



Labour Market Bulletin

Nova Scotia

October 2020



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

Nova Scotia's labour market improved in October. The number of persons employed grew by 2,800, following a larger increase of 12,000 in September that coincided with the re-opening of schools that month. Nova Scotia has regained more than 80% of the jobs shed in March and April when restrictions connected to the pandemic were introduced. All of the growth in October was in full-time work.

As the labour market improved, a large number of persons entered the labour force in search of work in October resulting in a rise in the provincial unemployment rate to 8.7% compared to 7.9% the previous month. This brought the provincial unemployment rate closely in line with the national rate of 8.9%. Nova Scotia's unemployment and participation rates have improved but there remains elevated levels of persons not in the labour force that wanted to work compared with February, before the provincial restrictions came into effect.

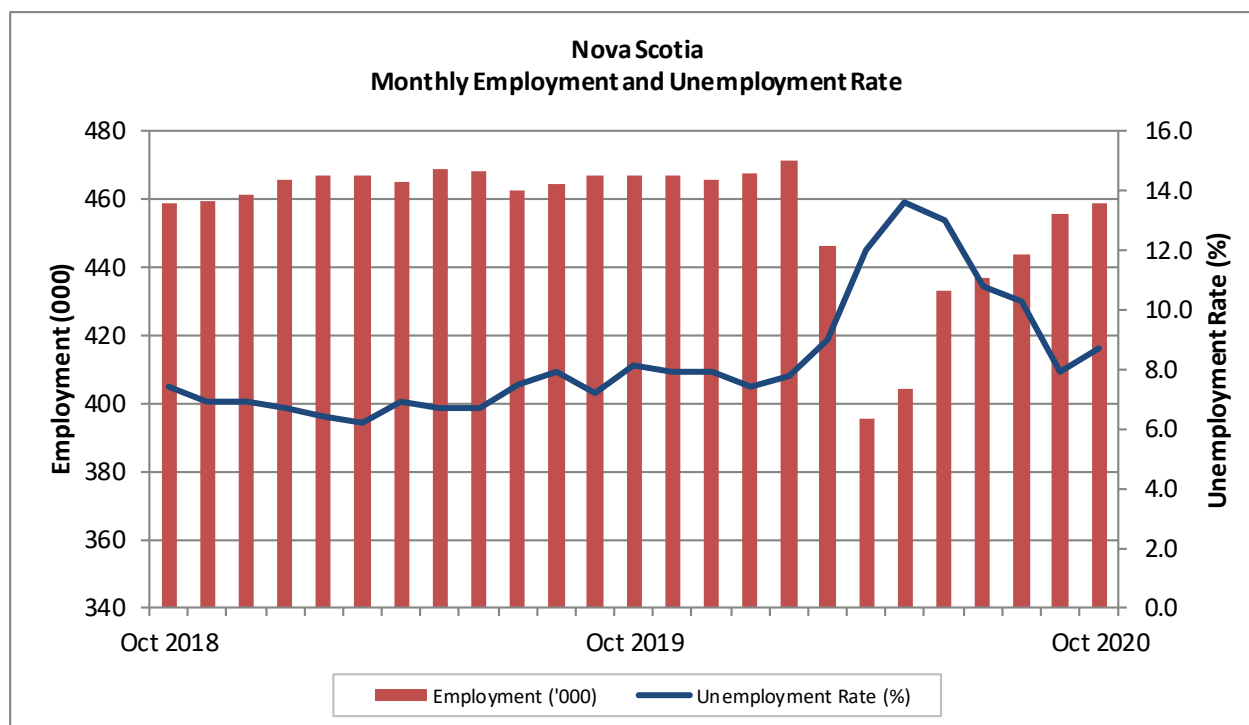
Nova Scotia Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Oct 2020	Sept 2020	Oct 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	819.4	818.7	810.7	0.7	0.1	8.7	1.1
Labour Force ('000)	502.4	494.5	508.3	7.9	1.6	-5.9	-1.2
Employment ('000)	458.5	455.7	467.1	2.8	0.6	-8.6	-1.8
Full-Time ('000)	374.4	363.8	380.7	10.6	2.9	-6.3	-1.7
Part-Time ('000)	84.1	91.9	86.4	-7.8	-8.5	-2.3	-2.7
Unemployment ('000)	43.8	38.9	41.1	4.9	12.6	2.7	6.6
Unemployment Rate (%)	8.7	7.9	8.1	0.8	-	0.6	-
Participation Rate (%)	61.3	60.4	62.7	0.9	-	-1.4	-
Employment Rate (%)	56.0	55.7	57.6	0.3	-	-1.6	-

Note: Totals may not add due to rounding

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

Compared with October of last year, there are 8,600 fewer persons employed in Nova Scotia, a majority of this decrease was in full-time jobs. At the same time, there are fewer Nova Scotians participating in the labour market, and the rate of unemployment has risen by half of a percentage point during this period.



Among broad age groups, the number of employed prime age workers (25-54 years of age) has returned to levels observed last October. While the number of employed youth (15-24 years of age) and older workers (55 years of age and older) remains below last year's levels. Youth experienced the greatest employment declines as a result of the pandemic restrictions, falling by more than a third in March and April 2020. The youth unemployment rate was 13.9% in October, similar to the rate recorded last October but 6,700 fewer youth are participating in the labour force.

Nova Scotia Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Oct 2020 %	Sept 2020 %	Oct 2019 %	Monthly Variation (% points)	Yearly Variation (% points)
Total	8.7	7.9	8.1	0.8	0.6
25 years and over	7.9	7.2	7.1	0.7	0.8
Men - 25 years and over	8.8	6.6	8.2	2.2	0.6
Women - 25 years and over	7.0	7.8	5.9	-0.8	1.1
15 to 24 years	13.9	11.9	13.8	2.0	0.1
Men - 15 to 24 years	19.1	18.8	15.0	0.3	4.1
Women - 15 to 24 years	8.3	4.0	12.6	4.3	-4.3

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

Employment levels remain lower for both males and females from a year ago. Though females have experienced greater job gains since May 2020, these were not enough to offset larger job losses in March and April 2020. Notably, the labour force participation gap between men and women was relatively stable through the year in Nova Scotia, rising by less than a percentage point through March and April before returning below the level observed in February. Nationally, this gap was wider through the summer months coinciding with the closures of schools and child care facilities, and remained elevated in October at 9.1 percentage points.

EMPLOYMENT BY INDUSTRY

Employment levels were lower in both the goods-producing and service-producing sectors compared with last October. Among **goods-producing** industries, employment declined in the **construction, forestry, fishing, mining and quarrying** and **manufacturing** industries. Though construction has experienced negative impacts related to the restrictions imposed during the pandemic, the industry continues to be supported by large provincial infrastructure projects, including highway construction, and a strong housing market. Employment changes in the **forestry, fishing, mining and quarrying** industry reflect different trends among the subsectors this year. Employment in fishing, for example, has been negatively impacted by a large drop in demand. Lobster exports have declined by 16.7% so far this year. Demand for lumber and some mining products, like gold, have strengthened on the other hand. **Manufacturing** employment levels reflect lower demand for processed seafood products, as well as the closure of the Northern Pulp mill earlier in the year.

Among **services-producing** sectors, the largest drop in employment has been in the **wholesale and retail trade** industry. The number of persons employed in this sector has declined by 12,900 (15.7%) from last October reflecting pandemic restrictions as well as the shift in consumer preference to online shopping. Provincially, August figures show retail sales are down 5.4% so far this year. Data available at the national level suggest e-shopping was up 60% from last year in Canada. A number of large retailers have announced multiple closures across Canada. Travel and social restrictions also severely impacted the provincial **accommodations and food services** industry during the 2020 Tourist season. Visits to Nova Scotia are down by 74% and room sales are less than half their previous level. On a positive note, there were a larger number of visitors from Atlantic Canada traveling within the Atlantic Bubble. Employment was also lower in the **information, culture and recreation** industry which has ties to tourism sector and includes casinos, movie theatres and museums. Services-producing industries that have observed higher levels of employment include: **education; professional, scientific and technical services; and finance, insurance, real estate, rental and leasing**. Employment in education may have been impacted by a need for additional staff to meet new public health requirements. Employment in **other services**, which includes personal care services such as hair salons is was also notably higher.

Nova Scotia Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Oct 2020	Sept 2020	Oct 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	458.5	455.7	467.1	2.8	0.6	-8.6	-1.8
Goods-producing sector	85.8	84.0	87.2	1.8	2.1	-1.4	-1.6
Agriculture	7.9	5.2	5.5	2.7	51.9	2.4	43.6
Forestry, fishing, mining, quarrying, oil and gas	8.0	9.4	9.6	-1.4	-14.9	-1.6	-16.7
Utilities	4.2	4.2	3.4	0.0	0.0	0.8	23.5

Construction	33.7	33.4	36.1	0.3	0.9	-2.4	-6.6
Manufacturing	31.9	31.9	32.6	0.0	0.0	-0.7	-2.1
Services-producing sector	372.8	371.7	379.9	1.1	0.3	-7.1	-1.9
Trade	69.1	67.7	82.0	1.4	2.1	-12.9	-15.7
Transportation and warehousing	18.7	18.8	19.1	-0.1	-0.5	-0.4	-2.1
Finance, insurance, real estate and leasing	24.0	24.0	21.9	0.0	0.0	2.1	9.6
Professional, scientific and technical services	32.2	31.1	28.6	1.1	3.5	3.6	12.6
Business, building and other support services	17.3	17.4	17.6	-0.1	-0.6	-0.3	-1.7
Educational services	41.9	39.9	36.7	2.0	5.0	5.2	14.2
Health care and social assistance	72.2	75.4	75.1	-3.2	-4.2	-2.9	-3.9
Information, culture and recreation	15.9	16.4	17.9	-0.5	-3.0	-2.0	-11.2
Accommodation and food services	33.8	31.9	37.3	1.9	6.0	-3.5	-9.4
Other services	16.8	18.8	14.4	-2.0	-10.6	2.4	16.7
Public administration	30.6	30.3	29.5	0.3	1.0	1.1	3.7

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Employment was below the levels observed in October 2019 in all economic regions of Nova Scotia, except the **Southern** economic region, where it was little changed. In the **Cape Breton** economic region, there were 2,300 fewer persons employed. The drop in employment was in full-time work. At the same time 3,000 persons left the labour force and were no longer searching for work. With fewer people in search of work the unemployment rate fell to 12.6%. Though the region has benefitted from a number of large construction projects, it was one of the regions, along with Halifax, most impacted by the drop in tourism. There was also a notable decline in employment in the **business, building and other support services** industry that corresponded with the months since the pandemic restrictions were put in place.

The **North Shore** economic region experienced more negative labour market impacts resulting in 4,700 fewer persons employed and a slight rise in the unemployment rate to 7.2%. Among industries, the largest employment decline occurred in the **wholesale and retail trade**. Employment in the **manufacturing** and **forestry, fishing, mining, quarrying, oil and gas** industries was also negatively affected by lower tire production, lower demand for seafood and the closure of the Northern Pulp mill this year. Exports of tires so far this year are down by nearly a quarter from their levels last year.

The **Annapolis Valley** experienced the largest decline in employment among economic regions with 5,600 fewer persons employed compared with last October. Fewer jobs resulted in a sizeable increase in the unemployment rate to 7.9%, up from 6.0% last October. The largest employment declines occurred in the **wholesale and retail trade** industry. The region has a large share of workers in the **agriculture** industry, and though some products, like frozen blueberries, have been experiencing strong demand, employment was down slightly from last October.

In Nova Scotia's **Southern** economic region, employment levels were little changed from last October. However, a large number of people joined the labour force in search of work which resulted in a rise in the region's

unemployment rate to 10.6%. Among industries, the largest employment decline occurred in **manufacturing**, which includes seafood processors. Low demand for seafood products has impacted seafood processors more negatively than fishers in recent months as the fishing season for the area traditionally runs from November to May.

The **Halifax** economic region is home to more than half of Nova Scotia's workers. Employment levels in the region were down only slightly, by 2,200, compared with last October. Meanwhile, Halifax's unemployment rate rose rather noticeably to 8.0% from the rate of 6.3% last year as a result of a large number of people joining the labour force in search of work. Halifax was the only economic region to see significant population growth and the labour force participation rate has recovered to its pre-pandemic level. Like other regions, the largest employment decline occurred in the **wholesale and retail trade** and **accommodations and food services** industries. Nearly half of the persons employed in the **health care and social assistance industry** live in the Halifax region and employment in this industry has declined by 4,100 or 11.1%. On a more positive note, **professional, scientific and technical services** and **education** industries experienced large employment increases, helping to boost provincial employment.

Nova Scotia Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Oct 2020 ('000)	Oct 2019 ('000)	Yearly Variation (%)	Oct 2020 (%)	Oct 2019 (%)	Yearly Variation (%)
Nova Scotia	457.3	472.0	-3.1	8.7	7.5	1.2
Economic Regions						
Cape Breton	48.6	50.9	-4.5	12.6	13.1	-0.5
North Shore	65.5	70.2	-6.7	7.2	7.0	0.2
Annapolis Valley	53.8	59.4	-9.4	7.9	6.0	1.9
Southern	47.2	47.0	0.4	10.6	9.1	1.5
Halifax	242.3	244.5	-0.9	8.0	6.3	1.7

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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