



Labour Market Bulletin

Nova Scotia

January 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

In January 2018 the level of employment fell from the previous month though there was an increase in full-time employment. Part-time employment, however, experienced a large decline which nullified the full-time gains. There was also a small increase in the labour force. The net effect was a jump in the level of unemployment (+900) and the unemployment rate rose by 0.2 percentage points to 8.2%. From a positive perspective, the rate of labour force participation remained strong.

Nova Scotia Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Jan 2018	Dec 2017	Jan 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	795.8	795.3	790.3	0.5	0.1	5.5	0.7
Labour Force ('000)	494.0	493.8	489.6	0.2	0.0	4.4	0.9
Employment ('000)	453.5	454.2	451.5	-0.7	-0.2	2.0	0.4
Full-Time ('000)	370.6	369.3	363.3	1.3	0.4	7.3	2.0
Part-Time ('000)	82.8	84.9	88.3	-2.1	-2.5	-5.5	-6.2
Unemployment ('000)	40.5	39.6	38.1	0.9	2.3	2.4	6.3
Unemployment Rate (%)	8.2	8.0	7.8	0.2	-	0.4	-
Participation Rate (%)	62.1	62.1	62.0	0.0	-	0.1	-
Employment Rate (%)	57.0	57.1	57.1	-0.1	-	-0.1	-

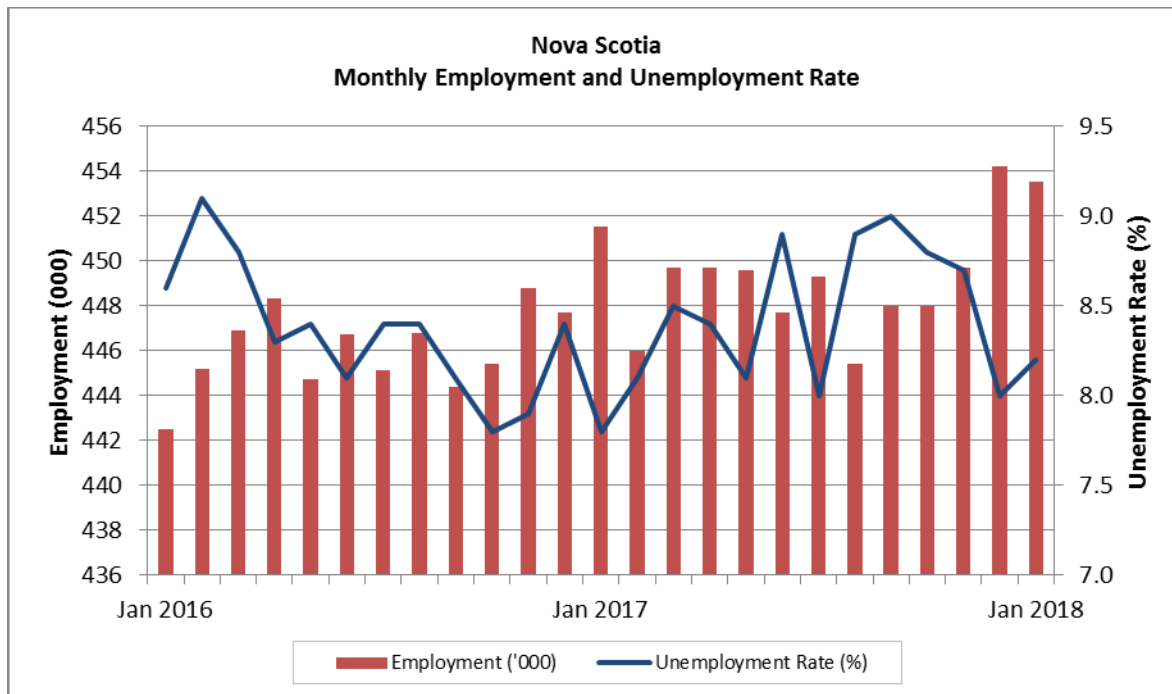
Note: Totals may not add due to rounding

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

On an annual basis, full-time employment grew by 7,300 between January 2017 and 2018. There was a large drop in part-time employment, but overall employment rose by 2,000 during the year. The labour force increased by more than employment, so the end result was an increase in the unemployment level.

Employment has risen in Nova Scotia over the past few months, peaking in December 2017. On a monthly basis the unemployment rate typically moves in the opposite direction from employment, as would be expected. The

unemployment rate remained mostly in a band between eight and nine percent over the past three years. It only rose above nine percent twice and fell below eight percent four times.



The growth in Nova Scotia's labour force between December 2017 and January 2018 was the result of more youth (15 to 24 years of age) entering the labour market. Whereas, fewer adults aged 25 years and older limited the growth in the labour force. Full-time employment for both youth and adult workers rose but there was still an overall employment reduction after including falling part-time employment for people 25 years and older. The stronger hiring conditions helped pull young people out of unemployment but there were a larger number of young people entering the labour force, so youth unemployment went up overall during the month. The small decline in the number of unemployed people who were at least 25 years old could not overcome the rise in youth unemployment.

There were fewer persons aged 55 and older employed in January 2018 compared to the previous month. However, the level of unemployment remained the same as an equivalent number of individuals exited the labour force. Most of the employment reduction in this age group was from part-time employment. In an aging labour market which needs older workers, the labour force participation rate for this group fell by 0.5 percentage points to 34.5%. Despite a stable level of unemployment, the unemployment rate rose slightly due to decline in labour force.

While female employment saw a modest increase, it was more than offset by the decrease in male employment between December 2017 and January 2018. The increase in female employment was due to higher levels of part-time employment which makes up a relatively large percentage of total female employment. Male employment decreased due to the fall in part-time employment surpassing the increase in full-time employment. The growth in female employment put downward pressure on the level and rate of unemployment but this effect was negated by a large rise in the female labour force. The net result was a higher female

unemployment level and rate. Male unemployment also rose because the fall in employment was not totally absorbed by a reduction in the labour force.

Nova Scotia Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Jan 2018	Dec 2017	Jan 2017	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	8.2	8.0	7.8	0.2	0.4
25 years and over	6.6	6.6	6.5	0.0	0.1
Men - 25 years and over	8.2	7.9	8.6	0.3	-0.4
Women - 25 years and over	4.8	5.1	4.3	-0.3	0.5
15 to 24 years	18.2	17.0	15.7	1.2	2.5
Men - 15 to 24 years	22.1	22.4	17.9	-0.3	4.2
Women - 15 to 24 years	14.4	11.7	13.3	2.7	1.1

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

EMPLOYMENT BY INDUSTRY

Employment in the **Service-producing sector** declined by as much in January and as it increased in December, returning the employment back to November levels. **Goods-producing sector** employment has increased in each of the previous three months and stands at 1,800 above its level since January 2017.

Employment in Nova Scotia rose by 2,000 between January 2017 and January 2018. Most of the gain came from the Goods-producing sector and mainly from the **Manufacturing** industry where employment increased by 4,000. This sector showed strong growth in 2017 particularly with projects like the ship building in Halifax. **Other primary** including **Oil and Gas** and **Construction** suffered during the year. Energy production declined as market prices were soft. Construction lagged with lower housing starts and reduced spending on major projects spending.

Within the **Services-producing sector**, the largest employment gain was in **Educational services** (+3,600) this was not likely from industrial growth. There was an employment decline throughout 2016 and the employment increase in 2017 just returned employment levels to what they were two years ago. **Accommodations and food services** increased employment on the strength of higher household consumption and a good tourism year. **Public administration** employment also grew. The negative effect on services employment came largely from lower levels of employment in **Health care and social services**. Despite more spending on health care, the provincial government cut expenses on salaries and delayed IT projects in this industry. **Professional, scientific and technical** employment also experienced employment loss in Nova Scotia since last year. While there was some fluctuation in employment for this industry in 2017, the downward trend was likely to lower demand for the technical services required for major projects. Major projects spending declined in 2017.

Nova Scotia Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Jan 2018	Dec 2017	Jan 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	453.5	454.2	451.5	-0.7	-0.2	2.0	0.4
Goods-producing sector	84.0	83.1	82.2	0.9	1.1	1.8	2.2
Agriculture	5.1	5.3	4.7	-0.2	-3.8	0.4	8.5
Forestry, fishing, mining, quarrying, oil and gas	10.9	10.0	12.3	0.9	9.0	-1.4	-11.4
Utilities	3.9	3.8	3.8	0.1	2.6	0.1	2.6
Construction	32.5	33.1	33.8	-0.6	-1.8	-1.3	-3.8
Manufacturing	31.6	30.9	27.6	0.7	2.3	4.0	14.5
Services-producing sector	369.4	371.1	369.3	-1.7	-0.5	0.1	0.0
Trade	76.2	75.0	75.4	1.2	1.6	0.8	1.1
Transportation and warehousing	19.1	20.6	20.1	-1.5	-7.3	-1.0	-5.0
Finance, insurance, real estate and leasing	23.8	23.1	22.7	0.7	3.0	1.1	4.8
Professional, scientific and technical services	27.2	28.6	29.8	-1.4	-4.9	-2.6	-8.7
Business, building and other support services	17.7	18.0	17.5	-0.3	-1.7	0.2	1.1
Educational services	37.7	37.8	34.1	-0.1	-0.3	3.6	10.6
Health care and social assistance	69.5	69.1	76.2	0.4	0.6	-6.7	-8.8
Information, culture and recreation	17.3	18.1	15.8	-0.8	-4.4	1.5	9.5
Accommodation and food services	32.5	32.2	29.3	0.3	0.9	3.2	10.9
Other services	18.3	18.7	19.5	-0.4	-2.1	-1.2	-6.2
Public administration	30.2	30.0	28.9	0.2	0.7	1.3	4.5

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

The **Annapolis Valley** economic region had the strongest employment growth among all regions in the Atlantic provinces, on a year-over-year basis, and it was mostly in full-time positions. The other regions in Nova Scotia experienced employment declines in either or both part-time and full-time employment. **Retail trade** and **Public administration** were the components of the Services sector mostly responsible for the employment increase. **Halifax** had very strong full-time employment over the year but the benefit was nearly offset due to a large drop in part-time employment.

In the **Cape Breton** economic region, there was a large enough increase in part-time employment to overtake the decline in full-time employment and create a very small increase in overall employment between January 2017 and 2018. There was also a small increase in the labour force which pushed up the level and rate of unemployment in the region. The overall unemployment rate was 14.3%, the highest rate among all regions in the province and the only one in double digits. Employment growth occurred in the **Goods-producing sector** and was offset by employment reductions in the **Services-producing sector**. Industries like **Wholesale and retail trade**, which employed many people in the province as a whole, saw employment declines in this region. **Manufacturing** was the strongest employer in the goods sector.

Nova Scotia Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Jan 2018 ('000)	Jan 2017 ('000)	Yearly Variation (%)	Jan 2018 (%)	Jan 2017 (%)	Yearly Variation (% points)
Nova Scotia	447.2	443.5	0.8	8.2	7.9	0.3
Economic Regions						
Cape Breton	47.2	47.1	0.2	14.3	14.1	0.2
North Shore	67.3	70.6	-4.7	9.1	8.2	0.9
Annapolis Valley	58.2	53.3	9.2	8.1	7.8	0.3
Southern	47.7	46.7	2.1	8.6	11.2	-2.6
Halifax	226.9	225.8	0.5	6.5	5.8	0.7

Note: Totals may not add due to rounding

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

On the **North Shore** of Nova Scotia, the employment, both full-time and part-time employment, and the labour force all declined between January 2017 and 2018. There were more people that lost employment than left the labour force, so the level and rate of unemployment rose. The unemployment rate rose by almost a full percentage point to surpass the 9% level. The labour force has been much lower since a peak in the fall of 2015. Both the **Goods-producing sector** and the **Services-producing sector** declined over the past year. **Health care and social assistance** had the largest employment decline of all major industries in the region. **Construction** was the other industry which had a drop but still much less than **Health care and social assistance**.

Alongside the large employment increase in the **Annapolis Valley** economic region between January 2017 and 2018, the region's labour force expanded by an even greater amount. While newly employed people reduce the number of unemployed persons, new people entering the labour force create more unemployment, if there are not available jobs for them. The net effect is a higher level and rate of unemployment. The unemployment rate in the Valley region rose by 0.3 percentage points to 8.1%. Almost all of the employment increase was in the **Services-producing sector** with most of the service industries posting at least a small employment increase. The distribution of employment gains and losses was fairly evenly distributed in the **Goods-producing sector** as well.

Southern Nova Scotia had strong part-time employment growth between January 2017 and 2018 but the loss of full-time employment cut the overall employment gain by almost two-thirds. Higher employment along with reduced labour force levels resulted in a lower level and rate of unemployment. The unemployment rate fell by 2.6 percentage points to 8.6% from the same month in 2017. Employment growth was in the **Services-producing sector**, with **Education** and **Wholesale and retail trade** industries having the largest employment growth. Consistent with some other regions, **Health care and social assistance** employment fell during this period due to government spending restraint in health care employment. Other services experienced the largest employment decline in this region.

The normally strong labour market in the **Halifax** economic region did not perform as well between January 2017 and 2018. While full-time employment increased by 10,000, part-time employment offset most of that growth with a decline of 9,000. Confidence in the labour market was still present, as the labour force increased by 2,600. The net effect was that unemployment increased despite the large jump in full-time employment. Similarly, the unemployment rate move higher over the year, rising 0.7 of a percentage point to 6.5%, which is still the lowest among all economic regions in the province. The **Goods-producing sector** experienced an employment increase due to significant employment gains in the **Manufacturing** industry. The shipbuilding contract would account for a large part of this increase. The **Services-producing sector** had an overall decrease in employment. **Wholesale and retail trade** employment was part of this decline. **Health care and social assistance** employment also fell with the provincial government spending focusing away from employment in this industry. **Accommodations and food services** employment grew by the most within the Services sector mainly due to a good tourism year and an increase in consumption spending.

***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 information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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