

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

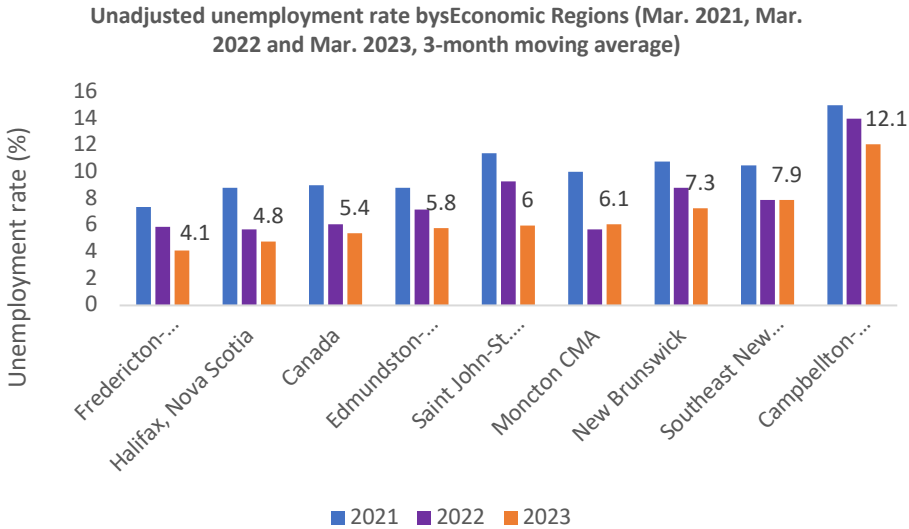
March 2023

Unemployment Comparison

Greater Moncton and Southeast New Brunswick’s **unemployment rate**¹ remained the same year-over-year in March 2023. The region’s unemployment rate is currently 7.9%, a 0.5 percentage points increase from last month’s rate, and 2.5 percentage points above the national average. Also, it is 0.6 percentage points lower than the provincial average.

The Greater Moncton CMA’s unemployment rate is 6.1%, an increase of 0.4 percentage points year-over-year. The unemployment rate increased 0.5 percentage points from last month’s rate and is 0.5 percentage points ahead of the Canadian average (5.4%), and 1.3 percentage points above the Halifax rate. Compared to all other observed regions in New Brunswick, the Moncton CMA is 4th with the lowest unemployment rate in March. The CMA is a smaller area centered around Moncton, Riverview, and Dieppe that excludes most rural areas in the Southeast.

Comparing the Moncton CMA’s unemployment rate to the one in Southeast New Brunswick indicates that rural unemployment continues to be higher than urban unemployment.



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

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:

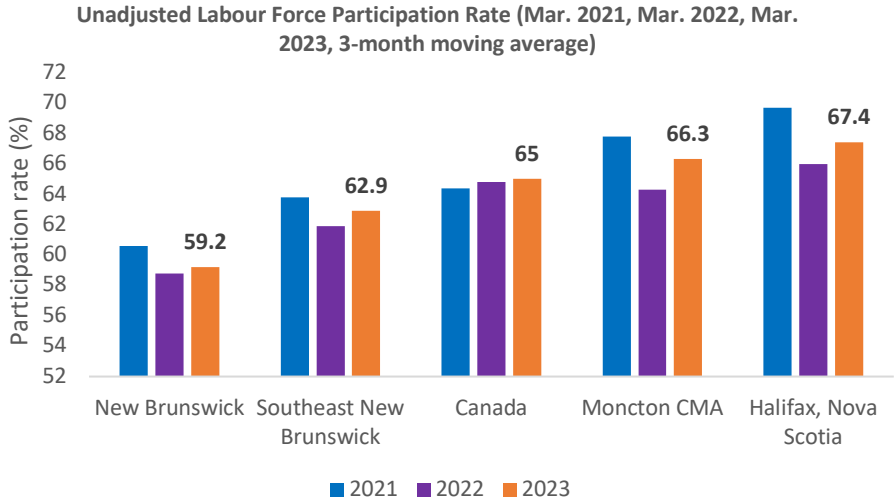


Although unemployment rate has increased for regions observed since December 2022, Canada and the regions observed continue to see historical low unemployment rates.

**Southeast NB
Unemployment Rate:**
7.9%
0% YOY
0.5% MOM
March 2023, unadjusted

Labour Force Participation Rate

Greater Moncton and Southeast New Brunswick’s **labour force participation rate** increased 0.2 percentage points from February 2023 to March 2023 and decreased 1 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 remains higher than New Brunswick’s; however Southeast New Brunswick’s labour force participation rate is lower than the Canadian average. The Greater Moncton CMA’s labour force participation rate increased by 0.3 percentage points from last month and a full 2 percentage points year-over-year, a very interesting increase for the region, like the participation rate in March 2019. This is 1.3 percentage points higher than the national average and 1.1 percentage points behind Halifax’s.

**Southeast NB Labour
Force Participation Rate:**
62.9%
1% YOY
0.2% MOM
March 2023, unadjusted

Number of People Employed

There are currently 116,000 **people employed** in Greater Moncton and Southeast New Brunswick. When compared to March 2022, there were 6 100 more persons working, an important increase of 5.5% year-over-year.

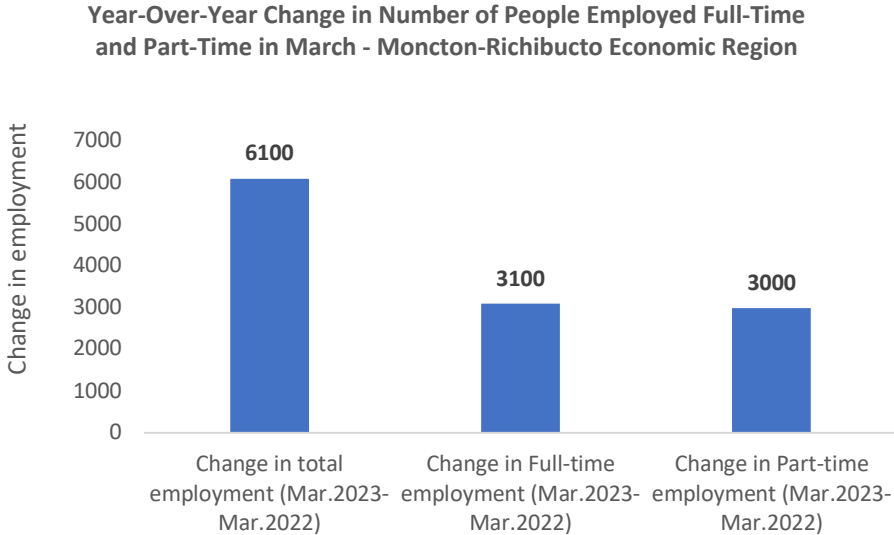
Southeast NB Number of People Employed:

116,000

5.5% YOY
0.08% MOM
March 2023, unadjusted

Full-Time vs. Part-Time Employment Trends

Greater Moncton and Southeast New Brunswick gained 6,100 jobs in March 2023. The region gained 3,100 Full-time jobs YOY in March 2023 compared to March 2022. 3,000 Part-time jobs were also gained during same period.

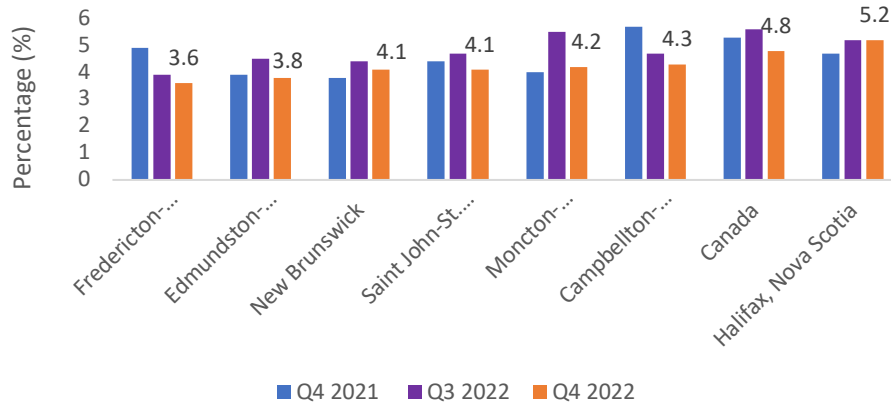


Data from: Statistics Canada. Table 14-10-0387-01

Vacancy rate

The vacancy rate in Greater Moncton and Southeast New Brunswick has been above 4.5% in the first three quarters of 2022, finally, in the fourth quarter of 2022 it has come down to 4.2% similar to Q4 2022 (4.3%). This is a decrease of 0.2 percentage points year-over-year.

Job vacancy rate by selected economic regions (Q4 2021-Q3 2022-Q4 2022)



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

**Southeast NB Labour
Vacancy rate:**

4.2%

0.2% YOY

1.3% QOQ

Q4 2022, unadjusted

As in Q4 2022, occupations with the higher number of job postings in the region in Q1 2023, were (Source: Vicinity jobs):

1. Sales and service occupations, with a total of 1,811 job postings (28.9%).
2. Business, finance, and administration occupations (a total of 1,075 job postings (17.1%).
3. Transport and equipment operators and related occupations with 14.7% (a total of 921 job postings (14.7%).

In terms of Albert and Westmorland Counties:

The main occupations in job postings in Alma County in Q1 2023 were:

- Store shelf stockers, clerks, and order fillers (11 job postings).
- Early childhood educators and assistants (11 job postings).
- Business, finance, and administration (9 job postings).
- Store shelf stockers, clerks, and order fillers (9 job postings).
- Food counter attendants, kitchen helpers and related support occupations (8 job postings).

The main occupations in job postings in Westmorland County in Q1 2023 were:

- Other customer and information services representatives (193 job postings).
- Retail salespersons and visual merchandisers (180 job postings).
- Delivery service drivers and door-to-door distributors (142 job postings).
- Registered nurses and registered psychiatric nurses (130 job postings).
- Administrative assistants (118 job postings).
- Material handlers (115 job postings).

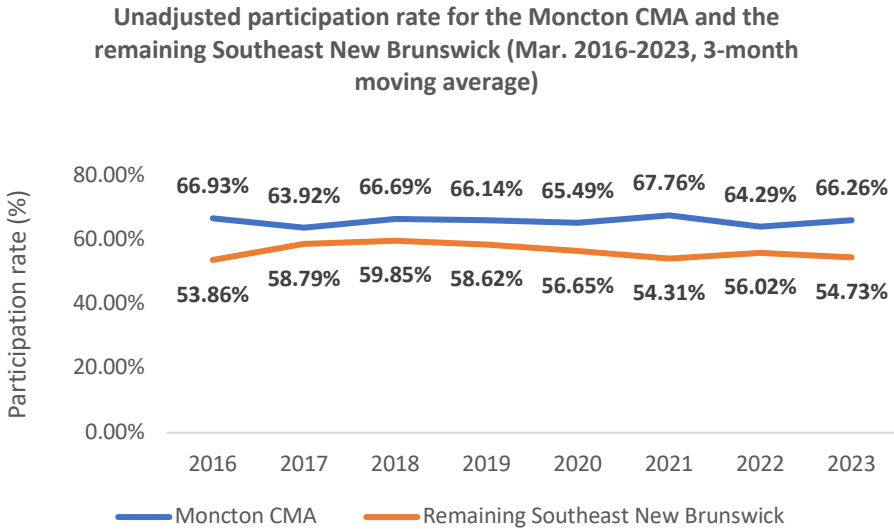


Southeast New Brunswick LMI without the Moncton CMA

Labour Force participation

In the last monthly Labour Market Information report, we saw that the Moncton CMA includes approximately three quarters (76%) of the Southeastern New Brunswick labour force, with the remaining quarter located in the rest of the Southeast.

An historical analysis of the labour force participation in the Moncton CMA and the remainder of Southeast New Brunswick from 2016 to 2023 was conducted to determine whether this involvement has changed over time. The Moncton CMA's overall labour force participation in March 2016 was 66.93%, as can be seen, and while it has fluctuated a bit, it has remained almost the same when we compare the March averages across our observation years. As in previous reports, Southeast New Brunswick is seeing a gradual decline in participation rates especially since the peak in January 2018 with participation rate at 59.85% and has declined to 54.73% as of March 2023. This indicates that the urban area has a higher concentration of adults who are actively seeking employment or are employed than the rest of the Southeast. The Moncton CMA is 11.53 percentage points above the remaining Southeast New Brunswick regarding labour force participation rates.



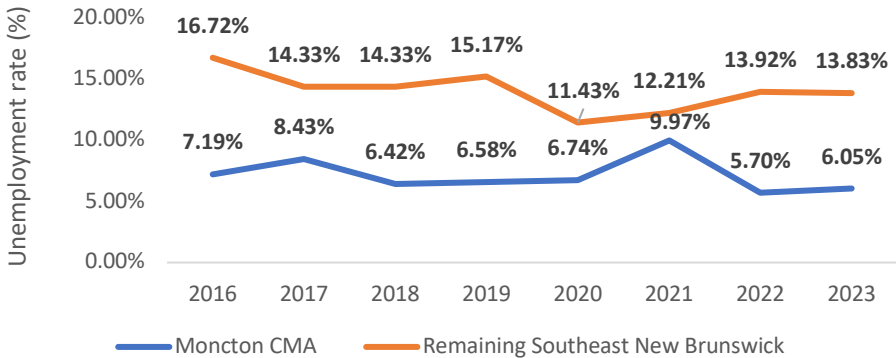
Data from: Statistics Canada. Table 14-10-0387-01

This concentration of economic activity in urban centers, which also impacts the concentration of labour, is well known in regional economics and is an important driver of Economic Developmentⁱ. Unfortunately, this can also have negative effects on the rural areas surrounding the urban center unless an integrated urban-rural development approach is implemented (OECD, 2013ⁱⁱ).

Other labour market indicators such as the unemployment rate, show that the Moncton CMA rate in the month of March is 7.78 percentage points lower than the unemployment rate in the remaining Southeast New Brunswick. The unemployment rate of the remaining Southeast area rose quite a bit from 11.43% in 2020 to a peak of 13.83% in 2023. Although, unemployment rate for the Moncton CMA

is lower in March 2023 than March 2016, there was a dramatic rise from 2020 to 2021. The unemployment for the remaining southeast New Brunswick is lower by 2.89 percentage points than in March 2016, which is welcome news as the story is usually the opposite.

Unadjusted unemployment rate for the Moncton CMA and the remaining Southeast New Brunswick (Mar. 2016-2023, 3-month moving average)



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

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’

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

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

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

² All definitions are quoted directly from Statistics Canada



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, 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.

ⁱ See for example 1) Marshall A. (2013). *Principles of Economics*. Springer. 731p. 2) Combes PP, Gobillon L (2015) The empirics of agglomeration economies. In: Duranton G, Henderson V, Strange W (eds), *Handbook of Regional and Urban Economics*, Volume 5. Elsevier, Oxford. 3) Amiti M, Cameron L (2007) Economic geography and wages. *The Review of Economics and Statistics* 89[1]: 15–29. 4) Duranton G (2016) Agglomeration effects in Colombia. *Journal of Regional Science* 56[2]: 210–238.

ⁱⁱ OECD. 2013. Rural-Urban Partnerships, an Integrated Approach to Economic Development. *OECD Rural Policy Reviews*. <https://doi.org/10.1787/9789264204812-en>

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>)

