



Labour Market Bulletin

New Brunswick

July 2021



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 deteriorated for the third consecutive month in July, as employment fell by 2,500, which also marked the third straight decline of at least 2,000 jobs. Prior to this, the province had recovered around 49,000 of the 50,000 jobs that were lost over the course of the pandemic. More generally, employment had been trending close to pre-pandemic levels since November of last year. With the recent setback, employment remains nearly 10,000 below the pre-pandemic levels. The unseen benefit is that most COVID-19 health restrictions have officially been lifted, especially with the province having officially returned to its green phase on August 1st. This bodes well for job prospects in the imminent future.

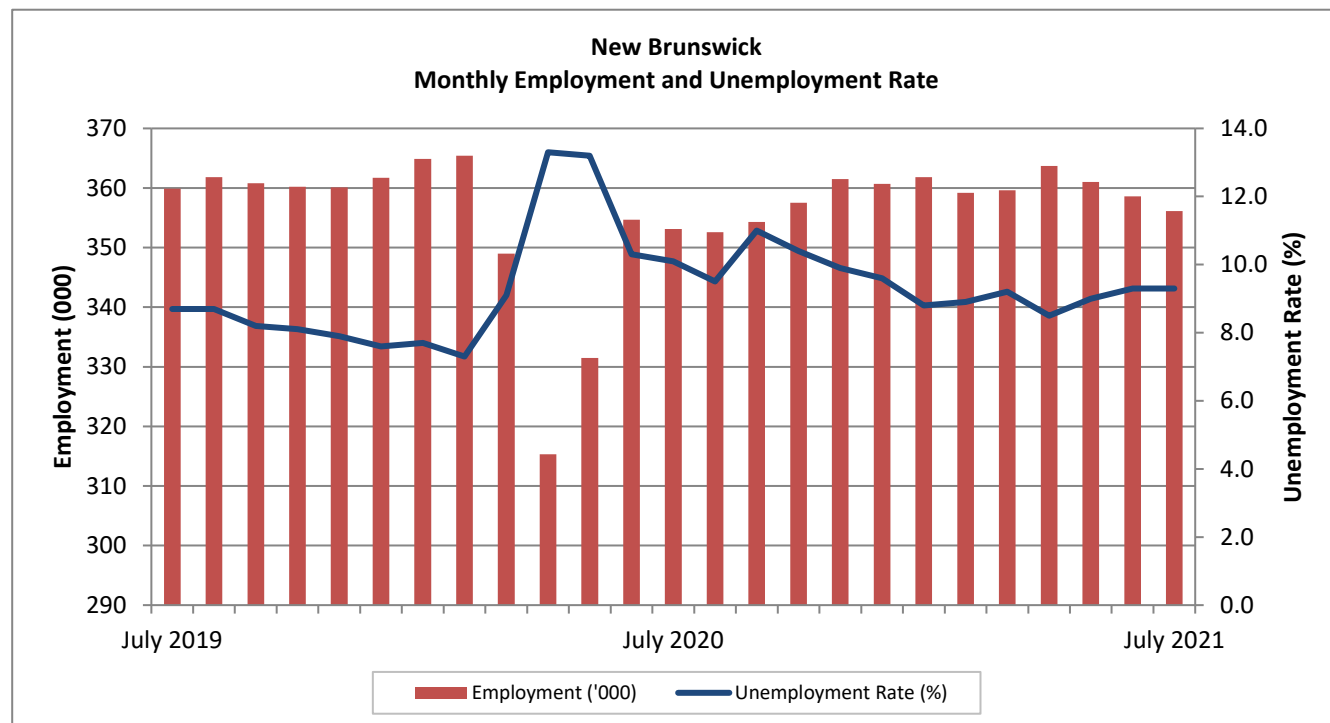
New Brunswick Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	July 2021	June 2021	July 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	650.2	649.8	647.0	0.4	0.1	3.2	0.5
Labour Force ('000)	392.8	395.5	392.6	-2.7	-0.7	0.2	0.1
Employment ('000)	356.1	358.6	353.1	-2.5	-0.7	3.0	0.8
Full-Time ('000)	300.6	301.6	296.1	-1.0	-0.3	4.5	1.5
Part-Time ('000)	55.5	57.0	57.0	-1.5	-2.6	-1.5	-2.6
Unemployment ('000)	36.7	36.9	39.5	-0.2	-0.5	-2.8	-7.1
Unemployment Rate (%)	9.3	9.3	10.1	0.0	-	-0.8	-
Participation Rate (%)	60.4	60.9	60.7	-0.5	-	-0.3	-
Employment Rate (%)	54.8	55.2	54.6	-0.4	-	0.2	-

Note: Totals may not add due to rounding

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

The job losses in July were accompanied by a near-identical reduction in the size of the labour force, as a group of discouraged workers ceased looking for work due to worsening labour market conditions. The reduced labour force allowed the unemployment rate to remain unchanged at 9.3% in July, despite that magnitude of the job losses, which were fairly evenly split between part-time and full-time workers.



Youth workers (aged 15 to 24), who were disproportionately affected by the pandemic, saw relatively little change in employment in July, which is an encouraging development following the near-2,000 reduction in June and the 1,400 decline in May. All things considered, however, the near-5,000 job losses among the youth population during the past three months reversed much of the momentum that allowed the youth age category to experience the fastest recovery among all of major age segments of the working age population until as recently as late spring. To place the initial youth recovery in perspective, employment among the 15-24 cohort remains only 1,000 below pre-pandemic levels, even after factoring the most recent string of job losses. At its current rate of 11.2%, the youth unemployment rate is down by more than 8 percentage points from July of 2020, when the rate of unemployment stood at 19.3%.

New Brunswick Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	July 2021 %	June 2021 %	July 2020 %	Monthly Variation (% points)	Yearly Variation (% points)
Total	9.3	9.3	10.1	0.0	-0.8
25 years and over	9.0	9.0	8.6	0.0	0.4
Men - 25 years and over	11.0	11.0	11.0	0.0	0.0
Women - 25 years and over	7.0	6.9	6.0	0.1	1.0
15 to 24 years	11.2	11.3	19.3	-0.1	-8.1
Men - 15 to 24 years	14.6	16.3	21.4	-1.7	-6.8
Women - 15 to 24 years	8.2	5.8	17.1	2.4	-8.9

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

The youth unemployment rate remained essentially unchanged in July, down a tenth of a percentage point from June. The apparent stagnation in the overall unemployment rate, however, masks some large variations between the two genders. Among males, for instance, the unemployment rate fell 1.7 percentage points, whereas the female unemployment rate grew by 2.4 percentage points. At 14.6% in July, the male unemployment rate is considerably higher than the 8.2% rate among women.

EMPLOYMENT BY INDUSTRY

Extending the theme from the previous month, job losses in July were driven by a notably large decline in **services-producing sector employment** (-3,100), which added to the 2,400 decline a month earlier. Employment was up by a modest 600 jobs in the much smaller **goods-producing sector**.

Labour market conditions were generally stronger in the goods-producing sector, as employment was up in essentially all categories with the exception of **forestry, fishing, mining, quarrying, oil and gas**, which diminished by 1,400 after having registered essentially no change since the beginning of the year despite the surge in demand for lumber both domestically and south of the border due to booming activity in the residential construction sector. A normalization in lumber prices may have played a role in the most recent setback, as the price of ESP has fallen considerably in recent months since hitting record levels earlier this summer. Employment in **agriculture** was the driving force behind gains in the goods-producing sector in July (+1,200).

A breakdown of the job figures in the services-producing industries paints a somewhat pessimistic picture as far as July is concerned. Employment was down in 6 of the 11 industries, though the majority of the job losses last month were confined to **educational services** (-2,700), **business, building and other support services** (-1,600), and **other services** (-1,100). Providing support to the labour market in the services-producing sector in July was **public administration**, which added 1,500 jobs to the New Brunswick economy. **Trade** was the other big driver of job growth in July, with employment up by 1,200 and likely benefiting from an easing public health restrictions affecting retail shopping. Retail sales have long-surpassed 2019 levels (since June of 2020) and have picked up significantly in recent months.

Given the overall weakness in the private sector through COVID-19, **public administration** has been a key driver of labour market activity, with employment in July up by close to 4,000 from pre-pandemic levels from February 2020. With the exception of wholesale and retail trade, up 2,900 from February of last year, most remaining services-producing industries have slightly surpassed pre-pandemic levels. The one exception is business, building and other support services, with its considerable gap of 4,100 jobs between July of this year and pre-COVID-19.

New Brunswick Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	July 2021	June 2021	July 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	356.1	358.6	353.1	-2.5	-0.7	3.0	0.8
Goods-producing sector	69.2	68.6	73.5	0.6	0.9	-4.3	-5.9
Agriculture	5.7	4.5	5.4	1.2	26.7	0.3	5.6
Forestry, fishing, mining, quarrying, oil and gas	8.2	9.6	9.8	-1.4	-14.6	-1.6	-16.3
Utilities	4.0	4.0	3.3	0.0	0.0	0.7	21.2
Construction	22.8	22.9	24.5	-0.1	-0.4	-1.7	-6.9
Manufacturing	28.5	27.7	30.4	0.8	2.9	-1.9	-6.3
Services-producing sector	286.9	290.0	279.7	-3.1	-1.1	7.2	2.6
Trade	57.1	55.9	57.0	1.2	2.1	0.1	0.2
Transportation and warehousing	19.6	19.5	16.3	0.1	0.5	3.3	20.2
Finance, insurance, real estate and leasing	17.3	17.7	16.1	-0.4	-2.3	1.2	7.5
Professional, scientific and technical services	16.5	16.5	17.3	0.0	0.0	-0.8	-4.6
Business, building and other support services	13.6	15.2	13.9	-1.6	-10.5	-0.3	-2.2
Educational services	25.6	28.3	27.8	-2.7	-9.5	-2.2	-7.9
Health care and social assistance	61.1	61.9	59.1	-0.8	-1.3	2.0	3.4
Information, culture and recreation	10.4	10.7	10.1	-0.3	-2.8	0.3	3.0
Accommodation and food services	20.5	19.6	20.7	0.9	4.6	-0.2	-1.0
Other services	13.9	15.0	12.7	-1.1	-7.3	1.2	9.4
Public administration	31.3	29.8	28.5	1.5	5.0	2.8	9.8

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Compared to July of last year, when many businesses were beginning to operate at near full capacity, employment levels were up noticeably in several of the Economic Regions (ER) across the province. The primary exception was the Edmundston-Woodstock ER, where employment was down by 2,400 compared to July of last year.

Labour market conditions in the **Campbellton-Miramichi ER** were broadly unchanged from a year earlier in July, as the level of employment was down by only 200. Despite minimal change in employment, the unemployment rate fell by more than two percentage points, settling at 12.6% in July, which for all intents and purposes is nevertheless a provincial high, as more than 2,000 persons left the labour force altogether during the past twelve

months. If there is one main point of consolation, it is that in the second quarter (April to June), the Campbellton-Miramichi ER registered some of the strongest job gains in the entire province.

The level of employment has risen by 7,000 in the **Moncton- Richibucto ER** since July of 2020, the biggest increase in the province, which lowered the unemployment rate from 9.2% to 7.7% during the same period. The unemployment rate fell to the lowest level of all economic regions except the Edmundston-Woodstock ER. A number of new entrants into the labour force did limit the unemployment rate's decline, somewhat, though the jobless rate nevertheless remains among the lowest in the province.

The labour market in the **Saint John-St. Stephen ER** has strengthened somewhat since July of last year, as reflected by the 2,100 increase in employment, which lowered the rate of unemployment by 1.6 percentage points to 8.4%.

Job gains over the past year have been among the strongest in the **Fredericton-Oromocto ER**, with employment rising by more than 5,000 since July of last year. The 1.5 percentage point decline in the unemployment rate was moderated somewhat by an influx of job seekers during the same period, which suggests that workers are feeling a little more optimistic about their prospects for finding employment.

The **Edmundston-Woodstock ER**, as already mentioned, represents that soft spot in the provincial economy, as the level of employment remains close to 2,500 below July 2020 levels. Somewhat surprisingly, despite the extent of the reduction in employment, the unemployment rate fell by 2.5 percentage points over the past year, which is the biggest decline among all economic regions in the province. Furthermore, at 7.2% in July, the jobless rate is the lowest in the entire province. The falling unemployment rate reflects a shrinking labour force, as far fewer persons were actively searching for work in July compared to a year earlier.

New Brunswick Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	July 2021 ('000)	July 2020 ('000)	Yearly Variation (%)	July 2021 (%)	July 2020 (%)	Yearly Variation (%)
New Brunswick	370.0	358.4	3.2	8.8	10.5	-1.7
Economic Regions						
Campbellton-Miramichi	62.6	62.7	-0.2	12.6	14.7	-2.1
Moncton-Richibucto	118.0	111.0	6.3	7.7	9.2	-1.5
Saint John-St. Stephen	83.9	81.8	2.6	8.4	10.0	-1.6
Fredericton-Oromocto	70.5	65.4	7.8	8.3	9.8	-1.5
Edmundston-Woodstock	35.0	37.4	-6.4	7.2	9.7	-2.5

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0387

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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