

# Monthly Greater Moncton and Southeast New Brunswick's Labour Market Update

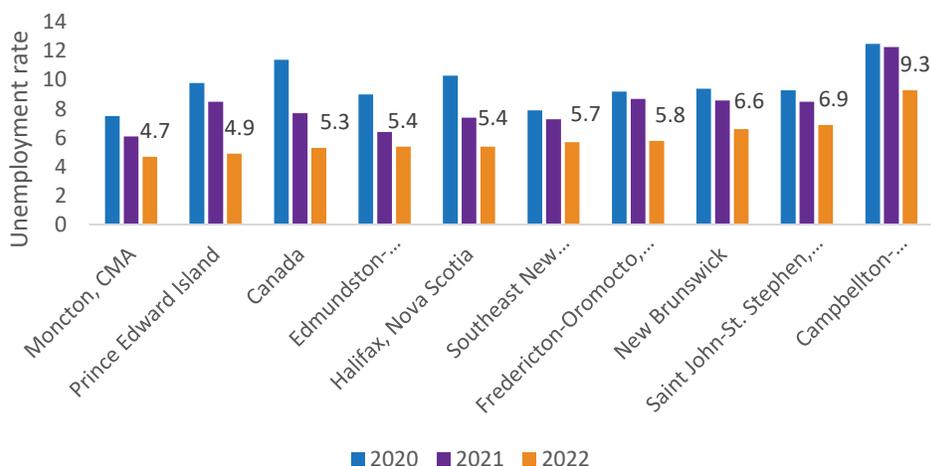
August 2022

## Unemployment Comparison

Greater Moncton and Southeast New Brunswick's **unemployment rate**<sup>1</sup> dropped 1.6 percentage points year-over-year in August 2022. The region's unemployment rate is currently 5.7%, a 0.7 percentage points increase from last month's rate, and 0.4 percentage points above the national average. Also, it is 0.9 percentage points lower than the provincial average.

Meanwhile, the Greater Moncton CMA's unemployment rate increased 0.5 percentage points from last month's rate and is still the lowest compared to all other regions and even Canada at 4.7%, which is 0.7% lower than Halifax's. The CMA is a smaller area centered around Moncton, Riverview, and Dieppe that excludes most rural areas in the Southeast. This implies rural unemployment continues to be higher in Southeast New Brunswick, compared to urban unemployment.

Unadjusted Unemployment Rate by Selected Economic Region (Aug. 2020, Aug. 2021 and Aug. 2022, 3-month moving average)



Data from: Statistics Canada. Tables 14-10-0387-01

Canada and the region continue to see historical low unemployment rates. The labour shortages are explained by a decrease in labour force participation of workers aged 55 and older and a slow growth in labour replacement.

Although this month increase in the unemployment rate could be due to the increase in interest rates, making some sectors reduce their employees, like the construction sector, it can also be associated with the arrival of many international students and their spouses into the region in August to start the new academic year, who are look for jobs.

Southeast NB  
Unemployment Rate:

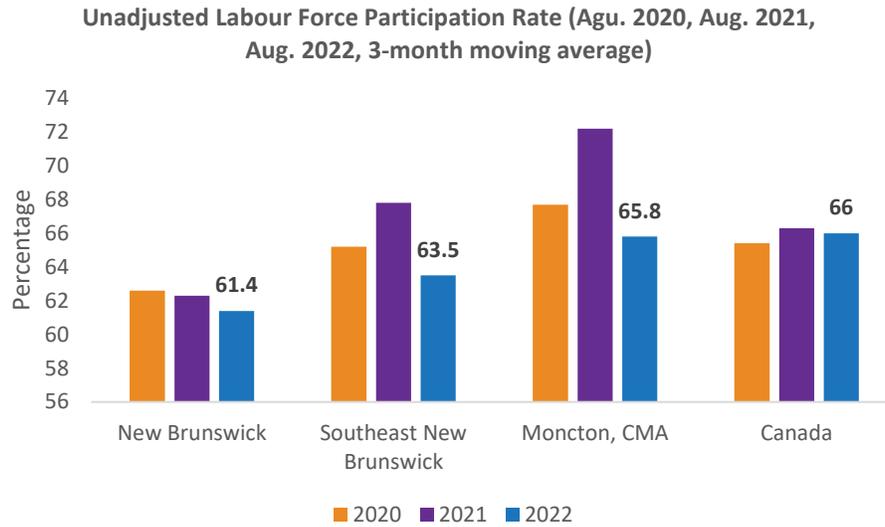
5.7%

-1.6% YOY  
+0.7% MOM  
August 2022, unadjusted

<sup>1</sup> See 'Notes and Definitions' for explanation of bolded terms

## Labour Force Participation Rate

Greater Moncton and Southeast New Brunswick's **labour force participation rate** decreased by 0.3 percentage points from July to August 2022 and decreased 4.3 percentage points year-over-year.



Data from: Statistics Canada. Table 14-10-0387-01

Greater Moncton and Southeast New Brunswick's labour force participation rate is currently higher than the New Brunswick average and lower than the Canadian average. The Greater Moncton CMA's labour force participation rate is very close to the national average.

**Southeast NB Labour Force Participation Rate:**

**63.5%**

-4.3% YOY  
-0.3% MOM

August 2022, unadjusted



## Number of People Employed

There are currently 117,100 people employed in Greater Moncton and Southeast New Brunswick. The region lost 1,100 jobs since last month. There was also a decrease of 1.92 percentage points in the number of people employed year-over-year, with 2,300 less people working.

Southeast NB Number of  
People Employed:

**117,100**

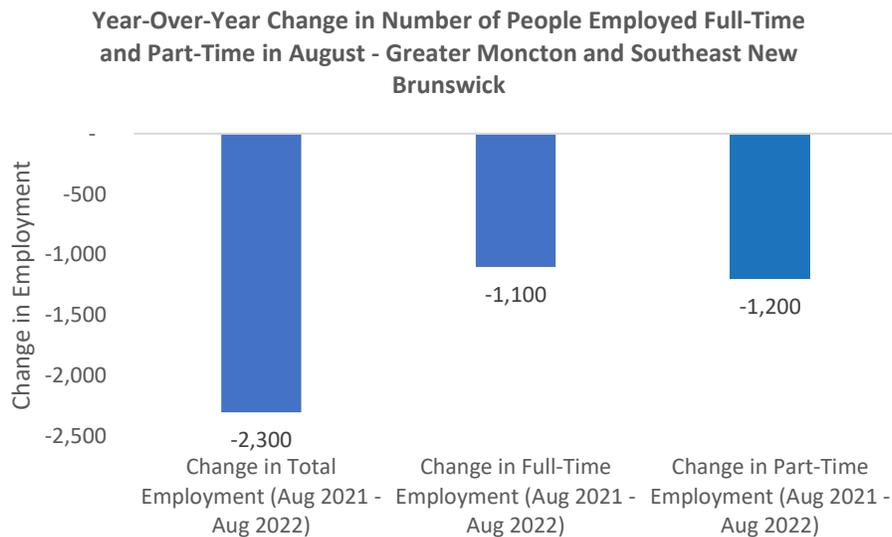
-1.92% YOY

-0.9% MOM

August 2022, unadjusted

## Full-Time vs. Part-Time Employment Trends

Greater Moncton and Southeast New Brunswick lost 2,300 jobs in August 2022 compared to August 2021. Of those, 1,100 jobs were Full-Time and 1,200 were Part-Time jobs.

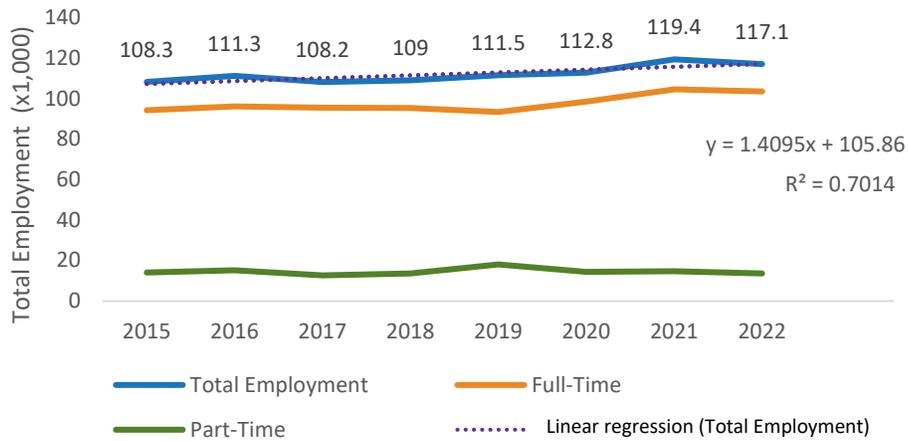


Data from: Statistics Canada. Table 14-10-0387-01

This loss could seem significant but looking at the increase in total employment in August in the last 8 years, it is possible to see that the region has been gaining in average of 1,400 jobs per year, and that the trend is being led by Full-Time positions. Nevertheless, given the effect that increasing interest rates have in slowing the economy, it is important to keep track of total employment in the months to come to see if this decrease is temporary, or if the measures taken by the Bank of Canada are putting the region's economy in risk.



### Historical behaviour of employment in Southeast New Brunswick for the month of August (2015 - 2022)

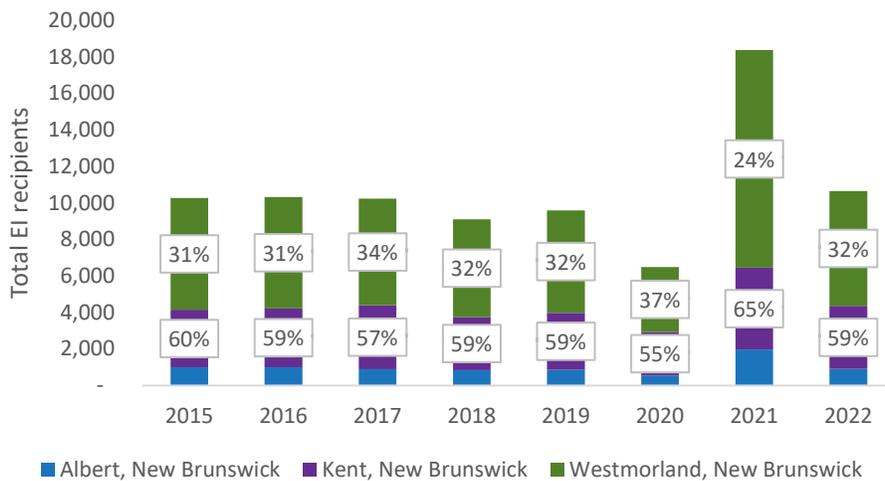


Data from: Statistics Canada. Table 14-10-0387-01

### Employment Insurance

The number of regular employment insurance (EI) recipients nearly doubled in Greater Moncton and Southeast New Brunswick during the COVID-19 pandemic. Prior to COVID-19, there were typically 10,000 EI recipients in the region each July. In July 2021, there were 18,370 recipients. By July 2022, the number of recipients declined to pre-pandemic levels at 10,660.

### EI Recipients in July by County - Southeast New Brunswick



Source: Statistics Canada. Table 14-10-0323-01



## Notes and Definitions:

**Unemployment rate**<sup>2</sup>: ‘Number of unemployed persons expressed as a percentage of the labour force.’

**Labour force**: ‘Civilian non-institutional population 15 years of age and over who, during the survey reference week, were employed or unemployed’

**Employment**: ‘Employed persons are those who, during the reference week did any work for pay or profit, or had a job and were absent from work’

**Unemployment**: ‘Unemployed persons are those who, during the reference week, were available for work and were either on temporary layoff, had looked for work in the past four weeks or had a job start within the next four weeks’

**Unemployment Rate** = (Number of unemployed people)/(number of unemployed people + number of employed people)

Stated otherwise: (number of unemployed people)/(total labour force)

**Participation rate**: ‘Total labour force expressed as a percentage of the population aged 15 years and over.’

**Seasonal adjustment**: ‘Fluctuations in economic time series are caused by seasonal, cyclical and irregular movements. A seasonally adjusted series is one from which seasonal movements have been eliminated. Seasonal movements are defined as those which are caused by regular annual events such as climate, holidays, vacation periods, and cycles related to crops, production and retail sales associated with Christmas and Easter. It should be noted that the seasonally adjusted series contain irregular as well as longer-term cyclical fluctuations’.

**Linear regression**: Linear regression analysis is explaining or predicting one variable based on the observed values of another variable using a linear relationship. Just as you use the average to summarize a single variable, you can use a straight line to summarize a linear relationship between two variables<sup>3</sup>.

**R<sup>2</sup>**: There are two measures of the performance of a regression analysis: the standard error of estimate will tell you the typical size of the prediction errors, whereas the coefficient of determination or R<sup>2</sup> (equal to the square of the correlation r) tells you the percentage of the variability of the Y variable that is “explained by” the X variable<sup>3</sup>.

**Employment Insurance**: The Employment Insurance (EI) program provides temporary income support to unemployed workers while they look for employment or to upgrade their skills. The EI program also provides special benefits to workers who take time off work due to specific life events: illness, pregnancy, caring for a newborn or newly adopted child, caring for a critically ill or injured person, caring for a family member who is seriously ill with a significant risk of death. Workers receive EI

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<sup>2</sup> All definitions are quoted directly from Statistics Canada

<sup>3</sup> Andrew F. Siegel, Michael R. Wagner. Chapter 11 - Correlation and Regression: Measuring and Predicting Relationships. Editor(s): Andrew F. Siegel, Michael R. Wagner. Practical Business Statistics (Eighth Edition). Academic Press, 2022, Pages 313-370, ISBN 9780128200254. <https://doi.org/10.1016/B978-0-12-820025-4.00011-7> (<https://www.sciencedirect.com/science/article/pii/B9780128200254000117>)



benefits only if they have paid premiums in the past year and meet qualifying and entitlement conditions. Self-employed workers may participate in EI and receive special benefits. The number of beneficiaries represents a count of persons who qualified for employment insurance benefits during the Labour Force Survey reference week, usually containing the 15th day of the month.

