Labour Market Bulletin

New Brunswick

February 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 continued to strengthen in February, and although it remains early, 2019 is off to a solid start. Though the level of employment grew by 1,500, close to 3,000 workers re-entered the labour force to search for work resulting in an increase in the unemployment rate. The 0.4 percentage point rebound in the participation rate in February is also encouraging, but a sustained reversal of the longer-term decline will be an important factor in keeping the labour force from shrinking.

New Brunswick Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Feb 2019	Jan 2019	Feb 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	628.9	628.9	626.1	0.0	0.0	2.8	0.4
Labour Force ('000)	389.5	386.6	387.3	2.9	0.8	2.2	0.6
Employment ('000)	356.5	355.0	355.8	1.5	0.4	0.7	0.2
Full-Time ('000)	303.3	304.2	305.2	-0.9	-0.3	-1.9	-0.6
Part-Time ('000)	53.3	50.8	50.5	2.5	4.9	2.8	5.5
Unemployment ('000)	33.0	31.6	31.5	1.4	4.4	1.5	4.8
Unemployment Rate (%)	8.5	8.2	8.1	0.3	-	0.4	-
Participation Rate (%)	61.9	61.5	61.9	0.4	-	0.0	-
Employment Rate (%)	56.7	56.4	56.8	0.3	-	-0.1	-

Note: Totals may not add due to rounding

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

The year-over-year developments paint a picture that is not quite as upbeat. Employment is up only modestly from February of last year, and only because of a big increase in part-time work. The number of people working full-time has diminished by close to two thousand. One of the more encouraging developments, however, is the growth in the labour force, even if only made possible because of an increase in the population. The participation rate was actually unchanged from a year before.

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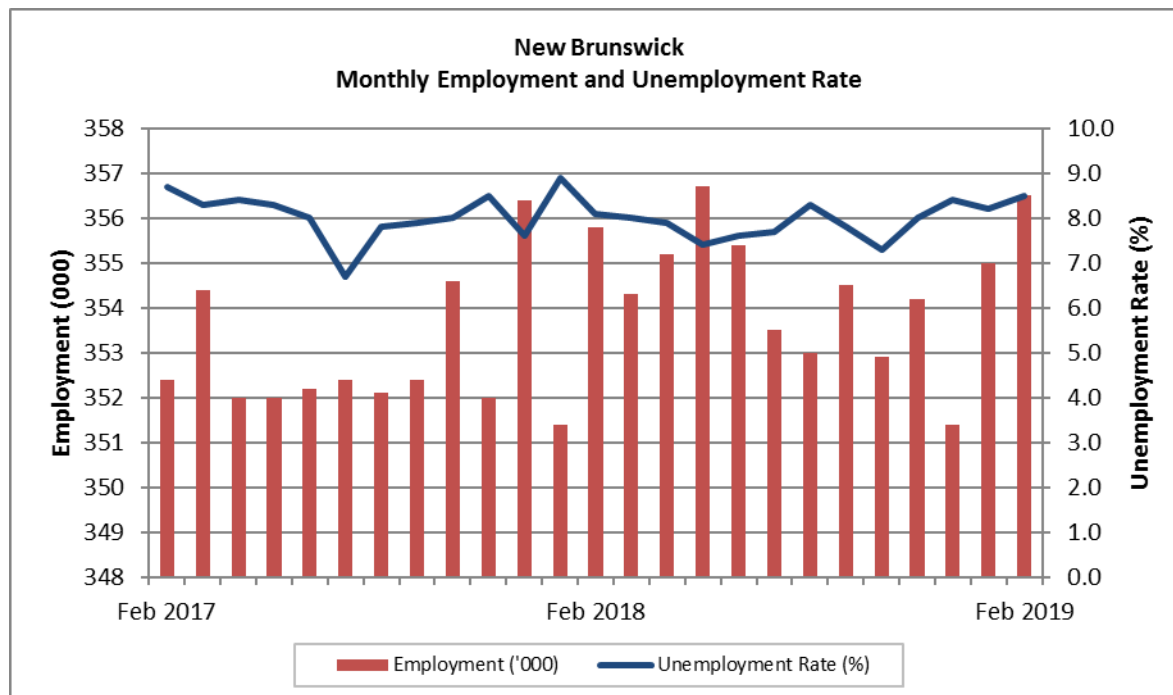
On a monthly basis, employment gains were concentrated among youth (aged 15 to 24) and core working aged (25 to 54 years) cohorts, which registered increases of 1,400 and 1,300 respectively. Both increases, however, were confined entirely to men. Indeed, youth female employment fell by 400 while 700 fewer women in the core working age held a job in February.

On a year-over-year basis, we observe that labour market conditions improved the most for those over the age of 55, as shown by the 2,600 growth in employment during this period. Surprisingly, the unemployment rate actually rose quite considerably during those twelve months. It turns out that close to 4,800 seniors entered the labour force since February of 2018. The youth unemployment rate grew by almost two percentage points in February from the month before. The increase was common among both men and women.

New Brunswick Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Feb 2019	Jan 2019	Feb 2018	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	8.5	8.2	8.1	0.3	0.4
25 years and over	7.6	7.6	7.1	0.0	0.5
Men - 25 years and over	8.2	8.1	8.7	0.1	-0.5
Women - 25 years and over	7.0	7.1	5.5	-0.1	1.5
15 to 24 years	13.7	11.7	14.4	2.0	-0.7
Men - 15 to 24 years	15.4	13.5	18.7	1.9	-3.3
Women - 15 to 24 years	11.5	10.0	9.7	1.5	1.8

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

The youth unemployment rate diminished moderately from a year earlier. More generally, over the past year, labour market conditions among youth have shown most improvement for young men. Indeed, while the youth rate for men and women combined fell from 14.4% to 13.7%, the youth unemployment rate among men fell by 3.7 percentage points. That said, women continue to boast a significantly lower rate of unemployment.

EMPLOYMENT BY INDUSTRY

The **Services producing sector** remains the primary source of job gains recently. When added to the even stronger increase a month earlier, the 1,800 rise in employment in February brings the total number of jobs added so far this year to 4,200.

Within the **Services-producing sector** there was hardly any change in employment in either direction in February. Aside from a 1,100 increase in **Trade** and a 600 gain in **Professional, scientific and technical services**, the average monthly change in employment for all the remaining sub-industries was nil. On a year-over-year basis the swings were much larger and more frequent. For instance, nearly 2,900 jobs were added in **Public administration**, 2,100 in **Information, culture and recreation**, 1,200 in **Educational services**, and 1,100 in **Transportation and warehousing**. Moving in an entirely opposite direction, **Trade** (-2,000) and **Accomodation and food services** (-1,600) reported considerable job losses during the same period. Elsewhere, job losses in the Services-producing sector were spread across the remaining industries, including **Professional, scientific and technical services** and **Health care and social services**.

The latter is particularly surprising given the sustained growth in demand for health care services in recent years. The likeliest explanation is that employment in **Health care and social services** was unusually high in February of 2018, which would have impacted the annual comparison and give a false impression . Job growth in **Health care and social assistance** should return to positive soon, although the pace of growth will likely slow somewhat from its rapid pace in recent years.

The level of employment was little changed in the **Goods-producing sector** last month. On a year-over-year basis, however, close to a thousand jobs have been shed since February of last year, the majority of which were in **Manufacturing** (-2,400). The latter has occurred gainst a backdrop of unfavourable conditions such as tariffs and heightened concern over NAFTA negotiations for much of the year. Otherwise, job gains were most pronounced in **Forestry, fishing, mining, quarrying, oil and gas** (+1,700). Based on the annual LFS figures, which provide a deeper industrial breakdown, there are good reasons to expect that much of the 1,700 increase was in mining. In 2018, nearly all of the growth was in mining, with little change in forestry and logging and oil and gas extraction.

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New Brunswick Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Feb 2019	Jan 2019	Feb 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	356.5	355.0	355.8	1.5	0.4	0.7	0.2
Goods-producing sector	73.2	73.5	74.1	-0.3	-0.4	-0.9	-1.2
Agriculture	5.6	5.8	5.1	-0.2	-3.4	0.5	9.8
Forestry, fishing, mining, quarrying, oil and gas	9.8	9.5	8.1	0.3	3.2	1.7	21.0
Utilities	3.3	3.2	3.1	0.1	3.1	0.2	6.5
Construction	23.7	23.5	24.5	0.2	0.9	-0.8	-3.3
Manufacturing	30.9	31.5	33.3	-0.6	-1.9	-2.4	-7.2
Services-producing sector	283.3	281.5	281.7	1.8	0.6	1.6	0.6
Trade	52.9	51.8	54.9	1.1	2.1	-2.0	-3.6
Transportation and warehousing	19.2	18.9	18.1	0.3	1.6	1.1	6.1
Finance, insurance, real estate and leasing	15.8	16.2	16.0	-0.4	-2.5	-0.2	-1.3
Professional, scientific and technical services	15.9	15.3	16.8	0.6	3.9	-0.9	-5.4
Business, building and other support services	15.7	15.6	15.9	0.1	0.6	-0.2	-1.3
Educational services	27.4	27.4	26.2	0.0	0.0	1.2	4.6
Health care and social assistance	60.3	59.8	60.8	0.5	0.8	-0.5	-0.8
Information, culture and recreation	12.9	13.0	10.8	-0.1	-0.8	2.1	19.4
Accommodation and food services	22.5	22.8	24.1	-0.3	-1.3	-1.6	-6.6
Other services	14.6	14.8	15.0	-0.2	-1.4	-0.4	-2.7
Public administration	26.0	26.0	23.1	0.0	0.0	2.9	12.6

Note: Totals may not add due to rounding
Source: Statistics Canada Labour Force Survey – Table 14-10-0355

REGIONAL ANALYSIS

Generally speaking, labour market conditions deteriorated across most economic regions during the past year. The Saint John-St. Stephen Economic region (ER), in fact, held the distinction of being the only region in the entire province to show an increase in employment. Since February of last year, employment in the region has grown by 10,000 jobs. If not for such an increase, the province would have lost close to 10,000 jobs in February. While the latter were spread across remaining regions, they were most pronounced in the **Fredericton-Oromocto** ER, which lost 3,200 jobs during the twelve-month period.

The **Campbellton-Miramichi economic** region registered a decline of 2,300 over the past twelve months, which lifted the unemployment rate from 14.2% in February of last year to 16.5% this past month. As it stands, the latter more than doubles the second-highest rate in the province, in part because of the rapidly aging population in the economic region. The share of persons over the age of 65 is well above average and highest in the province, and explains why the labour force is diminishing much faster than anywhere else.

In **Moncton-Richibucto**, labour market conditions have, for the most part, deteriorated during the past twelve months. Employment fell by 1,800, which lifted the unemployment rate from 7.3% to 7.6%. Nonetheless, as it stands, the unemployment rate is low by past standards and among the lowest in the province. More generally, there is no reason to expect overall conditions to deteriorate much further.

Labour market conditions have without a doubt improved the most in the **Saint John- St. Stephen** ER over the past year. The remarkable 10,000 rise in employment since February of last year is impressive, especially since it was accompanied by a similar surge in the labour force. The latter explains the relatively small downward movement in the unemployment rate, which at 6.8% in February, was lowest among all other economic regions.

Labour market conditions were not nearly as upbeat in the **Fredericton-Oromocto** ER during the past year, even though the unemployment rate actually diminished during the same period. The level of employment diminished

by more than 3,000 while an even greater number of persons left the labour force altogether. At 8.1% in February, the unemployment rate was second-lowest among all regions in the province. The drop in employment last month follows an even bigger decline a month earlier, when 4,200 jobs were lost.

The level of employment in **Edmundston-Woodstock** fell by 1,500 between February of last year and February of this year. An even bigger decline in the labour force explains why the unemployment rate edged up only 0.1 of a percentage point.

New Brunswick Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Feb 2019 ('000)	Feb 2018 ('000)	Yearly Variation (%)	Feb 2019 (%)	Feb 2018 (%)	Yearly Variation (% points)
New Brunswick	344.1	343.8	0.1	9.1	8.9	0.2
Economic Regions						
Campbellton-Miramichi	55.1	57.4	-4.0	16.5	14.2	2.3
Moncton-Richibucto	106.4	108.4	-1.8	7.6	7.3	0.3
Saint John-St. Stephen	87.0	77.7	12.0	6.8	7.4	-0.6
Fredericton-Oromocto	61.2	64.4	-5.0	8.1	8.9	-0.8
Edmundston-Woodstock	34.5	36.0	-4.2	7.8	7.7	0.1

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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