



Labour Market Bulletin

Nova Scotia

October 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

October marked the fourth month in a row that employment increased in Nova Scotia. Employment levels in the province are just shy of a five-year peak set in April 2018. Although employment has been trending higher for a couple of years, the pace of growth has picked up in 2018.

October's net job gains (1,300 positions) were all in part-time positions. The number of full-time positions fell slightly between September and October.

Other labour market data were positive in October: The working-age population (aged 15 and over) and labour force both increased and the provincial unemployment rate fell slightly.

Nova Scotia Monthly Labour Force Statistics

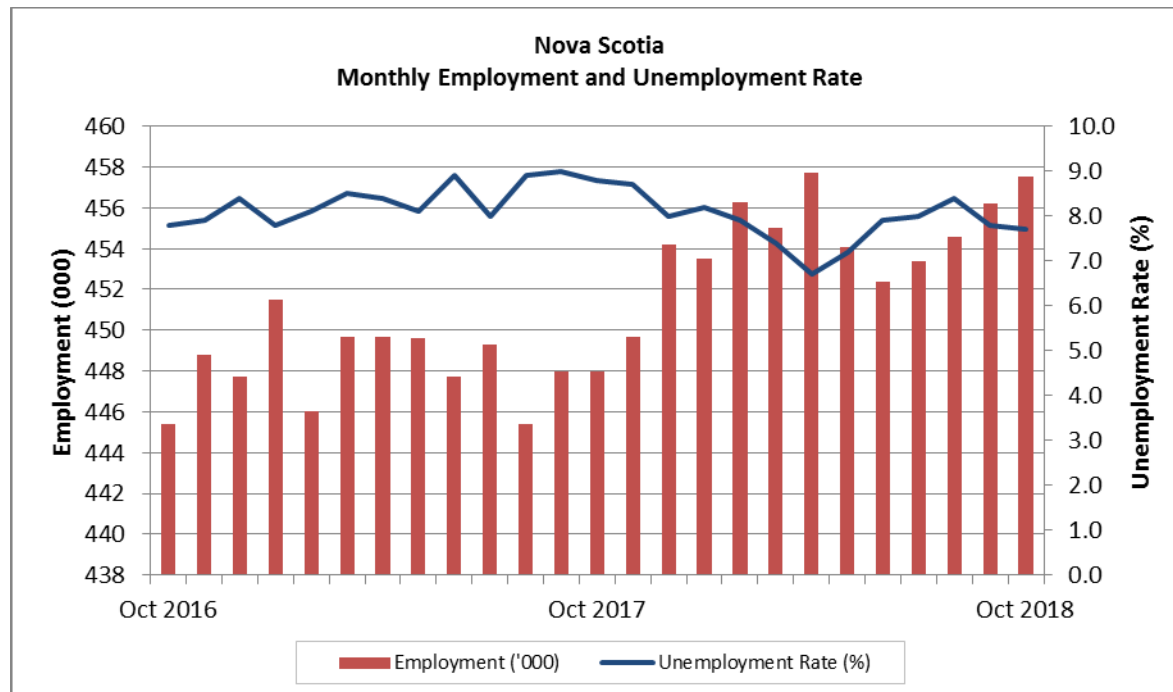
Seasonally Adjusted Monthly Data	Oct 2018	Sept 2018	Oct 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	801.2	800.6	794.4	0.6	0.1	6.8	0.9
Labour Force ('000)	495.5	494.7	491.3	0.8	0.2	4.2	0.9
Employment ('000)	457.5	456.2	448.0	1.3	0.3	9.5	2.1
Full-Time ('000)	373.5	374.0	365.4	-0.5	-0.1	8.1	2.2
Part-Time ('000)	84.0	82.2	82.5	1.8	2.2	1.5	1.8
Unemployment ('000)	38.1	38.5	43.4	-0.4	-1.0	-5.3	-12.2
Unemployment Rate (%)	7.7	7.8	8.8	-0.1	-	-1.1	-
Participation Rate (%)	61.8	61.8	61.8	0.0	-	0.0	-
Employment Rate (%)	57.1	57.0	56.4	0.1	-	0.7	-

Note: Totals may not add due to rounding

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

Compared with last October, improvements in the labour market have been more noticeable. There were 9,500 more positions this October than there were in the same month last year. A majority of these gains were in full-time positions (up 8,100). The working-age population has increased by 6,800, and 4,200 people joined the labour force.

The large increase in employment helped lower the unemployment rate by more than a percentage point, from 8.8% to 7.7%.



Employment growth in October was unevenly spread among age groups. Nearly all of the monthly gains were for core working-age individuals (aged 25-54). This age group has also seen the most job gains since last October (+6,000 jobs).

Nova Scotia Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Oct 2018	Sept 2018	Oct 2017	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	7.7	7.8	8.8	-0.1	-1.1
25 years and over	6.3	6.2	7.4	0.1	-1.1
Men - 25 years and over	7.6	7.8	9.3	-0.2	-1.7
Women - 25 years and over	4.9	4.6	5.4	0.3	-0.5
15 to 24 years	15.9	16.6	17.6	-0.7	-1.7
Men - 15 to 24 years	21.8	19.9	20.6	1.9	1.2
Women - 15 to 24 years	9.8	13.3	14.5	-3.5	-4.7

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

EMPLOYMENT BY INDUSTRY

Employment growth since last October was strongest in Nova Scotia's **Services-producing** sector. Employment in the **Goods-producing** sector was up only slightly from a year ago.

Among **Goods-producing** industries, the **Construction** industry had the most noticeable increase in employment, with a gain of 2,700 workers. Despite a number of major projects in the region coming to an end, the data for residential and non-residential construction this year has been positive. As well, the Nova Scotia government has committed more than \$600 million in capital investments for roads, schools, health care facilities and technology.

Employment in the **Agriculture** industry expanded slightly from a year ago, adding 400 jobs. A number of fruit farmers (apple, grape, strawberry and blueberry) reported to insurers that they expect crop losses caused by late-spring frosts. This may have resulted in fewer people being hired for the fall harvest than would have been the case otherwise. On a positive note, the start of legal recreational cannabis sales in October may result in some additional hiring in this industry. There are currently three producers licensed for cannabis cultivation in Nova Scotia.

Nova Scotia Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Oct 2018	Sept 2018	Oct 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	457.5	456.2	448.0	1.3	0.3	9.5	2.1
Goods-producing sector	80.9	81.4	79.9	-0.5	-0.6	1.0	1.3
Agriculture	5.1	5.3	4.7	-0.2	-3.8	0.4	8.5
Forestry, fishing, mining, quarrying, oil and gas	8.5	8.7	9.8	-0.2	-2.3	-1.3	-13.3
Utilities	3.4	3.4	4.1	0.0	0.0	-0.7	-17.1
Construction	32.7	32.5	30.0	0.2	0.6	2.7	9.0
Manufacturing	31.1	31.6	31.4	-0.5	-1.6	-0.3	-1.0
Services-producing sector	376.6	374.8	368.1	1.8	0.5	8.5	2.3
Trade	78.3	78.2	75.0	0.1	0.1	3.3	4.4
Transportation and warehousing	19.7	19.0	20.0	0.7	3.7	-0.3	-1.5
Finance, insurance, real estate and leasing	22.0	21.4	23.5	0.6	2.8	-1.5	-6.4
Professional, scientific and technical services	27.6	27.1	27.4	0.5	1.8	0.2	0.7
Business, building and other support services	18.4	19.1	17.8	-0.7	-3.7	0.6	3.4
Educational services	37.8	39.6	37.9	-1.8	-4.5	-0.1	-0.3
Health care and social assistance	69.4	66.1	71.3	3.3	5.0	-1.9	-2.7
Information, culture and recreation	19.0	19.3	16.9	-0.3	-1.6	2.1	12.4
Accommodation and food services	36.7	37.3	30.2	-0.6	-1.6	6.5	21.5
Other services	19.2	19.3	18.4	-0.1	-0.5	0.8	4.3
Public administration	28.6	28.4	29.6	0.2	0.7	-1.0	-3.4

Note: Totals may not add due to rounding

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

The **Forestry, fishing, mining, quarrying, oil and gas** industry had the most visible decline in employment among Goods-producing industries. A number of factors may be impacting employment levels in this sector including the decommissioning of two major offshore gas projects. On the upside, in September, it was announced that Clearwater will get the surf clam quota for the next two fishing seasons, ending some uncertainty for the fishing industry. Exports of fish and seafood products and forest products are higher so far this year. As well, the Donkin coal mine has continued production and exports of coal have surpassed \$27 million this year.

Employment in the **Manufacturing** industry stood at 31,100 in October 2018, seeing little change from a year ago. Irving Shipbuilding completed the first APOS vessel in September and the next two vessels are in production. The shipyard employs roughly 1,800 people in Halifax and plans to hire 450 this year. The

announcement of the U.S.-Mexico-Canada Agreement (USMCA) in October may have also eased some uncertainty for this industry. More positive news came in October as one of the province's major employers, Michelin, announced they will be making additional investments in Nova Scotia and will add 150 new positions at the Granton plant in Pictou county.

Almost all of Nova Scotia's employment growth since last October has been in the **Services-producing** sector. Among these, a large majority of new jobs (6,500) were in the **Accommodation and food services** industry. This area of the economy has benefitted from higher tourist visitations over the past two years. Between January and August 2018, the province welcomed nearly 1.7 million visitors. This was similar to the number of tourists that came to the province over the entirety of 2017, which was already an exceptional year boosted by Canada 150 celebrations. The number of room nights sold in licensed accommodations has also been higher in 2018. The largest sales were in the Halifax, Yarmouth and Acadian Shores.

The **Wholesale and retail trade** industry had employment gains of 3,300 compared with last October. These gains were boosted by moderate growth in retail sales. The **Information, culture and recreation** industry also saw strong job gains. The largest employment declines among Services-producing industries were in the **Health care and social assistance** and **Finance, insurance, real estate, rental and leasing** industry groups. **Health care and social assistance** is a fairly large industry, employing 1 in 7 Nova Scotians. The industry experienced job growth, up until about a year ago when employment began to decline. Employment has been limited by budget pressures, shortages for some health professionals and a growing number of workers reaching retirement age. Employment in **Education services** industry was little changed from its level last year despite hiring staff to support the roll out of pre-primary programs.

REGIONAL ANALYSIS

Employment data for the **Cape Breton** region showed little change from last October. A slight increase in the number of people looking for work pushed the unemployment rate higher to 15.3%, up from 14.5% last October. This was the highest unemployment rate among regions of the province. Industries with employment gains included **Wholesale and retail trade**, and **Business, building and other support services**. The largest employment losses occurred in **Health care and social assistance**.

The **North Shore** region experienced a relatively sizeable drop in both the employment level and labour force since last October. A large number of people leaving the labour force resulted in a slight fall in the unemployment rate to 7.5%, down from 8.3% last year. There were fewer employed persons in both the **Goods-producing** and **Services-producing** sectors. Employment losses over the 12-month period were strongest in **Wholesale and retail trade** and **Manufacturing**.

The **Annapolis Valley** experienced more job reductions than other region of Nova Scotia since last October, losing nearly a tenth of its employment base. This followed two years of strong employment gains in 2016 and 2017. Despite the employment drop, a smaller labour force squeezed the unemployment rate to 5.7%, down from 7.1% last October. Employment declines were concentrated in the **Service-producing** sector. **Health care and social assistance** had the largest decline, followed by **Public administration**. Only the **Manufacturing** and **Finance, insurance, real estate, rental and leasing** had meaningful gains.

The **Southern** region has had annual employment declines every year since 2009, except in 2017 when it increased slightly. Employment levels thus far in 2018 continue to rebound. Since last October employment is higher by 6,700 (or 14.2%). This relatively large increase in employment resulted in a substantial drop in the

unemployment rate from 9.2% last October to 5.6% this October. This is the lowest unemployment rate among all five economic regions. The **Accommodation and food services, Manufacturing, Agriculture** industries experienced the largest employment gains.

Employment in the **Halifax** region, in contrast, has increased every year since 2006, except for 2017 when employment declined. Between last October and this October, employment in the Halifax region has rebounded, with the addition of 11,600 jobs (+5.2%). The region's unemployment rate also improved from a rate of 6.9% last October to 6.3% this October. Employment drivers in the Halifax region include the **Wholesale and retail trade, Accommodation and food services, Information, culture and recreation, and Construction** industries. The **Finance, insurance, real estate, rental and leasing** industry experienced the largest employment declines from a year ago.

Nova Scotia Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Oct 2018 ('000)	Oct 2017 ('000)	Yearly Variation (%)	Oct 2018 (%)	Oct 2017 (%)	Yearly Variation (% points)
Nova Scotia	462.9	453.8	2.0	7.4	8.3	-0.9
Economic Regions						
Cape Breton	48.9	49.1	-0.4	15.3	14.5	0.8
North Shore	67.5	70.7	-4.5	7.5	8.3	-0.8
Annapolis Valley	55.9	61.6	-9.3	5.7	7.1	-1.4
Southern	54.0	47.3	14.2	5.6	9.2	-3.6
Halifax	236.6	225.0	5.2	6.3	6.9	-0.6

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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