

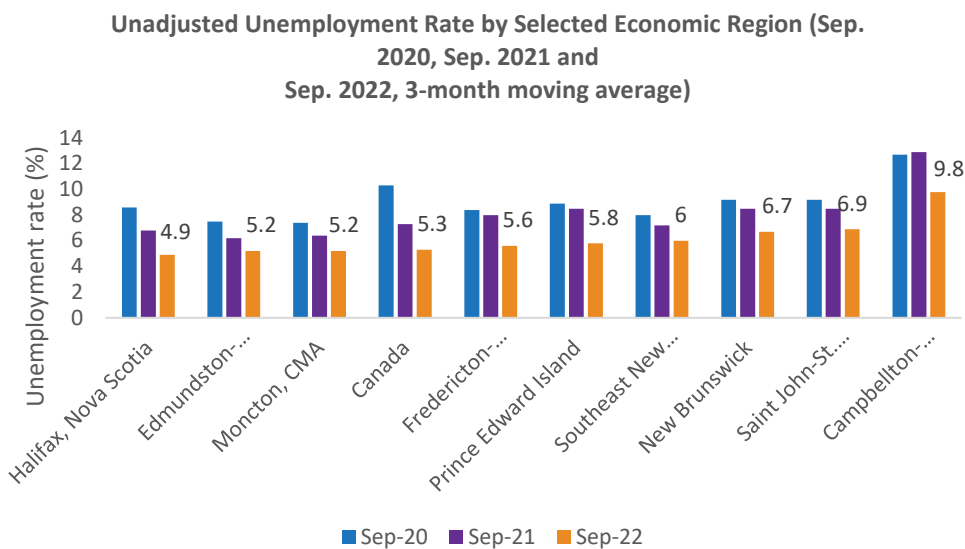
Monthly Greater Moncton and Southeast New Brunswick's Labour Market Update

September 2022

Unemployment Comparison

Greater Moncton and Southeast New Brunswick's **unemployment rate**¹ dropped 1.2 percentage points year-over-year in September 2022. The region's unemployment rate is currently 6%, a 0.3 percentage points increase from last month's rate, and 0.7 percentage points above the national average. Also, it is 0.7 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 now the third lowest rate compared to all other regions and slightly lower than the Canadian average, at 5.2%, which is 0.3% higher 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.



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

Canada and the region continue to see historical low unemployment rates, but in the last two months, the unemployment rate has been rising, possible due to the increase in interest rates, the key macroeconomic measure taken by the Bank of Canada to control inflation and the arrival of new international students coming for the new academic year who join the labour market.

**Southeast NB
Unemployment Rate:**

6%

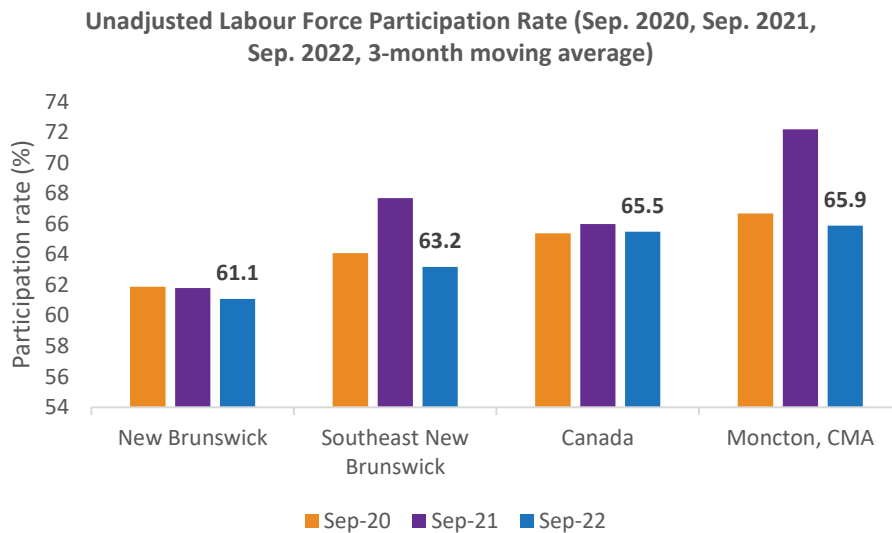
-1.2% YOY
+0.3% MOM

September 2022, unadjusted

¹ Southeastern New Brunswick includes Kent, Westmorland and Albert Counties. The CMA includes the cities of Moncton and Dieppe, the Town of Riverview and several communities in close proximity. 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 August to September 2022 and decreased 4.5 percentage points year-over-year. The participation rate represents the share of the 15+ population either working or looking for work.



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 0.4 percentage points higher than the national average.

Southeast NB Labour Force Participation Rate:

63.2%

-4.5% YOY
-0.3% MOM

September 2022, unadjusted

Number of People Employed

There are currently 116,600 **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 2,900 less people working.

Southeast NB Number of People Employed:

116,600

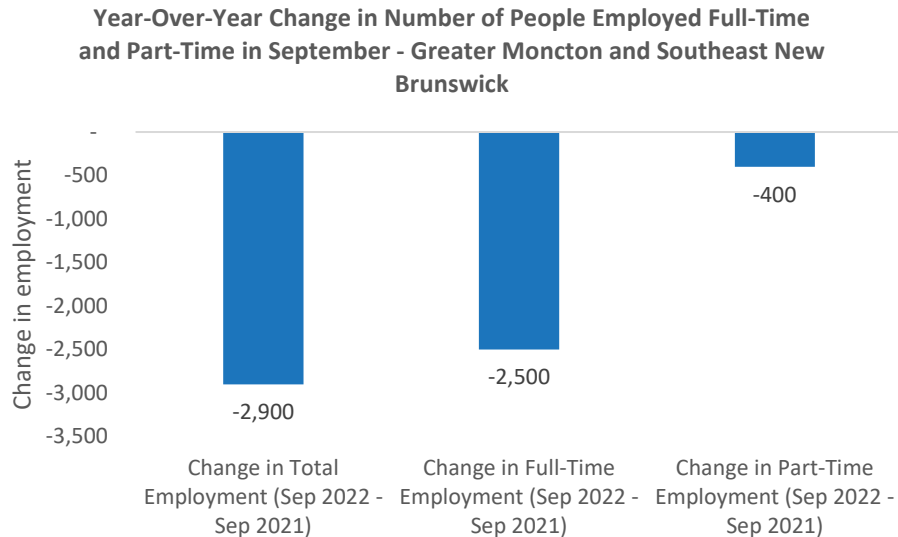
-1.92% YOY
-0.9% MOM

September 2022, unadjusted



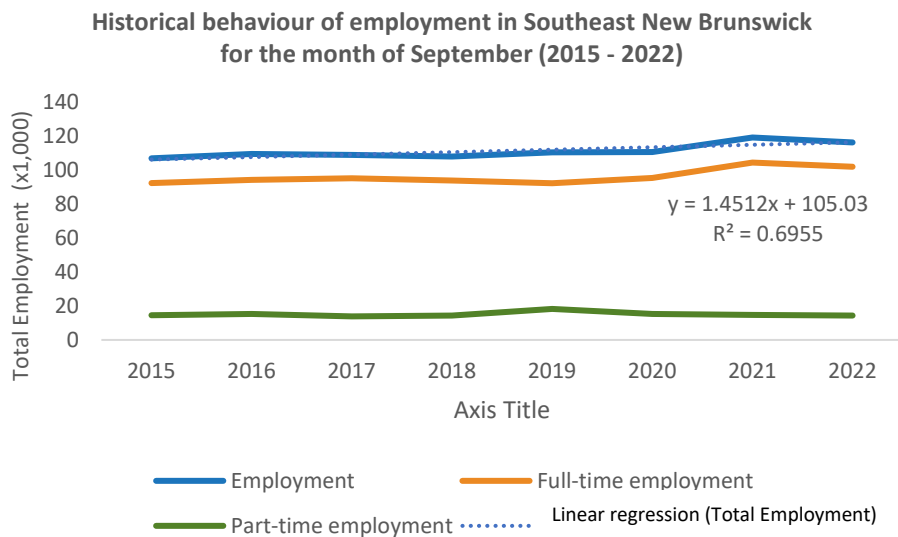
Full-Time vs. Part-Time Employment Trends

Greater Moncton and Southeast New Brunswick lost 2,900 jobs in September 2022 compared to September 2021. Of those, 2,500 jobs were Full-Time and 400 were Part-Time jobs.



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

Again, as was done last month, it is important to see if this loss is significant looking at the behavior in total employment in September during the last 8 years. The graph below shows that the historical trend since 2015 has been for the region to gain around 1,400 jobs a year. Nonetheless, the decrease between 2021 and 2022 is evident and it will be important to keep evaluating how this indicator behaves in the future to see if there is a significant economic slowdown affecting the labour market, as could be the situation in case of a recession.

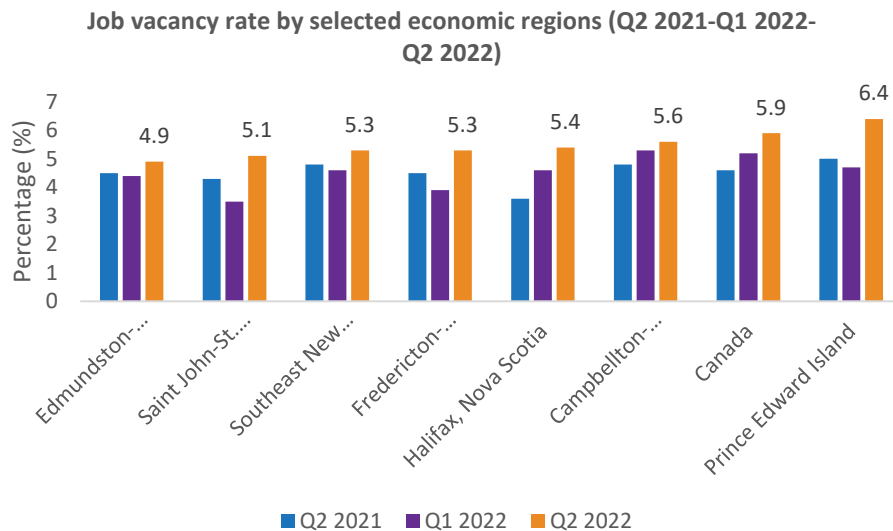


Data from: Statistics Canada. Table 14-10-0387-01



Vacancy rate

The vacancy rate in Greater Moncton and Southeast New Brunswick has been increasing in the last year. Given that the unemployment rate has been decreasing since 2020, this is additional evidence of the increasing need of labour in the market, with employers having more difficulty to fill the jobs they have available.



Data from: Statistics Canada. Table 14-10-0325-01

Southeast NB Labour
Vacancy rate:

5.3%

0.5% YOY
0.7% QOQ

Q2 2022, unadjusted

Occupations with higher number of job postings in the region in Q2 2022, were (Source: Vicinity jobs):

1. Sales and Service occupations with 2,659 (32.2%)
2. Business, finance, and administration occupations with 1,250 postings (15.1%)
3. Trades, transport and equipment operators and related occupations with 994 postings (12%)

Southeast New Brunswick LMI without the Moncton CMA

Another analysis that is interesting, is evaluating the Labour Market Information in the area of Southeast New Brunswick that is not part of the Moncton CMA. This analysis is a first approach to understanding how different the urban and rural labour markets in the region are, and to visualize their challenges and trends.

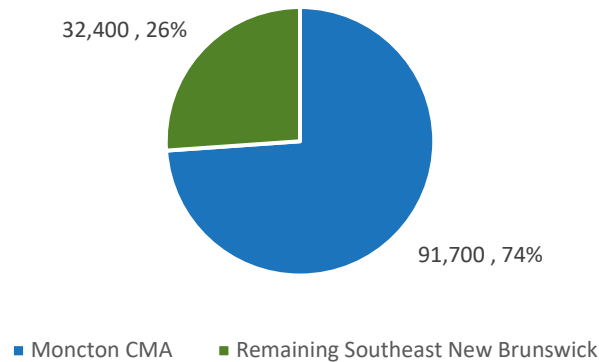
The first thing one can evaluate is the size of the labour market in the two regions in September. The size of the **labour force** in the Moncton CMA in September 2022 was 91,700 people, compared to 124,100 people in the whole of Southeast New Brunswick. If the CMA is subtracted from the whole



Southeast Labour Market Partnership
Partenariat du marché du travail du Sud-Est
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region, the remaining labour force is only 32,400 people. As expected, the urban center is concentrating almost three quarters of the labour force in the region and the rest of the Southeast areas have a little over one quarter.

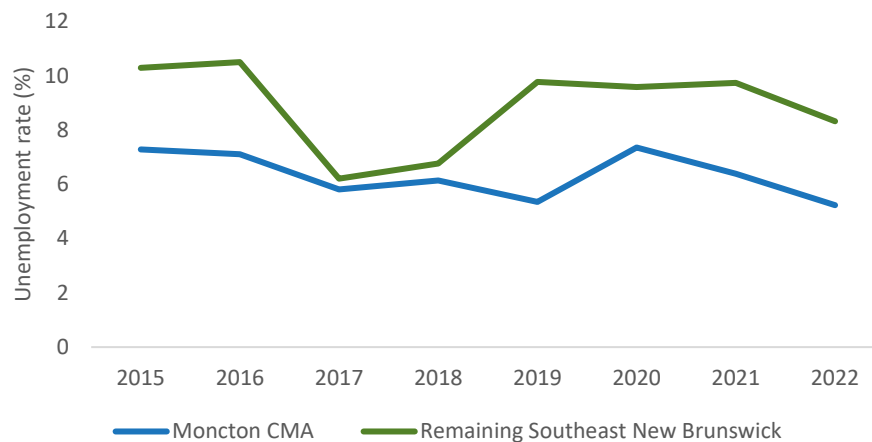
Labour Force in the Moncton CMA and the remaining Southeast New Brunswick in Sep. 2022



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

In terms of other labour market indicators, there is also differences. The Moncton CMA unemployment rate is on average 2.5 percentage points lower than the unemployment rate in the remaining Southeast New Brunswick, except for a period between 2017 and 2018, where the unemployment rate in both areas was very similar. Also, the unemployment rate in both areas has been decreasing in the last 8 years at a rate of 0.25 percentage points per year.

Unemployment rate for the Moncton CMA and the remaining Southeast New Brunswick (Sep. 2015-2022)

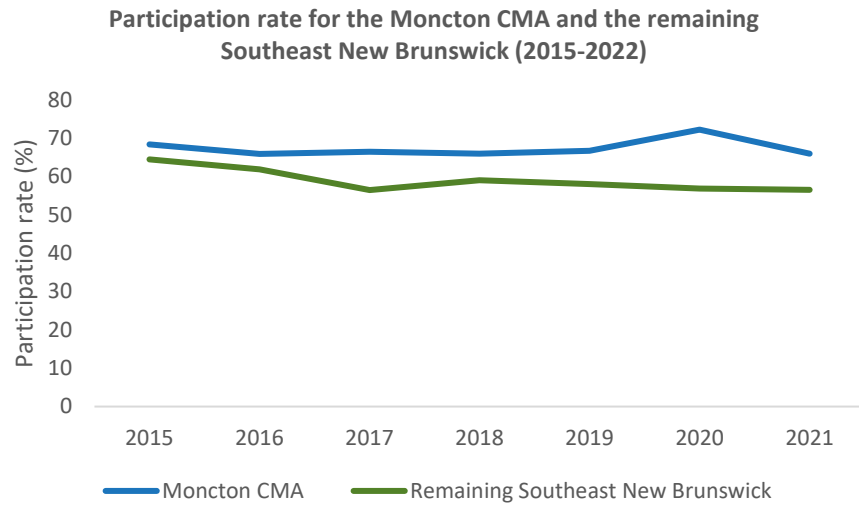


Data from: Statistics Canada. Table 14-10-0387-01

As for the **participation rate**, the Moncton CMA has a higher participation rate than the remaining Southeast New Brunswick, and that participation has been decreasing more slowly in the CMA than in



the rest of the Southeast. This is possibly due to a higher number of people retiring from the labour force in rural Southeast New Brunswick.

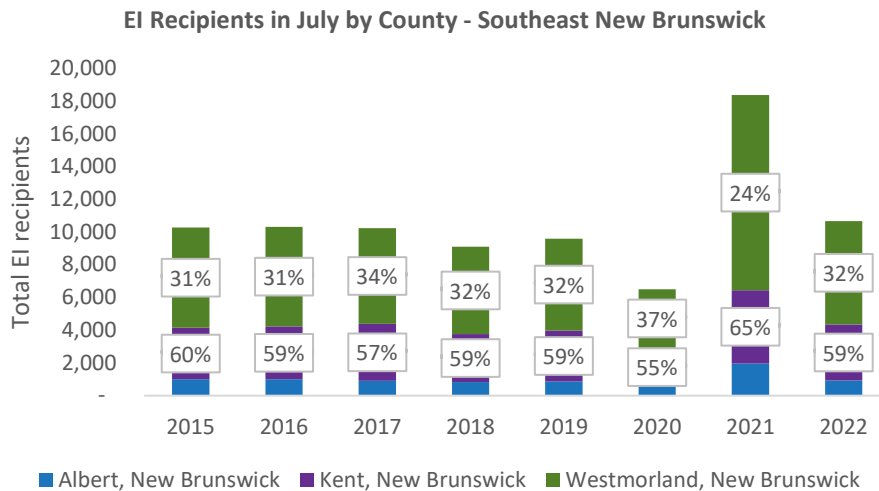


Data from: Statistics Canada. Table 14-10-0387-01

All this points to a tighter labour market in the remaining Southeast New Brunswick, with higher unemployment rates and an increasingly lower labour force participation than in the CMA.

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.



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



Notes and Definitions:

Unemployment rate²: ‘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’

$$\text{Unemployment Rate} = (\text{Number of unemployed people}) / (\text{number of unemployed people} + \text{number of employed people})$$

Stated otherwise: $(\text{number of unemployed people}) / (\text{total labour force})$

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

Vacancy rate: The job vacancy rate is the number of job vacancies expressed as a percentage of labour demand; that is, all occupied and vacant jobs.

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 variables³.

R²: 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 R² (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 variable³.

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,

² All definitions are quoted directly from Statistics Canada

³ 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>)



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 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.

