



# Labour Market Bulletin

## Nova Scotia

2016



The Annual Edition of the Labour Market Bulletin is a look back over the past year, providing an analysis of annual Labour Force Survey results for the province of Nova Scotia, including the regions of Annapolis Valley, Cape Breton, Southern, Halifax and North Shore.

### OVERVIEW

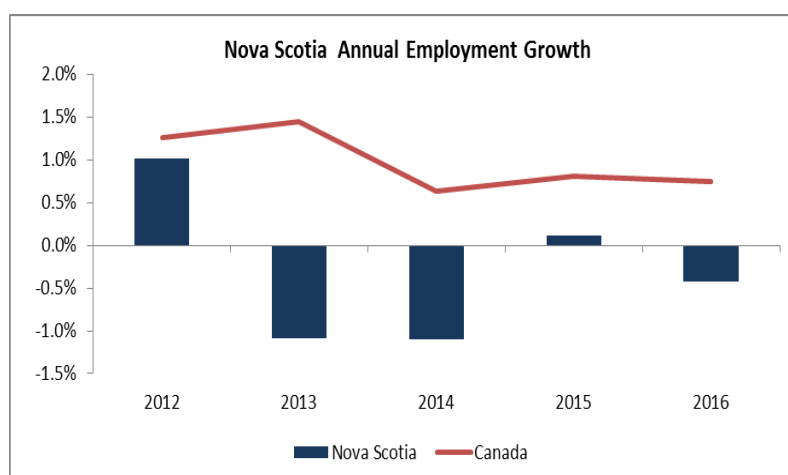
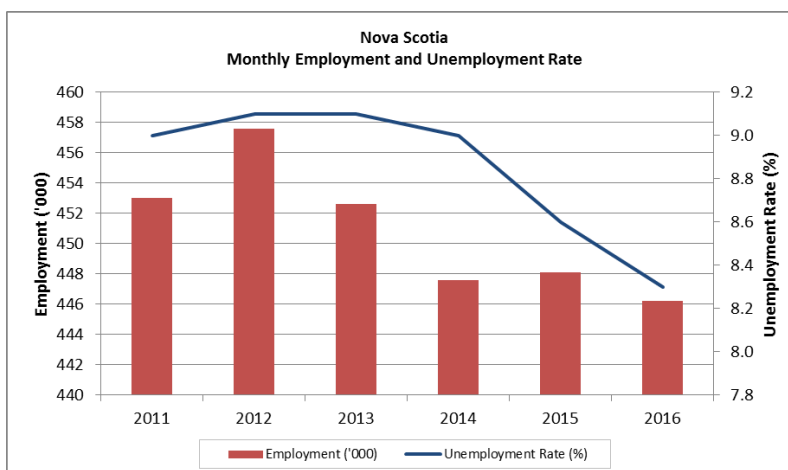
Nova Scotia's employment level decreased by 1,900 jobs (-0.4%) in 2016. The number of part-time jobs rose by 2,600, partially offsetting a loss of 4,500 full-time jobs. Despite the overall employment decline, the unemployment rate was lower at 8.3%, down from 8.6% in 2015. This was due to a sizeable drop in labour force participation (-3,600), that reduced the level of unemployment and resulted in fewer people looking for work in 2016.

The labour force decreased in 2016 for the fourth consecutive year. Since 2012, almost 17,000 people have left the province's labour force. The 2016 labour force participation rate of 61.7% was the lowest since the year 2000, the result of a labour force decline together with an increase in the working age population.

Nova Scotia Annual Labour Force Statistics							
Annual Labour Force Survey Estimates	2016	2015	2014	2015 to 2016		2014 to 2015	
				Number	%	Number	%
<b>Population 15+ ('000)</b>	788.7	785.5	783	3.2	0.4%	2.5	0.3%
<b>Labour force ('000)</b>	486.6	490.2	491.6	-3.6	-0.7%	-1.4	-0.3%
<b>Employment ('000)</b>	446.2	448.1	447.6	-1.9	-0.4%	0.5	0.1%
Full-time ('000)	363.7	368.2	363.7	-4.5	-1.2%	4.5	1.2%
Part-time ('000)	82.5	79.9	83.9	2.6	3.3%	-4	-4.8%
<b>Unemployment ('000)</b>	40.4	42	44	-1.6	-3.8%	-2	-4.5%
<b>Unemployment rate (%)</b>	8.3	8.6	9	-0.3	-	-0.4	-
<b>Participation rate (%)</b>	61.7	62.4	62.8	-0.7	-	-0.4	-
<b>Employment rate (%)</b>	56.6	57	57.2	-0.4	-	-0.2	-

Note: Totals may not add up due to rounding

Source: Statistics Canada Labour Force Survey - Cansim Table 282-0002



Both men and women experienced a loss of full-time employment in 2016, although the majority (76%) of these jobs were lost by males. Men and women both saw increases in part-time employment, but at levels too low to prevent the overall employment decline. In 2016, 76% of working women were employed full time and 24% were employed in part-time jobs. By comparison, 88% of working males were employed in full-time jobs and the remaining 12% were employed part time.

In 2016, the unemployment rate for males rose slightly to 10.2% from 10.1% in 2015, while the female unemployment rate fell to 6.4%, from 7.0% in 2015.

Nova Scotia Annual Unemployment Rates, by Gender and Age					
Annual Labour Force Survey Estimates	2016	2015	2014	2015 to 2016	2014 to 2015
	%	%	%	(% points)	(% points)
<b>Total</b>	8.3	8.6	9	-0.3	-0.4
<b>25 years and over</b>	7.2	7.4	7.4	-0.2	0
Men - 25 years and over	9	8.7	8.7	0.3	0
Women - 25 years and over	5.3	6	6.1	-0.7	-0.1
<b>15 to 24 years</b>	14.9	15.3	17.8	-0.4	-2.5
Men - 15 to 24 years	17.1	18.1	22	-1	-3.9
Women - 15 to 24 years	12.6	12.5	13.4	0.1	-0.9
<i>Note: Totals may not add due to rounding</i>					
<i>Source: Statistics Canada, Labour Force Survey - CANSIM Table 282-0002</i>					

Unemployment rates for youth, aged 15 to 24 years, are substantially higher than for those aged 25 and over in both genders. The unemployment rate for male youth decreased in 2016 by a full percentage point to 17.1% from 18.1% in 2015, while female youth experienced a slight increase in the unemployment rate from 12.5% in 2015 to 12.6% in 2016.

## EMPLOYMENT BY INDUSTRY

Eighty-two percent of the employed in Nova Scotia worked in the **Services-producing sector** during 2016. **Health care and social assistance** was the largest employing industry group in the province with 74,900 persons employed, followed by **Retail and Wholesale Trade** with 71,900 positions. Together, these two industry groups represented 33% of employment in Nova Scotia in 2016. Employment in the **Services-producing sector** has grown by 0.3% on average, per year, since 2006 when it accounted for 81.8% of all jobs in the province. The **Goods-producing sector** accounted for 19.4% of Nova Scotia's total employment in 2006, but the sector's employment level has diminished since then, and in 2016 the sector accounted for 18.2% of all jobs in the province.

Employment in the **Goods-producing sector** in 2016 was down by 1,900 fewer jobs than the sector supported in 2015. The decrease was due mostly to job losses in the **Primary industries of Agriculture and Forestry, fishing, mining, quarrying, oil and gas** and in **Construction**. **Construction** employment rose at an annual rate of 2.9% between the years 2000 and 2013, but more recently has registered employment declines in each of the last three years. Nova Scotia's **Manufacturing** industry saw a slight employment increase in 2016, following four consecutive years of declines. Employment in this industry group has been following a downward trend since reaching a peak in 2003, when employment in that year exceeded the 2016 level by over 14,000 jobs. **Agriculture and Forestry, fishing, mining, quarrying, oil and gas** registered lower employment levels in 2016 than in 2015. These primary industry groups have also experienced a downward employment trend in Nova Scotia, but since the early 1990s, however.

Natural gas production is currently a concern for the provincial outlook as the output from the Sable Island energy project continues to decline and nears its end state. Decommissioning of the five fields is expected during 2017. In addition, the Deep Panuke offshore gas field will just supply the regional market, and during the winter months only. Dwindling natural gas production is weighing on the province's economic growth and the aging population continues to restrict labour supply as well as residential construction. Arctic patrol shipbuilding continues in Halifax while foreign demand is also benefiting the manufacturing sector, currently

fuelling greater demand for tires from south of the border. After a difficult five years for labour markets, job creation improved in the last quarter of 2016.

Employment in the **Services-producing sector** was broadly unchanged in 2016. Job gains, however, did occur in **Health care and social services** and in the **Other services (except public administration)** subsector. The fastest growing industry group in the **Services-producing sector** has been **Professional, scientific and technical services**. This industry group has been creating jobs in Nova Scotia at a rate of 4.2% annually since the year 2006. Before the downturn of 2008-2009, **Business, building and other support services** displayed the highest annual average employment growth rate. Following the downturn, however, employment in that subsector has been dwindling and 2,800 jobs were lost in 2016.

Nova Scotia Annual Labour Force Statistics, by Industry							
Employment ('000)	2016	2015	2014	2015 to 2016		2014 to 2015	
				Number	%	Number	%
<b>Total, all industries</b>	<b>446.2</b>	<b>448.1</b>	<b>447.6</b>	<b>-1.9</b>	<b>-0.4%</b>	<b>0.5</b>	<b>0.1%</b>
<b>Goods-producing sector</b>	<b>81.2</b>	<b>83.1</b>	<b>84</b>	<b>-1.9</b>	<b>-2.3%</b>	<b>-0.9</b>	<b>-1.1%</b>
Agriculture	4.5	5.4	5.2	-0.9	-16.7%	0.2	3.8%
Forestry, fishing, mining, quarrying, oil and gas	11.3	11.8	11.2	-0.5	-4.2%	0.6	5.4%
Utilities	3.3	3.7	3.8	-0.4	-10.8%	-0.1	-2.6%
Construction	32.9	33.6	34	-0.7	-2.1%	-0.4	-1.2%
Manufacturing	29.1	28.7	29.9	0.4	1.4%	-1.2	-4.0%
<b>Services-producing sector</b>	<b>365</b>	<b>365.1</b>	<b>363.6</b>	<b>-0.1</b>	<b>0.0%</b>	<b>1.5</b>	<b>0.4%</b>
Trade	71.9	71.8	73.9	0.1	0.1%	-2.1	-2.8%
Transportation and warehousing	20.3	20.5	20.9	-0.2	-1.0%	-0.4	-1.9%
Finance, insurance, real estate and leasing	23.6	23.4	22.2	0.2	0.9%	1.2	5.4%
Professional, scientific and technical services	27.5	27.8	26.1	-0.3	-1.1%	1.7	6.5%
Business, building and other support services	17.5	20.3	19.7	-2.8	-13.8%	0.6	3.0%
Educational services	36.7	36.4	35.4	0.3	0.8%	1	2.8%
Health care and social assistance	74.9	72.4	69.2	2.5	3.5%	3.2	4.6%
Information, culture and recreation	16.2	17.5	19.2	-1.3	-7.4%	-1.7	-8.9%
Accommodation and food services	29.5	30.9	32.1	-1.4	-4.5%	-1.2	-3.7%
Other services	19.4	17.1	18.3	2.3	13.5%	-1.2	-6.6%
Public administration	27.6	27	26.7	0.6	2.2%	0.3	1.1%

Note: Totals may not add due to rounding

Source: Statistics Canada, Labour Force Survey - CanSim Table 282-0008

## REGIONAL ANALYSIS

With the exception of Halifax and the Annapolis Valley, both employment and the labour force declined in every economic region in 2016. Halifax is the only region in the province that has successfully recovered all job losses from the 2008-2009 economic downturn. Employment levels have fallen substantially in Cape Breton and Southern Nova Scotia and to a lesser degree in Northern Nova Scotia and in the Annapolis Valley region since 2008.

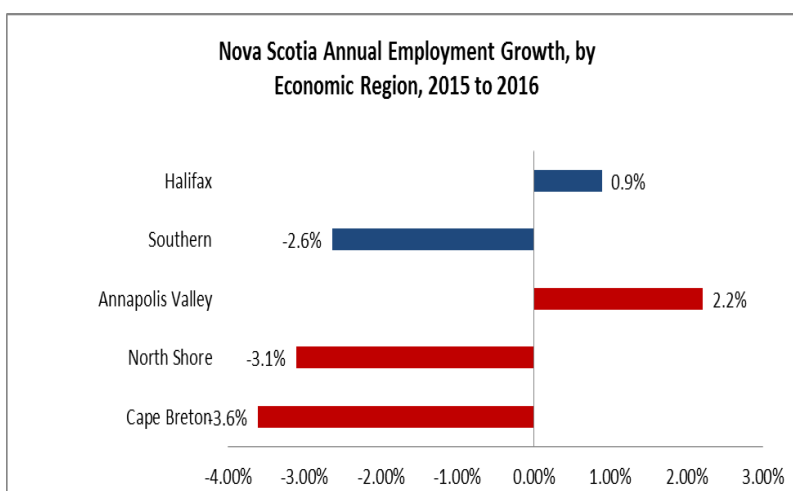
Nova Scotia Annual Labour Force Statistics, by Economic Region							
Employment ('000)	2016	2015	2014	2015 to 2016		2014 to 2015	
				Number	%	Number	%
Nova Scotia	446.2	448.1	447.6	-1.9	-0.4%	0.5	0.1%
Cape Breton	48	49.8	50.9	-1.8	-3.6%	-1.1	-2.2%
North Shore	68.6	70.8	67.3	-2.2	-3.1%	3.5	5.2%
Annapolis Valley	55.4	54.2	56.2	1.2	2.2%	-2	-3.6%
Southern	48	49.3	49.9	-1.3	-2.6%	-0.6	-1.2%
Halifax	226.1	224.1	223.3	2	0.9%	0.8	0.4%
Note: Totals may not add due to rounding							
Source: Statistics Canada, Labour Force Survey - CANSIM Table 282-0123							

A decrease in both full and part-time employment resulted in a net loss of 1,800 jobs during 2016 in the **Cape Breton** economic region. Despite the decline in employment the unemployment rate fell to 14.7%, from 15.0% in 2015, thanks to a sharp decline in the labour force, as people stopped searching for work. The local labour market has not yet recovered from the 2008-2009 recession, and employment is still 8,300 below its 2008 level. The Service sector's employment level was unchanged in 2016. The **Goods-producing sector** saw its overall employment level contract by 1,800 in 2016. **Construction** and **Utilities** registered the sharpest declines.

Employment in the **North Shore** Economic Region experienced a decrease in 2016 of 2,200 full-time jobs. A large decline in the size of the labour force resulted in fewer people unemployed and a decline in the unemployment rate to 8.9%, down from 9.2% in 2015. Employment increased in the **Goods-producing sector** in 2016, due to job gains in **Agriculture** and **Construction**. Employment in the **Manufacturing** subsector declined however. The **Services-producing sector** registered an overall employment decline of 2,700 due to substantial job losses in **Wholesale and retail trade** and **Business, building and other support services**.

The **Annapolis Valley** region registered a 2.2% increase in employment over the past year. The jobs gains were mostly part-time (86%). The size of the labour force also rose in 2016 but by less than the employment increase. This reduced the number of unemployed and lowered the unemployment rate to 8.0% from 8.4% in 2015. Despite healthy job gains in **Manufacturing**, job losses in both **Agriculture** and **Construction** helped drive an overall employment decline in the **Goods-producing sector**. The **Services-producing sector** saw its employment level rise in 2016 because of considerable job gains in **Wholesale and retail trade**. The 2016 employment expansion in the **Trade** subsector follows four consecutive years of employment declines.

The overall employment level in **Southern Nova Scotia** fell for the eighth consecutive year in 2016, with last year's losses split almost evenly between full-time and part-time jobs. The region has also been supporting fewer full-time jobs each year since 2008, with the exception of a minimal gain in 2011. The number of unemployed workers decreased in 2016 because of a labour force contraction. Fewer job seekers in 2016 resulted in a slight drop in the unemployment rate to 10.9% from 11% in 2015. Southern Nova Scotia's **Goods-producing sector** accounts for a greater share of overall employment (29% in 2016) than is seen in any other region of the province. A decline in employment in the **Manufacturing** industry accounted for an overall decrease in employment in the **Goods-producing sector** in the region. The **Services-producing sector** also suffered an employment decrease in 2016 as a result of job losses in both **Wholesale and retail trade** and the **Accommodation and food** industry groups.



The employment level in **Halifax** has risen in each year since 2005. Job gains in 2016 were driven entirely by new part-time positions. The unemployment rate decreased from 6.3% in 2015 to 6.1% in 2016 because of the employment increase. While other economic regions of the province have been experiencing labour force declines, Halifax's labour force, like its employment level, has increased in every year since 2005. The **Goods-producing sector** saw its level of employment rise in 2016 from job gains in **Construction** and the natural resource industries of **Forestry, Fishing, Mining, Oil and Gas**. Employment in the **Services-producing sector** was up by 1,700. **Health care and social assistance**, and **Educational Services** both recorded healthy service-sector employment gains in 2016. **Information, culture and recreation** employment, however, was down for the year by 1,800 jobs.

**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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