



# Labour Market Bulletin

## Nova Scotia

February 2021



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 increased by 2,500 in February, all of which was in part-time work. The level of employment now stands at 465,200, the second-highest value on record. The unemployment rate edged down from 8.3% to 8.1%, while the participation rate rose by 0.1 percentage points (pp).

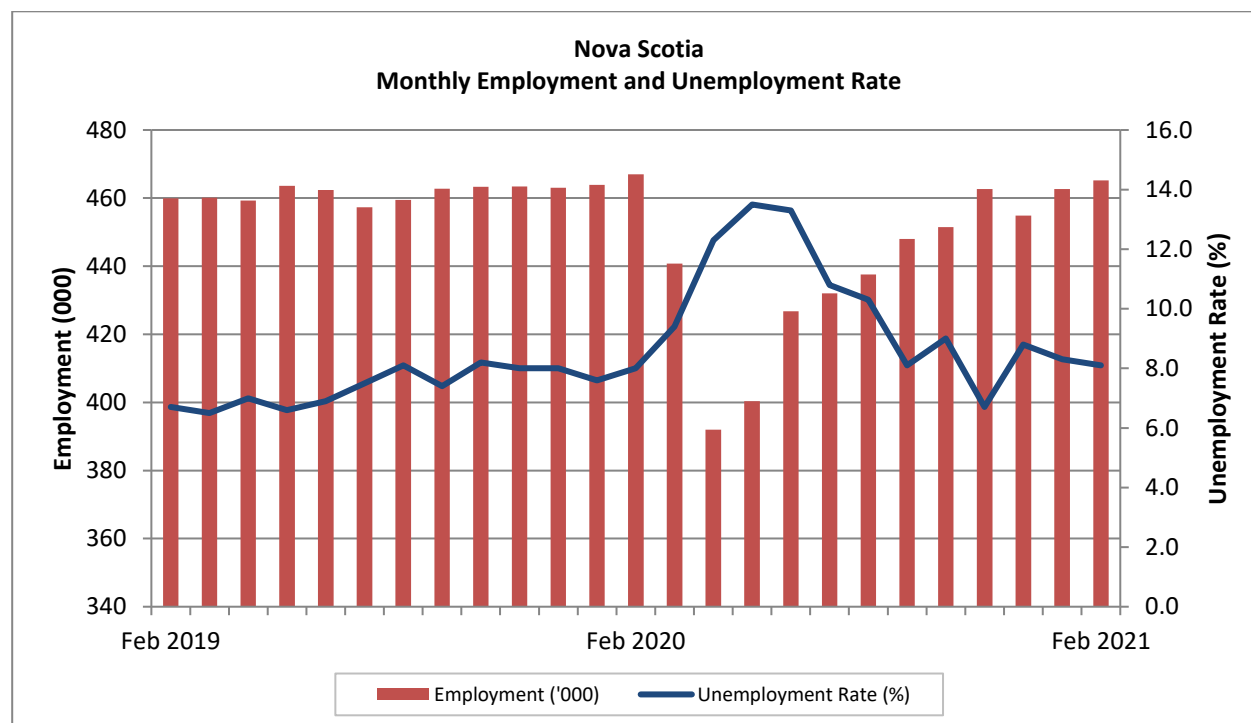
Nova Scotia Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Feb 2021	Jan 2021	Feb 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	817.4	817.2	811.8	0.2	0.0	5.6	0.7
<b>Labour Force ('000)</b>	506.2	504.8	507.6	1.4	0.3	-1.4	-0.3
<b>Employment ('000)</b>	465.2	462.7	467.0	2.5	0.5	-1.8	-0.4
Full-Time ('000)	379.9	381.1	376.1	-1.2	-0.3	3.8	1.0
Part-Time ('000)	85.3	81.7	90.9	3.6	4.4	-5.6	-6.2
<b>Unemployment ('000)</b>	41.0	42.1	40.6	-1.1	-2.6	0.4	1.0
<b>Unemployment Rate (%)</b>	8.1	8.3	8.0	-0.2	-	0.1	-
<b>Participation Rate (%)</b>	61.9	61.8	62.5	0.1	-	-0.6	-
<b>Employment Rate (%)</b>	56.9	56.6	57.5	0.3	-	-0.6	-

Note: Totals may not add due to rounding

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

On an annual basis, most indicators were comparable to February 2020, the last month before COVID-19 containment measures took effect. Total employment was just 0.4% lower, representing a near-complete rebound from the unprecedented job loss that occurred in March and April. All of the net change in employment was in part-time work; the number of full-time workers this month was high from an historical perspective despite the month-over-month decrease. The unemployment rate increased by 0.1pp year-over-year.



Positive overall indicators this month obscure large differences by age and sex. Employment among youth (15 to 24 years of age) has failed to recover to the same degree as older age groups. There were 5,400 fewer youth employed in February 2021 than one year earlier, a 7.8% decline, with most of the loss occurring in part-time work. This is due in large part to the overrepresentation of youth in industries which have been hardest hit by containment measures. Despite the loss of employment, the unemployment rate for this age group went down by 1.1 percentage points as 7,000 youth exited the labour force altogether. The increase in the number of youth not seeking employment may point to widespread discouragement.

**Nova Scotia Monthly Unemployment Rates, by Gender and Age**

Seasonally Adjusted Data	Feb 2021	Jan 2021	Feb 2020	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
<b>Total</b>	8.1	8.3	8.0	-0.2	0.1
<b>25 years and over</b>	7.3	6.7	7.0	0.6	0.3
Men - 25 years and over	8.9	8.4	7.9	0.5	1.0
Women - 25 years and over	5.7	5.0	6.0	0.7	-0.3
<b>15 to 24 years</b>	12.5	17.4	13.6	-4.9	-1.1
Men - 15 to 24 years	13.9	19.1	14.1	-5.2	-0.2
Women - 15 to 24 years	11.2	15.6	12.9	-4.4	-1.7

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

Year-over-year changes among prime working age individuals (25 to 54 years of age) and older workers (55 years and older) were more positive. Prime working age employment edged up by 0.2%, and there was a pronounced shift from part-time to full-time employment. The number of older workers went up by 3,000, all part-time in

nature. This increase is partially the result of an aging population; the size of the population over the age of 55 increased by nearly 2% over the past year while the number of individuals 54 and younger decreased.

By sex, the disparity in employment level caused by the pandemic has improved significantly. In May 2020, the number of female workers was more than 12,000 below the number of employed males, with a correspondingly higher female unemployment rate. This gap eased over subsequent months such that females currently comprise more than half of all workers in the province and have an unemployment rate 3.2pp lower than males.

## EMPLOYMENT BY INDUSTRY

Year-over-year, employment in the **goods-producing sector** increased 2.7%. Employment in the **construction** industry edged up amid reports of a tightening supply of workers. According to the CMHC, construction activity in the Halifax area is at its highest level ever. In addition, record levels of capital investment by the provincial government have created demand for workers on highway, healthcare, and education infrastructure projects. In the **manufacturing** industry, employment declined by 5.7% on an annual basis. Wood product manufacturers have benefited from high demand and prices for lumber; a surplus of wood chips since the closure of Northern Pulp has prompted one lumber mill to consider building a biochar plant. In textile manufacturing, Stanfield's Inc. recently laid off 150 workers who were previously engaged in the production of personal protective equipment.

Nova Scotia Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Feb 2021	Jan 2021	Feb 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	465.2	462.7	467.0	2.5	0.5	-1.8	-0.4
<b>Goods-producing sector</b>	91.4	92.5	89.0	-1.1	-1.2	2.4	2.7
Agriculture	8.3	7.8	5.5	0.5	6.4	2.8	50.9
Forestry, fishing, mining, quarrying, oil and gas	10.1	10.3	10.5	-0.2	-1.9	-0.4	-3.8
Utilities	4.7	4.3	3.5	0.4	9.3	1.2	34.3
Construction	35.2	36.6	34.4	-1.4	-3.8	0.8	2.3
Manufacturing	33.1	33.4	35.1	-0.3	-0.9	-2.0	-5.7
<b>Services-producing sector</b>	373.8	370.3	378.0	3.5	0.9	-4.2	-1.1
Trade	73.4	72.2	80.0	1.2	1.7	-6.6	-8.2
Transportation and warehousing	21.9	22.7	19.7	-0.8	-3.5	2.2	11.2
Finance, insurance, real estate and leasing	24.8	22.6	22.0	2.2	9.7	2.8	12.7
Professional, scientific and technical services	32.8	34.0	28.0	-1.2	-3.5	4.8	17.1
Business, building and other support services	17.2	17.8	19.0	-0.6	-3.4	-1.8	-9.5
Educational services	39.2	40.6	35.1	-1.4	-3.4	4.1	11.7
Health care and social assistance	72.4	74.7	72.6	-2.3	-3.1	-0.2	-0.3
Information, culture and recreation	15.4	15.4	18.4	0.0	0.0	-3.0	-16.3
Accommodation and food services	30.0	24.4	37.6	5.6	23.0	-7.6	-20.2
Other services	16.3	14.7	15.4	1.6	10.9	0.9	5.8
Public administration	30.5	31.1	30.1	-0.6	-1.9	0.4	1.3

Note: Totals may not add due to rounding

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

The number of workers in the **services-producing sector** went down by 1.1% over the past year. Despite the recovery of most types of retail sales values, employment in the **wholesale and retail trade** industry has failed to return to previous levels, declining 8.2% year-over-year. The number of workers in **accommodation and food services** remains more than 20% below pre-pandemic levels amid high hotel vacancy rates and capacity limits in dining rooms. The **information, culture, and recreation** industry has also experienced a sustained drop in employment. One bright spot in this industry is increased activity in motion picture and video production, which the executive director of Screen Nova Scotia attributes to the province's low COVID-19 case numbers.

Service-sector industries which have experienced strong job gains over the past year include **finance, insurance, real estate and leasing** and **professional, scientific, and technical services**. Growth in the latter has continued throughout the pandemic, with a number of software companies opening offices in Halifax and hiring staff locally. The video game sector has also been actively recruiting throughout the past year and the half. Employment in **healthcare and social assistance** and **public administration** has remained fairly stable during the past 12 months.

## REGIONAL ANALYSIS

Employment in **Cape Breton** went down by 13.8% (-7,100) year-over-year. Approximately two-thirds of the decrease was among part-time positions. A comparable number of individuals—7,400—left the labour force, causing the participation rate to slip to 47.2%, which is lower than the other economic regions by a margin of several percentage points. The contraction of the labour force also served to limit the increase in the unemployment rate, which rose from 12.9% to 14.2%. The majority of the job loss occurred in **accommodation and food services** and **wholesale and retail trade**, while a few other industries such as **business, building, and other support services** experienced moderate employment increases. A major employer in that industry, MCI, has announced plans to hire a further 350 call centre workers.

The **North Shore** region shed 500 jobs over the past year, all of which were full-time. The unemployment rate went down from 9.4% to 8.3% despite the job loss, as 1,500 people exited the labour force. Employment decline in this region was concentrated in the **services-producing sector**, with the largest losses occurring in **health care and social assistance, accommodation and food services** and **wholesale and retail trade**. Meanwhile, gains were recorded in **agriculture** and **manufacturing**.

The number of workers in the **Annapolis Valley** was little changed from February 2020, with an overall increase of 0.2%. Among those employed, there was a slight shift from full-time to part-time work. The labour force contracted slightly which, along with the small uptick in employment, caused the unemployment rate to decline by 0.4pp to 7.5%. As in the other regions, **accommodation and food services** and **wholesale and retail trade** posted severe employment declines. These were offset by hiring in **educational services** and **professional, scientific and technical services**.

In the **Southern** region, employment declined by just under 2% year-over-year, all of which was full-time in nature. This pushed the unemployment rate up by 0.5pp to 8.8%. The decline in **wholesale and retail trade** was somewhat less severe than in the other economic regions, though the **accommodation and food services** industry experienced widespread layoffs. Bright spots for employment in this region over the past year included **construction** and **business, building and other support services**.

Labour market outcomes improved year-over-year in **Halifax** as the number of workers went up by 5,200 (+2.2%), all full-time. An even larger number of individuals joined the labour force (+9,500) which pushed the unemployment rate up from 6.7% to 8.1% despite the job gains. This region has also experienced a large expansion

of the working-age population and a moderate participation rate increase since February 2020. Like elsewhere, **accommodation and food services** and **wholesale and retail trade** employment remains well below pre-pandemic levels, and employment loss also occurred in **business, building and other support services**. This was more-than-offset by strong growth in several other industries, led by **professional, scientific and technical services** in the services-producing sector and **construction** among goods-producing industries.

Nova Scotia Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Feb 2021 ('000)	Feb 2020 ('000)	Yearly Variation (%)	Feb 2021 (%)	Feb 2020 (%)	Yearly Variation (%)
<b>Nova Scotia</b>	451.8	455.0	-0.7	8.8	8.2	0.6
<b>Economic Regions</b>						
Cape Breton	44.2	51.3	-13.8	14.2	12.9	1.3
North Shore	66.7	67.2	-0.7	8.3	9.4	-1.1
Annapolis Valley	55.9	55.8	0.2	7.5	7.9	-0.4
Southern	47.6	48.5	-1.9	8.8	8.3	0.5
Halifax	237.4	232.2	2.2	8.1	6.7	1.4

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0387

**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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