



Labour Market Bulletin

New Brunswick

December 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

Labour market conditions recovered further during the final quarter of 2020, although the pace of job gains slowed significantly from the previous quarter. After falling by 22,400 in the second quarter of the year as a result of the COVID-19 pandemic, employment rebounded by 18,900 in Q3. The level of employment grew by 6,300 during the fourth quarter. When broken down, however, the monthly employment figure actually *declined* by 800 in December, which suggests that recovery in overall labour market conditions stalled as the year came to an end.

The 6,300 increase in employment in the fourth quarter of last year was the result of a 7,300 increase in full-time work. The unemployment rate edged down by 0.2 of a percentage point (pp) to 9.7% during the same period, as the quarterly job gains were accompanied by comparable growth in the labour force. The participation rate registered another increase in the fourth quarter of 2020, increasing nearly a full percentage point to 61.6%, adding to the nearly two percentage point increase in the previous quarter.

Relative to the second quarter of 2020, when employment fell to a 30-year low of 333,000 as a result of the COVID-19 pandemic, employment has rebounded considerably to 355,900, identical to its first-quarter level, which had been only slightly reduced as a result of the COVID-19 pandemic. (Notable job losses did not appear until April, which was the first full month in which the economy was in lock-down.)

New Brunswick Quarterly Labour Force Statistics

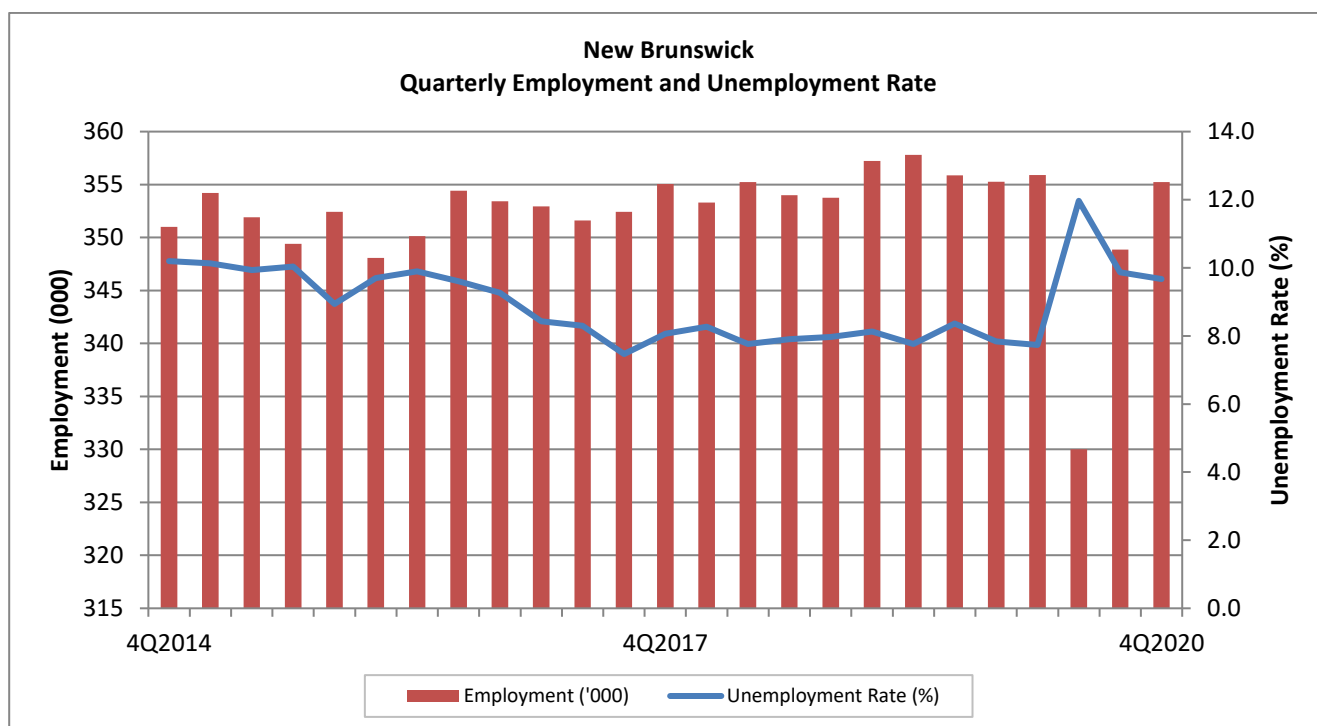
Seasonally Adjusted Quarterly Data	4th Quarter 2020	3rd Quarter 2020	4th Quarter 2019	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	638.1	637.1	634.0	1.0	0.2	4.1	0.6
Labour Force ('000)	393.1	387.1	385.3	6.0	1.5	7.8	2.0

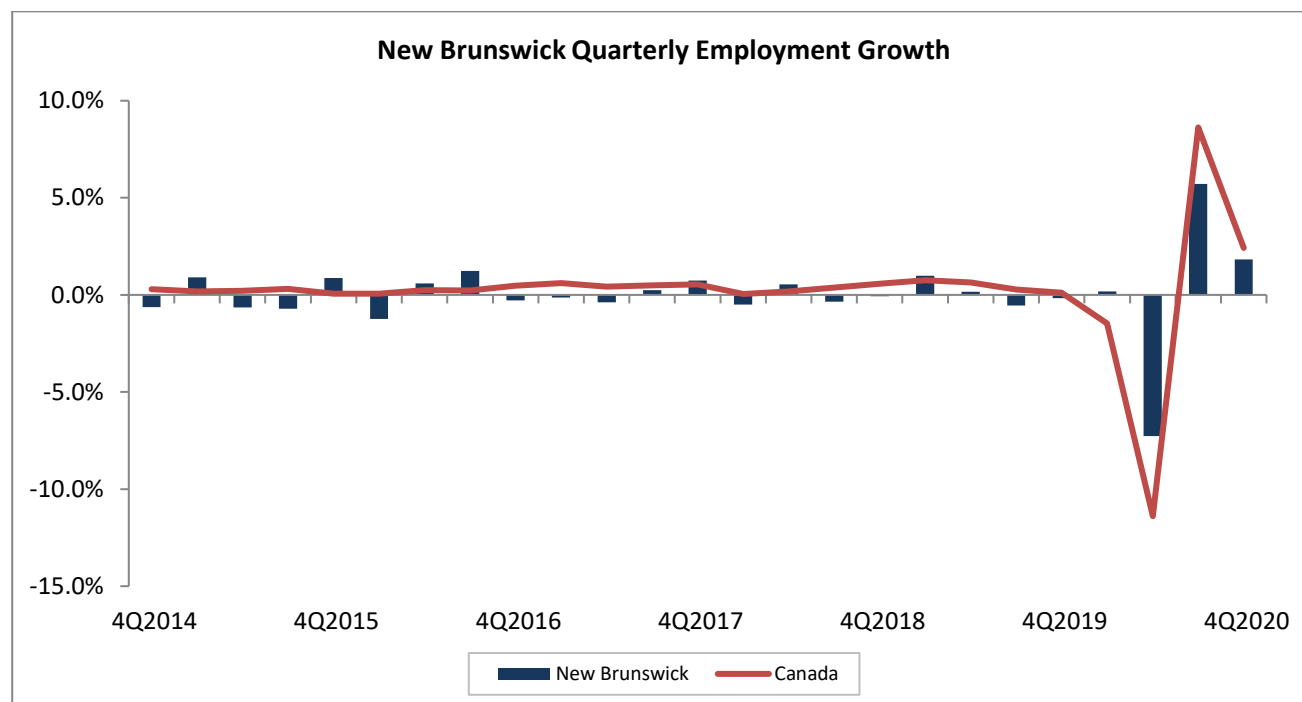
Employment ('000)	355.2	348.9	355.3	6.3	1.8	-0.1	0.0
Full-Time ('000)	301.6	294.3	303.6	7.3	2.5	-2.0	-0.7
Part-Time ('000)	53.7	54.5	51.7	-0.8	-1.5	2.0	3.9
Unemployment ('000)	37.9	38.3	30.0	-0.4	-1.0	7.9	26.3
Unemployment Rate (%)	9.7	9.9	7.8	-0.2	-	1.9	-
Participation Rate (%)	61.6	60.8	60.8	0.8	-	0.8	-
Employment Rate (%)	55.7	54.8	56.1	0.9	-	-0.4	-

Note: Totals may not add due to rounding

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

On a year-over-year basis, employment in the fourth quarter of 2020 was practically unchanged from a year earlier. A notable expansion in the size of the labour force, however, resulted in a near-two percentage point increase in the unemployment rate, as nearly 8,000 workers became unemployed. The growth in the labour force, meanwhile, was a function of both an increase in the working age population and a higher participation rate.





Younger workers (aged 15 to 24 years) have been the most impacted segment of the labour market since the onset of the COVID-19 pandemic. Compared to the same period a year earlier, the unemployment rate among this segment of the labour force grew by 5.2 percentage points in the fourth quarter of 2020, to 18.5%. The upward movement in the unemployment rate was roughly similar for both men and women during the same period.

New Brunswick Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	4th Quarter 2020 %	3rd Quarter 2020 %	4th Quarter 2019 %	Quarterly Variation (% points)	Yearly Variation (% points)
Total	9.7	9.9	7.8	-0.2	1.9
25 years and over	8.2	8.8	6.9	-0.6	1.3
Men - 25 years and over	10.4	11.3	8.4	-0.9	2.0
Women - 25 years and over	5.8	6.0	5.4	-0.2	0.4
15 to 24 years	18.5	17.3	13.3	1.2	5.2
Men - 15 to 24 years	20.0	19.7	14.3	0.3	5.7
Women - 15 to 24 years	16.9	14.5	12.2	2.4	4.7

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

On a quarter-over-quarter basis, the unemployment rate grew the most among younger workers in the fourth quarter, increasing from 17.3% to 18.5%. By comparison, the rate of unemployment among the aged 25 and over category *diminished* from 8.8% in the third quarter to 8.2% in the fourth quarter of the year.

EMPLOYMENT BY INDUSTRY

For the second consecutive quarter, employment growth was driven by the **services-producing sector** in the final quarter of 2020. After increasing by 15,200 in the third quarter, employment among services-producing industries grew by 7,000 in Q4. The level of employment in the much smaller **goods-producing sector**, which accounts for around a quarter of total employment, declined by 700 in the fourth quarter, reversing a relatively small portion of the 3,700 increase in the previous quarter.

Labour market developments were relatively uneventful among the various goods-producing industries in the fourth quarter. The level of employment grew by 300 in **utilities** and **manufacturing**, whereas both **agriculture** and **forestry, fishing, mining, quarrying, oil and gas** shed around 500 jobs.

Job gains were more widespread among services-producing industries, with **transportation and warehousing** (+1,200), **public administration** (+1,200) and **business, building and other support services** (+1,000) registering notable increases in the final quarter of 2020. Employment was also up by 800 in **finance, insurance, real estate and leasing** and **professional, scientific and technical services**. Job losses were limited to the **accommodation and food services** industry, where employment diminished by a relatively modest 400 positions.

Employment levels were down in most goods-producing industries compared to the fourth quarter of the previous year. **Agriculture** (-1,500), **construction** (-900) and **manufacturing** (-700) were the biggest contributing factors to the overall decline of 3,400 across the entire goods-producing sector as a whole.

The level of employment in the fourth quarter of 2020 was up by 3,300 from a year earlier in the **services-producing sector** as a whole. Labour market conditions among the various services-producing industries were mixed, as strong job gains in a small group of industries masked meaningful declines in others. Employment grew the most in **trade**, advancing by 4,400 since the fourth quarter of 2019. Notable gains were also evident in **public administration** (+2,200), as well as **education** and **professional, scientific and technical services**, each of which recorded improvements of 1,600 during the same period. Moving in the opposite direction, employment levels were significantly reduced in **information, culture and recreation** (-1,800), **business, building and other support services** (-1,500) and **health care and social assistance** (-1,000).

New Brunswick Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	4th Quarter 2020	3rd Quarter 2020	4th Quarter 2019	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	355.2	348.9	355.3	6.3	1.8	-0.1	0.0
Goods-producing sector	70.5	71.2	73.9	-0.7	-1.0	-3.4	-4.6
Agriculture	4.6	5.1	6.1	-0.5	-9.8	-1.5	-24.6
Forestry, fishing, mining, quarrying, oil and gas	9.2	9.7	9.6	-0.5	-5.2	-0.4	-4.2
Utilities	3.7	3.4	3.6	0.3	8.8	0.1	2.8
Construction	23.5	23.6	24.4	-0.1	-0.4	-0.9	-3.7
Manufacturing	29.6	29.3	30.3	0.3	1.0	-0.7	-2.3
Services-producing sector	284.7	277.7	281.4	7.0	2.5	3.3	1.2

Trade	56.3	55.9	51.9	0.4	0.7	4.4	8.5
Transportation and warehousing	17.5	16.3	18.4	1.2	7.4	-0.9	-4.9
Finance, insurance, real estate and leasing	16.8	16.0	16.7	0.8	5.0	0.1	0.6
Professional, scientific and technical services	18.5	17.7	16.9	0.8	4.5	1.6	9.5
Business, building and other support services	15.1	14.1	16.6	1.0	7.1	-1.5	-9.0
Educational services	28.4	27.9	26.8	0.5	1.8	1.6	6.0
Health care and social assistance	59.1	58.3	60.1	0.8	1.4	-1.0	-1.7
Information, culture and recreation	10.3	10.2	12.1	0.1	1.0	-1.8	-14.9
Accommodation and food services	20.0	20.4	20.4	-0.4	-2.0	-0.4	-2.0
Other services	13.8	13.2	14.5	0.6	4.5	-0.7	-4.8
Public administration	29.0	27.8	26.8	1.2	4.3	2.2	8.2

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Labour market conditions have been relatively mixed across the various Economic Regions (ERs) during the past year. Job gains were limited to the **Campbellton-Miramichi ER**, whereas employment levels diminished noticeably in the **Saint John-St. Stephen** and **Edmundston-Woodstock ERs**. There was relatively little change in employment in **Moncton-Richibucto** and **Fredericton-Oromocto ERs**.

The 5,600 rise in employment in the **Campbellton-Miramichi ER** since the fourth quarter of 2019 was accompanied by a slightly larger increase in the size of the labour force, which explains why the unemployment rate actually *grew* despite a 10% increase in employment. At 12.2% in the fourth quarter, the unemployment rate in the northeastern part of the province remains the highest among all economic regions in New Brunswick by a significant margin.

The level of employment was broadly unchanged in the **Moncton-Richibucto ER** between the two respective final quarters of 2019 and 2020. A significant expansion in the number of job seekers, however, helped lift the unemployment rate by a significant 3.6 percentage points to 8.9% in the fourth quarter of the year.

In the **Saint John-St. Stephen ER**, 4,000 fewer persons were employed in the final quarter of 2020 relative to the same period a year earlier. This helped lift the unemployment rate from 7.4% to 9.5%. The deterioration in ship cruise ship activity, which is an important employer in the city of Saint John, has been an important factor behind the reduction in employment in the economic region. Transport Canada announced in May that it would ban cruise ships from operating in Canadian waters until October 31st.

Both the level of employment and the unemployment rate in Q4 remained unchanged from the same quarter last year in the **Fredericton-Oromocto ER**, as the labour force during this period remained unchanged from the previous year.

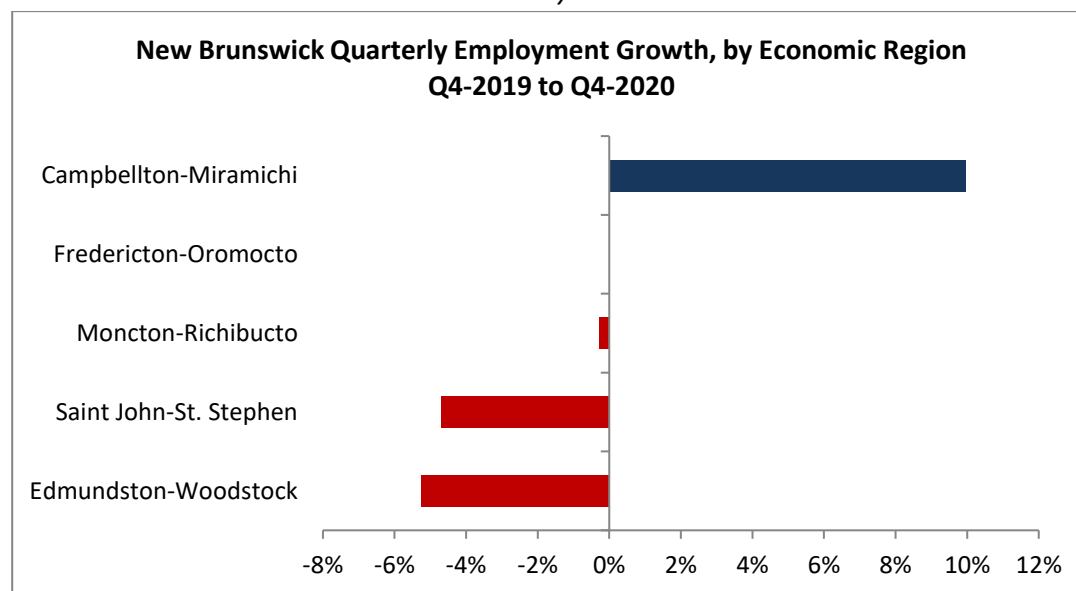
Labour market conditions deteriorated in the **Edmundston-Woodstock ER**, as the level of employment diminished by close to 2,000 between the fourth quarter of 2019 and the final quarter of last year. The reduction in the unemployment rate implies that there were more persons actively searching for work. At 5.2%, the unemployment rate in the economic region is lowest among all ERs in the province.

New Brunswick Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	4th Quarter 2020 ('000)	4th Quarter 2019 ('000)	Yearly Variation (%)	4th Quarter 2020 (%)	4th Quarter 2019 (%)	Yearly Variation (%)
New Brunswick	354.7	355.2	-0.1	8.7	7.0	1.7
Economic Regions						
Campbellton-Miramichi	61.8	56.2	10.0	12.2	11.8	0.4
Moncton-Richibucto	109.1	109.4	-0.3	8.9	5.3	3.6
Saint John-St. Stephen	81.4	85.4	-4.7	9.5	7.4	2.1
Fredericton-Oromocto	68.1	68.1	0.0	5.9	5.8	0.1
Edmundston-Woodstock	34.2	36.1	-5.3	5.2	5.5	-0.3

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/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

© Her Majesty the Queen in Right of Canada as represented by Employment and Social Development Canada, 2020, all rights reserved