



Labour Market Bulletin

New Brunswick

January 2019



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 returned to more normal levels in January, as a 3,600 rise in employment more than recovered the 2,800 decline a month earlier. The majority of these job gains, meanwhile, were in full-time positions. At the same time, 2,900 workers re-entered the labour force, due mainly to a rise in the participation rate. The unemployment rate, which has been trending downwards of late, diminished further in January, settling at 8.2%.

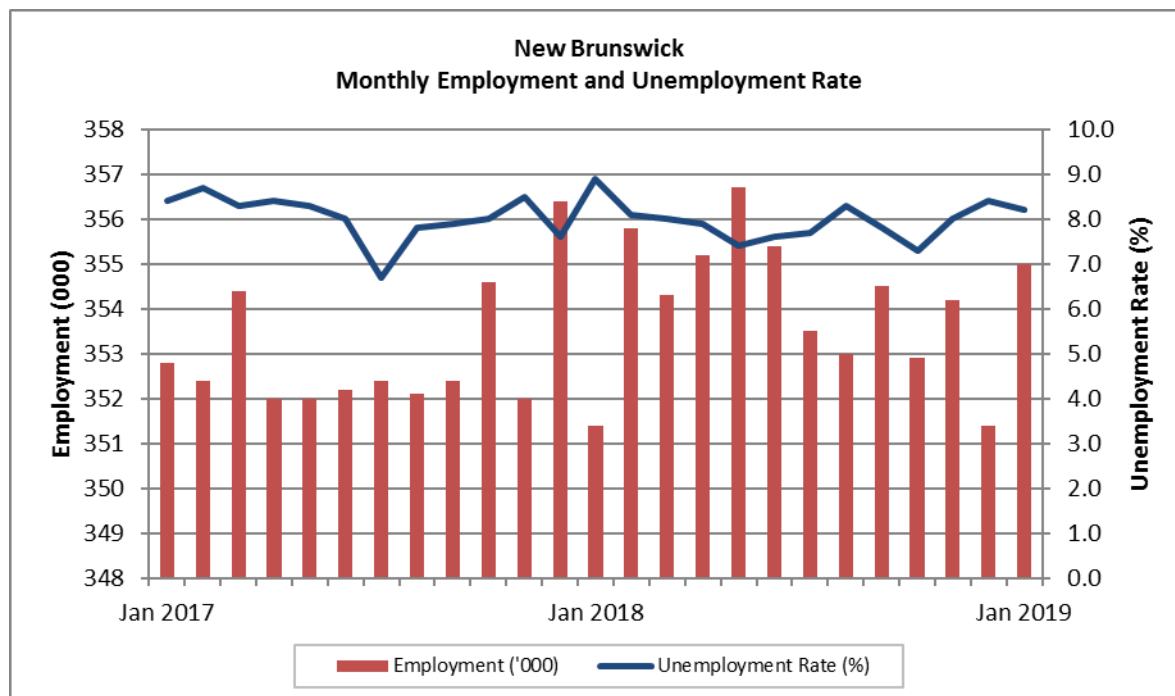
New Brunswick Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Jan 2019	Dec 2018	Jan 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	628.9	628.5	626.0	0.4	0.1	2.9	0.5
Labour Force ('000)	386.6	383.7	385.8	2.9	0.8	0.8	0.2
Employment ('000)	355.0	351.4	351.4	3.6	1.0	3.6	1.0
Full-Time ('000)	304.2	300.2	302.0	4.0	1.3	2.2	0.7
Part-Time ('000)	50.8	51.2	49.5	-0.4	-0.8	1.3	2.6
Unemployment ('000)	31.6	32.3	34.4	-0.7	-2.2	-2.8	-8.1
Unemployment Rate (%)	8.2	8.4	8.9	-0.2	-	-0.7	-
Participation Rate (%)	61.5	61.1	61.6	0.4	-	-0.1	-
Employment Rate (%)	56.4	55.9	56.1	0.5	-	0.3	-

Note: Totals may not add due to rounding

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

The rebound in employment during the month of January brings the year-over-year gain to 3,600 since January of 2018. The labour force grew only slightly, reflecting a rise in the working age population. The participation rate, which has been on a downward trend for several years, edged down slightly between January of 2018 and January of this year, settling at 61.5%.



Labour market conditions improved most for the 25 and over population between December of last year and January of 2019, as both the level of employment and the size of the labour force grew by more than 4,000. The month-over-month rise in employment was concentrated among those aged 25 and older, with both employment and the number of people looking for work increasing by over 4,000. The gains were particularly strong in the 55 and over cohort, which registered 2,700 of that increase despite being a much smaller group. Youth (aged 15 to 24 years) employment fell slightly (-600) in January, but a fall in the participation rate meant that fewer youth were counted in the labour force (-1,400) and therefore unemployed in January. Indeed, this exerted further downward pressure on the youth unemployment rate.

New Brunswick Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Jan 2019	Dec 2018	Jan 2018	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	8.2	8.4	8.9	-0.2	-0.7
25 years and over	7.6	7.7	7.6	-0.1	0.0
Men - 25 years and over	8.1	8.3	9.0	-0.2	-0.9
Women - 25 years and over	7.1	7.1	6.2	0.0	0.9
15 to 24 years	11.7	12.9	16.9	-1.2	-5.2
Men - 15 to 24 years	13.5	15.1	21.3	-1.6	-7.8
Women - 15 to 24 years	10.0	10.6	12.1	-0.6	-2.1

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

The youth unemployment rate has diminished even more considerably over the past twelve months. The jobless rate has fallen by a meaningful 5.2 percentage points since January of 2018, while the number of youth holding a job grew by 1,200. After digging further, however, we observe that the employment gains were essentially limited to younger females, which saw a sizeable 1,700 increase in employment during the past year. This was enough to lower the youth unemployment rate for women to 10.0% in January of 2019, from 12.1% a year earlier. The youth unemployment rate among males fell a little more sharply, from 21.3% in January of 2018 to 13.5% in January of this year.

EMPLOYMENT BY INDUSTRY

The month-over-month rise in employment last month was relatively broad based across the two main sectors of the economy. The **Services-producing sector** registered employment gains of 2,400 in January, while the smaller **Goods-producing sector** posted job gains of 1,200.

While job gains within the **Goods-producing sector** were limited to the **Manufacturing** (+1,800) and **Construction** (+600) industries, they were more than enough to offset declines in **Forestry, fishing, mining and quarrying, oil and gas** (-800) and **Agriculture** (-400). Employment gains within the **Services-producing sector** were a little more spread out across the various industries. For instance, even though job gains were a little more pronounced in **Public administration** (+1,300) and **Finance, insurance, real estate and leasing** (+1,000), they were also noticeable in **Educational services, Health care and social assistance, Information, culture and recreation**, all of which registered gains of 600 in January. Job losses were mainly limited to **Trade** and **Accommodation and food services**, which lost 1,200 and 900 jobs respectively.

The rise in employment over the past year was a little more heavily weighted towards the **Services-producing sector**, which accounted for more than three quarters of the total job gains. At the industry level, however, most of the strength was concentrated in only a few of the services-related industries over the past twelve months. In a similar fashion, the weakness was limited to only a few industries. Strong employment gains during the past twelve months were registered in **Public Administration** (+2,900), **Information, culture and recreation** (+2,800), and **Transportation and warehousing** (+1,500). Most of the job losses occurred in **Trade**, which shed 3,300 jobs since January of 2018, against the backdrop of unfavourable conditions such as tariffs and heightened concern over NAFTA negotiations for much of the year. The signing of a new trade agreement between the three North American countries later in the year certainly is a welcome development. Otherwise, job losses were recorded in **Health care and social assistance** (-1,600) and **Accommodation and food services** (-1,000). The drop in employment in the former reverses only a small portion of the approximately 10,000 job gains that took place between the start of 2015 and the start of 2018. At 59,800 in January of this year, the level of employment in this sector is still well above its long-term average of around 50,000, as aging demographics continue to drive demand for health care services.

Looking at the **Goods-producing sector**, job gains were posted in **Forestry, fishing, mining, quarrying, oil and gas** (+1,300) and **Agriculture** (+700) over the past twelve months. Generally speaking, it is uncertain how long the job gains in the former can be sustained given the recent slump in softwood lumber prices (the month-over-month decline could suggest some potential challenges). Otherwise, year-over-year job losses were recorded in **Construction** (-1,100) and **Manufacturing** (-500).

New Brunswick Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Jan 2019	Dec 2018	Jan 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	355.0	351.4	351.4	3.6	1.0	3.6	1.0
Goods-producing sector	73.5	72.3	72.9	1.2	1.7	0.6	0.8
Agriculture	5.8	6.2	5.1	-0.4	-6.5	0.7	13.7
Forestry, fishing, mining, quarrying, oil and gas	9.5	10.3	8.2	-0.8	-7.8	1.3	15.9
Utilities	3.2	3.2	2.9	0.0	0.0	0.3	10.3
Construction	23.5	22.9	24.6	0.6	2.6	-1.1	-4.5
Manufacturing	31.5	29.7	32.0	1.8	6.1	-0.5	-1.6
Services-producing sector	281.5	279.1	278.6	2.4	0.9	2.9	1.0
Trade	51.8	53.0	55.1	-1.2	-2.3	-3.3	-6.0
Transportation and warehousing	18.9	18.4	17.4	0.5	2.7	1.5	8.6
Finance, insurance, real estate and leasing	16.2	15.2	16.1	1.0	6.6	0.1	0.6
Professional, scientific and technical services	15.3	15.7	14.8	-0.4	-2.5	0.5	3.4
Business, building and other support services	15.6	15.6	16.2	0.0	0.0	-0.6	-3.7
Educational services	27.4	26.8	26.0	0.6	2.2	1.4	5.4
Health care and social assistance	59.8	59.2	61.4	0.6	1.0	-1.6	-2.6
Information, culture and recreation	13.0	12.4	10.2	0.6	4.8	2.8	27.5
Accommodation and food services	22.8	23.7	23.8	-0.9	-3.8	-1.0	-4.2
Other services	14.8	14.5	14.6	0.3	2.1	0.2	1.4
Public administration	26.0	24.7	23.1	1.3	5.3	2.9	12.6

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

A breakdown of the labour market at the Economic region (ER) level tells an entirely different story than the one occurring at the provincial level. Based on the LFS figures in January, the only economic region to have experienced any improvement in labour market conditions is **Saint John-St. Stephen**, which reported an impressive 7,700 rise in employment over the past year. Looking at all the other economic regions combined, job losses totalled 7,300 during the same period.

Labour market conditions deteriorated slightly within the **Campbellton-Miramichi** ER over the past year, with 700 jobs subtracted from the work force. An even sharper increase in the size of the labour force resulted in a material increase in the unemployment rate to 14.7%, from 13.2%. Despite the recent increases to the size of the labour force, the region continues to have the lowest participation rate (54.1%) in the province.

In **Moncton-Richibucto**, the labour market has struggled to generate any new employment since around the middle of 2018, which explains why 1,500 jobs have been lost since January of 2018. Despite the job losses, the unemployment rate managed to decline by 0.7 of a percentage point to 6.8%, as people stopped searching for work. January marks the second consecutive month in which more than 2,000 people exited the labour force.

The **Saint John-St. Stephen ER** was the only region to show any significant improvement to begin the year. As mentioned, a sizeable employment gain of 7,700 was recorded during the month of January. Just as encouraging was the considerable rebound in the size of the labour force, which is the only reason as to why the unemployment rate did not fall more than it did. Compared to January of 2018, the latter fell by 0.6 percentage points to 6.5% this past month, now the lowest in the province. One important thing to consider when interpreting the considerable increase in employment in the economic region is the significant drop that occurred around the same time last year. The increase in employment simply brings its level back to a more normal level.

The Labour market deteriorated further within the **Fredericton-Oromocto ER** in January following a weak fourth quarter of the year prior. The level of employment in the economic region fell by 4,200 in January, while nearly as many left the labour force. The latter explains why the unemployment rate has barely fallen over the past twelve months. The region's participation rate has fallen considerably over the same period and, at 60.3%, is close to an all-time low.

The **Edmundston-Woodstock ER**'s labour market lost a little under a thousand jobs over the past year. A similar number of workers, meanwhile, exited the labour force during the same period, which helped lower the number of people counted as unemployed. On balance, the rate of unemployment edged down slightly since January of last year, settling at 7.3% last month. Some of the region's largest employers have ties to the forest sector, including Twin Rivers Paper Company with its Edmundston pulp mill.

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.

New Brunswick Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Jan 2019 ('000)	Jan 2018 ('000)	Yearly Variation (%)	Jan 2019 (%)	Jan 2018 (%)	Yearly Variation (% points)
New Brunswick	347.1	346.8	0.1	8.4	8.4	0.0
Economic Regions						
Campbellton-Miramichi	57.3	58.0	-1.2	14.7	13.2	1.5
Moncton-Richibucto	106.5	108.0	-1.4	6.8	7.5	-0.7
Saint John-St. Stephen	87.4	79.7	9.7	6.5	7.1	-0.6
Fredericton-Oromocto	60.3	64.5	-6.5	7.7	7.9	-0.2
Edmundston-Woodstock	35.6	36.5	-2.5	7.3	7.4	-0.1

Note: Totals may not add due to rounding

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

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http://www.esdc.gc.ca/cgi-bin/contact/edsc-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

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