



Labour Market Bulletin

Nova Scotia

December 2019



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 rose by 2,400 in the fourth quarter (Q4 2019), all of which was full-time work. This increase mostly cancelled out the previous quarter's decline and re-established an overall trend of job growth that has prevailed since 2017. The number of individuals joining the labour force was higher, at 4,900, causing the number of unemployed job seekers to increase despite the added employment. As a result, the unemployment rate went up by 0.4 percentage points (pp), while the participation rate climbed to its highest level in more than four years.

Nova Scotia Quarterly Labour Force Statistics

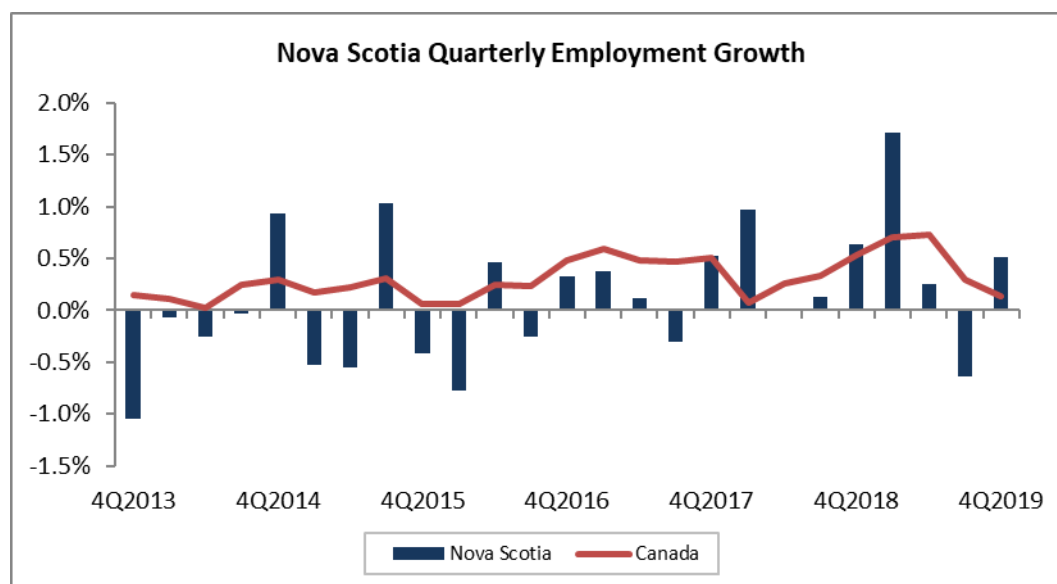
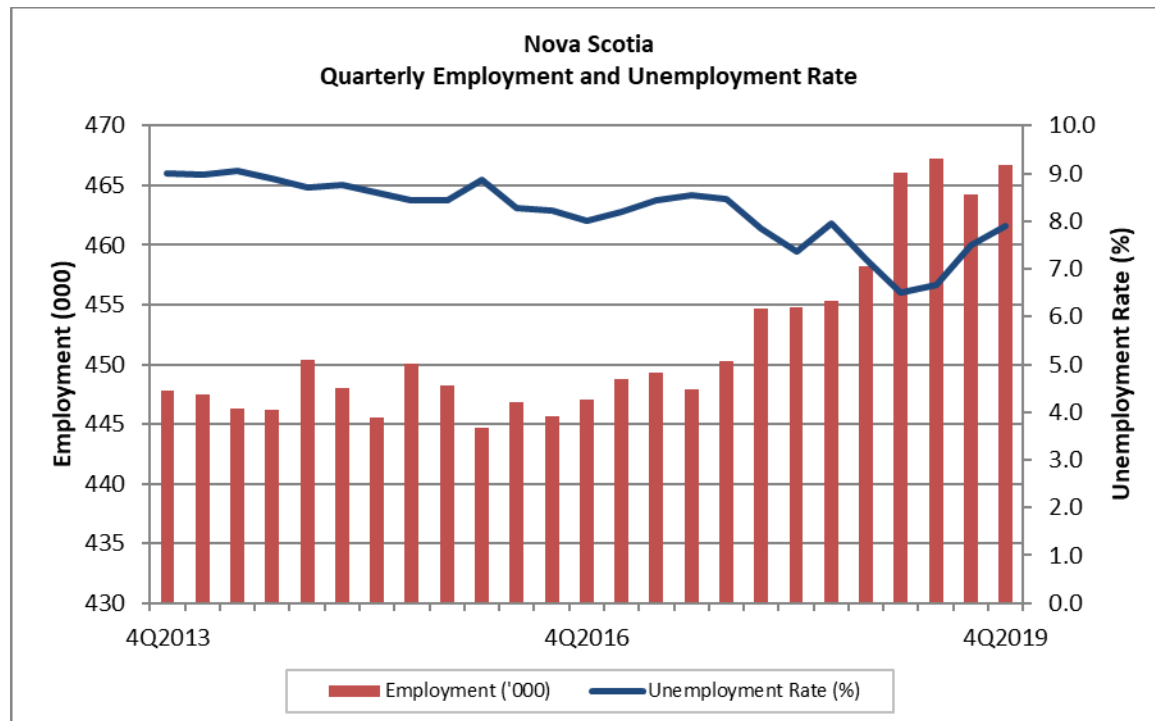
Seasonally Adjusted Quarterly Data	4th Quarter 2019	3rd Quarter 2019	4th Quarter 2018	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	811.6	808.6	801.7	3.0	0.4	9.9	1.2
Labour Force ('000)	506.7	501.8	493.9	4.9	1.0	12.8	2.6
Employment ('000)	466.7	464.3	458.2	2.4	0.5	8.5	1.9
Full-Time ('000)	381.4	378.7	376.4	2.7	0.7	5.0	1.3
Part-Time ('000)	85.3	85.6	81.8	-0.3	-0.4	3.5	4.3
Unemployment ('000)	40.1	37.5	35.7	2.6	6.9	4.4	12.3
Unemployment Rate (%)	7.9	7.5	7.2	0.4	-	0.7	-
Participation Rate (%)	62.4	62.1	61.6	0.3	-	0.8	-
Employment Rate (%)	57.5	57.4	57.1	0.1	-	0.4	-

Note: Totals may not add due to rounding

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

Year-over-year, the labour market has strengthened by most measures. Compared to Q4 2018, the level of employment was up by 1.9%, with more than half of the additional workers holding full-time positions. The labour force expanded at a quicker pace, reaching its largest size since Q3 2013. While the participation rate is up year-over-year, it remains around the long-term average – with the impact of positive economic development being offset by growing numbers of older workers reaching retirement age. The unemployment rate went up by 0.7 pp

over the past year, primarily due to the influx of labour force entrants outpacing employment growth, rather than sagging labour market conditions.



Private-sector employment was up by 17,200 workers compared to Q4 2018, accounting for all year-over-year growth. The private sector employs nearly two-thirds of workers in the province. Approximately half of this increase was offset by decreases in the number of public-sector workers and self-employed individuals.

Since Q4 2018, the labour market conditions for all three broad age groups have generally improved, with some exceptions. The youth (aged 15 to 24 years) labour force expanded by 5.3%, pushing the participation rate above 70% for the first time on record. Employment increased even more quickly—by 7.3%—though most of this was in

part-time work. In recent quarters, female youth have had a lower unemployment rate, higher participation rate, and higher employment growth rate than their male counterparts; this trend continued in Q4 2019. However, female youth are more likely employed on a part-time basis.

Nova Scotia Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	4th Quarter	3rd Quarter	4th Quarter	Quarterly	Yearly
	2019 (%)	2019 (%)	2018 (%)	Variation (% points)	Variation (% points)
Total	7.9	7.5	7.2	0.4	0.7
25 years and over	7.0	6.3	5.9	0.7	1.0
Men - 25 years and over	8.1	7.4	7.2	0.7	0.9
Women - 25 years and over	5.8	5.0	4.7	0.8	1.1
15 to 24 years	13.0	14.8	14.5	-1.8	-1.5
Men - 15 to 24 years	15.1	14.6	18.0	0.5	-2.9
Women - 15 to 24 years	10.9	14.9	10.8	-4.0	0.1

Note: Totals may not add due to rounding

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

Among prime working-age individuals (aged 25 to 54 years), employment growth was more subdued at 0.5%, though there was a large shift from part-time to full-time employment. The unemployment rate increased from 5.8% to 7.1% as the number of jobseekers increased. Females in this age group accounted for the all of full-time employment increase, while the overall number of employed males went down slightly.

The number of older workers (aged 55 years and older) continued to rise over the past year, with employment up by 2.3% over Q4 2018. This age group has the fastest population growth rate by a significant margin. Approximately one-third of individuals in this cohort are in the labour force, though the participation rate for males is about 10pp higher than for females, at 39.2% and 29.7%, respectively.

Atlantic - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q4 2019	Q4 2018	number	%	Q4 2019	Q4 2018	number	%
Population 15 + ('000)	72.8	70.7	2.1	3.0%	1,942.5	1,928.3	14.2	0.7%
Labour Force ('000)	47.1	47.0	0.1	0.2%	1,176.7	1,163.7	13.0	1.1%
Employment ('000)	41.2	41.2	0.0	0.0%	1,083.5	1,074.0	9.5	0.9%
Full-Time ('000)	33.2	32.9	0.3	0.9%	899.8	894.7	5.1	0.6%
Part-Time ('000)	8.0	8.3	-0.3	-3.6%	183.8	179.2	4.6	2.6%
Unemployment ('000)	5.9	5.8	0.1	1.7%	93.2	89.8	3.4	3.8%
Unemployment Rate (%)	12.6	12.3	0.3	-	7.9	7.7	0.2	-
Participation Rate (%)	64.7	66.4	-1.7	-	60.6	60.3	0.3	-
Employment Rate (%)	56.5	58.2	-1.7	-	55.8	55.7	0.1	-

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.

In the fourth quarter (Q4) of 2019, the total population aged 15+ in the Atlantic Provinces was approximately 2 million. The Indigenous population living off reserve accounted for about 3.6% of that, or 72,800 people.

Employment among Indigenous people in the Atlantic Provinces was 41,200, unchanged from a year earlier (Q4) 2018. There was a slight increase in full-time positions (+300 or +0.9%) offset by a decrease in part-time positions (-300 or -3.6%).

The unemployment rate among the Indigenous population was 12.6% in Q4 2019, up 0.3 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate increased to 7.9% (+0.2pp). Year-over-year, the participation rate among Indigenous people decreased to 64.7% (-1.7pp), while the participation rate for the non-Indigenous population increased slightly to 60.6% (+0.3pp). The employment rate of the Indigenous population decreased year-over-year to 56.5% (-1.7pp), and the employment rate amongst the non-Indigenous population reached 55.8% (+0.1%).

EMPLOYMENT BY INDUSTRY

The growth in employment between Q4 2018 and Q4 2019 was divided fairly evenly between **goods-producing industries** (+4,500) and **services-producing industries** (+4,000).

In the **goods-producing sector**, two industries comprised nearly all of the added employment. The number of workers in **construction** went up by 2,400 year-over-year. The value of building permits issued throughout 2019 was substantially higher than in 2018, particularly for multiple unit residential buildings in the Halifax area. The construction industry has also been boosted by provincial capital spending projects such as the twinning of highways 101 and 103, and the construction of the Burnside-Sackville connector. Meanwhile, **manufacturing** employment went up by 1,900. Exports in this industry were up several percent throughout 2019 compared to last year, including in the two largest sub-industries—food manufacturing and plastics and rubber manufacturing—as well as in smaller sub-industries such as machinery manufacturing and computer and electronic manufacturing. The number of alcoholic beverage manufacturers has continued to grow due to high demand for local products, while surging demand and prices for lobster has had a positive impact on supporting industries such as boatbuilding.

Employment growth in the **services-producing sector** was spread across several industries. The largest gain occurred in **health care and social assistance**, with 5,600 more workers than in Q4 2018. The aging population has increased the need for health services, though growth has been constrained at times by a shortage of medical workers and financial pressure. The provincial government reached a new funding contract with physicians in November which, in combination with international recruiting efforts, should help address labour supply issues and enable further growth in services. The next largest increase was in **wholesale and retail trade**, in which employment was up by 2.0% year-over-year, as higher levels of employment and real wage growth have boosted sales throughout 2019. The number of employees in **educational services, information, culture and recreation**, and **other services** went down compared to the previous year.

Nova Scotia Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	4th Quarter 2019	3rd Quarter 2019	4th Quarter 2018	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	466.7	464.3	458.2	2.4	0.5	8.5	1.9
Goods-producing sector	87.3	85.5	82.8	1.8	2.1	4.5	5.4
Agriculture	5.5	5.8	5.4	-0.3	-5.7	0.1	1.2
Forestry, fishing, mining, quarrying, oil and gas	9.7	10.5	9.8	-0.8	-7.6	-0.1	-1.4
Utilities	3.5	3.6	3.2	-0.1	-3.7	0.3	9.5
Construction	35.6	34.7	33.2	0.9	2.6	2.4	7.2
Manufacturing	33.0	30.9	31.1	2.1	6.8	1.9	6.2
Services-producing sector	379.4	378.8	375.4	0.6	0.2	4.0	1.1
Trade	81.0	80.6	79.4	0.4	0.5	1.5	1.9
Transportation and warehousing	19.2	19.2	19.6	0.1	0.3	-0.4	-1.9
Finance, insurance, real estate and leasing	22.0	21.7	21.8	0.3	1.4	0.3	1.2
Professional, scientific and technical services	27.6	28.0	27.3	-0.4	-1.3	0.3	1.2
Business, building and other support services	18.4	16.6	17.5	1.8	10.9	0.9	5.0
Educational services	36.6	36.1	38.0	0.5	1.4	-1.3	-3.5
Health care and social assistance	75.3	74.7	69.7	0.5	0.7	5.6	8.0
Information, culture and recreation	17.5	18.7	19.2	-1.2	-6.6	-1.7	-9.0
Accommodation and food services	37.3	36.0	36.6	1.3	3.6	0.7	1.9
Other services	15.2	17.5	17.9	-2.3	-13.1	-2.7	-14.9
Public administration	29.3	29.5	28.5	-0.3	-0.9	0.8	2.8

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Over the past year, labour market conditions improved across the province, with the exception of the **Southern** economic region.

The labour market in **Cape Breton** strengthened considerably over the past year. The employment level was up by 4,600 year-over-year, an increase of nearly 10%, while the labour force in this economic region expanded by 4.5% in spite of a declining population. As a result of these changes, the unemployment rate declined substantially while the participation rate went up to 55.9%. **Wholesale and retail trade** and **accommodation and food services** comprised the majority of the employment increase. Rising enrollment of international students at Cape Breton university will have contributed to increased demand for retail goods and food services. While gains in **construction** over the past year were modest, larger changes will likely occur as the Cape Breton Regional Municipality Health Care Redevelopment plan ramps up.

The **North Shore** region also posted improved labour market outcomes. The labour force expanded by 5,800 individuals over the past year, driving the participation rate up by 4.3pp to 59%. Employment increased by 3,800, three-quarters of which was full-time, while the unemployment rate rose by more than 2pp due to the influx of labour market entrants. In the **goods-producing sector**, **manufacturing** employment increased by 2,100; a major food manufacturer in the region has indicated that the tightening labour market is resulting in staffing challenges. Expanding cannabis manufacturers represent a modest source of employment growth in this industry. Increases in the **services-producing sector** were spread across several industries such as **wholesale and retail trade**, **transportation and warehousing**, and **professional, scientific and technical services**.

As in Cape Breton and the North Shore, the **Annapolis Valley** experienced robust labour force and employment growth (5.2% and 6.1%, respectively). Two-thirds of the additional employment was full-time, and all was in the **services-producing sector**. Employment in the **goods-producing sector** declined somewhat, though a bright spot was an 800-worker gain in **construction**. Going forward, activity in this industry should be supported by the

construction of a health centre in Middleton. The increase in **services-producing industries** employment was led by **health care and social assistant, educational services, and public administration**.

Labour market conditions in the **Southern** economic region deteriorated over the past year by most measures. Employment went down by 6,500—nearly all of which was full-time—and 5,100 individuals exited the labour force. As a result, the unemployment rate increased to nearly 10%, while the participation rate sank to 53.5%, the lowest in the province. Major contributors to the decline were **manufacturing** and **educational services**. Employment was also down in **wholesale and retail trade** as well as **accommodation and food services**; this may be due in part to the tourism decline resulting from the suspension of the Maine-Yarmouth ferry service this year.

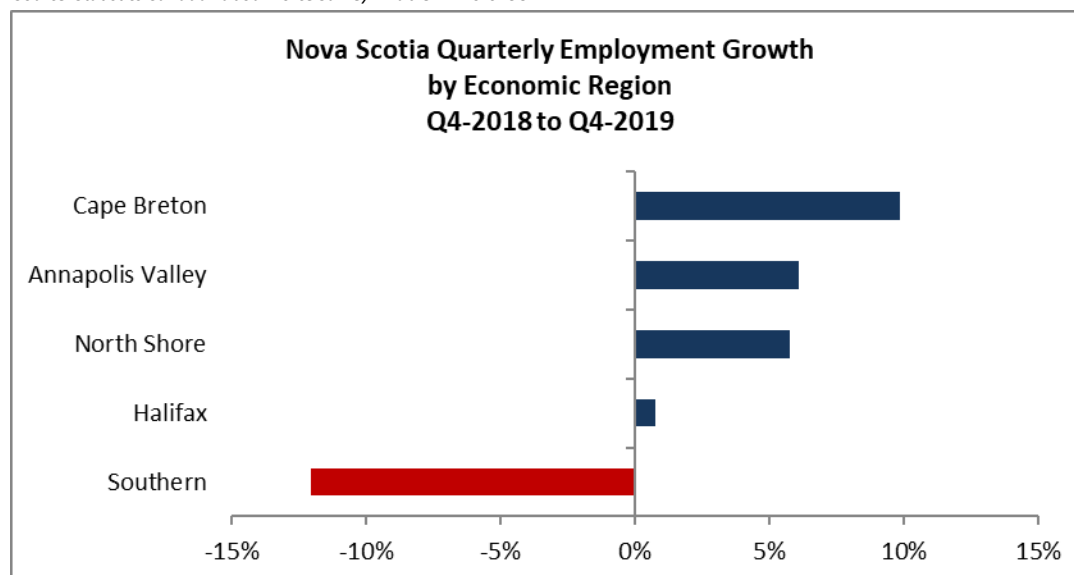
Employment growth in **Halifax** slowed to 0.8% year-over-year as the number of workers went up by 1,800, all in full-time work. Labour force growth remained brisk, at 2.9%. The net result of these changes was a large increase in the number of unemployed jobseekers, pushing the unemployment rate up by nearly 2pp. The participation edged up slightly to 68%, remaining the highest in the province by a wide margin. The **goods-producing sector** was responsible for the entire employment increase, with gains in all industries but **manufacturing**. The number of workers in **services-producing industries** went down slightly, as increases in **health care and social assistance** and **business, building and other support services** were offset by large declines in **professional, scientific and technical services** and **other services**.

Nova Scotia Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	4th Quarter 2019 ('000)	4th Quarter 2018 ('000)	Yearly Variation (%)	4th Quarter 2019 (%)	4th Quarter 2018 (%)	Yearly Variation (% points)
Nova Scotia	466.7	459.6	1.5	7.6	6.5	1.1
Economic Regions						
Cape Breton	51.2	46.6	9.9	11.9	16.2	-4.3
North Shore	69.7	65.9	5.8	7.8	5.6	2.2
Annapolis Valley	59.0	55.6	6.1	5.4	6.2	-0.8
Southern	47.5	54.0	-12.0	9.7	6.3	3.4
Halifax	239.3	237.5	0.8	6.7	4.8	1.9

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

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