



Labour Market Bulletin

New Brunswick

July 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

The recovery in labour market activity following the COVID-19 pandemic grinded to a halt in July, as employment fell back somewhat following job gains of 39,000 in May and June. Nonetheless, employment in New Brunswick, which was among the first provinces to begin easing restrictions, stood at almost 97% of its pre-COVID February level in July, the most complete recovery of all provinces thus far.

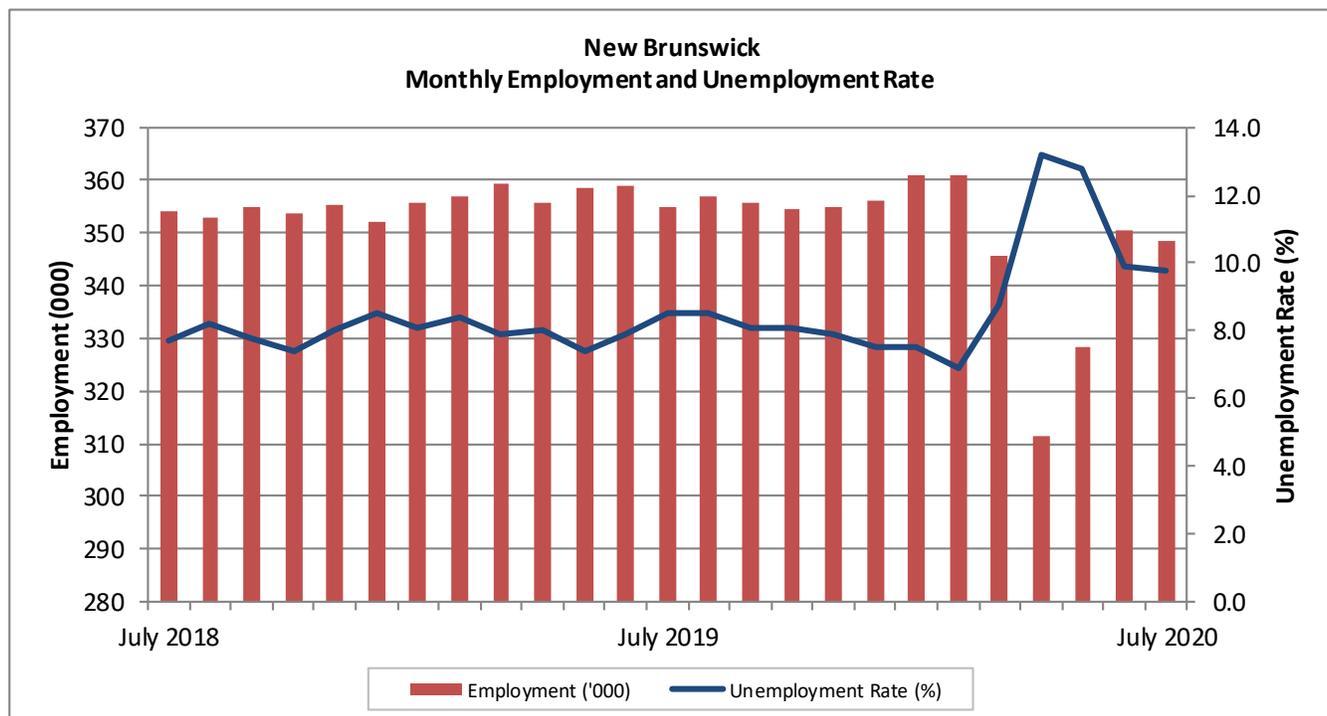
New Brunswick Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	July 2020	June 2020	July 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	636.7	636.4	631.7	0.3	0.0	5.0	0.8
Labour Force ('000)	386.6	389.1	388.1	-2.5	-0.6	-1.5	-0.4
Employment ('000)	348.6	350.4	355.1	-1.8	-0.5	-6.5	-1.8
Full-Time ('000)	292.7	296.4	299.4	-3.7	-1.2	-6.7	-2.2
Part-Time ('000)	55.9	54.0	55.7	1.9	3.5	0.2	0.4
Unemployment ('000)	38.0	38.7	33.0	-0.7	-1.8	5.0	15.2
Unemployment Rate (%)	9.8	9.9	8.5	-0.1	-	1.3	-
Participation Rate (%)	60.7	61.1	61.4	-0.4	-	-0.7	-
Employment Rate (%)	54.8	55.1	56.2	-0.3	-	-1.4	-

Note: Totals may not add due to rounding

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

The job losses in July were concentrated exclusively among full-time work (-3,700), as part-time employment grew by 1,900. The unemployment rate edged down a tenth of a percentage point in July, as the 1,800 decline in employment was met with a slightly larger reduction in the labour force. The driving factor behind the smaller labour force in July was a 0.7 percentage point drop in the participation rate. More generally, the latter is in line with its pre-COVID level, having recovered significantly in May and June after collapsing following the onset of the pandemic.



Job losses in July were concentrated among youth (aged 15 to 24) and older (aged 25 to 54 years) workers, where employment diminished by 2,300 and 2,000, respectively. Labour market conditions actually *improved* for those belonging to the core (aged 25 to 54) age group, who experienced job gains of 2,500 in July.

Despite the job losses last month, the youth unemployment rate actually *declined* slightly (a tenth of a percentage point), as close to three thousand youth decided to leave the labour force. In contrast, the unemployment rate among the 55 and over cohort grew by 1.4 percentage points to 11.0%, as the labour force only shrank slightly.

The youth participation rate, although volatile by nature, fell by 3.7 percentage points in July, after recovering by more than ten percentage points during the past two months as youth returned to the labour force following the COVID-related disruptions to economic activity.

New Brunswick Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	July 2020 %	June 2020 %	July 2019 %	Monthly Variation (% points)	Yearly Variation (% points)
Total	9.8	9.9	8.5	-0.1	1.3
25 years and over	8.4	8.4	7.6	0.0	0.8
Men - 25 years and over	10.6	10.2	9.0	0.4	1.6
Women - 25 years and over	6.1	6.4	6.0	-0.3	0.1
15 to 24 years	19.5	19.6	14.3	-0.1	5.2
Men - 15 to 24 years	21.6	22.2	18.1	-0.6	3.5
Women - 15 to 24 years	16.9	16.6	10.0	0.3	6.9

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

EMPLOYMENT BY INDUSTRY

Much of the weakness in labour market conditions in July was concentrated in the **services-producing sector**, where employment fell back by 2,500 during the month. The level of employment in the goods-producing sector, by comparison, rose by 700 between June and July.

The sharp reduction in **services-producing sector** employment was fairly broad-based in July, as job losses were registered in all but three of the eleven sub-sectors. The drawback in employment was most severe in **trade and business, building and other support services**, which both shed 1,600 job last month. Otherwise, employment declined by 800 in **finance, insurance, real estate and leasing, health care and social assistance, and other services**. Labour market conditions recovered significantly in **accommodation and food services**, which, along with retail trade, was among the most severely impacted by the pandemic. In July, the level of employment in accommodation and food services bounced back by 2,300. Similarly, employment grew by 1,600 in **public administration**.

Broken down, labour market conditions in the **goods-producing sector** were also somewhat mixed in July among the sub-components, despite the increase in the headline figure. Employment grew by 800 in **manufacturing** and 500 in **forestry, fishing, mining, quarrying and oil and gas**. While the job gains in the **goods-producing sector** is encouraging, employment remains down by 3,000 from July of last year. **Manufacturing** employment still remains nearly a thousand lower than the same time last year. Similarly, **agriculture** employment in July was around 700 lower than a year earlier. Perhaps more than any other, the **agriculture** industry depends to a large extent on temporary foreign workers to fill several unfilled job vacancies. Travel disruptions due to COVID-19 and the province's brief ban on the entry of temporary foreign workers into the province intensified these challenges, which have played a role in the industry's low job numbers.

The year-over-year change in employment within the **services-producing sector** ranged between the two extremes. In the **trade** industry, for instance, the level of employment remains up by 4,600 compared to July of last year. In **public administration**, meanwhile, employment last month was 3,000 higher than a year earlier. Outside of these two industries, however, labour market conditions are significantly worse than they were in July of 2019. Somewhat surprisingly, there were 3,300 fewer workers employed in **health care and social assistance** in

July compared to twelve months earlier. Similarly, employment was down by 1,500 in **transportation and warehousing** and 1,300 lower in both **accommodation and food services** and **other services**.

New Brunswick Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	July 2020	June 2020	July 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	348.6	350.4	355.1	-1.8	-0.5	-6.5	-1.8
Goods-producing sector	72.0	71.3	75.0	0.7	1.0	-3.0	-4.0
Agriculture	5.6	5.6	6.3	0.0	0.0	-0.7	-11.1
Forestry, fishing, mining, quarrying, oil and gas	10.2	9.7	10.4	0.5	5.2	-0.2	-1.9
Utilities	3.2	3.3	3.6	-0.1	-3.0	-0.4	-11.1
Construction	23.7	24.3	24.6	-0.6	-2.5	-0.9	-3.7
Manufacturing	29.2	28.4	30.1	0.8	2.8	-0.9	-3.0
Services-producing sector	276.6	279.1	280.1	-2.5	-0.9	-3.5	-1.2
Trade	56.4	58.0	51.8	-1.6	-2.8	4.6	8.9
Transportation and warehousing	16.0	16.2	17.5	-0.2	-1.2	-1.5	-8.6
Finance, insurance, real estate and leasing	16.3	17.1	16.9	-0.8	-4.7	-0.6	-3.6
Professional, scientific and technical services	17.7	17.7	18.0	0.0	0.0	-0.3	-1.7
Business, building and other support services	14.1	15.7	15.5	-1.6	-10.2	-1.4	-9.0
Educational services	27.5	27.9	27.1	-0.4	-1.4	0.4	1.5
Health care and social assistance	58.2	59.0	61.5	-0.8	-1.4	-3.3	-5.4
Information, culture and recreation	10.4	10.5	12.3	-0.1	-1.0	-1.9	-15.4
Accommodation and food services	20.0	17.7	21.3	2.3	13.0	-1.3	-6.1
Other services	12.3	13.1	13.6	-0.8	-6.1	-1.3	-9.6
Public administration	27.7	26.1	24.7	1.6	6.1	3.0	12.1

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

The COVID-19 pandemic appears to have had a disproportionate impact at the sub-provincial level. For the most part, the larger urban centers have suffered the most severe job losses since the onset of the pandemic. This could be in part due to the higher concentration of services-producing industries in the more populated areas of the province. The **Saint John-St. Stephen** and **Fredericton-Oromocto** Economic Regions (ER), in particular, have registered the most significant job losses. Compared to July of last year, the level of employment in these two ERs is down by 7.9% and 7.0%, respectively. Employment is down a more modest 1.7% in the **Moncton-Richibucto** ER, although the relative strength is more a reflection of the strength pre-COVID.

In the **Campbellton-Miramichi** ER, the level of employment in July was down by 2,100 (or 3.3%) compared to a year earlier. The unemployment rate, meanwhile, has risen by 4.1 percentage points during the same period to

14.4%, the only double-digit rate in the province. More generally, labour market conditions had been weak for some time before the onset of the COVID-19 pandemic. The northern and northeastern part of the province had suffered one major blow after another.

The **Moncton-Richibucto** ER has lost close to two thousand jobs since July of last year. Despite these job losses, however, more than three thousand workers decided to re-join the labour force in search for work, which explains the relatively sizeable increase in the unemployment rate, which grew from 6.8% in July of 2019 to 9.2% last month.

The rise in the unemployment rate in the **Saint John-St. Stephen** ER was a little more reflective of the near-seven thousand job losses across the economic region during the twelve month period. At 9.9% in July, the rate of unemployment in the ER was behind only the Campbellton-Miramichi ER and highest among the three larger urban centers.

In the **Fredericton-Oromocto** ER, the level of employment in July was down close to 5,000 from a year earlier, which underscores the extent to which the pandemic has impacted labour market conditions in the capital region. The unemployment rate remains up by 3.5 percentage points compared to the same time last year and, more generally, is more in line with the provincial average.

In the **Edmundston-Woodstock** ER, labour market conditions were actually *stronger* in July relative to a year earlier. The level of employment stood higher, albeit only modestly. The unemployment rate, however, remained noticeably higher, as close to two thousand more persons were counted as being part of the labour force.

New Brunswick Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	July 2020 ('000)	July 2019 ('000)	Yearly Variation (%)	July 2020 (%)	July 2019 (%)	Yearly Variation (%)
New Brunswick	352.6	367.9	-4.2	10.4	7.3	3.1
Economic Regions						
Campbellton-Miramichi	60.7	62.8	-3.3	14.4	10.3	4.1
Moncton-Richibucto	110.0	111.9	-1.7	9.2	6.8	2.4
Saint John-St. Stephen	80.6	87.5	-7.9	9.9	6.8	3.1
Fredericton-Oromocto	64.7	69.6	-7.0	9.8	6.3	3.5
Edmundston-Woodstock	36.6	36.2	1.1	9.4	6.7	2.7

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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