



# Labour Market Bulletin

## Nova Scotia

## December 2018



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Nova Scotia, including the regions of Annapolis Valley, Cape Breton, Southern, Halifax and North Shore.

### OVERVIEW

Employment grew by a modest 0.7% in Nova Scotia in the fourth quarter (Q4) of 2018, owing to increases in both part-time and full-time positions. Employment has been on an upward trend since Q1 2016 while the unemployment rate has been trending lower.

Nova Scotia's unemployment rate declined close to a full percentage point from the previous quarter (Q3). As a result, at 7.3%, this is the lowest unemployment rate on record for a quarter in the province. Canada's unemployment rate is also at a record low level this quarter.

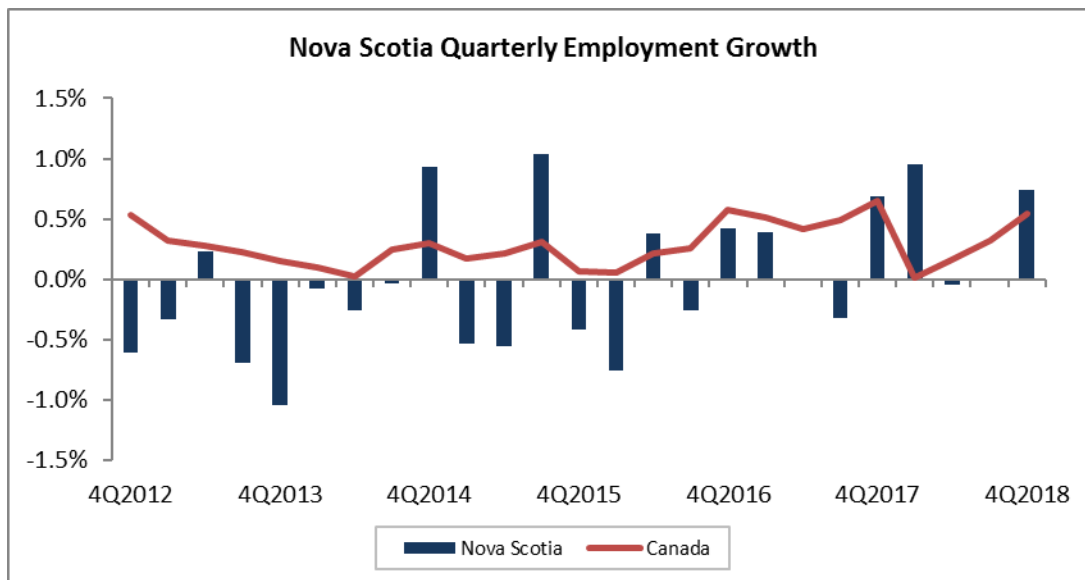
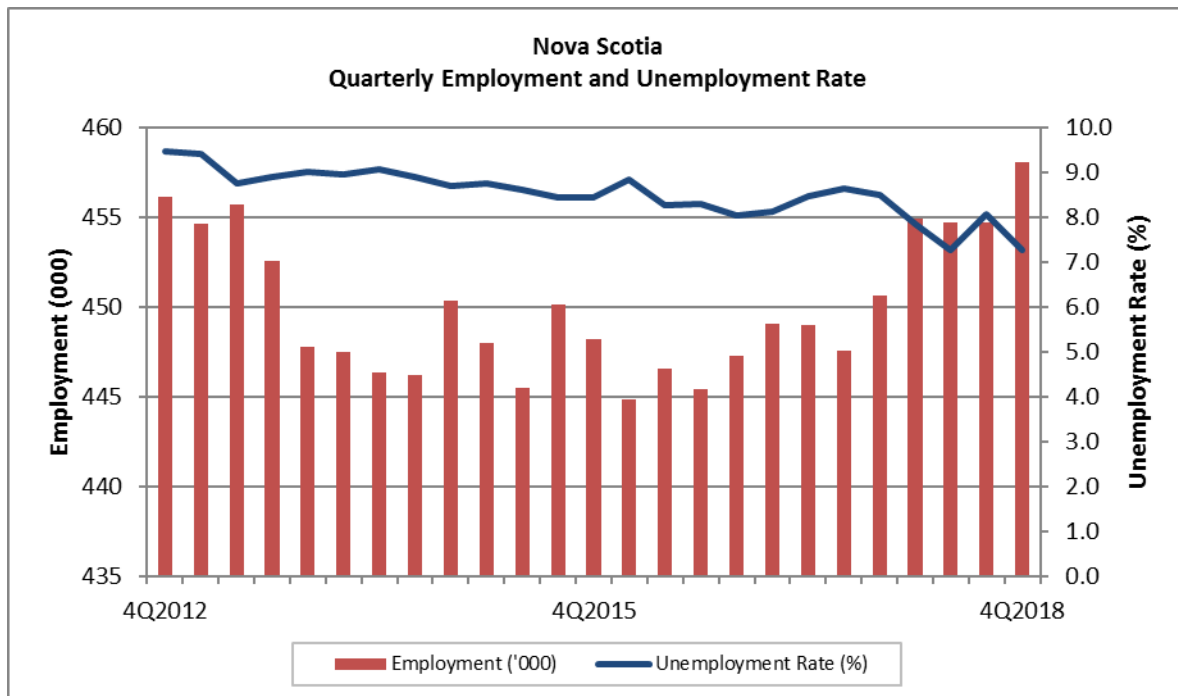
**Nova Scotia Quarterly Labour Force Statistics**

Seasonally Adjusted Quarterly Data	4th Quarter 2018	3rd Quarter 2018	4th Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	801.7	799.7	794.9	2.0	0.3	6.8	0.9
<b>Labour Force ('000)</b>	494.0	494.5	492.6	-0.5	-0.1	1.4	0.3
<b>Employment ('000)</b>	458.1	454.7	450.6	3.4	0.7	7.5	1.7
Full-Time ('000)	376.3	374.1	367.0	2.2	0.6	9.3	2.5
Part-Time ('000)	81.8	80.7	83.6	1.1	1.4	-1.8	-2.2
<b>Unemployment ('000)</b>	35.9	39.7	42.0	-3.8	-9.6	-6.1	-14.5
<b>Unemployment Rate (%)</b>	7.3	8.1	8.5	-0.8	-	-1.2	-
<b>Participation Rate (%)</b>	61.6	61.8	62.0	-0.2	-	-0.4	-
<b>Employment Rate (%)</b>	57.1	56.9	56.7	0.2	-	0.4	-

Note: Totals may not add due to rounding

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

Compared to the same quarter in 2017, there has been a noticeable improvement in Nova Scotia's labour market. There has been an employment gain of 7,500 positions, all full-time. The working age population and the labour force have also experienced modest increases. The unemployment rate has declined by more than a percentage point from 8.5% to 7.3%. The overall participation rate has declined slightly, disguising a separate pattern for older workers (participating less) and younger workers (participating more).



The largest employment gains over the past year have been for youth (aged 15 to 24 years old). The youth population fell slightly in the province but 5,600 more youth found work and most of these positions were full-time. The youth unemployment rate declined from 18.0% in the Q4 2017 to 14.7% in Q4 2018.

## Nova Scotia Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	4th Quarter	3rd Quarter	4th Quarter	Quarterly	Yearly
	2018 (%)	2018 (%)	2017 (%)	Variation (% points)	Variation (% points)
<b>Total</b>	7.3	8.1	8.5	-0.8	-1.2
<b>25 years and over</b>	6.0	6.7	7.0	-0.7	-1.0
Men - 25 years and over	7.2	8.4	8.4	-1.1	-1.2
Women - 25 years and over	4.7	4.8	5.4	-0.2	-0.7
<b>15 to 24 years</b>	14.7	16.0	18.0	-1.3	-3.4
Men - 15 to 24 years	18.3	18.4	22.4	-0.1	-4.0
Women - 15 to 24 years	10.8	13.5	13.6	-2.7	-2.9

Note: Totals may not add due to rounding

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

In the fourth quarter (Q4) of 2018, the total population aged 15+ in the Atlantic Provinces was around 2 million. The Indigenous population living off-reserve accounted for 3.5% of that, or 70,700 people. Employment among Indigenous people in the Atlantic Provinces was 41,200, representing an increase of 6,000 (+17.0%) from a year earlier (Q4 2017). The increase was mostly driven by full-time positions (+4,200 or +14.6%). Part-time positions also saw a moderate increase (+1,900 or +29.7%).

The unemployment rate among the Indigenous population was 12.3% in Q4 2018, representing a decrease of -3.9 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate was 7.7% (-1.2pp). Between Q4 2017 and Q4 2018, the participation rate of Indigenous people increased to 66.4% (+5.4pp) while among non-Indigenous population, it was 60.3% (-0.7pp). The employment rate of Indigenous people increased year-over-year to 58.2% (+7.1pp); for the non-Indigenous population, it increased to 55.7% (+0.1pp).

## Atlantic - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q4 2018	Q4 2017	number	%	Q4 2018	Q4 2017	number	%
<b>Population 15 + ('000)</b>	70.7	68.8	1.9	2.8%	1,928.3	1,921.1	7.2	0.4%
<b>Labour Force ('000)</b>	47.0	42.0	5.0	11.9%	1,163.7	1,172.7	-9.0	-0.8%
<b>Employment ('000)</b>	41.2	35.2	6.0	17.0%	1,074.0	1,068.1	5.9	0.6%
<b>Full-Time ('000)</b>	32.9	28.7	4.2	14.6%	894.7	889.4	5.3	0.6%
<b>Part-Time ('000)</b>	8.3	6.4	1.9	29.7%	179.2	178.7	0.5	0.3%
<b>Unemployment ('000)</b>	5.8	6.8	-1.0	-14.7%	89.8	104.6	-14.8	-14.1%
<b>Unemployment Rate (%)</b>	12.3	16.2	-3.9	-	7.7	8.9	-1.2	-
<b>Participation Rate (%)</b>	66.4	61.0	5.4	-	60.3	61.0	-0.7	-
<b>Employment Rate (%)</b>	58.2	51.1	7.1	-	55.7	55.6	0.1	-

Notes: The Labour Force Survey excludes those living on-reserve.

Estimates are based on three-month moving averages.

Totals may not add due to rounding.

Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.

Source: Statistics Canada Labour Force Survey - ESDC custom table.

## EMPLOYMENT BY INDUSTRY

While both the **Goods-producing** sector and **Services-producing** sector experienced employment gains over the past year, these gains were limited to only a few industries.

Among **Goods-producing** industries, the **Construction** industry recorded the largest employment gain with 2,100 positions added from the previous year. Even though a number of major projects across the province are wrapping up, indicators of residential and non-residential investment have been higher so far for 2018. Meanwhile, the Nova Scotia government has committed more than \$600 million in capital investments for roads, schools, health care facilities and technology.

The **Agriculture** industry experienced a smaller employment gain over this period. A number of farmers, including fruit and Christmas tree farmers, reported they expected crop losses in 2018 caused by late-spring frosts. This may have resulted in fewer people hired for the fall harvest than would have otherwise been the case. For some farm operators it is possible these impacts could extend to future seasons. On a positive note, the official opening of legal recreational cannabis stores in October may have resulted in some additional hiring in this industry. There are currently three producers licensed for cannabis cultivation in Nova Scotia.

There were less noticeable changes in employment among the other **Goods-producing** industries. A number of factors are affecting the **Forestry, fishing, mining, quarrying, oil and gas** industry, including the decommissioning of two of the province's natural gas fields. Production from the Sable Offshore Energy project ended as planned at the end of December. On a more positive note, exports of fish and seafood products were higher through most of 2018. In September, Clearwater secured the surf clam quota for the next two fishing seasons, ending some uncertainty. Exports of wood products were also higher through most of 2018. Exports from the Donkin coal mine exports have surpassed \$27 million this year but a roof collapse has suspended operations since mid-December.

Nova Scotia Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	4th Quarter	3rd Quarter	4th Quarter	Quarterly Variation		Yearly Variation	
	2018	2018	2017	Number	%	Number	%
<b>Total employed, all industries</b>	458.1	454.7	450.6	3.4	0.7	7.5	1.7
<b>Goods-producing sector</b>	82.7	80.9	81.1	1.8	2.3	1.6	2.0
Agriculture	5.4	5.3	4.9	0.1	2.5	0.5	10.2
Forestry, fishing, mining, quarrying, oil and gas	9.7	8.1	9.7	1.6	20.2	0.0	0.3
Utilities	3.2	3.7	4.0	-0.5	-14.3	-0.8	-20.0
Construction	33.2	32.4	31.1	0.8	2.5	2.1	6.6
Manufacturing	31.3	31.5	31.4	-0.3	-0.8	-0.2	-0.5
<b>Services-producing sector</b>	375.4	373.9	369.5	1.5	0.4	5.8	1.6
Trade	79.4	80.2	75.3	-0.9	-1.1	4.0	5.4
Transportation and warehousing	19.6	18.7	20.1	0.9	4.8	-0.5	-2.7
Finance, insurance, real estate and leasing	21.8	21.4	23.3	0.5	2.2	-1.5	-6.3
Professional, scientific and technical services	27.3	28.6	28.0	-1.3	-4.4	-0.7	-2.4
Business, building and other support services	17.6	18.4	18.1	-0.8	-4.2	-0.5	-2.9
Educational services	37.9	37.5	38.0	0.4	1.2	-0.1	-0.3
Health care and social assistance	69.4	66.8	70.3	2.6	3.9	-0.9	-1.3
Information, culture and recreation	19.1	18.8	17.2	0.3	1.4	1.9	11.3
Accommodation and food services	36.6	35.4	31.2	1.3	3.6	5.5	17.5
Other services	18.0	19.3	18.7	-1.2	-6.4	-0.6	-3.4
Public administration	28.6	28.9	29.4	-0.3	-1.2	-0.8	-2.7

Note: Totals may not add due to rounding

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

Employment in the **Manufacturing** industry has been steady, reflecting a boost in shipbuilding activity last year. In September, Irving Shipbuilding completed the first AOPS vessel and in November, it was announced that a

sixth AOPS vessel would be constructed, lessening some uncertainty about a possible gap in production. The Port Hawkesbury paper mill will also benefit from a July decision by the U.S. Department of Commerce to end tariffs imposed in 2015. Paper exports were higher for most of 2018. Meanwhile, counter tariffs imposed in July on U.S. steel and aluminum products may be weighing on growth in the metal products manufacturing.

Among the **Services-producing** industries, the **Accommodation and food services** and **Wholesale and retail trade** industries had the largest employment gains over the year. The **Accommodation and food services industry** registered employment gains of 5,500 from the same quarter in 2017, as the sector is benefitting from higher tourism visits to Nova Scotia in 2018, following a record year in 2017. Between January and October 2018, the province welcomed more than 2.1 million visitors. This was almost the number of tourists that came to the province in 2017; already an exceptional year boosted by Canada 150 celebrations. The number of room nights sold in licensed accommodations was also higher in 2018. The largest sales were in the Halifax area and the Yarmouth and Acadian Shores. The **Wholesale and retail trade** industry had employment gains of 4,000 from last year, reflecting continued growth in retail sales.

The **Health care and social assistance** industry experienced the largest year-over-year employment decline among service-producing industries. This is a large industry, employing 1 in 7 Nova Scotians. Budget pressures, shortages for some health professionals and a growing number of workers reaching retirement age, have limited employment growth in this industry. Employment also remains slightly lower in the **Education** services industry, despite the hiring of new staff to support the roll out of pre-primary programs. The number of workers in **Business, building and other support services** fell by 500 from a year earlier. In early December, a large call centre in Sydney closed but has since reopened.

## REGIONAL ANALYSIS

Among the five economic regions in Nova Scotia, only the **Halifax** and **Southern** regions experienced a rise in employment.

Labour market conditions in the **Cape Breton** region worsened to some extent from a year earlier. The region experienced a decline in the working-age population, labour force and employment. Employment declined by 1,900, led by a drop in part-time positions. This resulted in an increase in the region's unemployment rate to 16.2% in Q4 2018, from 13.7% in the final quarter of 2017. The **Health care and social assistance** and **Manufacturing** industries experienced the largest employment declines.

In the **North Shore**, employment declined by 3,100 from a year ago. The weakening labour market led to fewer job seekers in the region. With fewer persons looking for work, there was a sizeable drop in the region's unemployment rate from 8.5% to 5.6%. The **Wholesale and retail** industry experienced the largest employment decline in the region, followed by the **Manufacturing** industry.

Coming off a strong 2017, the **Annapolis Valley** experienced the greatest employment decline among all regions in the province. Like the **North Shore** region, the weakening labour market resulted in fewer job seekers and as a result, the unemployment rate declined from 7.3% to 6.2% from the previous year. Job losses appear to have been widespread among most service industries, with the largest drop in the **Health care and social assistance** industry. This was partly offset by a notable employment gain of 1,700 in **Manufacturing**.

The **Southern** region experienced a notable improvement in labour market conditions over the past year. Employment grew by 6,000 and the region also saw increases in its working-age population and labour force. The large increase in employment resulted in a substantial drop in the unemployment rate, which fell from 8.7%

to 6.3%. The **Manufacturing, Transportation and warehousing** and **Accommodation and food services** industries experienced the largest employment gains. Tourism was up the most in this region from last year.

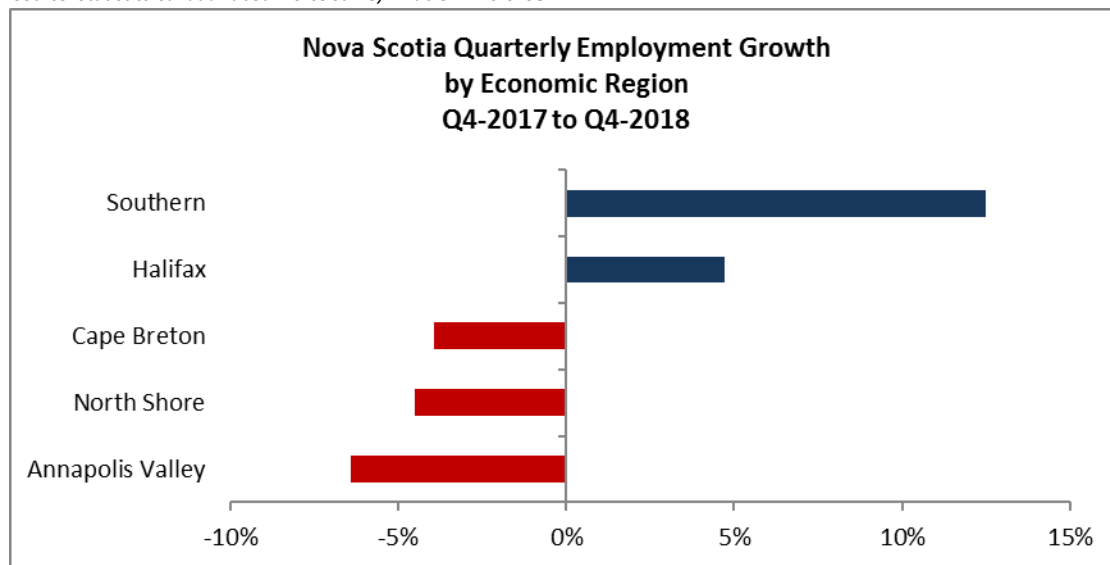
Labour market conditions in the **Halifax** region have also improved a great deal. After a sluggish 2017, the region experienced strong gains in employment, labour force and population. The unemployment rate declined by more than a full percentage point from 6.2% to 4.8%. More than a third of job gains in the region were in the **Wholesale and retail trade** industry. **Accommodation and food services, Health care and social assistance** and **Construction** industries also experienced sizeable employment gains.

Nova Scotia Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	4th Quarter 2018 ('000)	4th Quarter 2017 ('000)	Yearly Variation (%)	4th Quarter 2018 (%)	4th Quarter 2017 (%)	Yearly Variation (% points)
<b>Nova Scotia</b>	459.6	451.7	1.7	6.5	7.8	-1.3
<b>Economic Regions</b>						
Cape Breton	46.6	48.5	-3.9	16.2	13.7	2.5
North Shore	65.9	69.0	-4.5	5.6	8.5	-2.9
Annapolis Valley	55.6	59.4	-6.4	6.2	7.3	-1.1
Southern	54.0	48.0	12.5	6.3	8.7	-2.4
Halifax	237.5	226.8	4.7	4.8	6.2	-1.4

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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