



# Labour Market Bulletin

## New Brunswick

2018



The Annual Edition of the Labour Market Bulletin is a look back over the past year, providing an analysis of annual 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

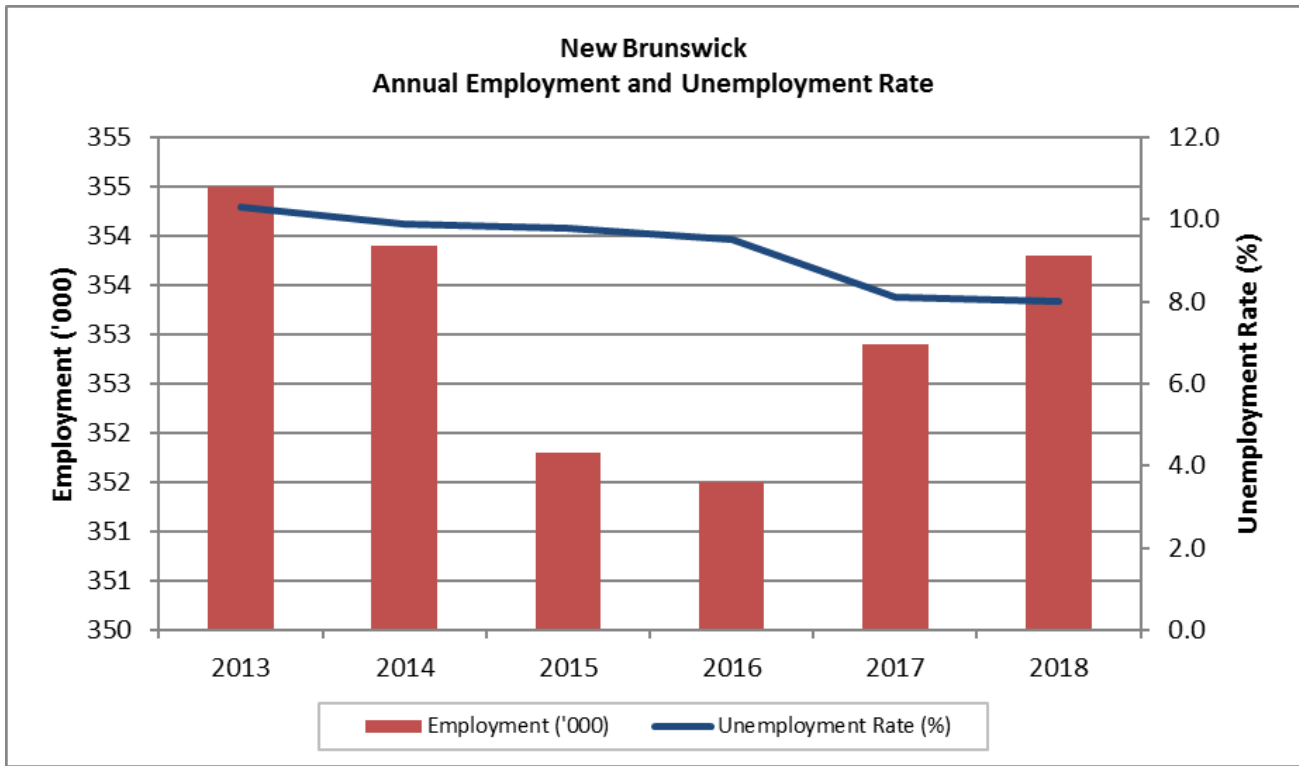
Labour market conditions in New Brunswick were generally mixed in 2018. On the positive side, the level of employment in the province grew by close to a thousand, due primarily to a rise in full-time work. Unfortunately, the participation rate, which has been trending downwards since 2010, edged down further last year. An increase in the size of the working age population, however, prevented the labour force from shrinking for a second consecutive year. The labour force expanded by 600 people in 2018, only partially reversing the 4,700 reduction the year before. Otherwise, the increase in employment last year allowed for a small decline in the unemployment rate, which settled at 8.0%.

New Brunswick Annual Labour Force Statistics							
Annual Labour Force Survey Estimates	2018	2017	2016	2017 to 2018		2016 to 2017	
				Number	%	Number	%
<b>Population 15+ ('000)</b>	627.4	624.7	623.4	2.7	0.4%	1.3	0.2%
<b>Labour force ('000)</b>	384.5	383.9	388.6	0.6	0.2%	-4.7	-1.2%
<b>Employment ('000)</b>	353.8	352.9	351.5	0.9	0.3%	1.4	0.4%
Full-time ('000)	302.6	301.9	296.5	0.7	0.2%	5.4	1.8%
Part-time ('000)	51.2	51	55	0.2	0.4%	-4	-7.3%
<b>Unemployment ('000)</b>	30.7	31	37.1	-0.3	-1.0%	-6.1	-16.4%
<b>Unemployment rate (%)</b>	8	8.1	9.5	-0.1	-	-1.4	-
<b>Participation rate (%)</b>	61.3	61.5	62.3	-0.2	-	-0.8	-
<b>Employment rate (%)</b>	56.4	56.5	56.4	-0.1	-	0.1	-

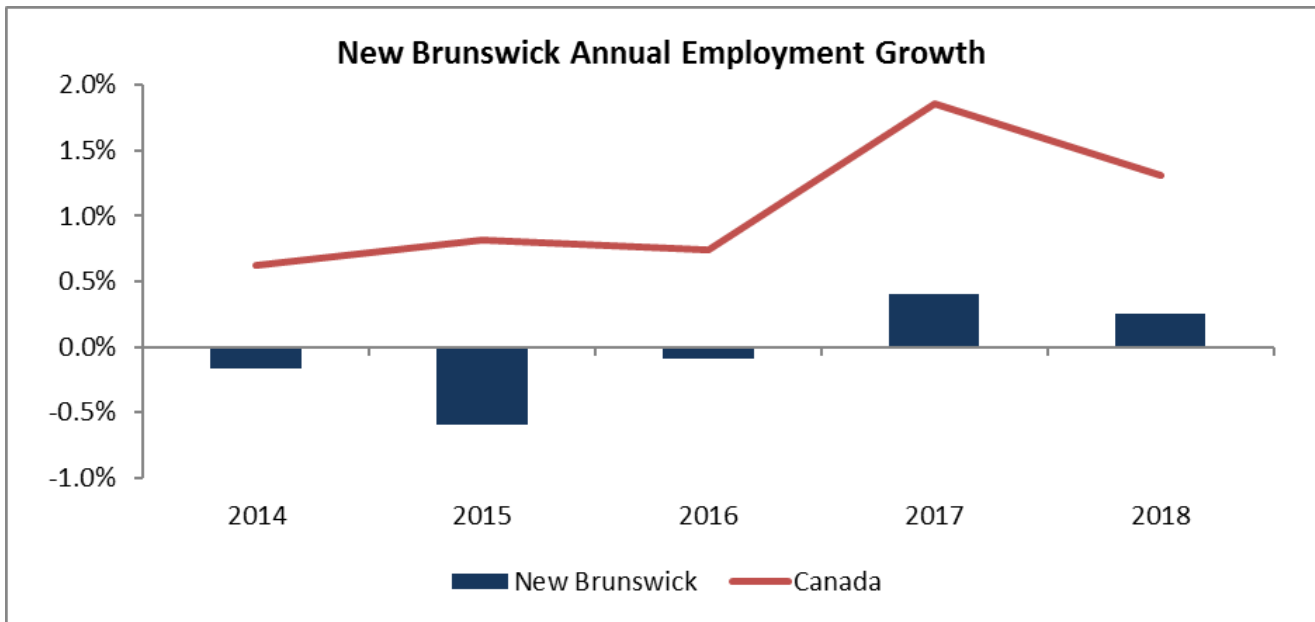
Note: Totals may not add up due to rounding

Source: Statistics Canada Labour Force Survey - Table 14-10-0018-01

After diminishing by more than 6,000 a year earlier, the number of unemployed workers remained relatively stable in 2018. Similarly, the participation rate also registered little change in 2018, after shrinking considerably the year before.



The rise in employment in 2018 marked the second consecutive annual increase. While the pace of growth diminished from the year before, it still brings the cumulative gain in 2017 and 2018 to 2,300. Nonetheless, at 353,800 this past year, the level of employment remains below its 355,000 level five years earlier (and well below its pre-recession peak of a little more than 365,000 close to a decade prior). Otherwise, the unemployment rate was relatively unchanged last year after trending downwards for the past few years.



Employment growth in the province continues to lag that of the country as a whole. During the past five years, employment has grown in only two of them. Moreover, during this same period, employment growth in the province has averaged 0% and never once surpassed the 0.5% mark. Job growth across the entire country, by comparison, was much stronger and nearly reached 2.0% in 2017, before edging down to a still-respectable 1.3% pace in 2018. The pace of job growth in the province has been much more in line with the rest of the Atlantic region.

The unemployment rate among youth fell for the second consecutive year in 2018. The decline, however, was much more pronounced among women, falling by 2.1 percentage points this past year. Among 15 to 24 year old men, the unemployment rate edged up in 2018 after falling considerably. At 16.0%, the youth unemployment rate for men is well above the 9.3% rate observed among young women.

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

Annual Labour Force Survey Estimates	2018	2017	2016	2017 to 2018	2016 to 2017
	%	%	%	(% points)	(% points)
<b>Total</b>	8	8.1	9.5	-0.1	-1.4
<b>25 years and over</b>	7.2	7.2	8.7	0	-1.5
Men - 25 years and over	8.2	8.9	11.2	-0.7	-2.3
Women - 25 years and over	6.1	5.4	6	0.7	-0.6
<b>15 to 24 years</b>	12.8	13.5	15.1	-0.7	-1.6
Men - 15 to 24 years	16	15.7	19.2	0.3	-3.5
Women - 15 to 24 years	9.3	11.4	11.2	-2.1	0.2

Note: Totals may not add due to rounding

Source: Statistics Canada, Labour Force Survey - Table 14-10-0018-01

In 2018, the total population aged 15+ in the Atlantic Provinces was approximately 2 million. The Indigenous population living off-reserve accounted for 3.5% of that, or 70,000 people. Employment among Indigenous people in the Atlantic region was 39,600, representing an increase of 3,600 (+10.0%) from 2017. The increase was primarily driven by full-time positions (+2,900 or +9.8%).

The unemployment rate among the Indigenous population was 13.9% in 2018, identical to the previous year. For the non-Indigenous population, the unemployment rate was 8.9%, a decrease of -0.7 percentage points (pp) compared to this time last year. Between 2017 and 2018, the participation rate of Indigenous people increased sharply to 65.8% (+4.4pp) while among non-Indigenous population, it declined slightly to 61.1% (-0.3pp). The employment rate of Indigenous people increased year-over-year to 56.6% (+3.7pp); for the non-Indigenous population, it was 55.7% (+0.2pp).

## Atlantic - Labour Market Indicators for Indigenous People

Annual averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	2018	2017	number	%	2018	2017	number	%
Population 15 + ('000)	70.0	68.1	1.9	2.8%	1,925.4	1,918.4	7.0	0.4%
Labour Force ('000)	46.0	41.8	4.2	10.0%	1,177.3	1,177.3	0.0	0.0%
Employment ('000)	39.6	36.0	3.6	10.0%	1,072.2	1,064.3	7.9	0.7%
Full-Time ('000)	32.6	29.7	2.9	9.8%	898.9	889.7	9.2	1.0%
Part-Time ('000)	7.0	6.3	0.7	11.1%	173.3	174.7	-1.4	-0.8%
Unemployment ('000)	6.4	5.8	0.6	10.3%	105.0	113.0	-8.0	-7.1%
Unemployment Rate (%)	13.9	13.9	0.0	-	8.9	9.6	-0.7	-
Participation Rate (%)	65.8	61.4	4.4	-	61.1	61.4	-0.3	-
Employment Rate (%)	56.6	52.9	3.7	-	55.7	55.5	0.2	-

**Notes:** The Labour Force Survey excludes those living on-reserve.

Estimates are based on annual 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

A 1,100 increase in **Services-producing sector** employment drove the job gains in New Brunswick last year, more than offsetting a small decline in the **Goods-producing sector**. The rise in overall services-related employment in 2018 exceeded the 1,000 gain a year earlier, and brought the total increase in this period to slightly above 2,000.

Looking beyond the headline increase in services employment, there was a significant amount of variation at the sub-sectoral level. While job gains were registered in six of the eleven industries within the Services-producing sector in 2018, they were mostly concentrated in **Health care and social assistance** (+2,200) and **Public administration** (+1,200). While impressive, employment among the former grew at only half the pace of a year earlier, when it added 4,400 jobs to the overall labour market. There is no evidence suggesting that demand for health care services is slowing. If anything, it is the opposite, as New Brunswick has one of the fastest aging populations in the country, with an elevated dependency ratio that is expected to climb further in the next few years. As with many other industries, one of the main constraints to job growth now and in the future deals with skills mismatch which could conceivably constrain job gains over the outlook period. Otherwise, just as job gains within the broader Services-producing sector were confined to only a few industries, job losses were localized almost entirely to **Trade** (-2,900), and **Other services** (-800). The deteriorating labour market conditions within the Trade sector are not entirely surprising given the factors that weighed on overall activity in 2018. The NAFTA re-negotiation persisted for much of the year and likely had a considerable impact on business confidence. At the same time, the implementation of tariffs on steel, aluminum and softwood lumber likely added another layer of uncertainty, reducing labour market prospects further. On the bright side, the fading (or significant reduction) of these risks could lead to a rebound in employment in many trade-related industries, as business owners feel more confident to invest and expand payrolls.

A breakdown of the Goods-producing sector reveals that labour market conditions varied between the two extremes in 2018. One of the more encouraging developments during the year was the 1,200 increase in employment in **Forestry, fishing, mining, quarrying, oil and gas**, which fully reversed the matching decline during the year before. The majority of these gains were driven by a 1,300 increase in Mining, quarrying, and oil and gas extraction. The level of employment diminished only slightly in Forestry and logging and support services and,

since declining by 1,100 in 2015, employment has remained essentially stable over the past five years. Otherwise, the near-1,000 increase in **Agriculture** employment is encouraging and brings the cumulative increase in the industry to nearly 2,000 since 2015.

### New Brunswick Annual Labour Force Statistics, by Industry

Employment ('000)	2018	2017	2016	2017 to 2018		2016 to 2017	
				Number	%	Number	%
<b>Total, all industries</b>	<b>353.8</b>	<b>352.9</b>	<b>351.5</b>	<b>0.9</b>	<b>0.3%</b>	<b>1.4</b>	<b>0.4%</b>
<b>Goods-producing sector</b>	<b>73.1</b>	<b>73.3</b>	<b>72.8</b>	<b>-0.2</b>	<b>-0.3%</b>	<b>0.5</b>	<b>0.7%</b>
Agriculture	6	5.1	5.2	0.9	17.6%	-0.1	-1.9%
Forestry, fishing, mining, quarrying, oil and gas	9.5	8.3	9.5	1.2	14.5%	-1.2	-12.6%
Utilities	3.1	3.5	3.7	-0.4	-11.4%	-0.2	-5.4%
Construction	23.3	24.8	24.1	-1.5	-6.0%	0.7	2.9%
Manufacturing	31.3	31.7	30.4	-0.4	-1.3%	1.3	4.3%
<b>Services-producing sector</b>	<b>280.7</b>	<b>279.6</b>	<b>278.6</b>	<b>1.1</b>	<b>0.4%</b>	<b>1</b>	<b>0.4%</b>
Trade	53.4	56.3	57.4	-2.9	-5.2%	-1.1	-1.9%
Transportation and warehousing	18.2	17.3	19.1	0.9	5.2%	-1.8	-9.4%
Finance, insurance, real estate and leasing	16.7	16.9	16.9	-0.2	-1.2%	0	0.0%
Professional, scientific and technical services	16.1	15.6	15	0.5	3.2%	0.6	4.0%
Business, building and other support services	16.2	16.3	16.3	-0.1	-0.6%	0	0.0%
Educational services	26.4	26.2	25.4	0.2	0.8%	0.8	3.1%
Health care and social assistance	60	57.8	53.4	2.2	3.8%	4.4	8.2%
Information, culture and recreation	11.4	10.8	12.4	0.6	5.6%	-1.6	-12.9%
Accommodation and food services	23.3	23.8	22.3	-0.5	-2.1%	1.5	6.7%
Other services	14.5	15.3	16.5	-0.8	-5.2%	-1.2	-7.3%
Public administration	24.5	23.3	23.8	1.2	5.2%	-0.5	-2.1%

Note: Totals may not add due to rounding

Source: Statistics Canada, Labour Force Survey - Table 14-10-0023-01

## REGIONAL ANALYSIS

Labour market developments varied somewhat across the economic regions in the province in 2018. The **Campbellton-Miramichi** Economic region (ER) holds the distinction as having registered the strongest jobs gains in the province for two consecutive years. Labour market conditions strengthened once again in the **Moncton-Richibucto** ER in 2018, but deteriorated considerably in the **Saint John-St. Stephen** economic region.

The level of employment grew by 1,600 in the **Campbellton-Miramichi** ER in 2018, adding to an even more impressive 2,300 increase the year before, bringing the total gain during that time to nearly 4,000 jobs. These gains exceeded that of any other economic region in the province by a relatively wide margin. While encouraging, the job gains during 2017 and 2018 need to be presented in their proper context; they follow a decline of around the same magnitude during the three years before. Moreover, the 62,400 people employed in the Campbellton-Miramichi ER last year was essentially in line with its historical average. The recent job gains over the past few years have certainly helped lower the unemployment rate. The labour force grew for the second consecutive year in 2018, has been trending downwards for some time because of its rapidly aging population<sup>1</sup>. Between 2013 and 2016, for instance, more than 6,000 people left the labour force. The most recent increases have reversed only a fraction of this reduction.

<sup>1</sup> According to the 2016 census, 23.7% of the population in the Campbellton-Miramichi economic region are over the age of 65, compared to the provincial average of 19.9%.

Labour market conditions improved once again in the **Moncton-Richibucto** economic region in 2018. The level of employment grew by 1,500, more than doubling the 700 gain the year before. Overall, the number of people employed in the region remains in line with its longer-term average. More people were looking for work in 2018, moderating the decline in the unemployment rate to 0.3 of a percentage point. At 6.8% last year, the unemployment rate in Moncton-Richibucto ranks second in the province and is only slightly above its all-time low. Unlike some of the other economic regions in the province, the labour force has not shrunk in recent years. In fact, it has remained essentially flat for the better part of a decade due in part to its relatively younger work force. Less than one in five persons in the economic region's total population is over the age of 65, which is below the provincial average. The median age, meanwhile, is more than a full year lower than the median for the province as a whole.

In **Saint John-St. Stephen**, a significant 2,500 drop in employment in 2018 more than reversed a reasonably healthy 1,300 gain a year earlier. This was the only economic region to see any noticeable deterioration in labour market conditions last year. Although it is still very early, a sizeable year-over-year employment gain of 7,700 jobs was recorded in January of 2019, which is encouraging to start the year.

After deteriorating in 2017, labour market conditions stabilized last year in the **Fredericton-Oromocto** ER. The number of people employed in the economic region was basically unchanged in 2018, failing to recover any of the 2,100 jobs that were lost the year before. On the bright side, that decline was nothing more than a temporary blip in what has otherwise been a period of stability. At 65,500 in 2018, the level of unemployment in the economic region is slightly below its longer term average dating back to the beginning of the current decade. Despite the absence of any significant job gains over the past several years, labour market conditions are among the healthiest in the province, with an unemployment rate that sits below the provincial average. Meanwhile, unlike some of the other economic regions in the province, the labour force has avoided significant contraction. While the population is aging, it remains considerably younger than the rest of the province<sup>2</sup>. More generally, the city of Fredericton and surrounding area remains an attractive destination for new investment in high-paying sectors.

There was no change in the number of people employed in the **Edmundston-Woodstock** economic region last year. In fact, the job market in this economic region has been remarkably stable for close to a decade. For the most part, the number of people employed during this period has fluctuated between a very narrow range of between 36,000 and 36,500. The stability in employment during this period has occurred in tandem with a gradually shrinking labour force, which explains why the unemployment rate has diminished gradually during this time.

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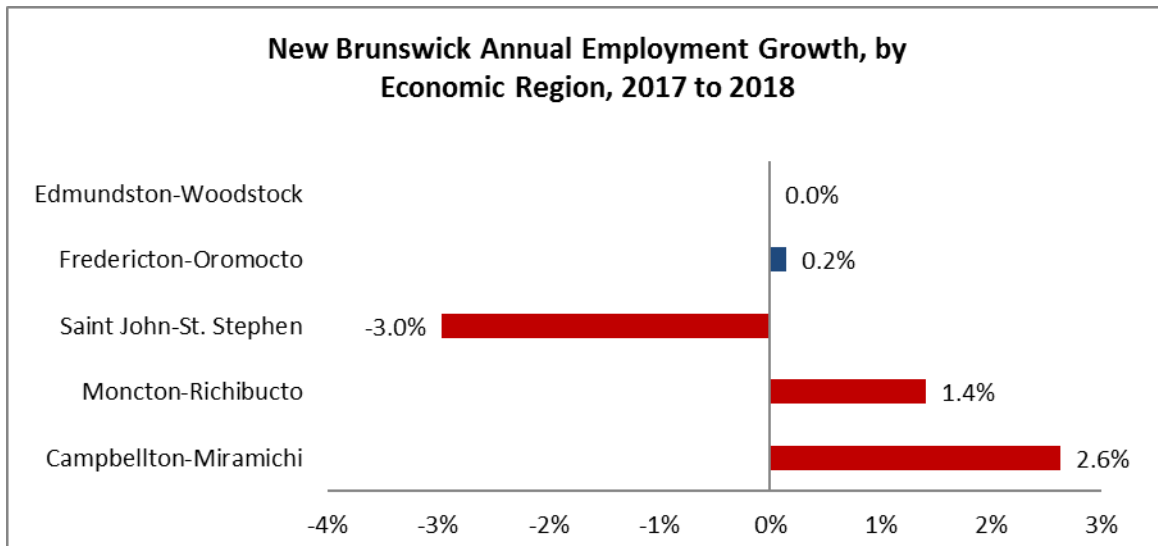
<sup>2</sup> According to the 2016 census, the median age in the Fredericton-Oromocto economic region is 41.7 years, compared to 45.7 for the entire province. At 17.3%, meanwhile, the economic region has a much smaller share of its population over the age of 65 than the province as a whole, at 19.9%.

## New Brunswick Annual Labour Force Statistics, by Economic Region

Employment ('000)	2018	2017	2016	2017 to 2018		2016 to 2017	
				Number	%	Number	%
New Brunswick	353.8	352.9	351.5	0.9	0.3%	1.4	0.4%
Campbellton-Miramichi	62.4	60.8	58.5	1.6	2.6%	2.3	3.9%
Moncton-Richibucto	107.5	106	105.3	1.5	1.4%	0.7	0.7%
Saint John-St. Stephen	81.8	84.3	83	-2.5	-3.0%	1.3	1.6%
Fredericton-Oromocto	65.5	65.4	67.5	0.1	0.2%	-2.1	-3.1%
Edmundston-Woodstock	36.5	36.5	37.1	0	0.0%	-0.6	-1.6%

Note: Totals may not add due to rounding

Source: Statistics Canada, Labour Force Survey - Table 14-10-0090-01



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

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