

Department of Finance and Treasury Board

The New Brunswick
Economy: 2019 in Review

The New Brunswick Economy: 2019 in Review

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NOTE: Unless sourced otherwise, the analysis contained in this document is based on Statistics Canada data available as of June 24, 2020; historically comparable data series are used. Numbers may not add up due to rounding. Data will be updated on the Department of Finance and Treasury Board website at: www.gnb.ca/finance

Overview

- The International Monetary Fund (IMF) reported that the global economy slowed in 2019, registering growth of 2.9%, compared to 3.6% in 2018. The slowdown was observed in advanced economies as well as in emerging markets and developing economies.
- The U.S. economy showed growth of 2.3% in 2019, compared to 2.9% in 2018, resulting from the impact of tensions with trading partners. The U.S. labour and housing markets both showed improvement for the year.
- The Canadian economy registered real Growth Domestic Product (GDP) growth of 1.7% in 2019, supported by household spending, manufacturing, and gains in the labour market. The national unemployment rate declined to 5.7%.
- New Brunswick's economic growth improved slightly in 2019, with real GDP growth of 1.0% compared to 0.8% in the previous year. Employment gains – split evenly between goods-producing and services-producing sectors – combined with continued growth in average weekly earnings helped to boost provincial wages and salaries above the national level. A rebound in exports helped to offset lower investment and a decline in manufacturing sales. Of note, wood product manufacturing declined for the first time in seven years.

2019 Statistical Summary

2019 Statistical Summary		
Growth Rates ¹		
	N.B. Canada (2018 to 2019)	
Output		
Gross Domestic Product (GDP) *	2.8	3.6
GDP (real)	1.0	1.7
Population and Labour Force		
Total Population (July 1)	0.8	1.4
Labour Force	0.8	2.0
Employment	0.8	2.1
Unemployment Rate (%)	7.9	5.7
Participation Rate (%)	61.4	65.7
Wages and Salaries	4.8	4.5
Indicators		
International Exports	3.6	1.2
Retail Trade	2.1	1.6
Farm Cash Receipts	23.8	5.7
Housing Starts	26.1	-2.0
Manufacturing Sales	-1.1	0.4
Mining Production	-6.1	-1.8
Consumer Price Index	1.7	1.9
<p>¹ Per cent change unless otherwise indicated</p> <p>* Provincial figure is NB Finance and Treasury Board estimate</p> <p>Sources: Statistics Canada and Natural Resources Canada</p>		

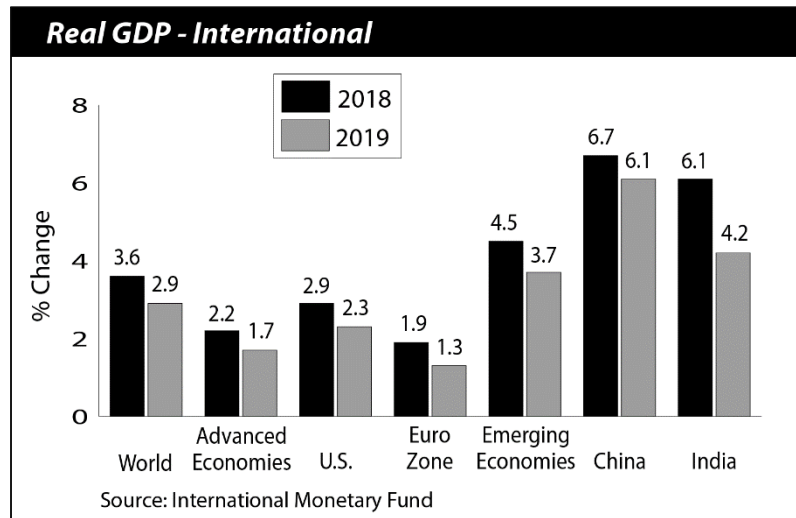
International Economy

- According to the IMF, global real GDP expanded by 2.9% in 2019, 0.7 percentage points lower than the previous year. This decline was driven by slower growth observed in both emerging market and developing economies, and advanced economies.
- Growth in the advanced economies weakened from 2.2% in 2018 to 1.7% in 2019, attributed to softer growth rates in the euro area, the United States, Canada and other advanced economies.
- The euro zone's economy grew by 1.3% in 2019, down from a 1.9% increase in 2018. Growth rates moderated in Spain (+2.0%), France (+1.5%), Germany (+0.6%) and Italy (+0.3%) in 2019 compared to 2018 rates.
- The United Kingdom's economy grew by 1.4% in 2019, marginally higher than the 1.3% rate in 2018, due to resilience in employment and household spending.
- The Japanese economy reached 0.7% in 2019, up from the 0.3% growth observed in 2018, strengthened by healthy private consumption and partially supported by government measures.
- Growth in emerging economies slowed from 4.5% in 2018 to 3.7% in 2019 as the economic activity of all members of the BRICS – Brazil, Russia, India, China and South Africa – weakened. Additionally, economies in the emerging and developing Europe waned from 3.2% in 2018 to 2.1% in 2019.
- Oil prices fell in 2019 to US\$61.40 per barrel due to record-high U.S. production and weaker economic growth prospects, especially in emerging markets.
- World trade slowed to a near standstill in 2019, predominantly due to trade tensions reducing capital expenditures, a slowdown in investment, and a downturn in car production and sales throughout the world.
- Real GDP in the U.S. grew by 2.3% in 2019, a slowdown from 2.9% in 2018, as uncertain economic relations with its trading partners impacted business sentiment and investor confidence.
- The U.S. labour market continued to improve in 2019. Growth for the year was modest, with the labour market gaining 2.0 million jobs, the lowest addition since the economy recovered from the financial crisis. The unemployment rate declined for the ninth consecutive year, falling to 3.7%.
- The U.S. housing market recorded 1.29 million housing starts in 2019, the highest level since 2007, an increase of 3.2% over 2018. This growth represents the tenth consecutive annual increase following the housing market collapse of 2009.

Global Growth Softens

The pace of global expansion softened to 2.9% in 2019 from 3.6% in 2018, resulting from a slowdown in the economic output of both emerging and developing economies, and advanced economies.

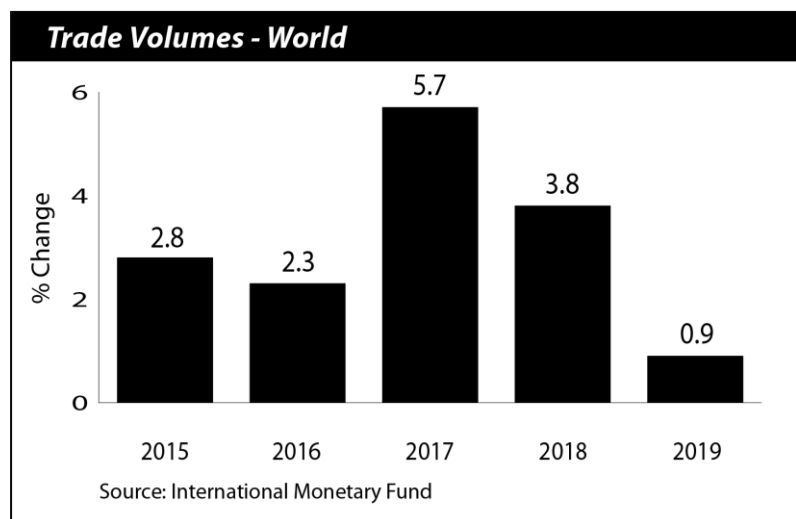
India and China were still the drivers of growth, despite experiencing slower growth in 2019.



International Trade Slows

After registering growth of 3.8% in 2018, the volume of world trade grew at a slower pace of 0.9% in 2019, the lowest growth rate recorded since 2009.

The impact of increased trade tensions on capital goods expenditures, and a reduction in investment as well as the trade in car and car parts contributed to the slowdown of international trade.



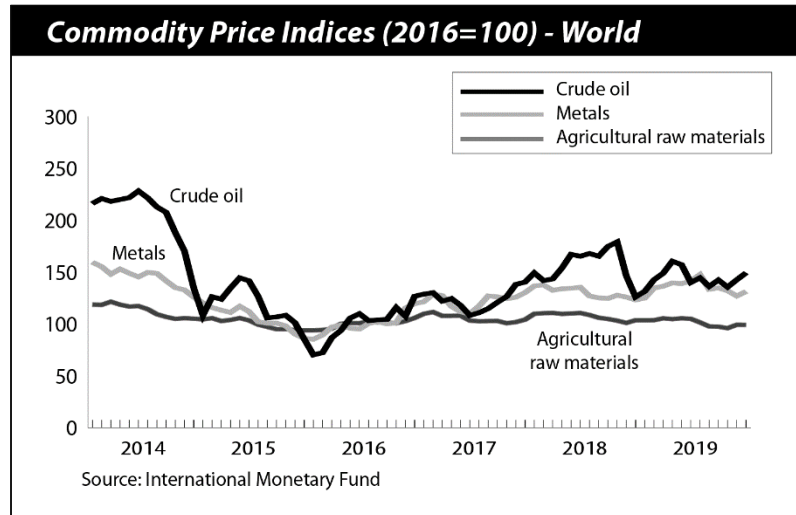
Commodity Prices Decline Further

Overall commodity prices were lower in 2019 compared to 2018.

Crude oil prices declined by 10.2% in 2019 as a result of increased production and weaker global growth.

In 2019, prices of base metals rose by 3.7%, due to lower supply in some metal markets compared to the global demand.

Prices of agricultural raw materials were down by 5.4% in 2019.



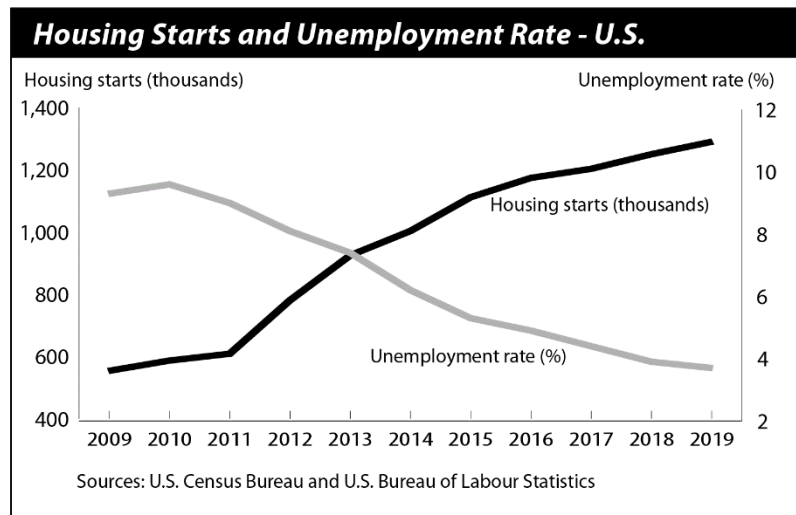
U.S. Economy Maintains Growth

Higher housing starts and a lower unemployment rate contributed to the robust growth of 2.3% seen in the U.S. economy in 2019.

The unemployment rate went down from 3.9% in 2018 to 3.7% in 2019, reaching the lowest rate seen since 1969.

Supported by strong consumption and a tight labour market, housing starts rose by 3.2% in 2019.

Growth in the South and Northeast economic regions more than offset the declines observed in the West and Midwest regions.



Canadian Economy

- Canada's real GDP grew by 1.7% in 2019, slightly lower than the previous year (+2.0%). An increase in household expenditure (+1.6%) was responsible for over half of the GDP gain, while capital investment experienced a decline of 0.4%.
- All provinces experienced GDP growth, except Saskatchewan (-0.8%) and Alberta (-0.6%). The top three performers were Prince Edward Island (+4.5%), Newfoundland and Labrador (+4.0%), and British Columbia (+2.8%).
- In 2019, employment grew by 2.1%, the highest year-to-year growth in 12 years, driven by gains of 270,300 full-time jobs and 127,900 part-time jobs in the labour market. The goods-producing sector realized a 0.7% increase, with construction accounting for 95% of the sectoral gain. Employment in the services-producing sector grew by 2.5%, spearheaded by gains in professional, scientific and technical services, and transportation and warehousing.
- The uptick in job creation contributed to further declines in the national unemployment rate, which reached 5.7% in 2019, thus making it the lowest unemployment rate recorded in the past 43 years. Furthermore, the unemployment rate decreased in seven of 10 provinces, remained the same in two provinces (Ontario and British Columbia), and rose in Alberta alone.
- The value of Canadian exports was impacted by the decline in oil prices, with energy exports growing by 0.7% in 2019, a significant slowdown compared to growth of 18.0% in the previous year. Nonetheless, Canadian exports rose 1.2%, with non-energy products growing for the tenth consecutive year (+1.4%) and accounting for over 75% of Canadian exports. Aircraft and other transportation equipment and parts had the strongest gain (+8.8%). Sales were down in three of 12 industries, compared to one in the previous year, with forestry products and building and packaging materials recording the most severe decline (-10.6%).
- Manufacturing sales increased for the fourth consecutive year, albeit at a much slower pace, growing 0.4% in 2019. Durable goods grew 0.9% while non-durable goods declined 0.1%. The top performers were clothing manufacturing (+10.5%) and fabricated metal product manufacturing (+6.9%).
- Housing starts declined for a second year in Canada, falling to 208,685 units (-2.0%). Multi-unit construction rose 4.0% while single-detached units were down by 15.3%.
- The Consumer Price Index (CPI) rose 1.9% in 2019, with increases recorded for the eight major components. However, gasoline and energy recorded decreases of -6.1% and -2.2%, respectively.
- The average value of the Canadian dollar fell from 77 cents U.S. in 2018 to 75 cents U.S. in 2019.

Canadian Economy (continued)

Canada Economic Indicators					
Growth Rates ¹ , 2015 to 2019					
	2015	2016	2017	2018	2019
Economic Accounts					
Gross Domestic Product (GDP)	-0.2	1.8	5.7	3.9	3.6
Household Final Consumption Expenditures	3.3	2.8	4.7	3.9	3.3
Gross Fixed Capital Formation	-2.4	-2.8	5.5	3.0	1.8
GDP (real)	0.7	1.0	3.2	2.0	1.7
Income					
Primary Household Income	3.9	-0.3	4.6	3.9	4.5
Population and Labour Force					
Total Population (July 1)	0.7	1.1	1.2	1.4	1.4
Labour Force	0.8	0.8	1.1	0.8	2.0
Employment	0.8	0.7	1.9	1.3	2.1
Unemployment Rate (%)	6.9	7.0	6.3	5.8	5.7
Participation Rate (%)	65.8	65.7	65.8	65.4	65.7
Other					
Consumer Price Index	1.1	1.4	1.6	2.3	1.9
Housing Starts	3.3	1.2	11.0	-3.1	-2.0
¹ Per cent change unless otherwise indicated					
Source: Statistics Canada					

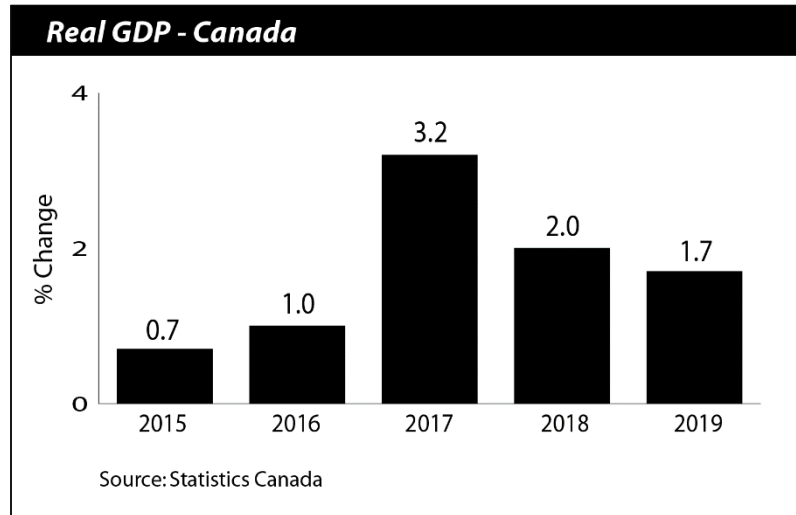
Canadian Economy Slows

Canada's real GDP grew 1.7% in 2019, compared to the previous year (+2.0%).

An increase in household expenditure (+1.6%) was responsible for over half of the GDP gain, while capital investment experienced a decline of 0.4%.

Real GDP rose in eight of 10 provinces in 2019, with the strongest growth observed in Prince Edward Island (+4.5%).

Alberta recorded a decline of 0.6%, while Saskatchewan saw the largest decline (-0.8%).

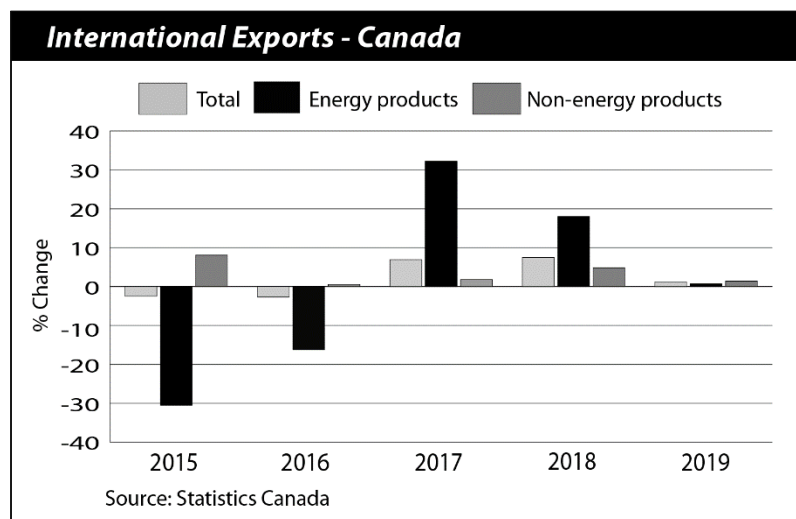


Softening of Exports

The decline in oil prices impacted the value of Canadian exports in 2019, with energy exports registering growth of 0.7%, a slowdown compared to growth of 18.0% in the previous year. The average price of Western Texas Intermediate crude oil fell from US\$65 per barrel in 2018 to US\$57.

Nonetheless, Canadian exports rose by 1.2%, with non-energy products growing for the tenth consecutive year (+1.4%).

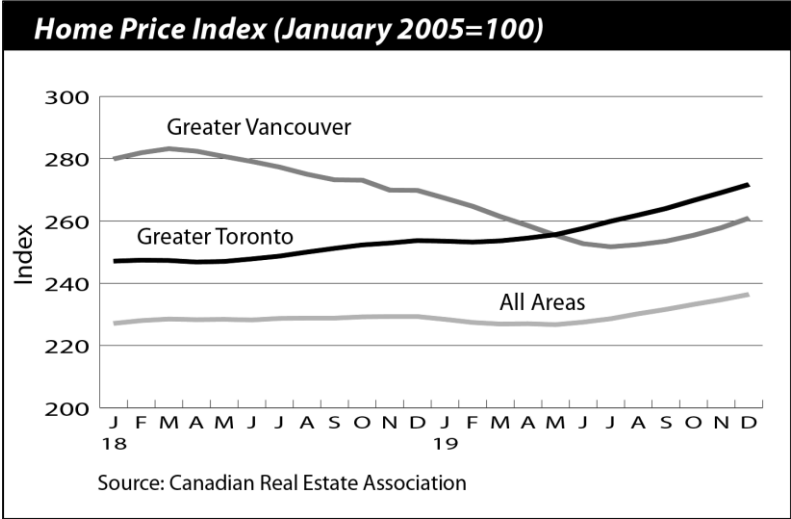
For the year, energy products accounted for 13.5% of growth in Canadian exports – a decline from 50% in the previous year.



Modest Growth in House Prices

In 2019, housing prices grew 0.6%, significantly lower than the 2.5% growth seen in 2018 and the lowest gain in 10 years.

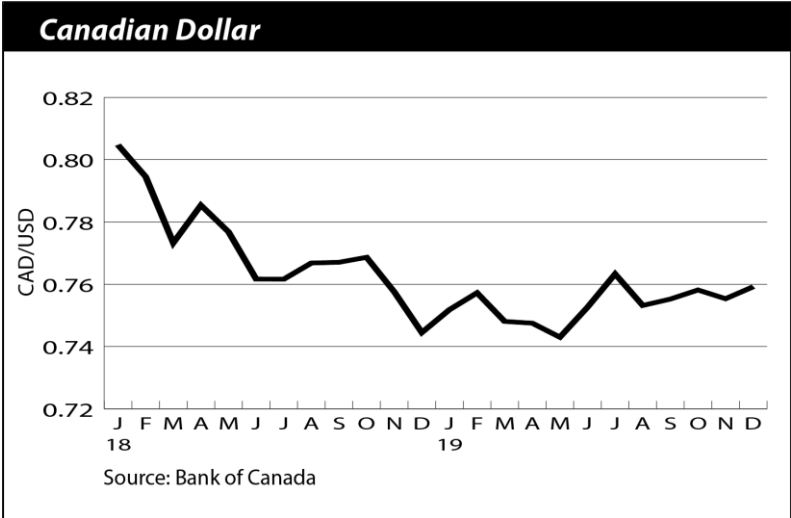
Based on the composite Home Price Index (HPI), the Greater Vancouver region had a 6.9% reduction in 2019, and the Greater Toronto area registered a 4.3% gain in home prices.



Lower Value of Canadian Dollar

The average value of the Canadian dollar against the U.S. dollar fell from 77 cents in 2018 to 75 cents in 2019, a return to its 2016 value.

The decline in the exchange rate, which began in January 2018, reached its lowest point in May 2019. However, the Canadian dollar recovered approximately 2 cents from its low point by year-end.

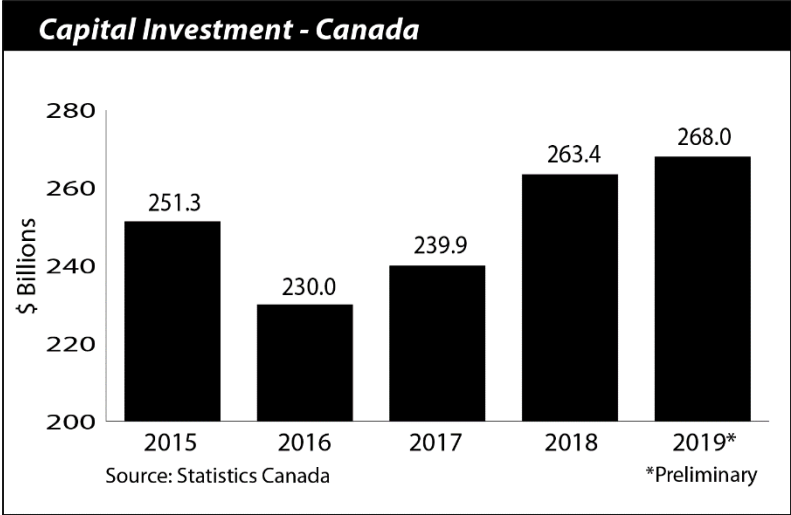


Modest Gains in Capital Investment

Capital expenditure in Canada increased by 1.7% to \$268 billion in 2019. This was due to increases of 0.8% and 2.2% in the public and private sectors, respectively.

Capital expenditures grew in 13 out of 20 industries. The largest gains (in dollar terms) were registered in transportation and warehousing (+\$4.91 billion), utilities (+\$1.27 billion), and real estate and rental and leasing (+\$989.40 million).

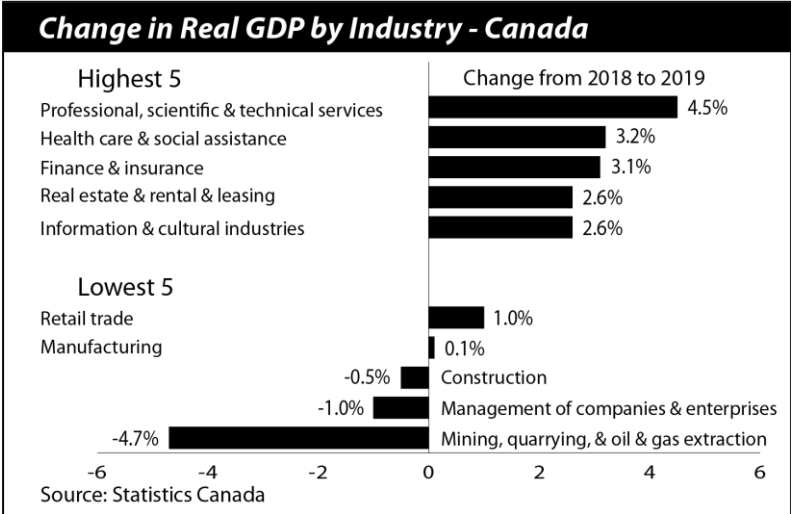
Provincially, British Columbia had the strongest investment growth (+21.1%) followed by Newfoundland and Labrador (+6.0%). Saskatchewan, Alberta, and New Brunswick had the most notable declines, with 3.2%, 4.5% and 12.7%, respectively.



Growth Led by Service-Producing Industries

In 2019, the Canadian economy was driven by service-producing industries, which registered growth of 2.5%.

Growth was observed in 17 of 20 industries, with gains recorded in professional, scientific and technical services (+4.5%), health care and social assistance (+3.2%), and finance and insurance (+3.1%).



New Brunswick Economy

- Growth in New Brunswick's economy accelerated in 2019. Healthy gains in the service-producing industries offset the losses recorded in the goods-producing industries. Twelve of the 15 major service-producing industries registered growth in 2019, led by health care and social assistance, real estate and rental and leasing, and wholesale trade.
- New Brunswick's labour force increased for a second consecutive year, up 0.8% in 2019, the highest growth rate recorded since 2008. Similarly, employment grew for the third year in a row, up 0.8%. Employment gains were driven by an increase in part-time employment (+5.5%) while full-time employment stayed flat (+0.0%). Furthermore, the unemployment rate continued to edge down, falling by 0.1 percentage point to 7.9%. After five consecutive years of decline, the participation rate saw a slight increase of 0.1 percentage point, reaching 61.4% in 2019.
- Supported by stronger average weekly earnings in both goods and service producing industries, average weekly earnings in New Brunswick were up by 3.2% in 2019—compared to 2.9% growth in 2018—and above the national growth of 2.7%. Wages and salaries grew 4.8%, above the national growth rate of 4.5%.
- Retail trade rose 2.1% in 2019, an increase of \$268.8 million. Seven of the 11 subsectors reported higher sales, with sales at general merchandise stores and motor vehicle and parts dealers representing more than 85% of the increase.
- Despite a rebound of sales in the last four months of 2019 as the Saint John refinery returned to full production capacity, manufacturing sales were down by 1.1% for the year. Moreover, after recording growth for seven consecutive years, wood product manufacturing declined 6.0% in 2019.
- Exports recovered in 2019, increasing 3.6%, influenced largely by gains in basic and industrial chemical, plastic and rubber products (+\$575.7 million); consumer goods (+\$272.7 million); and aircraft and other transportation equipment and parts (+\$110.8 million).
- Total investment in the province fell 12.7% in 2019—driven by declines registered in both the public (-17.2%) and private sectors (-9.7%)—the first decrease reported since 2013.
- Housing starts in New Brunswick climbed sharply in 2019, increasing 26.1% to 2,935 units. Both multiple-unit (+51.0%) and single-detached unit (+0.8%) starts registered increases in 2019. Activity was up in all three main urban centres, led by Moncton (+76.7%), followed by Saint John (+40.6%) and Fredericton (+7.8%).

New Brunswick Economy (continued)

- Driven by higher prices in food as well as recreation, education and reading, provincial inflation stood at 1.7% in 2019, slightly below the 1.9% increase for Canada. Three provinces – Nova Scotia, Prince Edward Island and Newfoundland and Labrador – saw less overall price growth than New Brunswick.

New Brunswick Economic Indicators					
Growth Rates¹, 2015 to 2019					
	2015	2016	2017	2018	2019
Economic Accounts					
Gross Domestic Product (GDP) *	3.1	2.6	4.4	3.2	2.8
Household Final Consumption Expenditures *	1.8	2.1	4.5	2.6	2.7
Gross Fixed Capital Formation *	1.5	0.1	14.9	4.4	2.0
GDP (real) **	0.7	0.8	2.2	0.8	1.0
Income					
Primary Household Income *	1.0	1.9	3.0	3.2	3.7
Population and Labour Force					
Total Population (July 1)	0.0	0.6	0.4	0.5	0.8
Labour Force	-0.7	-0.4	-1.2	0.2	0.8
Employment	-0.6	-0.1	0.4	0.3	0.8
Unemployment Rate (%)	9.8	9.5	8.1	8.0	7.9
Participation Rate (%)	62.7	62.3	61.5	61.3	61.4
Other					
Consumer Price Index	0.5	2.2	2.3	2.1	1.7
Housing Starts	-12.3	-7.9	26.4	0.2	26.1
Retail Trade	2.2	2.1	6.8	1.7	2.1
¹ Per cent change unless otherwise indicated * NB Finance and Treasury Board estimates for 2019 ** 2019 result on an industry accounts basis					
Sources: Statistics Canada and NB Finance and Treasury Board					

Note: Social Indicators covering a range of topics on New Brunswick can be found on the Department of Finance and Treasury Board website. Data are compiled from several sources and includes information on low income, pensions and household expenditures. Analysis in this report is provided for only a few indicators due to the time lag for data not corresponding to the year being reviewed.

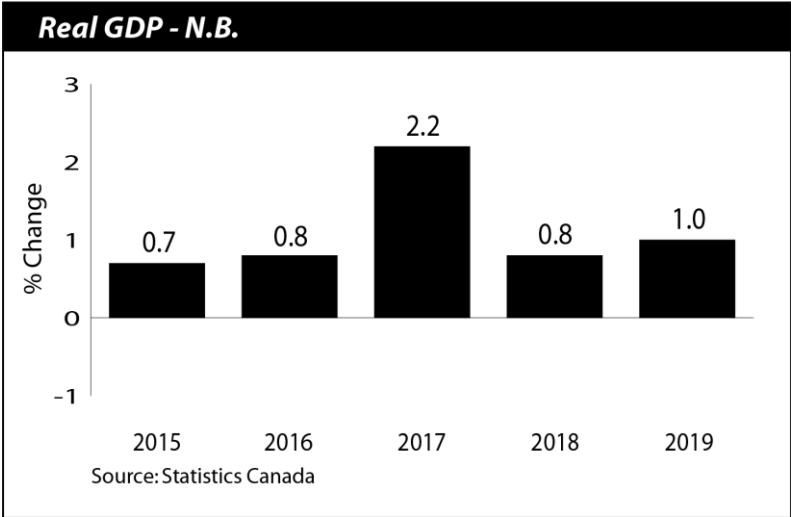
Economic Growth Stronger

Real GDP in New Brunswick expanded by 1.0% in 2019, following a rise of 0.8% in 2018.

Growth was mostly attributed to gains in utilities; health care and social assistance; and real estate and rental and leasing industries; offsetting the losses recorded in construction as well as mining, quarrying, and oil and gas extraction.

Fifteen of 20 sectors showed gains in 2019. For a second

year in a row, goods-producing industries saw a decline in GDP, down by 0.4% in 2019. Service-producing industries were up by 1.4%.

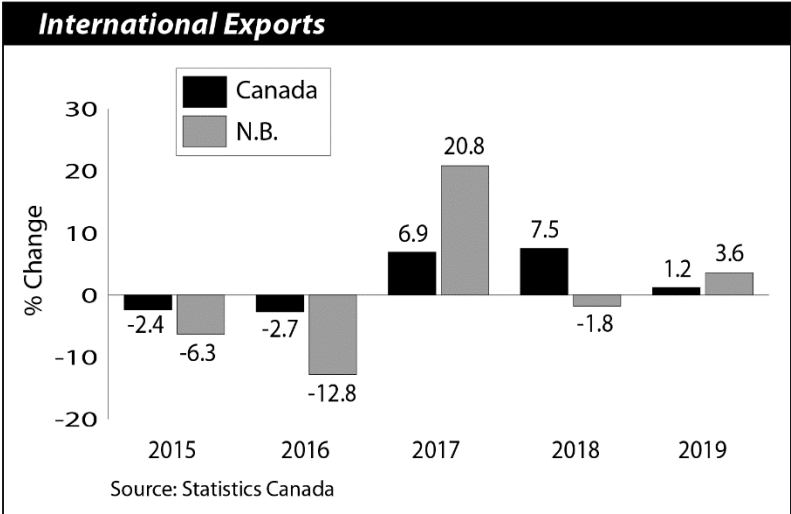


Exports Rebound

Foreign exports of goods from New Brunswick grew 3.6% to \$13.1 billion in 2019. At the national level, exports grew by 1.2% for the year.

Seven of the 12 product groups reported higher levels for the province. The largest increases (in dollar terms) were in basic and industrial chemical, plastic and rubber products; consumer goods; and aircraft and other transportation equipment and parts.

The province's largest trading partners include the U.S. (88.2%), Netherlands (1.3%), India (1.0%), and China (1.0%).



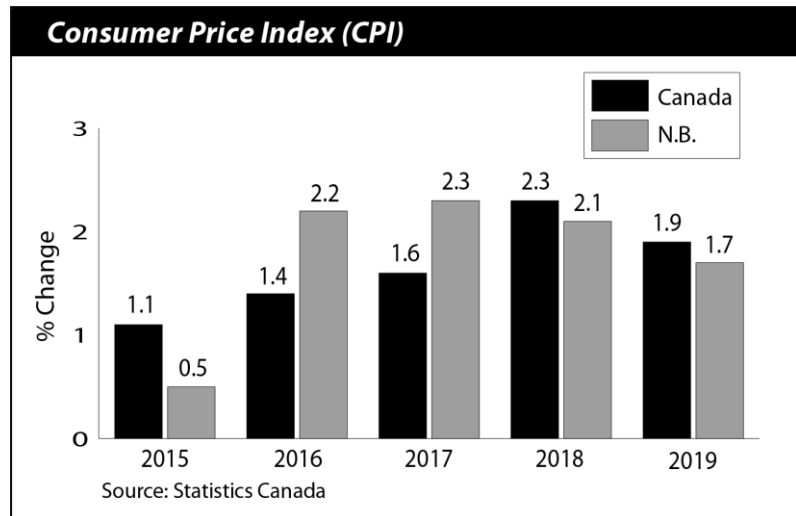
Inflation Slows

Consumer prices in New Brunswick rose by 1.7% in 2019, trailing the national rate (+1.9%) for the second year in a row.

New Brunswick's rate of inflation was highest among the Atlantic provinces, followed by Nova Scotia (+1.6%), Prince Edward Island (+1.2%), and Newfoundland and Labrador (+1.0%).

Prices rose in seven of the eight major components of the provincial CPI, led by food (+3.3%) and recreation, education and reading (+3.0%).

Gasoline prices fell 1.8% in 2019, and consumers paid less for household operations, furnishings and equipment (-1.2%).

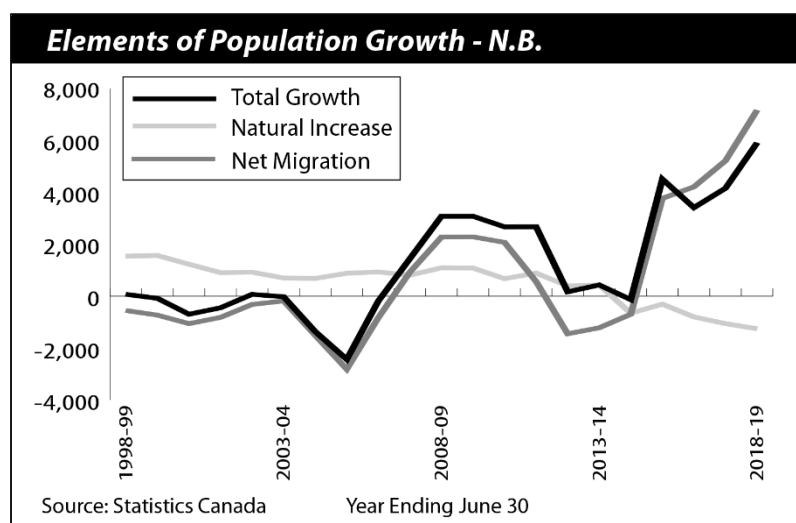


Population Grows for Fourth Consecutive Year

New Brunswick's population increased for the fourth consecutive year, reaching a record high of 776,827 as of July 1, 2019 and up 0.8% from a year ago. A similar growth rate was last recorded in 1984.

Between July 1, 2018 and June 30, 2019, the provincial population gained 5,900 people, mainly due to international migration. There was a small net gain in interprovincial migration and the number of deaths continued to be more than births.

Over the same period, Canada's population rose 1.4%.

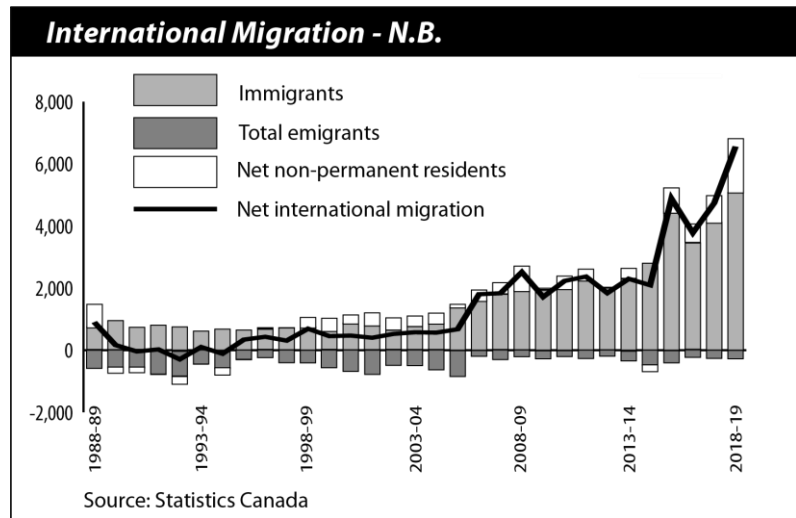


Immigrants Surpassed 5,000

Population growth in New Brunswick for 2018-2019 was attributed to a high level of net international migration (+6,600).

The province welcomed over 5,000 immigrants for the first time and the net increase in non-permanent residents was over 1,700.

As well, total emigrants fell below 300.

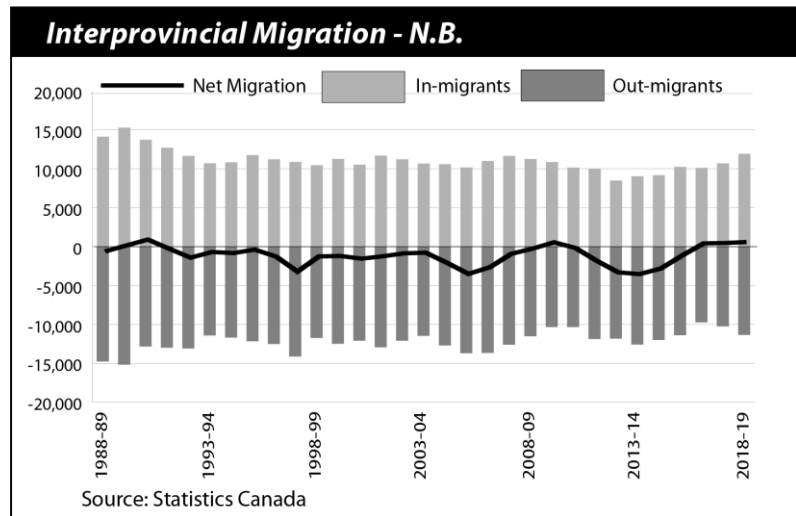


Net Gain for Interprovincial Migration

While not as significant as international migration, interprovincial movement with New Brunswick remained positive for the third year in a row in 2018-2019 (+1,500 for the three-year period).

Interprovincial migration exchanges with other provinces and territories over the latest 12-month period showed New Brunswick had net gains with nine of the jurisdictions; the greatest net gains were with Ontario, British Columbia and Newfoundland and Labrador (+900 in total); net

losses were with Quebec, Nova Scotia and Prince Edward Island (-500 in total).



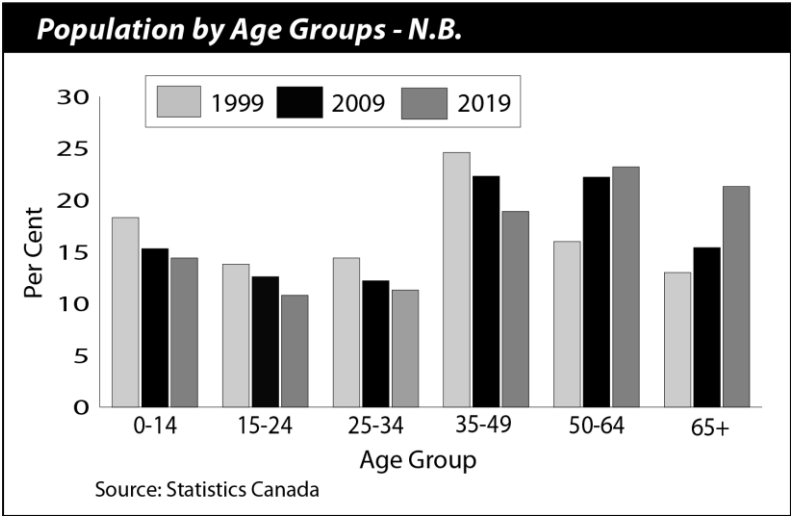
Median Age Reaches 46 Years

While New Brunswick’s median age reached 46.0 years in 2019; the increase (+0.1 year) was the slowest since the beginning of the current estimates program (July 1971). Only Newfoundland and Labrador was older at 47.1 years.

Nationally, the median age was 40.8 years for the third year in a row.

Seniors (65+ years) and pre-seniors (50-64 years) accounted for 21.3% and 23.2% of the population, respectively.

In 2009, children under 15 years (15.3%) and seniors (15.4%) represented a similar share of the population. Ten years later, the share for children fell to 14.4% while seniors increased almost six percentage points.

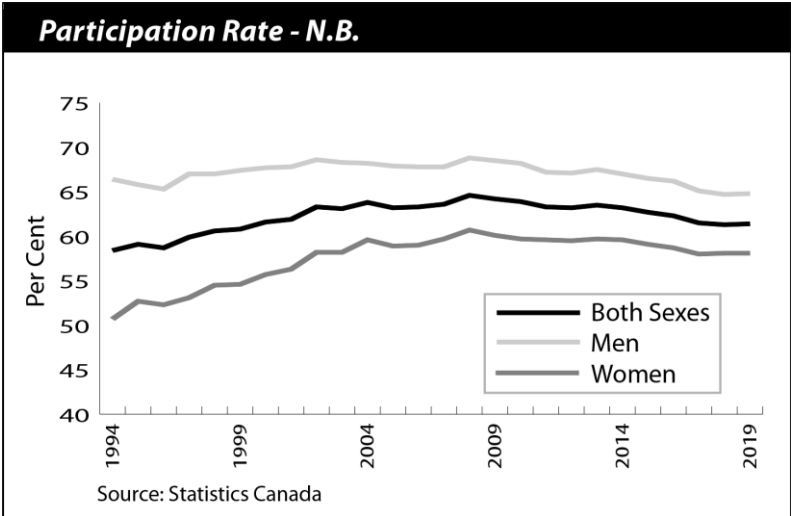


Participation Rate Holding Steady

In 2019, the participation rate rose by 0.1 percentage point to 61.4% as a result of an equivalent increase in the male participation rate (from 64.7% to 64.8%).

The rise in labour force participation was greater at the national level (from 65.4% to 65.7%).

The female rate of participation remained unchanged at 58.1%, 3.3 percentage points below the national rate.

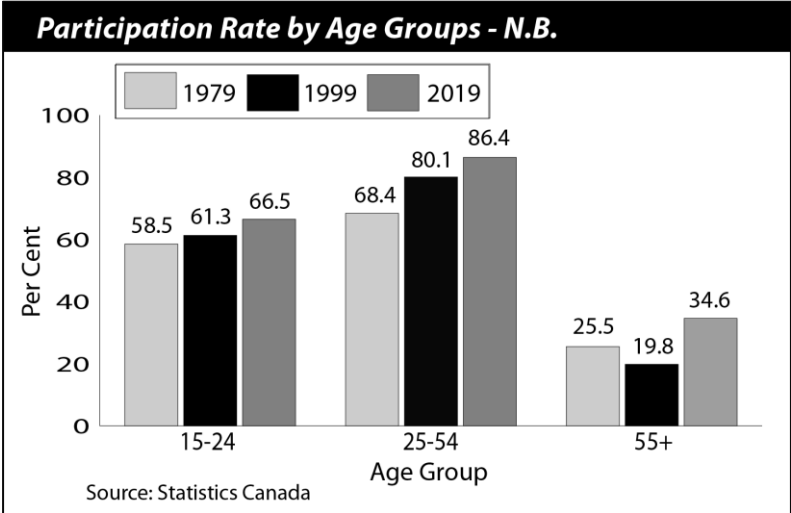


Participation Rates Increase for Youngest Workers

The participation rate for New Brunswickers aged 25-54 surpassed 85% in each of the last 12 years. This is below the national rate, which has been greater than 86% since 2003 and recently exceeded 87%.

Participation among workers aged 15-24 had an uptick of 0.5 percentage points, reaching 66.5% in 2019.

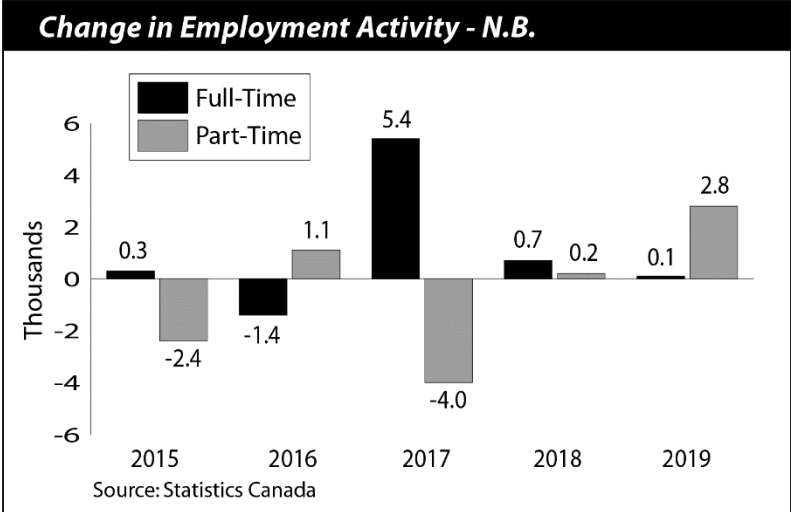
Additionally, the participation rates for workers aged 55 and over increased to 34.6%.



Modest Growth in Employment

The number of employed in New Brunswick increased by 0.8% compared to 2018, attaining its highest level in nine years (356,700).

Part-time employment saw a significant increase of 5.5% while full-time employment increased only marginally (+0.03%).

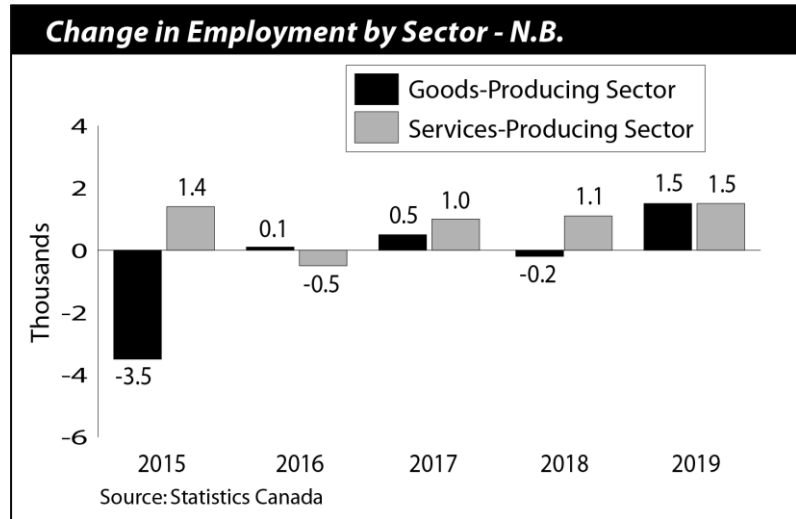


Services Sector Records Major Gains and Losses

Gains of 1,500 jobs were reported for both the goods-producing and services-producing sectors in 2019.

Industries that supported job growth were construction (+1,400), information, culture and recreation (+1,400), and public administration (+1,200).

Job losses occurred in accommodation and food services (-1,800), and wholesale and retail trade (-1,300).

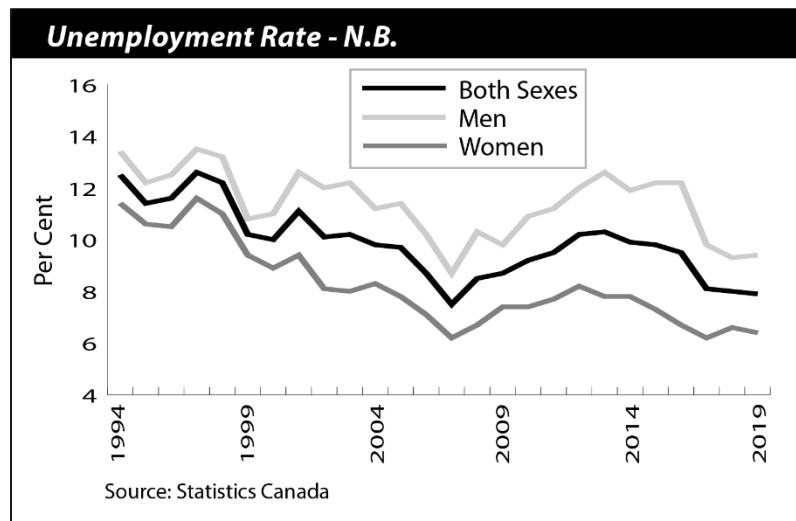


Lower Unemployment Rate

The unemployment rate in New Brunswick fell to 7.9% in 2019, the second-lowest rate recorded since comparable data became available in 1976.

The unemployment rate for women declined by 0.2 percentage points to 6.4% while that of men rose from 9.3% to 9.4% in 2019.

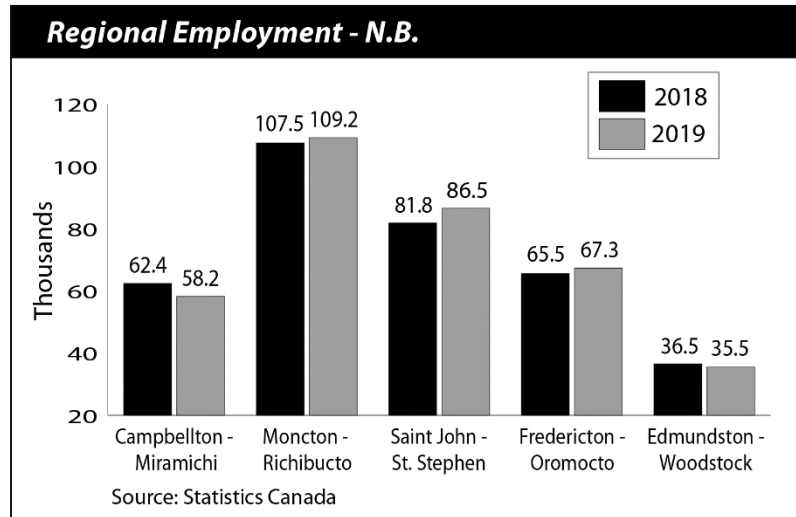
An unemployment rate of 5.7% was recorded at the national level, showing a decline of 0.1 percentage point.



Job Growth Led by Southwestern New Brunswick

In 2019, employment increased in three of five regions. Saint John-St. Stephen led the way with a gain of 4,700 jobs, a turnaround from posting the province's biggest job losses in 2018.

The Campbellton-Miramichi region had the most job losses, recording a 4,200 reduction in the number of employed and a 12.7% unemployment rate.

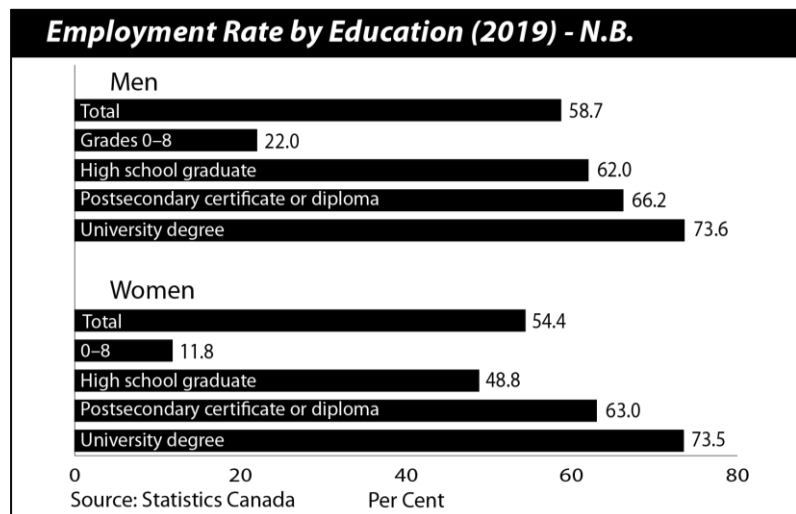


Static Difference in Employment Rates by Sex

Although the employment rate for women remained lower than that of men at all levels of education, the gap worsened in 2019 for females in two categories: grades 0-8 and high school graduate.

The gap between men and women was unchanged compared to 2018, with the total employment rate difference holding at 4.3 percentage points in 2019.

At the national level, differences in employment rates by sex rose to 7.7 percentage points in 2019 from 7.5 percentage points in 2018.



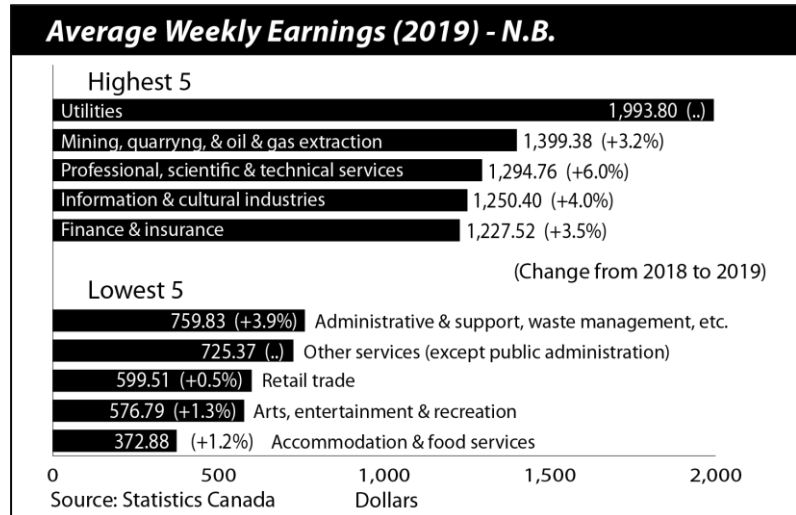
Growth in Average Weekly Earnings Continues

Average weekly earnings in New Brunswick grew 3.2% in 2019, marking the highest growth since 2014. Nationally, earnings increased 2.7%.

At \$941.57, the province's weekly earnings represented 91.5% of the Canadian result of \$1,028.50.

Provincial weekly earnings increased in 14 of the 15 industry groups with available data.

In 2019, earnings ranged from \$372.88 in accommodation and food services to \$1,993.80 in utilities.

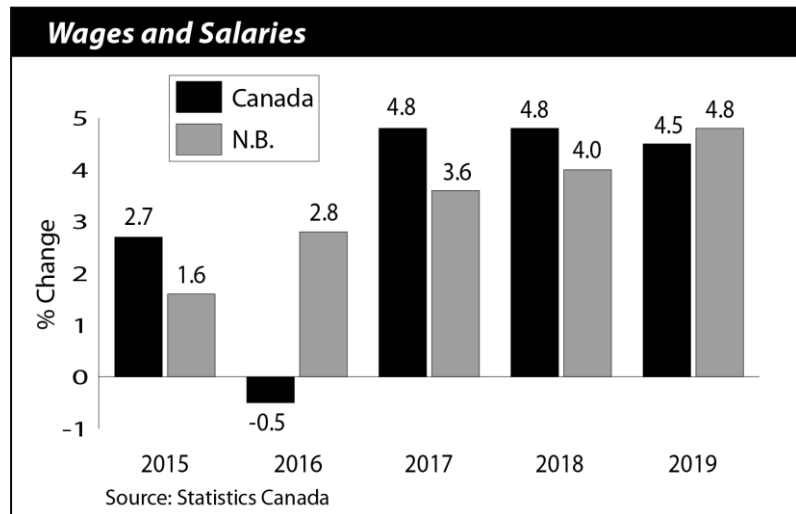


Upward Trend in Wages and Salaries

Growth was observed in New Brunswick's wages and salaries for the fourth year in a row, reaching \$16.9 billion in 2019. The provincial growth rate of 4.8% was the highest recorded since 2008, and greater than the national rate of 4.5% for the year.

Increases were reported in 14 of the 15 major industries in New Brunswick, with the strongest gains (in dollar terms) from professional and personal services industries; manufacturing; and health care and social assistance.

Educational services was the only industry to show a decline in 2019.

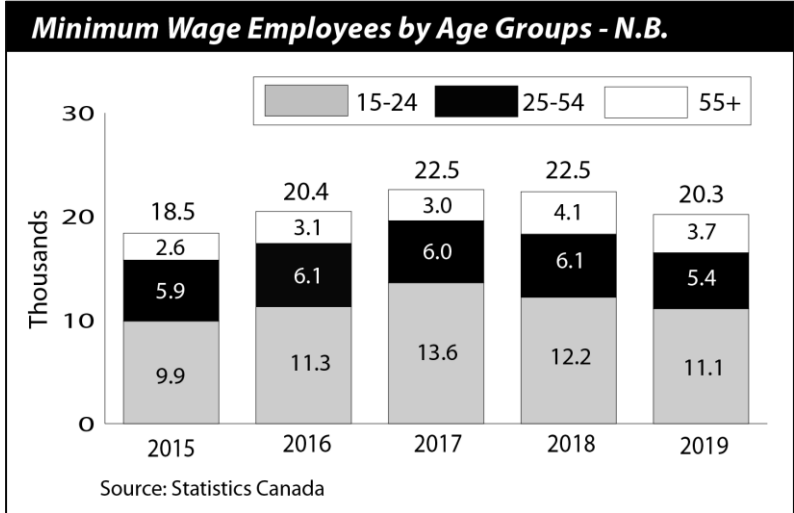


Number of Minimum Wage Earners Declines

In 2019, the number of New Brunswick employees earning minimum wage or less declined for the first time since 2015. Young workers (15-24 years) represented 54.7% of minimum wage earners, slightly more than the previous year.

Men earning minimum wage decreased for the second year in a row (-3.2% in 2019); the level for women fell for the first time in four years by 13.6%.

The minimum wage in the province increased to \$11.50 per hour as of April 1, 2019, from \$11.25.



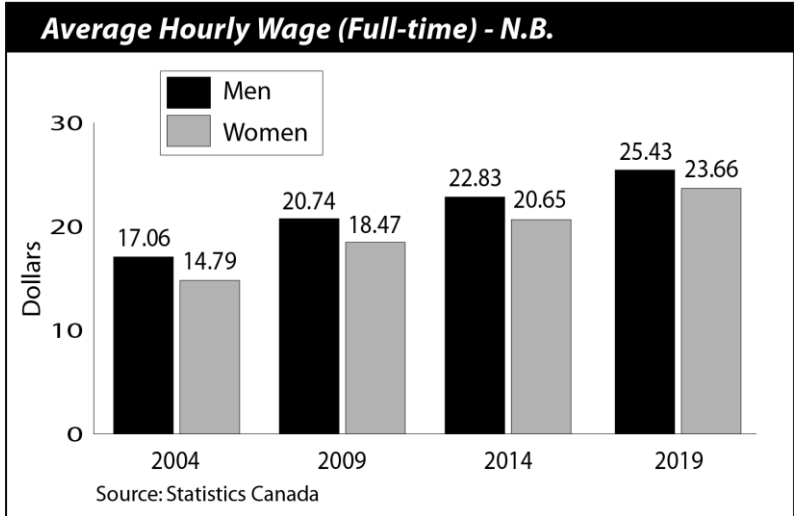
Average Hourly Wage Above \$25 for Men

For full-time employees in New Brunswick, the average hourly wage for women increased 14.6% from 2014 to 2019, while the increase for men was lower at 11.4%.

As a result, the wage gap between men and women improved from 90.5% in 2014 to 93.0% in 2019. Similarly, the gap for Canada went from 88.0% to 89.4%.

Compared to 2018, New Brunswick's average hourly

wage for women was up 2.8% to \$23.66 in 2019, which was below the increase of 3.0% for men to \$25.43.

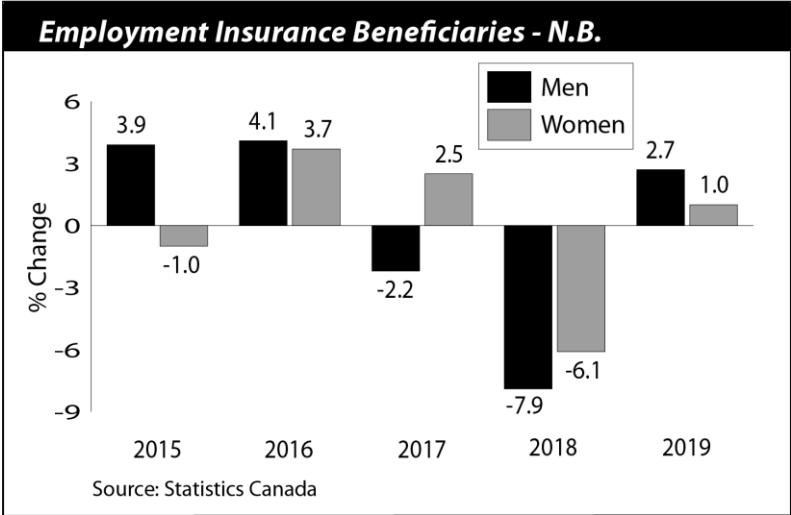


Employment Insurance Beneficiaries Increase

In 2019, just over 40,500 people received Employment Insurance (EI) benefits in New Brunswick, up 2.0% from 2018. Men accounted for 57% of all recipients.

The number of men receiving EI benefits in 2019 rose 2.7% from 2018, while the number of women receiving benefits increased 1.0%.

Nationally, the number of EI beneficiaries edged up 0.3%.

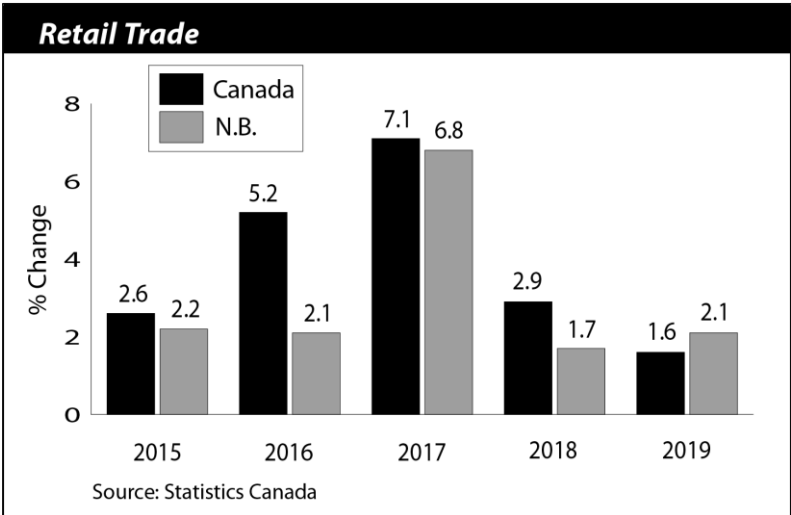


Retail Trade Surpasses National Growth Rate

In 2019, retail trade in New Brunswick climbed to \$13.3 billion, an increase of 2.1%. This was a small improvement over 2018, and surpassed national growth for the first time since 2011.

Higher provincial sales (in dollar terms) were reported in seven of the 11 subsectors, led by gains in general merchandise stores; motor vehicle and parts dealers; miscellaneous store retailers; and building material and garden equipment and supplies dealers.

Retail trade represents under 7% of provincial GDP and in 2019 employed 43,200 people, a 5.1% decrease from the previous year. Average weekly earnings in the sector rose 0.5%.



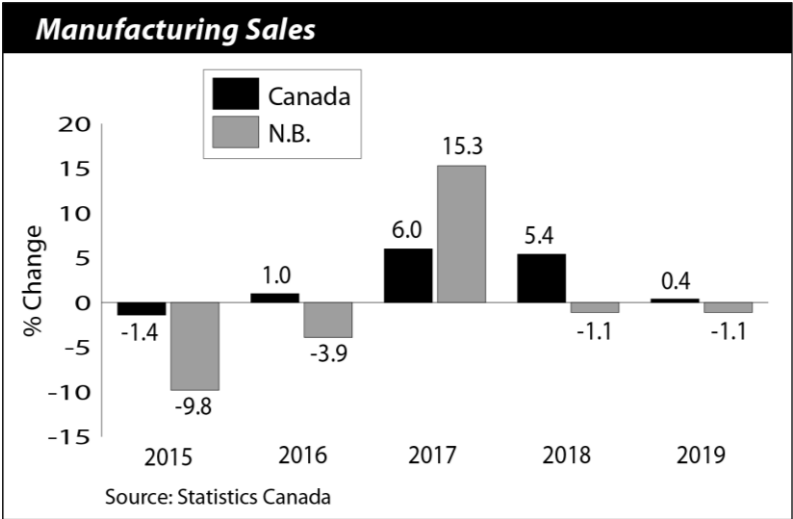
Manufacturing Sales Down

Manufacturing sales in New Brunswick decreased in 2019, falling 1.1% to \$18.3 billion. Declines earlier in the year were partially offset by the Saint John refinery’s return to full production in the last four months of the year.

In Canada, sales were relatively flat, growing by only 0.4% in 2019.

Provincial sales of non-durable goods, which represent 82.2% of the total, fell by 0.5%, while durable goods decreased 3.8%.

The manufacturing sector accounts for less than 11% of provincial GDP, and had 30,600 employees in 2019, a decrease of 2.2% compared to 2018. Average weekly earnings for the sector grew 6.3%.

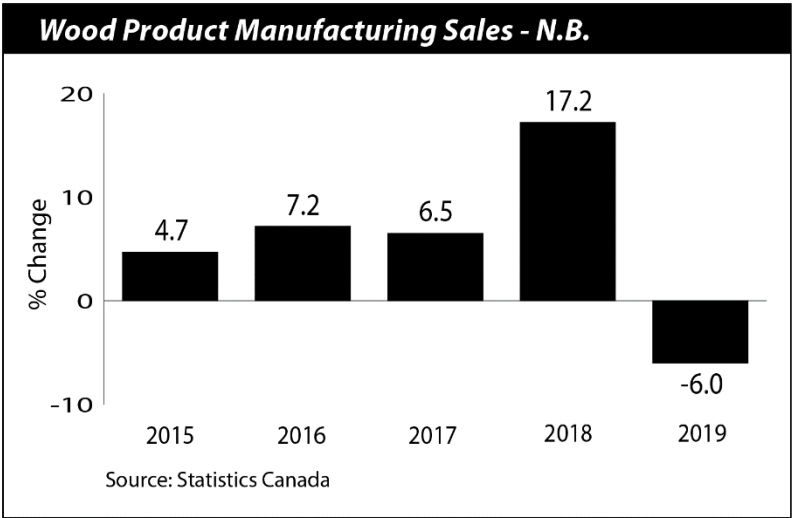


Wood Product Sales Slump

New Brunswick’s wood product manufacturers saw sales decline in 2019, reaching \$1.4 billion compared to \$1.5 billion in 2018.

The drop of 6.0% in 2019, or \$92.5 million, followed seven straight years of increases, which peaked in 2018 with growth of 17.2%.

Wood product manufacturing represents just over 1% of New Brunswick’s GDP and in 2019 had 5,400 employees.



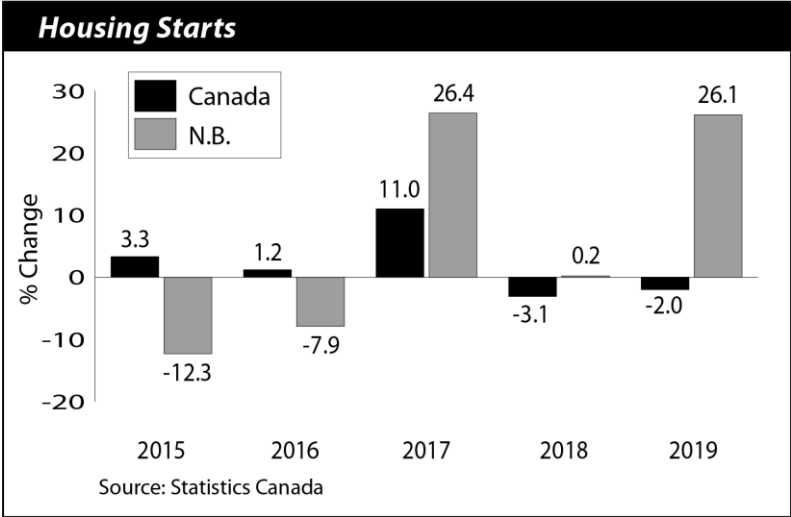
Housing Sector Improves

New Brunswick’s housing starts picked up momentum in 2019, growing 26.1% to reach 2,935 units, the highest level of home building since 2012.

Nationally, the housing market continued to slump, falling 2.0% in 2019.

Among the province’s three main urban centres, Moncton was the principal driver of growth in 2019 with 1,242 starts, an increase of 76.7%.

Saint John showed gains of 40.6%, and Fredericton expanded more moderately at 7.8% for the year.



Capital Investment Falls Below \$4 Billion

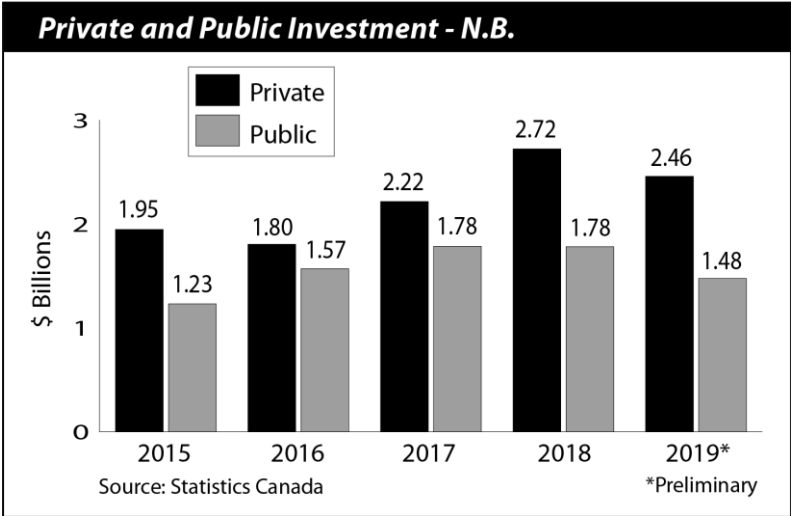
Capital investment in New Brunswick declined to \$3.9 billion in 2019 (-12.7%); this followed an increase of 12.6% in 2018. Investment in the public sector dropped 17.2%, while the private sector was down 9.7%.

Private sector investment made up 62.5% of total capital investment in 2019, compared to 55.4% in 2017.

Declines were reported in 10 of the 13 major sectors with published data, with the largest declines

occurring in manufacturing (-\$174.2 million) and public administration (-\$161.9 million).

Nationally, capital investment rose 1.7% in 2019, which followed an increase of 9.8% in the previous year.

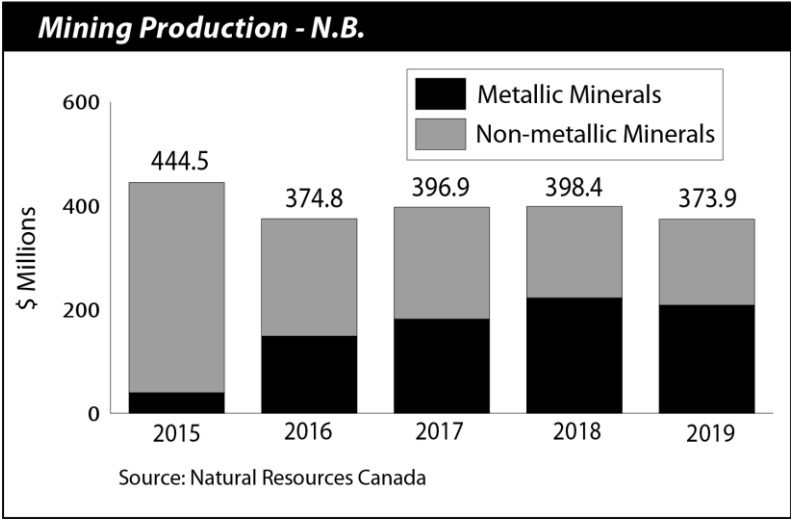


Mineral Production at Lowest Level since 1980

Mineral production in New Brunswick fell 6.1% to \$373.9 million in 2019, the lowest level recorded since 1980, due to declines registered in metallic (-6.3%) and non-metallic (-5.9%) mineral production.

The drop in the value of metallic mineral production was driven by lower zinc and lead prices, and reduced silver production. Lower peat, stone, sand and gravel, and salt production led the decline in non-metallic production.

The mining, quarrying, and oil and gas extraction industry represents less than 1% of provincial GDP and in 2019 employed 4,100.



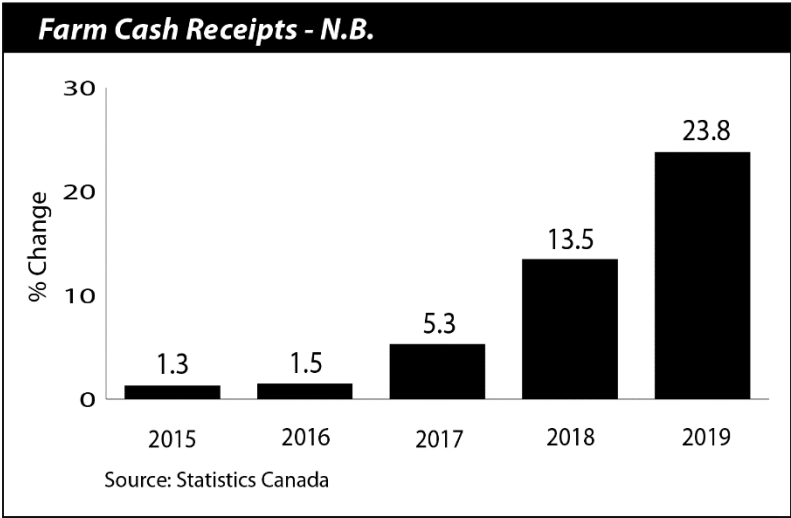
Farm Cash Receipts Rise

New Brunswick's farm cash receipts for 2019 increased to \$864.9 million, up 23.8% from the previous year, a growth rate not seen since 1981.

Crop receipts rose by 43.5%, attributable to an increase in the licensed production of cannabis during the first full year of legalized recreational use.

Nationally, farm cash receipts grew by 5.7% in 2019.

The agriculture industry represents less than 2% of provincial GDP, and in 2019, employment decreased 1.7% to 5,900.



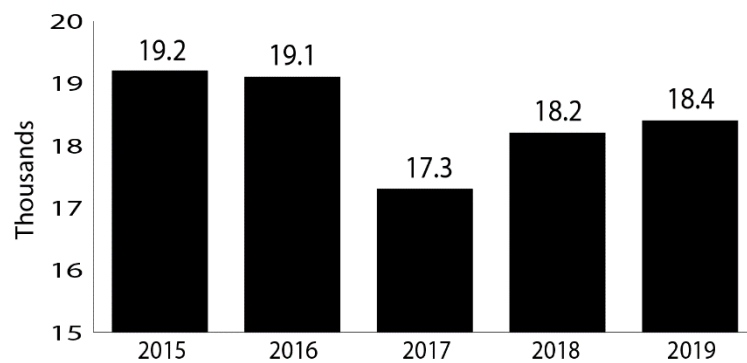
Capital Projects Key for Transportation

Transportation and warehousing employment was stable at 18,400 in 2019; a loss in truck transportation was offset by an increase in air transportation. Wages and salaries increased 5.3%. This sector represents over 5% of provincial GDP.

Total tonnage handled at Port Saint John in 2019 was 25.4 million metric tonnes, an increase of 1.2% over 2018. The number of cruise ship passengers increased from 159,500 to 196,000, while calls were 79, up from 69. Site preparation work started in 2019 for the \$205-million modernization project.

In 2019, for the airports serving the three largest centres, aircraft movements were up in Fredericton and Moncton, and only Fredericton reported an increase in passengers. A \$20.4-million modernization project was completed at the Saint John airport, while a \$30-million expansion of the Fredericton airport was started.

Employment in Transportation - N.B.



Source: Statistics Canada

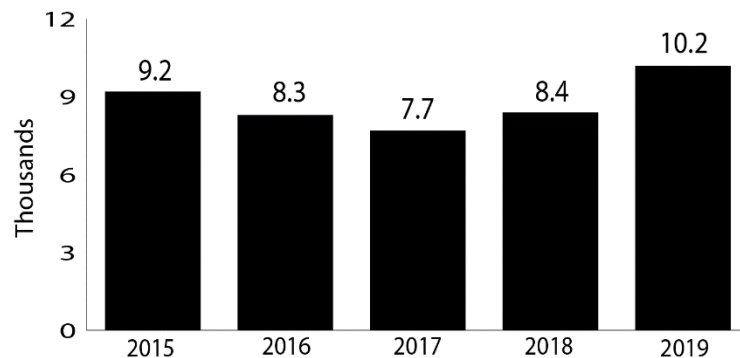
ICT Sector Expands Again

In 2019, employment in the information and communication technology (ICT) sector continued its expansion and surpassed 10,000.

Employment in computer systems design services was basically the same at 4,300, and wired telecommunications carriers reached 4,000, up 1,000 compared to 2018.

The ICT sector accounts for 3% of provincial GDP.

Employment in ICT* - N.B.



*Information and Communication Technology Sector
Source: Statistics Canada

New Brunswick Annual Indicators

New Brunswick Annual Indicators (as of June 24, 2020)							
Indicators	2016	2017	2018	2019	% Change		
					2016-17	2017-18	2018-19
Labour							
Population 15 Years and Over ('000)	623.4	624.7	627.4	631.4	0.2	0.4	0.6
Labour Force ('000)	388.6	383.9	384.5	387.6	-1.2	0.2	0.8
Employment ('000)	351.5	352.9	353.8	356.7	0.4	0.3	0.8
Full-time ('000)	296.5	301.9	302.6	302.7	1.8	0.2	0.0
Part-time ('000)	55.0	51.0	51.2	54.0	-7.3	0.4	5.5
Goods-producing Sector ('000)	72.8	73.3	73.1	74.6	0.7	-0.3	2.1
Services-producing Sector ('000)	278.6	279.6	280.7	282.2	0.4	0.4	0.5
Unemployment ('000)	37.1	31.0	30.7	30.8	-16.4	-1.0	0.3
Participation Rate (%)	62.3	61.5	61.3	61.4	...	...	...
Employment Rate (%)	56.4	56.5	56.4	56.5	...	...	...
Unemployment Rate (%)	9.5	8.1	8.0	7.9	...	...	...
Average Weekly Earnings (\$)	874.78	886.82	912.10	941.57	1.4	2.9	3.2
Wages and Salaries (\$M)	14,927.0	15,466.6	16,092.7	16,861.3	3.6	4.0	4.8
Employment Insurance Beneficiaries	42,886	42,788	39,749	40,525	-0.2	-7.1	2.0
Consumers							
Retail Trade (\$M)	11,977.9	12,792.1	13,012.9	13,281.7	6.8	1.7	2.1
New Motor Vehicle Sales (units)	44,984	44,801	41,314	40,957	-0.4	-7.8	-0.9
New Motor Vehicle Sales (\$M)	1,619.8	1,717.8	1,637.1	1,698.0	6.0	-4.7	3.7
Food Services and Drinking Places (\$M)	1,159.4	1,189.3	1,223.3	1,274.6	2.6	2.9	4.2
Consumer Price Index (2002=100)	128.2	131.2	134.0	136.3	2.3	2.1	1.7
Housing							
Housing Starts (units)	1,838	2,324	2,328	2,935	26.4	0.2	26.1
Residential Building Permits (\$M)	479.0	477.6	491.2	570.9	-0.3	2.8	16.2
MLS® Residential Sales (units)	7,773	8,207	8,314	9,432	5.6	1.3	13.4
Business							
Manufacturing Sales (\$M)	16,257.3	18,743.4	18,536.9	18,332.3	15.3	-1.1	-1.1
International Exports (\$M)	10,642.3	12,856.3	12,620.9	13,072.8	20.8	-1.8	3.6
Non-residential Building Permits (\$M)	508.9	718.9	561.8	594.1	41.3	-21.9	5.8
Industrial and Commercial (\$M)	388.6	456.7	437.9	507.0	17.5	-4.1	15.8
Institutional and Governmental (\$M)	120.3	262.3	123.9	87.2	118.1	-52.8	-29.7
Wholesale Trade (\$M)	6,236.3	6,508.0	6,465.5	7,181.2	4.4	-0.7	11.1
Mining Production (\$M)	374.8	396.9	398.4	373.9	5.9	0.4	-6.1
Farm Cash Receipts (\$M)	584.7	615.7	698.9	864.9	5.3	13.5	23.8
Demographics							
Population (July 1)	763,350	766,762	770,921	776,827	0.4	0.5	0.8
Natural Increase (July 1-June 30)	-800	-1,059	-1,257		...	...	...
Net Migration (July 1-June 30)	4,212	5,218	7,163		...	...	...

... Not applicable

* Includes errors related to the components of population growth (mainly migration).

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Sources: Statistics Canada, Natural Resources Canada and Canadian Real Estate Association.

Major Investment Projects

Projects valued at \$20 million or more that have been announced, are underway or have been completed.

Disclaimer: Project details are obtained from public sources. Every effort has been made to ensure a comprehensive and accurate listing.

Major Investment Projects for New Brunswick					
Industry	Project	Location	Value (\$M)	Start	End
Health	Chaleur Regional Hospital	Bathurst	217	2015	2024
Transportation	Port Saint John - modernization	Saint John	205	2018	2023
Health	Dr. Everett Chalmers Regional Hospital - expansion	Fredericton	200	2018	2025
Manufacturing	AV Group	Atholville and Nackawic	125	2016	2020
Communications	Xplornet	Rural New Brunswick	120	2019	2021
Health	Dr. Georges-L.-Dumont University Hospital Centre	Moncton	101	2014	2021
Transportation	Centennial Bridge - rehabilitation	Miramichi	100	2015	TBD
Utility	TransAqua Wastewater Treatment	Riverview	90	2017	2020
Manufacturing	Zenabis - marijuana production	Atholville	80	2018	2019
Transportation	Fundy Trail Parkway	Albert and Saint John Counties	73	2015	2022
Transportation	Anderson Bridge - replacement	Miramichi	70	2019	2023
Transportation	Bridge - Petitcodiac River	Moncton-Riverview	62	2017	2021
Business	Irving Oil - new headquarters	Saint John	60	2016	2019
Transportation	Route 11 - twinning	Eastern NB	60	2017	2023
Finance	TD Financial Centre	Dieppe	50	2018	2019
Utility	Wisokolamson Energy - wind turbines	Riverside-Albert	50	2018	2019
Transportation	Bridges - Canaan River	Coles Island	45	2019	2023
Accommodation / Recreation	Kingswood Ventures - Radisson Kingswood Hotel & Suites and indoor water park	Fredericton area	42	2016	2020
Manufacturing	Canopy Growth - marijuana production	Fredericton	40	2018	2019
Business	Knowledge Park - cyber-security building	Fredericton	37	2018	2020
Health	The Moncton Hospital	Moncton	35	2017	2022
Residential / Retail	Junction Urban Village - mixed-use complex	Moncton	34	2016	2020
Transportation	Port of Belledune - upgrade	Belledune	34	2019	2022
Education	High School upgrades	Fredericton, Moncton and Tracadie	32	2015	2019
Accommodation / Food Services	FiveFive Queen - hotel-condo-restaurant	Moncton	32	2017	2019
Recreation	UNiPLEX Intergenerational Community Complex	Dieppe	31	2018	2020

Major Investment Projects (continued)

Projects valued at \$20 million or more that have been announced, are underway or have been completed.

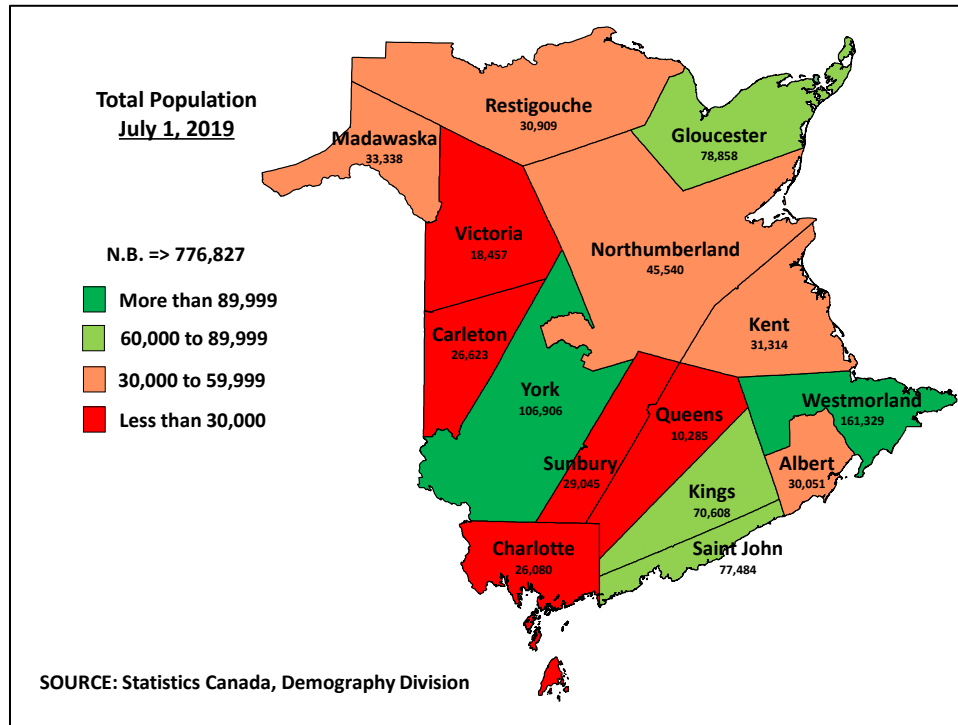
Disclaimer: Project details are obtained from public sources. Every effort has been made to ensure a comprehensive and accurate listing.

Major Investment Projects for New Brunswick					
Industry	Project	Location	Value (\$M)	Start	End
Utility	NB Power - submarine cable project	Fundy Isles	30	2018	2019
Transportation	Fredericton airport - expansion	Fredericton	30	2019	2021
Recreation	Irving Oil Field House	Saint John	27	2018	2019
Utility	Water treatment project	Moncton	27	2019	2022
Education	Maplehurst Middle School	Moncton	26	2017	2019
Manufacturing	Oxford Frozen Foods	Saint-Isidore	25	2018	2019
Business	Carleton Street office building	Fredericton	25	2018	2020
Health	NB Centre for Precision Medicine and Université de Moncton	Moncton	24	2016	2019
Education	École Arc-en-ciel (K-8)	Oromocto	22	2018	2019
Manufacturing	Irving Tissue / Irving Pulp and Paper - maintenance	Saint John	22	2019	2019
Transportation	Saint John Airport - modernization	Saint John	20	2018	2019
Health	Shannex - nursing home	Miramichi	NA	2017	2020
Health	Shannex - Faubourg du Mascaret - nursing home	Moncton	NA	2018	2020
Health	Shannex - nursing home	Fredericton	NA	2018	2020

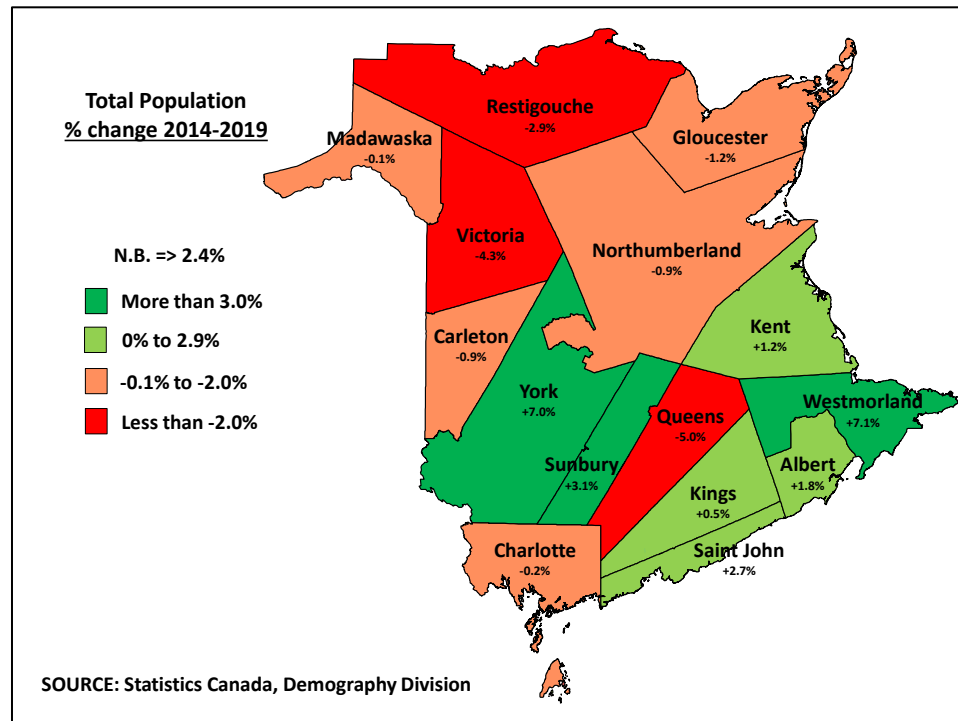
NA – Not available / TBD – To be determined

Maps of New Brunswick

Population Distribution, N.B. Counties

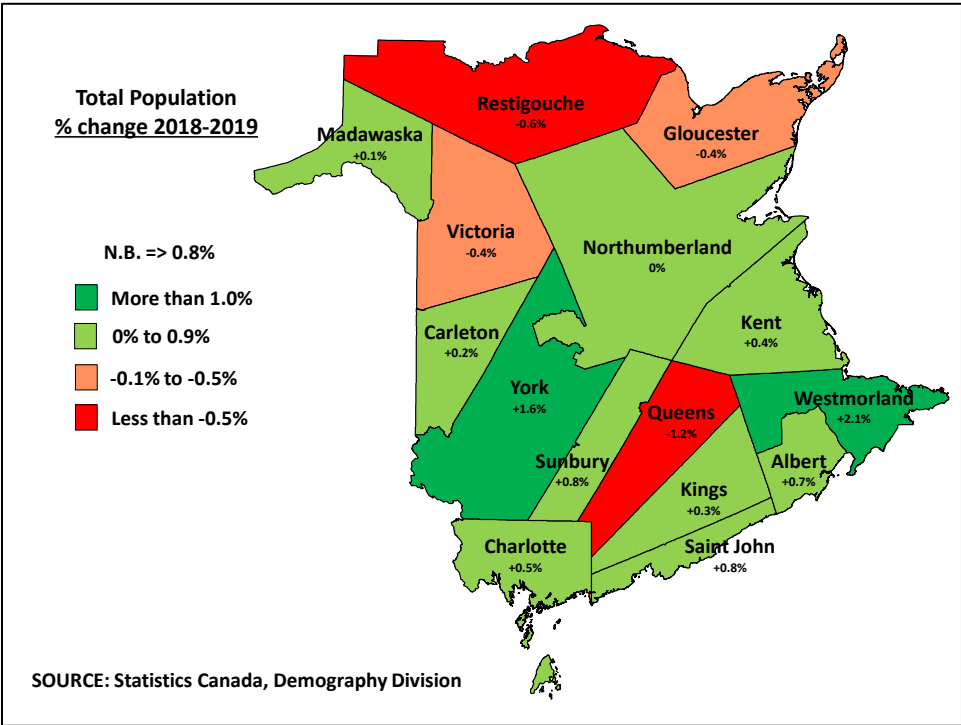


Population Change (2014-2019), N.B. Counties

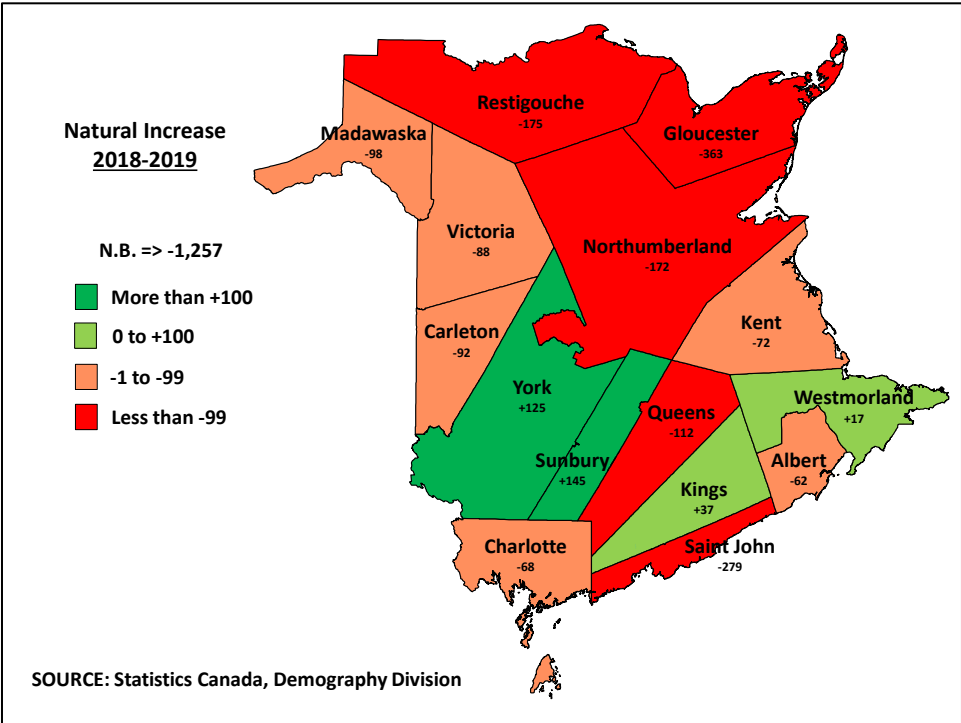


Maps of New Brunswick

Population Change (2018-2019), N.B. Counties

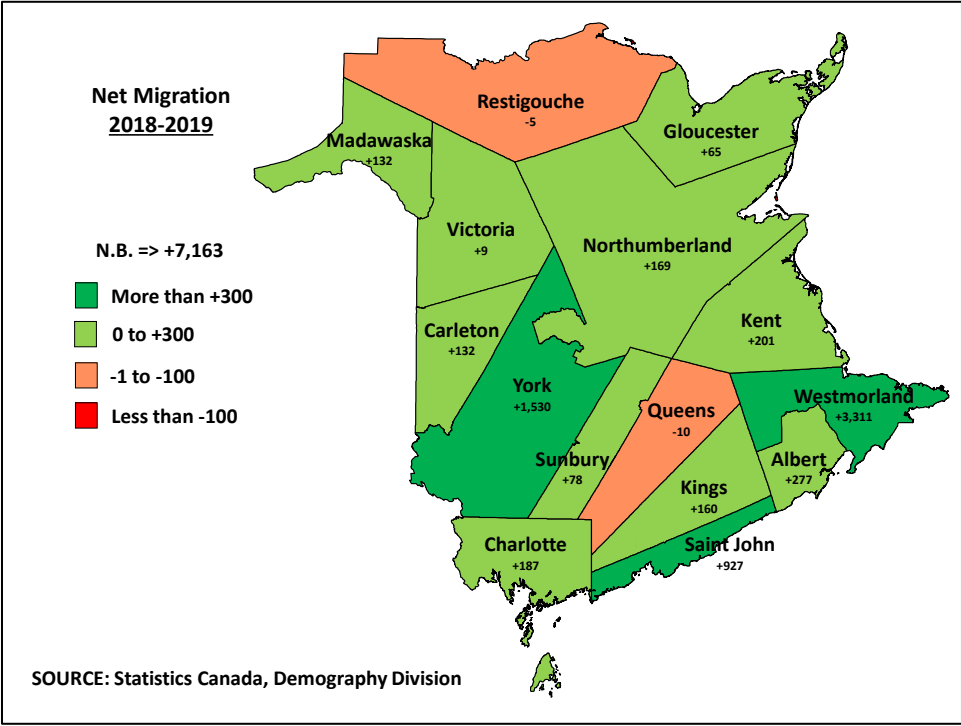


Natural Increase, N.B. Counties

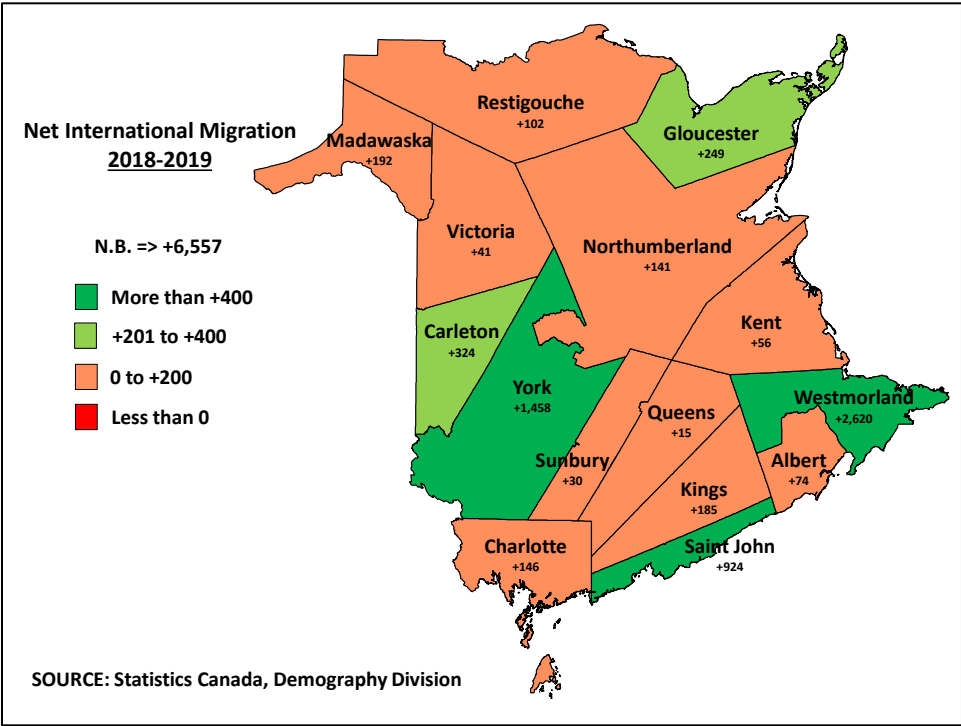


Maps of New Brunswick

Net Migration, N.B. Counties

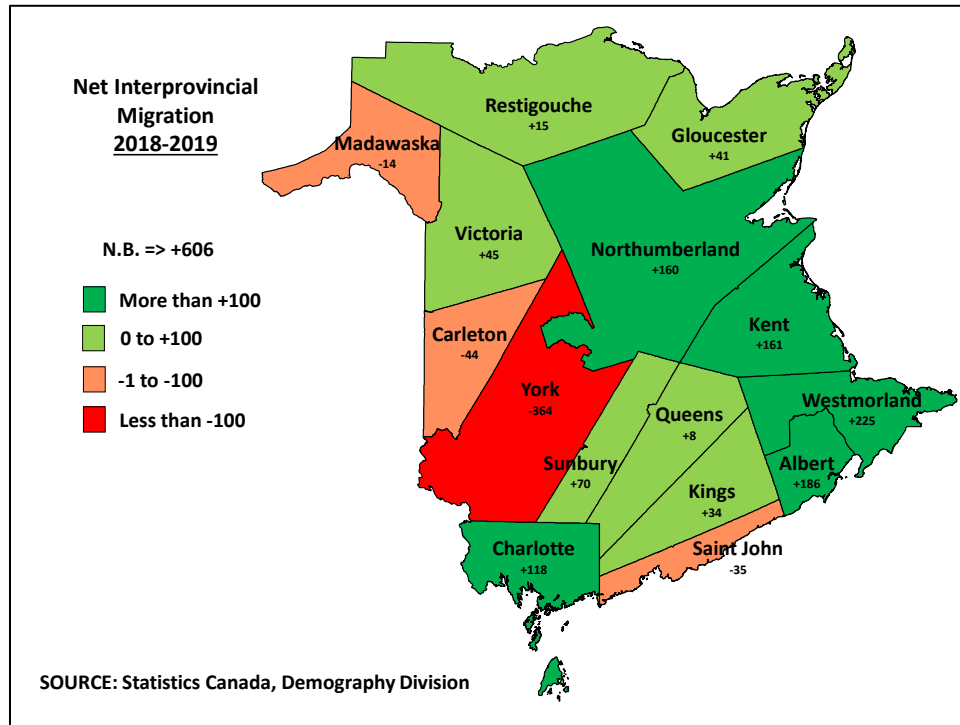


Net International Migration, N.B. Counties

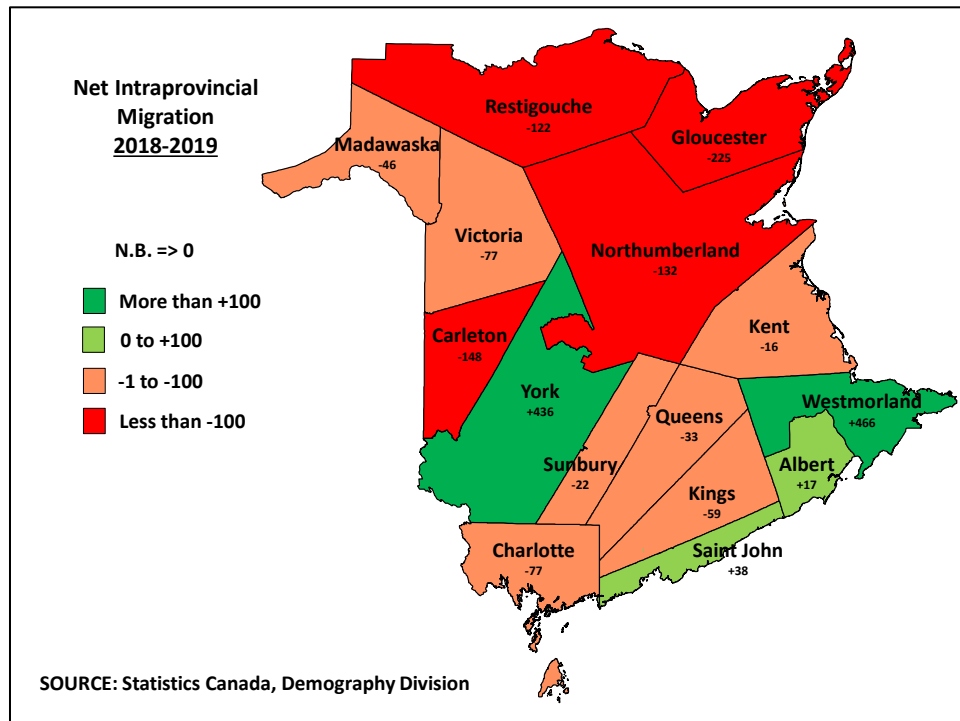


Maps of New Brunswick

Net Interprovincial Migration, N.B. Counties

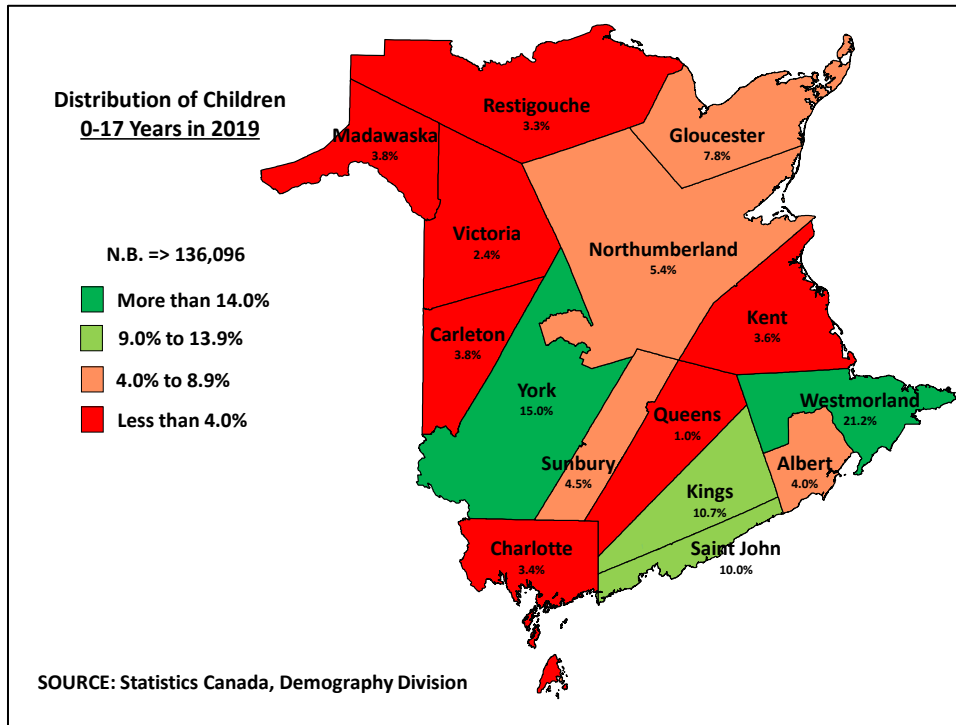


Net Intraprovincial Migration, N.B. Counties

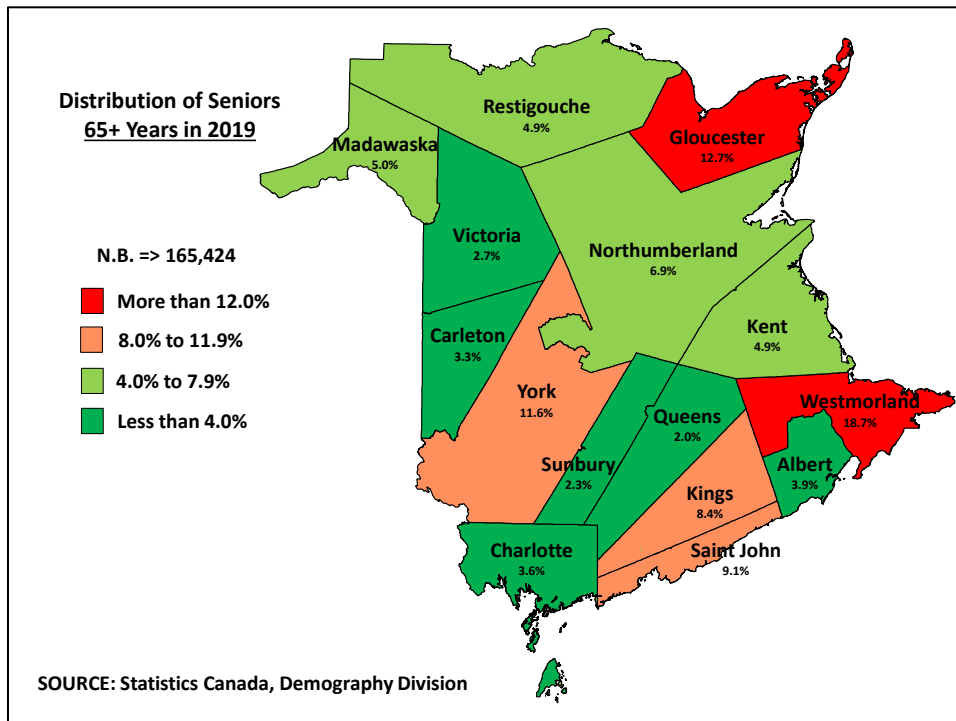


Maps of New Brunswick

Distribution of Children, N.B. Counties

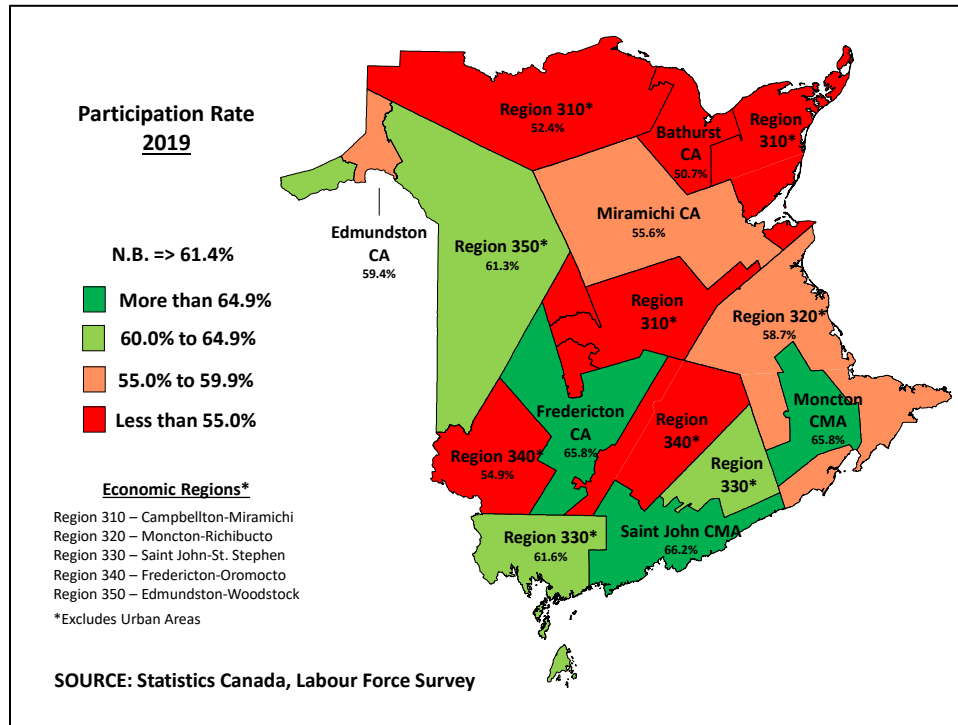


Distribution of Seniors, N.B. Counties

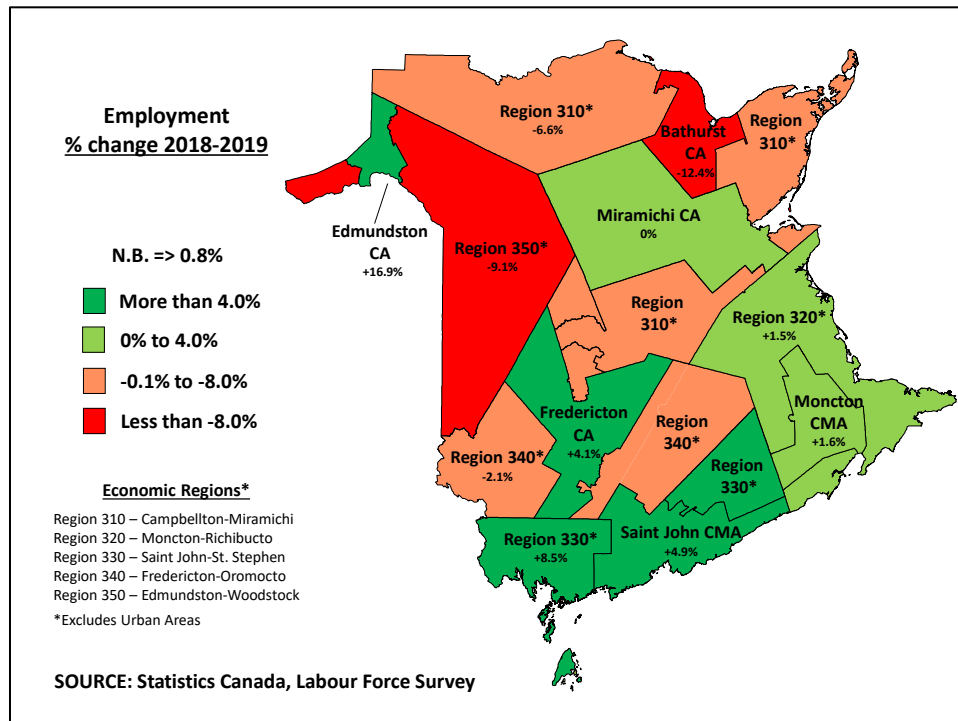


Maps of New Brunswick

Participation Rate, N.B. Economic Regions and Urban Areas

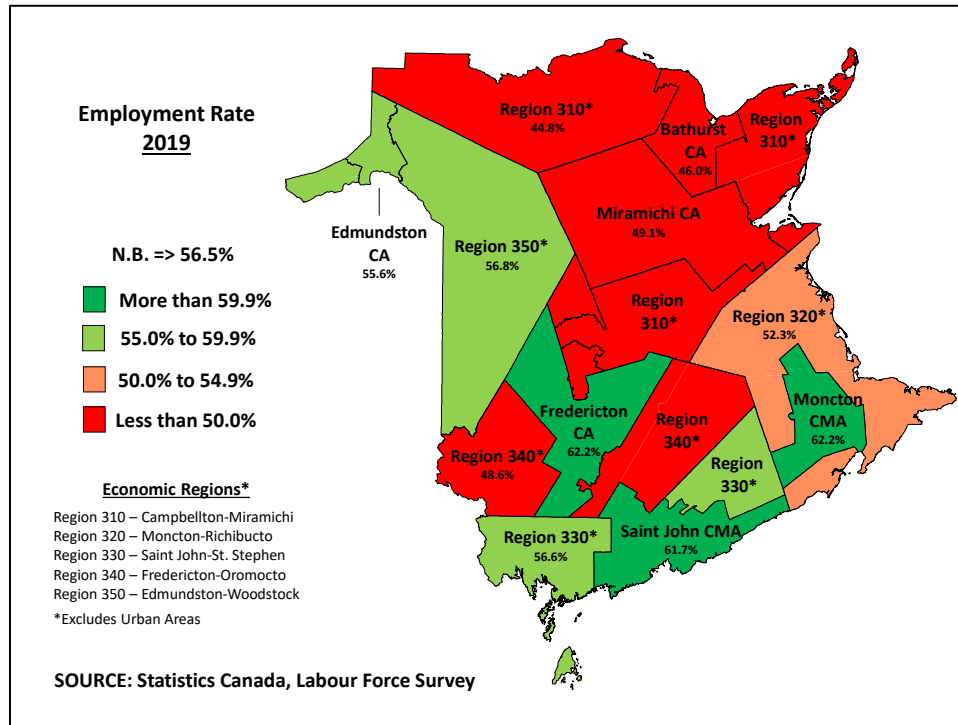


Employment, N.B. Economic Regions and Urban Areas



Maps of New Brunswick

Employment Rate, N.B. Economic Regions and Urban Areas



Unemployment Rate, N.B. Economic Regions and Urban Areas

