



# Labour Market Bulletin

Nova Scotia

September 2017



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

In the third quarter of 2017, capturing the months of July through September, employment in Nova Scotia was lower than in the previous quarter. The reduction in employment resulted from a loss of 5,100 full-time jobs, which was partly offset by a gain in part-time jobs. The weaker employment conditions led to a withdrawal of labour force participants and rise in unemployment. The rate of unemployment increased from 8.3% to 8.6% on a quarter-over-quarter basis, where it now stands at its highest point since the first quarter of 2016.

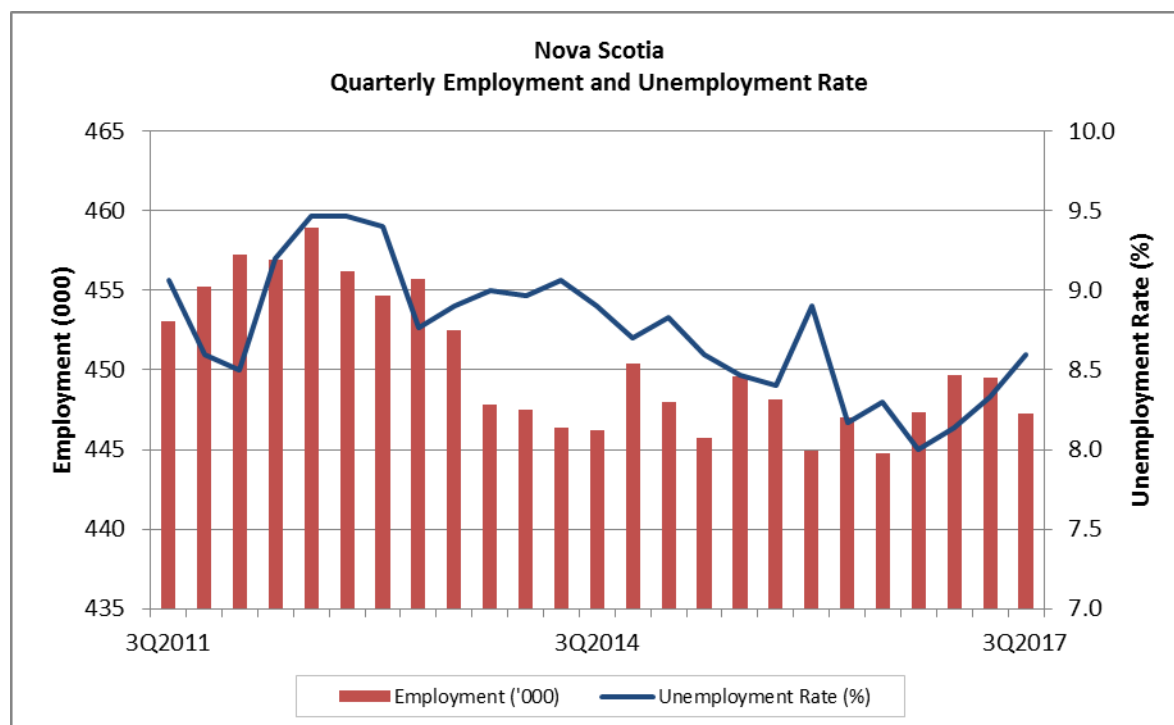
Nova Scotia Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	3rd Quarter 2017	2nd Quarter 2017	3rd Quarter 2016	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	793.1	791.6	789.2	1.5	0.2	3.9	0.5
<b>Labour Force ('000)</b>	489.2	490.4	485.0	-1.2	-0.2	4.2	0.9
<b>Employment ('000)</b>	447.2	449.5	444.8	-2.3	-0.5	2.4	0.5
Full-Time ('000)	360.8	365.9	362.7	-5.1	-1.4	-1.9	-0.5
Part-Time ('000)	86.4	83.7	82.1	2.7	3.2	4.3	5.2
<b>Unemployment ('000)</b>	42.0	40.9	40.2	1.1	2.7	1.8	4.5
<b>Unemployment Rate (%)</b>	8.6	8.3	8.3	0.3	-	0.3	-
<b>Participation Rate (%)</b>	61.7	61.9	61.5	-0.2	-	0.2	-
<b>Employment Rate (%)</b>	56.4	56.8	56.4	-0.4	-	0.0	-

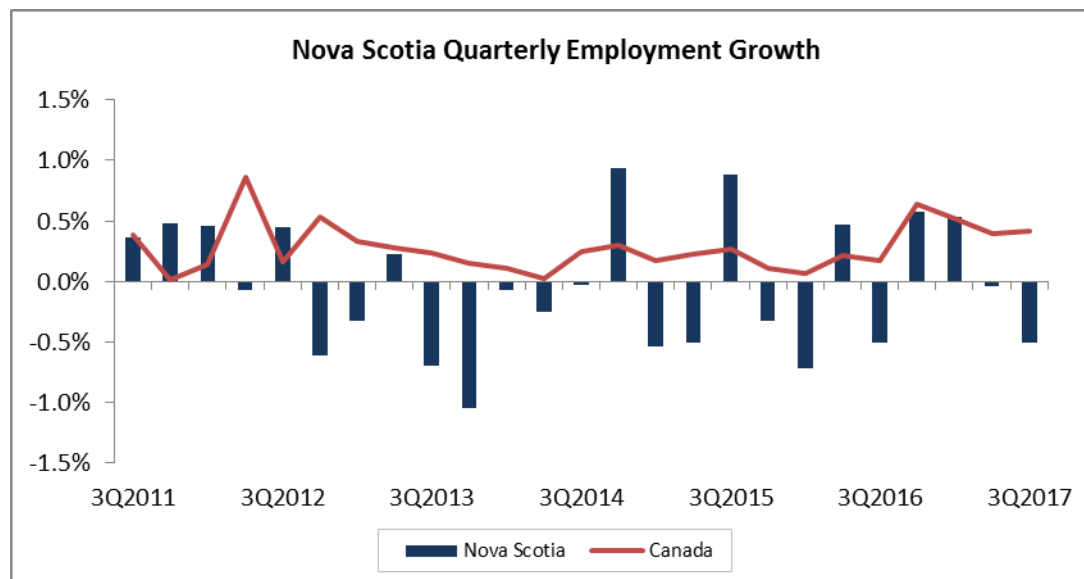
Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

A year-over-year comparison shows modest improvements in the provincial labour market, though largely in the Annapolis Valley economic region. Employment expanded by 0.5% on a year-over-year basis, which was well below the national average rate of job growth (2.0%). The labour force also increased over the year, rebounding from a recent historical low. It was supported by continued growth in the working-age population. With increased numbers of jobseekers, the unemployment rate moved higher, going from 8.3% in the third quarter of 2016 to 8.6% in the third quarter of 2017.



Since early 2014, employment has been following a pattern of gains and losses, essentially canceling each other out. This differs from the national trend over this time period, where positive employment growth has been occurring consistently. The rise in the unemployment rate for Nova Scotia in recent quarters, after a multi-year period of general declines, comes despite the employment rebound in 2017. Stronger population numbers, tied to increased immigration and slower out-migration to western Canada, may have been a bigger factor contributing to the additional jobseekers during 2017.



The number of employed males has seen no change since the third quarter of 2016, meaning females accounted for the entirety of the employment gain over the past four quarters. Similarly, more females also entered the

labour force than males. These gender patterns are often influenced by different employment trends across industries, whereby females and males are more apt to be employed.

The employment gain over the past year largely occurred among persons aged 55 and over, whereas youth (ages 15-24) saw no job growth during this period. Additional youth labour force participants did however cause a sharp rise in their unemployment rate, reaching its highest value in three years in the latest quarter.

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

Seasonally Adjusted Data	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly	Yearly
	2017 (%)	2017 (%)	2016 (%)	Variation (% points)	Variation (% points)
<b>Total</b>	8.6	8.3	8.3	0.3	0.3
<b>25 years and over</b>	7.0	7.1	7.3	0.0	-0.3
Men - 25 years and over	9.2	8.9	9.4	0.3	-0.2
Women - 25 years and over	4.7	5.2	5.2	-0.5	-0.5
<b>15 to 24 years</b>	18.1	16.0	14.3	2.1	3.8
Men - 15 to 24 years	22.0	18.4	18.9	3.6	3.1
Women - 15 to 24 years	13.8	13.4	9.5	0.4	4.3

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

In the third quarter (Q3) of 2017, the total population aged 15+ in the Atlantic Provinces was around 2 million. The Indigenous population living off-reserve accounted for 3.4% of that, or 68,400 people. Employment among Indigenous people in the Atlantic provinces was 38,500, representing an increase of 1,700 (+4.6%) from a year earlier (Q3 2016). The increase was primarily driven by full-time positions (+1,500 or +4.9%). Part-time positions also saw an increase over the same time period (+100 or +1.7%).

**Atlantic - Labour Market Indicators for Indigenous People**

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q3 2017	Q3 2016	number	%	Q3 2017	Q3 2016	number	%
<b>Population 15 + ('000)</b>	68.4	66.8	1.6	2.4%	1,919.5	1,912.8	6.7	0.4%
<b>Labour Force ('000)</b>	44.5	43.9	0.6	1.4%	1,194.4	1,209.1	-14.7	-1.2%
<b>Employment ('000)</b>	38.5	36.8	1.7	4.6%	1,090.2	1,104.3	-14.1	-1.3%
<b>Full-Time ('000)</b>	32.3	30.8	1.5	4.9%	928.9	934.5	-5.6	-0.6%
<b>Part-Time ('000)</b>	6.1	6.0	0.1	1.7%	161.3	169.8	-8.5	-5.0%
<b>Unemployment ('000)</b>	6.1	7.1	-1.0	-14.1%	104.2	104.8	-0.6	-0.6%
<b>Unemployment Rate (%)</b>	13.6	16.2	-2.6	-	8.7	8.7	0.0	-
<b>Participation Rate (%)</b>	65.1	65.7	-0.6	-	62.2	63.2	-1.0	-
<b>Employment Rate (%)</b>	56.2	55.1	1.1	-	56.8	57.7	-0.9	-

**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.

The unemployment rate among the Indigenous population was 13.6% in Q3 2017, representing a decrease of -2.6 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate remained the same as this time last year at 8.7%. Between Q3 2016 and Q3 2017, the participation rate of Indigenous people stood at 65.1% (-0.6pp) while among non-Indigenous population, it was 62.2% (-1.0pp). The

employment rate of Indigenous people increased year-over-year to 56.2% (+1.1pp); for the non-Indigenous population, it was 56.8% (-0.9pp).

## EMPLOYMENT BY INDUSTRY

The employment losses in the latest quarter were largely concentrated in the **Services-producing sector**, although a slight dip also occurred in the **Goods-producing sector**. The recent surge in employment in **Wholesale and retail trade**, expanding five consecutive quarters, came to an end in the third quarter of 2017, after posting a slight loss of 400 jobs. This industry group, however, has still added more jobs than any other in the province over the past year. The largest employment losses in the latest quarter occurred in **Healthcare and social assistance** and **Accommodation and food services**.

The **Construction** industry continues to see weakening employment. Compared to two years ago, the industry has shed almost 4,000 jobs and employment in the latest quarter stands at an eight-year low. Winding down of large major projects and a weak housing market throughout much of the province may be partly influencing the downward trend in employment in Construction.

Employment in **Manufacturing** remains a bright spot, seeing growth of 3,300 jobs since the third quarter of 2016. The province has seen stronger shipments of woods products, tires and seafood during 2017. **Public administration** has also seen a rebound in employment over the past year. **Information, culture and recreation**, after falling to a multi-year low in the first quarter of 2017, has demonstrated a rebound in the past two quarters, where employment now stands roughly equivalent to its value a year ago.

Nova Scotia Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	3rd Quarter 2017	2nd Quarter 2017	3rd Quarter 2016	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	447.2	449.5	444.8	-2.3	-0.5	2.5	0.6
<b>Goods-producing sector</b>	81.3	81.4	79.7	-0.1	-0.2	1.6	2.0
Agriculture	4.7	4.8	4.8	0.0	-0.7	-0.1	-2.1
Forestry, fishing, mining, quarrying, oil and gas	10.2	9.8	10.6	0.4	4.4	-0.4	-4.1
Utilities	3.9	3.9	3.4	0.1	1.7	0.5	14.6
Construction	30.6	31.5	32.3	-0.9	-2.9	-1.7	-5.4
Manufacturing	31.8	31.6	28.5	0.2	0.6	3.3	11.7
<b>Services-producing sector</b>	365.9	368.0	365.1	-2.1	-0.6	0.8	0.2
Trade	76.3	76.7	72.2	-0.5	-0.6	4.1	5.6
Transportation and warehousing	19.3	19.3	20.3	0.0	0.0	-1.0	-4.8
Finance, insurance, real estate and leasing	22.6	22.6	24.1	0.0	0.0	-1.4	-6.0
Professional, scientific and technical services	28.0	28.3	27.8	-0.3	-1.2	0.2	0.8
Business, building and other support services	18.3	18.5	17.2	-0.2	-0.9	1.1	6.4
Educational services	37.0	35.0	36.2	2.0	5.7	0.8	2.1
Health care and social assistance	71.0	72.6	75.8	-1.6	-2.2	-4.8	-6.3
Information, culture and recreation	16.5	15.6	16.4	0.9	5.8	0.1	0.4
Accommodation and food services	28.9	30.6	28.2	-1.7	-5.7	0.7	2.5
Other services	18.6	18.9	19.4	-0.4	-1.9	-0.8	-4.3
Public administration	29.4	29.9	27.6	-0.5	-1.8	1.8	6.5

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

## REGIONAL ANALYSIS

Of the five economic regions in Nova Scotia, only the Annapolis Valley and the Southern region experienced increases in employment in the third quarter of 2017, compared to the same quarter a year ago. The other three regions saw employment reductions during this period, especially in Cape Breton and Halifax.

The **Cape Breton** economic region saw its employment base shrink by 2,500 over the past year, with losses evenly spread across full-time and part-time positions. While most areas of the Goods-producing sector managed to add jobs – a rarely seen event in recent years – the Services-producing sector saw an 11% drop in employment over the same period. The Service-sector losses were concentrated in tourism-related industries (Information, culture and recreation and Accommodation and food services) in addition to Wholesale and retail trade. The region also saw its labour force and population decline on a year-over-year basis. Despite these changes, the weaker hiring conditions caused the unemployment rate to rise nearly a full percentage point.

Nova Scotia Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	3rd Quarter 2017 ('000)	3rd Quarter 2016 ('000)	Yearly Variation (%)	3rd Quarter 2017 (%)	3rd Quarter 2016 (%)	Yearly Variation (% points)
<b>Nova Scotia</b>	457.1	455.3	0.4	8.2	7.9	0.3
<b>Economic Regions</b>						
Cape Breton	48.2	50.7	-4.9	13.8	12.9	0.9
North Shore	70.2	70.3	-0.1	8.6	8.6	0.0
Annapolis Valley	63.6	57.2	11.2	6.6	6.8	-0.2
Southern	48.1	47.3	1.7	9.4	13.0	-3.6
Halifax	227.0	229.7	-1.2	7.0	5.6	1.4

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122

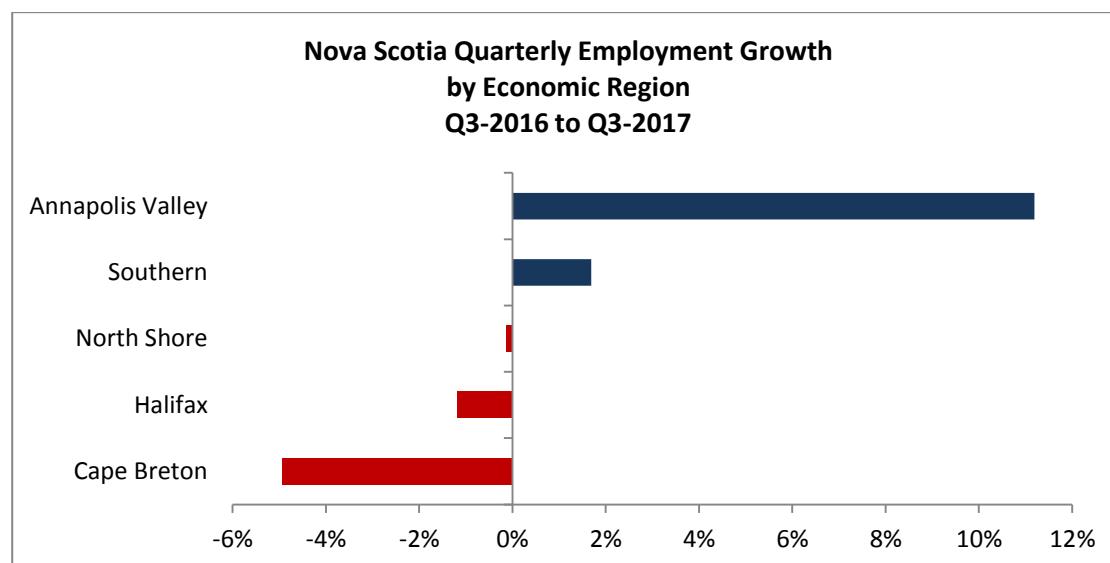
In the **North Shore** region, losses in full-time employment roughly offset gains in part-time positions over the past year. With little change occurring in the size of the labour force, as well as employment, the unemployment rate held steady during this period, at 8.6%. Since the third quarter of 2016, employment has expanded across a handful of industries including Accommodation and food services, Wholesale and retail trade, and Business, building and other support services (which includes call centres). These gains were offset by a fairly large (-15%) drop in employment in Healthcare and social assistance, in addition to smaller losses occurring in other areas including the Natural resource sector.

The **Annapolis Valley** economic region has seen fairly rapid employment growth over the past year, expanding at a rate of 11%. Equally as impressive is the fact that almost all of the job gains were in full-time positions, while part-time positions also moved higher. The strong hiring conditions provided incentive for individuals to enter the labour force in search of work. As such, the participation rate, at 66.2% in the third quarter of 2017, has seen a large increase over the past year, and now rests just one percentage point below the rate for Halifax. During this time, both the Goods-producing sector (+10%) and the Services-producing sector (+11%) experienced employment gains. Most industries saw their employment base expand, with just two exceptions: Manufacturing and Accommodations and food services. Notable increases in employment occurred in Construction, Public Administration, Agriculture and Educational services.

The **Southern** economic region was the second of two regions in the province to record employment growth over the past year. However, the growth was fairly modest at a rate of 1.7%, and the employment gains were limited to part-time positions. Alongside a reduction in the number of labour force participants, the job gains helped lower the unemployment rate by 3.6 percentage points. Since the third quarter of 2016, the region has seen its Goods-producing sector add 800 jobs, with the gains concentrated in Natural resource industries and Manufacturing. The Southern region has benefitted from increased production and exports of key commodities including processed seafood, tires and wood products. The Services-producing sector, on the other hand, saw little overall change in employment on a year-over-year basis.

Employment has been weaker in the **Halifax** economic region in 2017. If this trend continues through the remainder of the year, the region will record its first annual loss of jobs since 2005. The job losses over the past year have been in full-time positions, while part-time positions expanded (to a lesser extent) helping to offset

the impact. The region has been seeing stronger growth in population, however, it has not been directly resulting in labour force growth. For instance, the number of persons aged 15 and over grew by 5,400 from the third quarter of 2016 to the same quarter of 2017, and yet the labour force only increased by 1,000. During this period, the rate of unemployment rose from 5.6% to 7.0%. As a result, Halifax no longer has the lowest unemployment rate in the province, which is now a position held by the Annapolis Valley region, accredited to its strong job growth over the past year.



**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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**For further information,** please contact the LMI team at:

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