



# Labour Market Bulletin

## New Brunswick

### October 2020



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

After stalling in July and August, employment has now risen in two consecutive months, with a 2,600 increase in October outpacing a 2,200 gain the month before. Job growth in October was driven by an impressive 3,700 surge in full-time work. The unemployment rate edged down 0.3 percentage points to 10.1% last month; its decline being moderated by an increase in the labour force. Although now two percentage points above its level in October of last year, the unemployment rate remains well below its peak of 13.2% during the month of April, when all non-essential businesses were closed. As far as the recovery is concerned, the level of employment in New Brunswick in October represented around 97% of its pre-pandemic level in February.

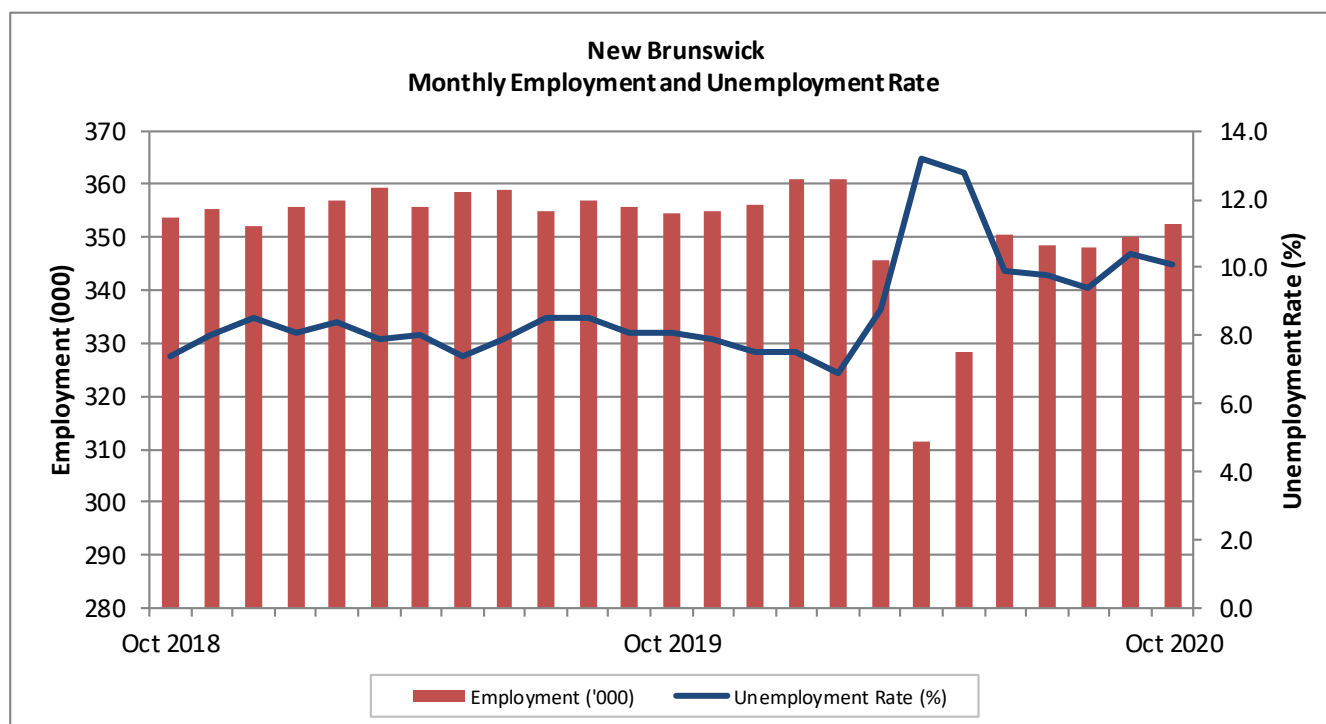
New Brunswick Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Oct 2020	Sept 2020	Oct 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	637.9	637.5	633.5	0.4	0.1	4.4	0.7
Labour Force ('000)	392.3	390.7	385.8	1.6	0.4	6.5	1.7
Employment ('000)	352.7	350.1	354.7	2.6	0.7	-2.0	-0.6
Full-Time ('000)	300.9	297.2	301.9	3.7	1.2	-1.0	-0.3
Part-Time ('000)	51.7	52.9	52.8	-1.2	-2.3	-1.1	-2.1
Unemployment ('000)	39.6	40.6	31.1	-1.0	-2.5	8.5	27.3
Unemployment Rate (%)	10.1	10.4	8.1	-0.3	-	2.0	-
Participation Rate (%)	61.5	61.3	60.9	0.2	-	0.6	-
Employment Rate (%)	55.3	54.9	56.0	0.4	-	-0.7	-

Note: Totals may not add due to rounding

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

The monthly increase in the size of the labour force is encouraging and extends a recent trend that began at the start of the pandemic. There were 6,500 more active participants in the working age population in October than there were exactly one year earlier. Whereas the expansion in the labour force during this period is in large part because of a 4,400 increase in the actual population, it is also partly due to an increase in the participation rate.



Unfortunately, the recovery in labour market conditions has been much more tempered among youth workers than it has been for the rest of the working age population. The unemployment rate for youth workers (aged 15 to 24 years) grew by 3.8 percentage points from September to October to 20.8%, easily twice as high as the rate of unemployment for those aged 25 and above.

**New Brunswick Monthly Unemployment Rates, by Gender and Age**

Seasonally Adjusted Data	Oct 2020 %	Sept 2020 %	Oct 2019 %	Monthly Variation (% points)	Yearly Variation (% points)
<b>Total</b>	10.1	10.4	8.1	-0.3	2.0
<b>25 years and over</b>	8.3	9.4	7.0	-1.1	1.3
Men - 25 years and over	10.9	12.4	8.3	-1.5	2.6
Women - 25 years and over	5.5	6.0	5.5	-0.5	0.0
<b>15 to 24 years</b>	20.8	17.0	15.0	3.8	5.8
Men - 15 to 24 years	23.0	19.7	16.7	3.3	6.3

Women - 15 to 24 years	18.3	13.9	13.4	4.4	4.9
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Source: Statistics Canada Labour Force Survey – Table 14-10-0287

Among those aged 25 and over, the unemployment rate actually declined by a little more than a percentage point, to 7.0% in October. The unemployment rate among this age group fell the most for men (1.5 percentage points), settling at 10.9% last month. The female unemployment rate fell more modestly but remains much lower at 5.5% in October.

## EMPLOYMENT BY INDUSTRY

Employment gains were driven largely by the **goods-producing sector**, which accounted for around three quarters of the job gains in October, despite being a much smaller employer overall. Looking past the increase in October, the **goods-producing sector** lags far behind the **services-producing sector** as far as the recovery is concerned.

The 1,900 increase in employment among goods-producing industries was driven almost exclusively by a rapid rebound in the **construction** industry, which saw job gains of 1,500 in October. Otherwise, there was little material change in the broader **goods-producing sector** in October.

Turning to the **services-producing sector**, job gains were limited mostly to **trade; professional, scientific and technical services**; and **business, building and other supporting services**, which all registered job gains in and around 1,000 last month. The job losses within the **services-producing sector** were contained within a fairly small subset of industries. Aside from **accommodation and food services**, as well as **information, culture and recreation**, job losses were only modest.

Whereas a range of industries have fully recovered the job losses associated with the COVID-19 pandemic, others are probably several months, perhaps a year or more, away from returning to pre-pandemic levels. In the **goods-producing sector**, employment in October was down significantly from a year earlier in both **agriculture** (-1,700) and **manufacturing** (-1,400), which were both greatly impacted by the restrictions related to the virus. The number of industries that were significantly affected by the pandemic is far greater, which explains the greater number of industries that have yet to recover the jobs that were lost as a result of the pandemic. On a year-over-year basis, employment is down the most in **health care and social services** (-2,800), following by **information, culture and recreation** (-2,600) and **transportation and warehousing** (-1,500). Employment in **accommodation and food services** has almost completely returned to its pre-pandemic level and is down only slightly from October of last year. Interestingly, employment in **trade** was up by a resounding 6,000 from the same month a year before.

New Brunswick Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Oct 2020	Sept 2020	Oct 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	352.7	350.1	354.7	2.6	0.7	-2.0	-0.6
<b>Goods-producing sector</b>	70.8	68.9	73.6	1.9	2.8	-2.8	-3.8
Agriculture	4.7	5.1	6.4	-0.4	-7.8	-1.7	-26.6
Forestry, fishing, mining, quarrying, oil and gas	8.9	8.2	9.4	0.7	8.5	-0.5	-5.3
Utilities	3.5	3.6	3.6	-0.1	-2.8	-0.1	-2.8

Construction	24.6	23.1	23.7	1.5	6.5	0.9	3.8
Manufacturing	29.1	28.9	30.5	0.2	0.7	-1.4	-4.6
<b>Services-producing sector</b>	<b>281.9</b>	<b>281.2</b>	<b>281.2</b>	<b>0.7</b>	<b>0.2</b>	<b>0.7</b>	<b>0.2</b>
Trade	57.0	56.0	51.0	1.0	1.8	6.0	11.8
Transportation and warehousing	16.9	16.6	18.4	0.3	1.8	-1.5	-8.2
Finance, insurance, real estate and leasing	15.7	15.5	17.1	0.2	1.3	-1.4	-8.2
Professional, scientific and technical services	18.8	17.7	17.0	1.1	6.2	1.8	10.6
Business, building and other support services	14.9	14.1	16.5	0.8	5.7	-1.6	-9.7
Educational services	28.9	29.2	26.9	-0.3	-1.0	2.0	7.4
Health care and social assistance	57.5	58.3	60.3	-0.8	-1.4	-2.8	-4.6
Information, culture and recreation	9.9	10.5	12.5	-0.6	-5.7	-2.6	-20.8
Accommodation and food services	19.8	20.7	20.2	-0.9	-4.3	-0.4	-2.0
Other services	13.8	13.7	14.5	0.1	0.7	-0.7	-4.8
Public administration	28.6	28.9	26.7	-0.3	-1.0	1.9	7.1

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 employment figures reveals that essentially all of the job gains between October of last year and October of this year have been in the Campbellton-Miramichi Economic Region (ER).

Labour market conditions strengthened considerably in the **Campbellton-Miramichi** since October of last year, as implied by the 8,800 increase in employment. Despite such a rapid surge in employment, however, the rate of unemployment remained broadly unchanged at a provincial-high of 12.1% during the period, because of a more than 8,000 increase in the size of the labour force.

After deteriorating during the spring, labour market conditions recovered in the **Moncton-Richibucto ER** in the months that followed. As of October, the level of employment has slightly surpassed its level from twelve months earlier. A surge in the labour force helped lift the unemployment rate from 5.8% in October of 2019 to 8.2% this past month. Nearly all of the entrants into the labour force were counted as being unemployed. This is evident in the fact that unemployment grew almost exactly in line with the labour force.

Labour market conditions deteriorated the most in the **Saint John-St. Stephen ER** between October of last year and October of this year. Employment diminished by 8,300 during this period, which helped lift the unemployment rate by 1.3 percentage points to 8.2% during the same period. The primary force impacting the unemployment rate was the surge in the labour force, which kept the former from rising significantly.

The economic landscape in the **Fredericton-Oromocto ER** has returned close to the form it had prior to the economic pandemic. The level of employment in the economic region in October was down by 2,700 from the same period last year. This represents a marked improvement from March and April, when the year-over-year decline in employment was far greater. The unemployment rate, at 8.0 in October, was 2.2 percentage points higher than a year earlier.

In the **Edmundston-Woodstock ER**, labour market conditions have recovered in recent months, as the level of employment is within 1,200 of where it stood in October of last year. The unemployment rate, meanwhile, is less than half a percentage point higher than it was roughly a year ago.

**New Brunswick Monthly Labour Force Statistics, by Economic Region**

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Oct 2020 ('000)	Oct 2019 ('000)	Yearly Variation (%)	Oct 2020 (%)	Oct 2019 (%)	Yearly Variation (%)
<b>New Brunswick</b>	357.8	364.5	-1.8	8.8	7.3	1.5
<b>Economic Regions</b>						
Campbellton-Miramichi	64.0	58.8	8.8	12.1	12.2	-0.1
Moncton-Richibucto	110.8	110.4	0.4	8.2	5.8	2.4
Saint John-St. Stephen	79.7	88.0	-9.4	8.9	7.6	1.3
Fredericton-Oromocto	67.6	70.3	-3.8	8.0	5.8	2.2
Edmundston-Woodstock	35.8	37.0	-3.2	6.3	5.9	0.4

*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:**

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