



# Labour Market Bulletin

## Nova Scotia

## September 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 in Nova Scotia in the third quarter (Q3) of 2018 remained unchanged from the previous quarter. There were fewer full-time positions alongside a gain in part-time positions. Even though employment was flat, the labour force saw a relatively strong growth, supported by a boost in working-age population. With more people looking for work, the province's unemployment rate rose nearly a percentage of a point to 8.1%.

Nova Scotia Quarterly Labour Force Statistics

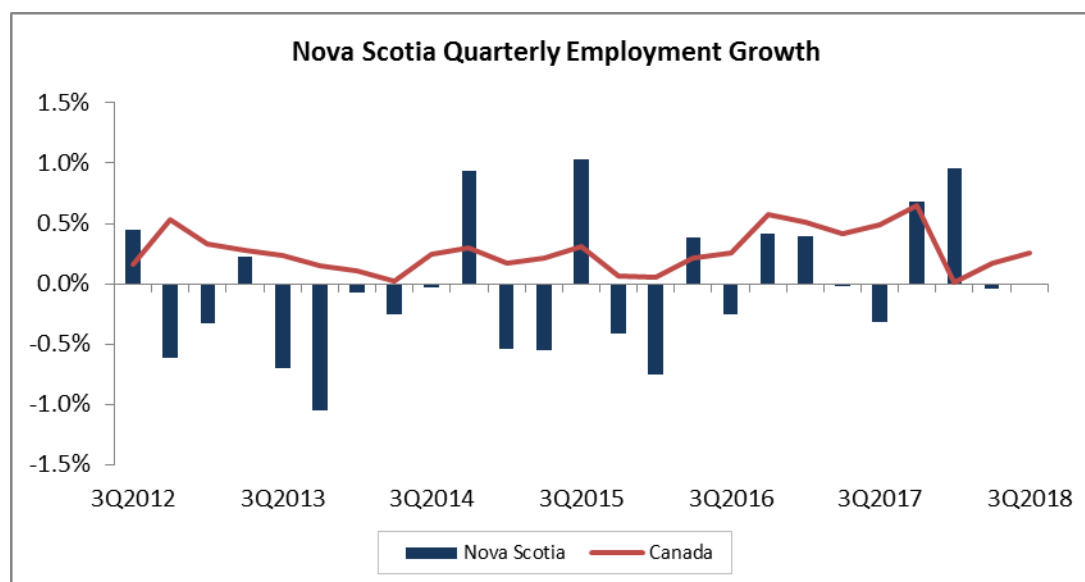
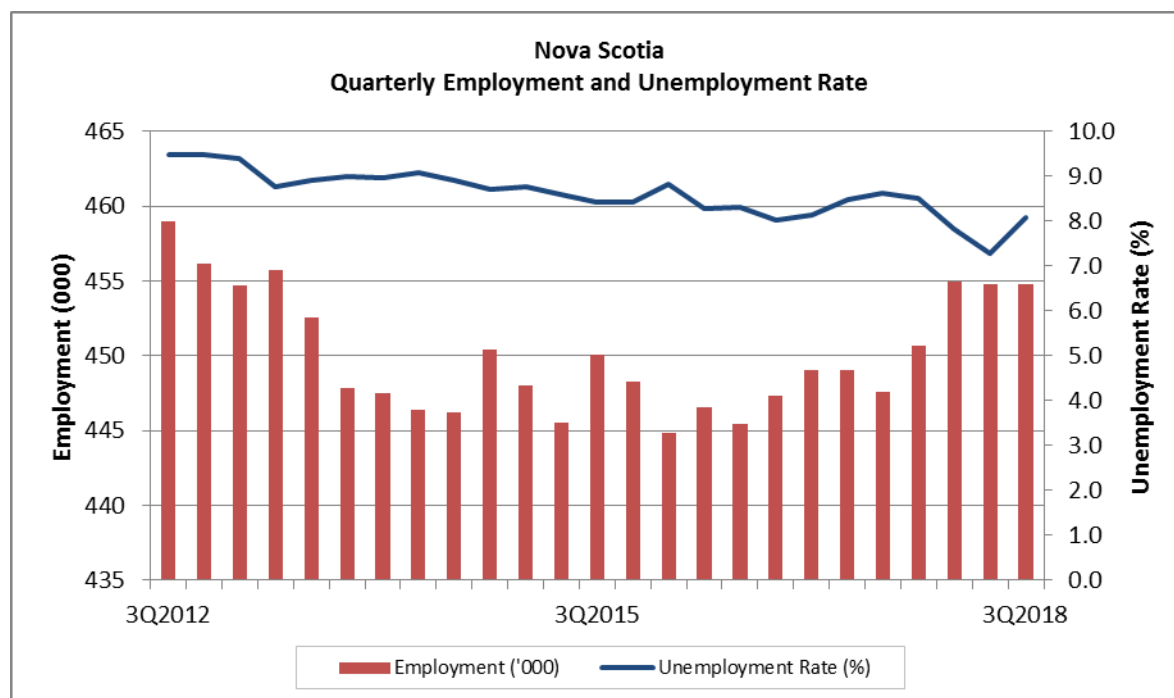
Seasonally Adjusted Quarterly Data	3rd Quarter 2018	2nd Quarter 2018	3rd Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	799.7	797.5	793.1	2.2	0.3	6.6	0.8
<b>Labour Force ('000)</b>	494.5	490.4	489.9	4.1	0.8	4.6	0.9
<b>Employment ('000)</b>	454.7	454.7	447.6	0.0	0.0	7.1	1.6
Full-Time ('000)	374.1	374.4	361.0	-0.3	-0.1	13.1	3.6
Part-Time ('000)	80.7	80.3	86.6	0.4	0.5	-5.9	-6.8
<b>Unemployment ('000)</b>	39.7	35.7	42.3	4.0	11.2	-2.6	-6.1
<b>Unemployment Rate (%)</b>	8.1	7.3	8.6	0.8	-	-0.5	-
<b>Participation Rate (%)</b>	61.8	61.5	61.8	0.3	-	0.0	-
<b>Employment Rate (%)</b>	56.9	57.0	56.4	-0.1	-	0.5	-

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, employment levels have improved considerably. All of the gains over the year have been in full-time positions which have more than made up for part-time losses. The unemployment rate declined modestly. The overall participation rate was unchanged from the same quarter last year, disguising a separate pattern for older workers (participating less) and younger workers (participating more).

Compared to a year ago, Nova Scotia's strong employment gains have been concentrated in the private sector, representing the bulk of the workforce. There were smaller gains among the self-employed and a slight decline in public sector employment, employing roughly a quarter of Nova Scotians.



Among broad age groups, youth (aged 15 to 24 years old) saw the largest gains compared to a year ago. Compared to the third quarter 2017, more youth (males and females) were able to secure employment, all full-time positions, resulting in a substantial drop in the youth unemployment rate. Nova Scotia's youth unemployment rate tends to be above the national average, but this is partly explained by a higher youth participation rate in the province. The youth participation rate in the 3rd quarter rose to its highest level since 2009.

The prime working-age population (aged 25 to 54 years old) also experienced strong employment gains compared to a year ago, all within full-time positions. Employment gains, however, were limited to males in this age group.

The number of older persons (aged 55 years and older) increased more than any other age category over the past year. Employment fell slightly for this group, as gains in full-time positions were offset by larger losses of part-time jobs. Unemployment rates, up slightly overall, remain higher for older males than for older females.

Nova Scotia Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly	Yearly
	2018 (%)	2018 (%)	2017 (%)	Variation (% points)	Variation (% points)
<b>Total</b>	8.1	7.3	8.6	0.8	-0.6
<b>25 years and over</b>	6.7	5.8	7.0	0.9	-0.4
Men - 25 years and over	8.4	7.6	9.3	0.8	-0.9
Women - 25 years and over	4.8	3.9	4.8	0.9	0.1
<b>15 to 24 years</b>	16.0	16.2	18.3	-0.2	-2.3
Men - 15 to 24 years	18.4	19.2	22.5	-0.8	-4.0
Women - 15 to 24 years	13.5	13.0	13.8	0.5	-0.3

Note: Totals may not add due to rounding

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

In the third quarter (Q3) 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 70,300 people. Employment among Indigenous people in the Atlantic Provinces was 41,800, representing an increase of 3,300 (+8.6%) from a year earlier (Q3 2017). The increase was mostly driven by full-time positions (+2,800 or +8.7%). Part-time positions saw a moderate increase (600 or 9.8%).

The unemployment rate among the Indigenous population was 13.8% in Q3 2018, representing an increase of +0.2 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate was 8.4% (-0.3pp). Between Q3 2017 and Q3 2018, the participation rate of Indigenous people increased significantly to 69% (+3.9pp) while among non-Indigenous population, it was 62.5% (+0.3pp). The employment rate of Indigenous people increased year-over-year to 59.5% (+3.3pp); for the non-Indigenous population, it increased to 57.3% (+0.5pp).

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 2018	Q3 2017	number	%	Q3 2018	Q3 2017	number	%
<b>Population 15 + ('000)</b>	70.3	68.4	1.9	2.8%	1,926.4	1,919.5	6.9	0.4%
<b>Labour Force ('000)</b>	48.5	44.5	4.0	9.0%	1,204.6	1,194.4	10.2	0.9%
<b>Employment ('000)</b>	41.8	38.5	3.3	8.6%	1,103.9	1,090.2	13.7	1.3%
<b>Full-Time ('000)</b>	35.1	32.3	2.8	8.7%	940.1	928.9	11.2	1.2%
<b>Part-Time ('000)</b>	6.7	6.1	0.6	9.8%	163.8	161.3	2.5	1.5%
<b>Unemployment ('000)</b>	6.7	6.1	0.6	9.8%	100.7	104.2	-3.5	-3.4%
<b>Unemployment Rate (%)</b>	13.8	13.6	0.2	-	8.4	8.7	-0.3	-
<b>Participation Rate (%)</b>	69.0	65.1	3.9	-	62.5	62.2	0.3	-
<b>Employment Rate (%)</b>	59.5	56.2	3.3	-	57.3	56.8	0.5	-

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

The strong employment gains observed over the past year in Nova Scotia were driven by robust job growth in the **Services-producing** sector, which more than offset a slight drop in the **Goods-producing** sector.

Among **Goods-producing** industries, the **Construction** industry had the largest increase in employment in the third quarter 2018, up from a temporary lull in the same quarter last year. Even though a number of major projects are wrapping up in the province, indicators of residential and non-residential investment have been higher so far in 2018. The Nova Scotia government has committed more than \$600 million in capital investments for roads, schools, health care facilities and technology. Among goods-producing industries, the only other sector to experience job gains was the **Agriculture** industry. In September, a number of fruit farmers (apple, grape, strawberry and blueberry) reported to insurers that they expect crop losses following June's frosts, which could affect hiring for the fall harvest.

The **Forestry, fishing, mining, quarrying, oil and gas** industry experienced the largest employment decline among goods-producing industries over the year, reaching its lowest level on record for a quarter. A number of factors have been impacting this industry group including the decommissioning of two of the province's natural gas fields. 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. The Donkin coal mine has continued production and exports of coal have surpassed \$20 million this year.

Employment in the **Manufacturing** industry was down slightly from its level last year, which already reflected a boost in activity related to shipbuilding. The first AOPS vessel was completed in September with the next two vessels now ready to begin production. Irving Shipbuilding employs roughly 1,800 people in Halifax and plans to hire 450 this year. 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. Meanwhile, counter tariffs imposed on steel and aluminum products imported from the U.S. that came into effect in July may be weighing on growth in the metal products manufacturing.

Among the services-producing industries, the **Accommodation and food services** industry has had the largest employment gain over the year, as tourism visits in 2018 continued to grow following a record year in 2017. The **Wholesale and Retail trade** industry had the second largest increase and is also close to a 2007 peak, reflecting strong growth in retail sales.

The **Health care and social assistance** industry experienced the largest year-over-year employment decline among service-producing industries. It is a fairly large industry, employing 1 in 7 Nova Scotians, and had been experiencing job growth, up until a year ago when the number of workers 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 remains lower in the **Education services** industry despite hiring staff to support the roll out of pre-primary programs.

Nova Scotia Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	3rd Quarter 2018	2nd Quarter 2018	3rd Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	454.7	454.7	447.6	0.0	0.0	7.2	1.6
<b>Goods-producing sector</b>	80.9	82.7	81.3	-1.8	-2.2	-0.4	-0.5
Agriculture	5.3	5.5	4.8	-0.2	-3.7	0.5	10.5
Forestry, fishing, mining, quarrying, oil and gas	8.1	9.3	9.9	-1.2	-13.3	-1.9	-18.8
Utilities	3.7	4.0	4.0	-0.3	-7.4	-0.3	-6.7
Construction	32.4	32.4	30.7	0.0	0.1	1.7	5.5
Manufacturing	31.5	31.5	32.0	0.0	0.0	-0.4	-1.4
<b>Services-producing sector</b>	373.9	372.0	366.2	1.8	0.5	7.6	2.1
Trade	80.2	79.7	76.1	0.6	0.7	4.2	5.5
Transportation and warehousing	18.7	20.2	19.4	-1.5	-7.4	-0.7	-3.6
Finance, insurance, real estate and leasing	21.4	21.9	22.5	-0.5	-2.4	-1.1	-4.9
Professional, scientific and technical services	28.6	27.4	28.0	1.2	4.4	0.6	2.0
Business, building and other support services	18.4	17.2	18.3	1.2	7.0	0.1	0.5
Educational services	37.5	37.3	37.4	0.2	0.6	0.1	0.4
Health care and social assistance	66.8	68.4	70.6	-1.6	-2.3	-3.8	-5.4
Information, culture and recreation	18.8	17.4	16.6	1.5	8.4	2.2	13.5
Accommodation and food services	35.4	35.0	29.4	0.4	1.0	5.9	20.2
Other services	19.3	19.1	18.6	0.1	0.7	0.7	3.6
Public administration	28.9	28.7	29.4	0.2	0.7	-0.5	-1.8

Note: Totals may not add due to rounding

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

## REGIONAL ANALYSIS

Among the five economic regions in Nova Scotia, the **Halifax** and **Southern** regions experienced the largest year-over-year employment increases in the third quarter of 2018, as well as gains in their labour force.

There were mixed outcomes in the **Cape Breton** labour market in the third quarter. A sizeable rise in the unemployment rate, the highest among regions, was driven by more persons joining the labour force. Employment gains in **Wholesale and retail trade**, **Accommodation and food services** and **Business, building and other support services** industries were offset by losses in the **Forestry, fishing, mining, quarrying, oil and gas**, and **Health care and social assistance** industries, both industries with higher concentrations in the region.

Labour market conditions in the **North Shore** region worsened to some extent from a year ago. There was a decline in the region's employment, labour force and population. The weakening labour market appears to have led to fewer jobseekers, as the unemployment rate for the region dipped lower. Job losses were concentrated in part-time positions, offsetting a little gain in full-time jobs. The two industries with the largest employment declines in the region were **Manufacturing** and **Wholesale and retail trade**.

Coming off a strong 2017, employment in the **Annapolis Valley** region experienced the greatest decline among regions. There was an even larger drop in the number of persons in the labour force and a slightly lower unemployment rate. Employment losses appear to have been widespread among most service industries, with the largest drop in the **Health care and social assistance** industry.

The **Southern** region experienced a notable improvement in the labour market from last year. The region added more than 6,600 full-time positions, more than balancing a small decline in part-time jobs. Even though the population was essentially unchanged, there was a sizeable increase in the labour force. The region saw the greatest improvement in the unemployment rate among regions, reaching the lowest rate on record for any quarter. The **Accommodation and food services**, **Manufacturing** and **Agriculture** industries experienced the largest employment gains. Tourism was up the most in this region from last year.

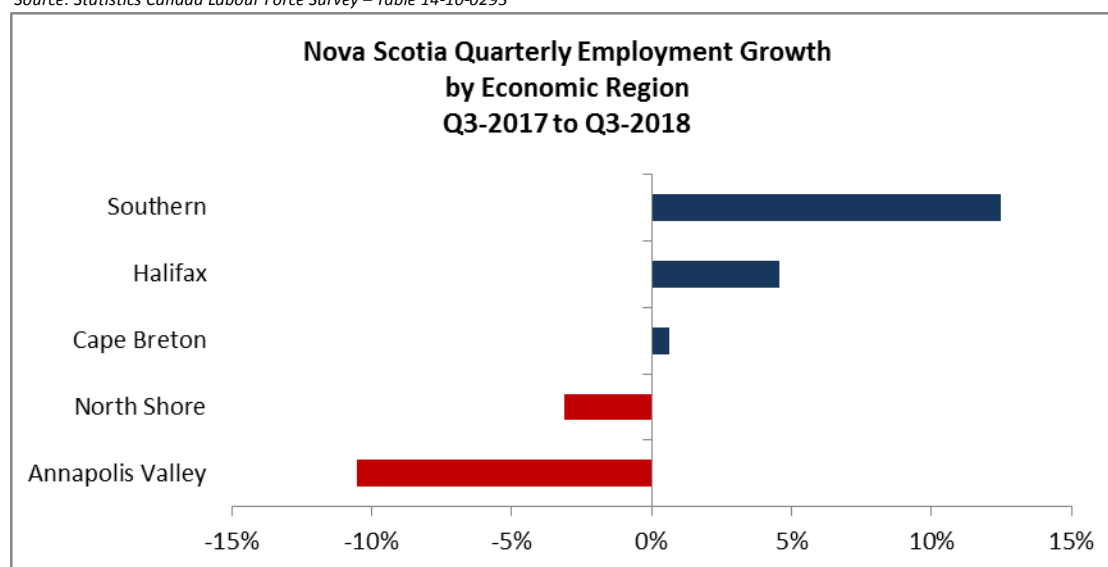
Conditions in the **Halifax** region have also improved a great deal. After a sluggish 2017, the region experienced strong gains in full-time employment, labour force and population. The unemployment rate experienced a moderate decline. More than a third of job gains in the region were in the **Wholesale and retail trade** industry. **Accommodation and food services, Information, culture and recreation, Public administration, and Construction** also experienced sizeable employment gains.

Nova Scotia Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	3rd Quarter 2018 ('000)	3rd Quarter 2017 ('000)	Yearly Variation (%)	3rd Quarter 2018 (%)	3rd Quarter 2017 (%)	Yearly Variation (% points)
<b>Nova Scotia</b>	464.8	457.1	1.7	7.6	8.2	-0.6
<b>Economic Regions</b>						
Cape Breton	48.5	48.2	0.6	14.9	13.8	1.1
North Shore	68.0	70.2	-3.1	8.8	8.6	0.2
Annapolis Valley	56.9	63.6	-10.5	5.8	6.6	-0.8
Southern	54.1	48.1	12.5	5.6	9.4	-3.8
Halifax	237.3	227.0	4.5	6.5	7.0	-0.5

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

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