarter, which resulted in the unemployment rate climbing to 6.4%, from 6.0%. Overall, the economic region boasts the second lowest unemployment rate in the province, and labour market conditions continue to be among the healthiest, with numerous investment projects currently in the works.

Labour market conditions deteriorated in the **Saint John-St. Stephen** ER over the past four quarters. The level of employment shrank by 2,100 and the rate of participation among the working age population fell back. The latter explains why the unemployment rate grew only moderately during this period, growing from 6.3% in the third quarter of last year to 6.9% in the same quarter of this year.

The level of employment grew by a little over a thousand in the **Fredericton-Oromocto** ER between the third quarters of last year and this year. The unemployment rate, however, increased considerably during the same period, reflecting a meaningful expansion in the size of the labour force. While the latter was helped somewhat by growth in the population, the main driver was a rise in the rate of participation. It could be that formerly discouraged workers were coaxed back into the labour force because of strong labour market conditions. It is also important to remember that it was around this time last year when the rate of participation dropped unexpectedly before rebounding a short time after. More generally, the region boasts one of the healthiest labour markets in the province. The city of Fredericton is home to several large employers, including many provincial and federal government departments and two major universities.

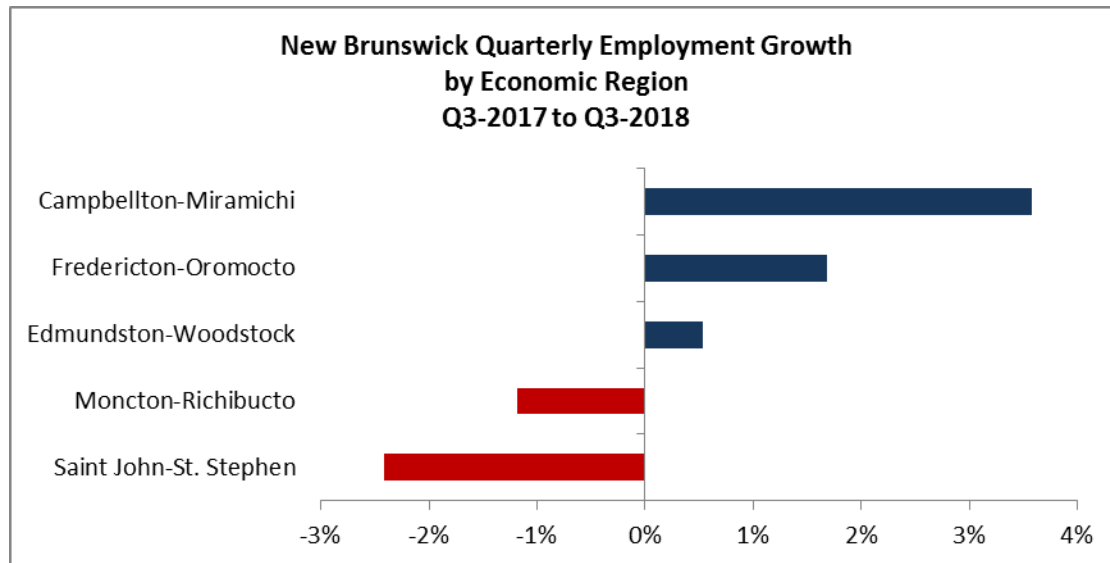
The level of employment was essentially unchanged between the third quarters of last year and this year in the **Edmundston-Woodstock** ER. The unemployment rate shrank by 1.0 percentage points during the same period, due largely to a diminished labour force. At 4.8%, the unemployment rate remains lowest among all regions. It is important to remember that a shrinking labour force (which has resulted from an aging population that is in steady decline) rather than employment growth, has been responsible for the unemployment rate's decline in recent years. Job gains have been essentially limited over the past decade. This region is probably most susceptible to the duties that were placed on softwood lumber earlier this year. 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		
	3rd Quarter 2018 ('000)	3rd Quarter 2017 ('000)	Yearly Variation (%)	3rd Quarter 2018 (%)	3rd Quarter 2017 (%)	Yearly Variation (% points)
New Brunswick	363.9	363.6	0.1	7.4	6.8	0.6
Economic Regions						
Campbellton-Miramichi	66.5	64.2	3.6	11.3	11.1	0.2
Moncton-Richibucto	108.4	109.7	-1.2	6.4	6.0	0.4
Saint John-St. Stephen	84.8	86.9	-2.4	6.9	6.3	0.6
Fredericton-Oromocto	66.6	65.5	1.7	6.9	5.2	1.7
Edmundston-Woodstock	37.5	37.3	0.5	4.8	5.8	-1.0

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.

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

For further information, please contact the LMI team at:

http://www.esdc.gc.ca/cgi-bin/contact/esdc-esdc/eng/contact_us.aspx?section=lmi

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

© Her Majesty the Queen in Right of Canada as represented by Employment and Social Development Canada, 2018, all rights reserved