



Labour Market Bulletin

Nova Scotia

March 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

Quarterly employment reached its highest-ever level in Q1 2021, marking a full recovery from the layoffs that occurred one year ago amid the onset of the COVID-19 pandemic. Compared to Q4 2020, the level of employment increased by 8,500, more than four-fifths of which was full-time in nature. Despite these gains, the unemployment rate increased by 0.1 percentage points (pp) as the number of individuals entering the labour force outpaced employment growth. The participation rate also went up, exceeding 62% for the first time since Q4 2019.

Nova Scotia Quarterly Labour Force Statistics

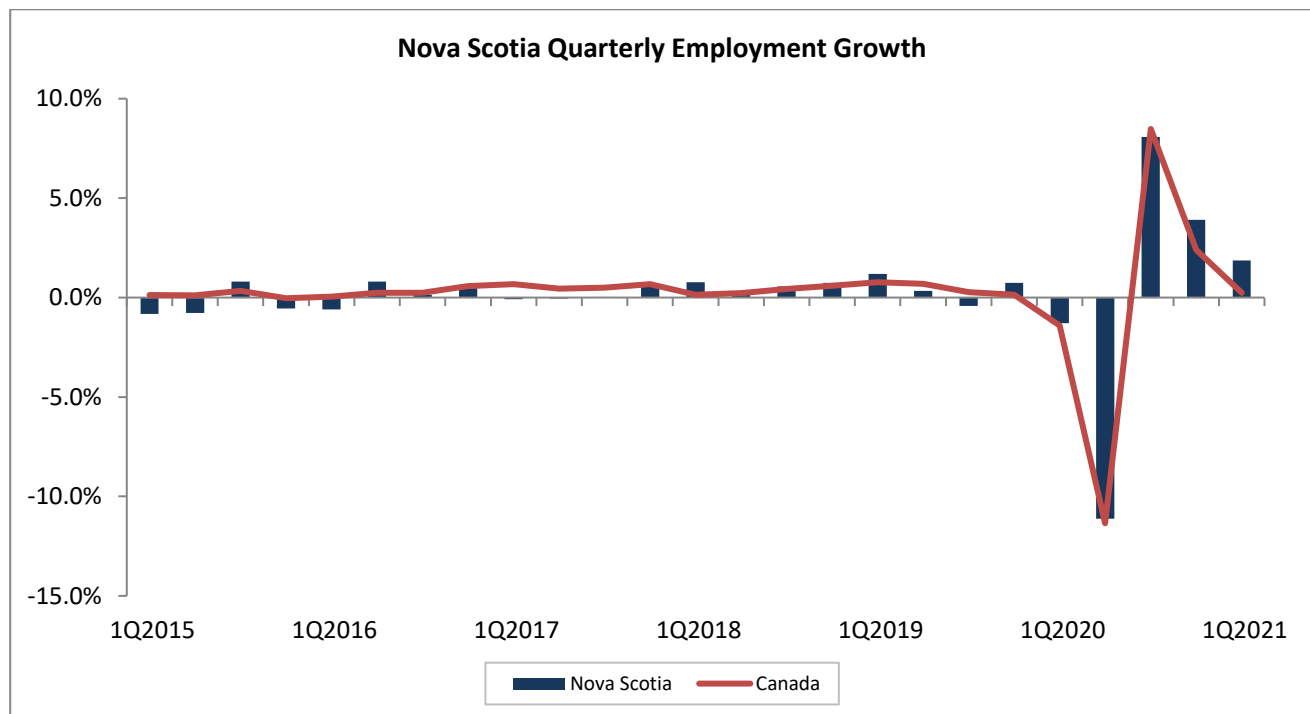
Seasonally Adjusted Quarterly Data	1st Quarter 2021	4th Quarter 2020	1st Quarter 2020	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	817.4	816.8	811.8	0.6	0.1	5.6	0.7
Labour Force ('000)	507.2	496.8	498.7	10.4	2.1	8.5	1.7
Employment ('000)	464.9	456.4	457.2	8.5	1.9	7.7	1.7
Full-Time ('000)	381.0	374.0	374.1	7.0	1.9	6.9	1.8
Part-Time ('000)	83.9	82.3	83.1	1.6	1.9	0.8	1.0
Unemployment ('000)	42.3	40.5	41.5	1.8	4.4	0.8	1.9
Unemployment Rate (%)	8.3	8.2	8.3	0.1	-	0.0	-
Participation Rate (%)	62.1	60.8	61.4	1.3	-	0.7	-
Employment Rate (%)	56.9	55.9	56.3	1.0	-	0.6	-

Note: Totals may not add due to rounding

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

On a year-over-year basis, employment increased by 1.7%. (It is important to note that the baseline employment level in Q1 2020 was depressed somewhat by the beginning of pandemic containment measures.) While a measure of annual employment growth is obscured by the effects of the pandemic, other labour market indicators point to

significant and positive underlying trends. Chiefly, the working age population and labour force both expanded by several thousand people during the past year amid an influx of interprovincial migrants.



Year-over-year job growth was entirely attributable to changes in public sector employment. Since Q1 2020, the number of public sector workers increased by 11,100 to 119,400, while private sector employment edged down by 900 to 290,600. The number of self-employed workers also declined, from 57,300 to 54,900.

Nova Scotia Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	1st Quarter 2021 %	4th Quarter 2020 %	1st Quarter 2020 %	Quarterly Variation (% points)	Yearly Variation (% points)
Total	8.3	8.2	8.3	0.1	0.0
25 years and over	7.2	7.5	7.2	-0.3	0.0
Men - 25 years and over	8.7	8.5	7.8	0.2	0.9
Women - 25 years and over	5.7	6.4	6.6	-0.7	-0.9
15 to 24 years	14.6	12.4	14.6	2.2	0.0
Men - 15 to 24 years	16.1	15.4	16.6	0.7	-0.5
Women - 15 to 24 years	13.1	9.1	12.4	4.0	0.7

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

All subsets of the population by sex and major age group have regained most—or all—of the employment shed during 2020. Youth (age 15 to 24 years) were disproportionately affected by the initial layoffs one year ago, due in large part to their concentration in industries that were most affected by physical distancing and travel restrictions. Throughout much of 2020, the rebound of youth employment lagged that of older age groups. However, in Q1 2021 the number of employed youth rose to 64,500, just 0.7% lower than one year earlier. While the overall level of youth employment is comparable to Q1 2020, there has been a shift toward more full-time work in this age bracket.

Older age groups fared better than youth during the past year. Employment among prime working age individuals (25 to 54 years of age) increased by 2.0% since Q1 2020, all of which was in full-time work. Both the unemployment and participation rates for this cohort also improved. Among older workers (55 years and up), employment went up by 2.3% year-over-year, though the change was all in part-time positions. Despite the added employment, the unemployment rate for older workers increased from 7.1% to 8.9% as several thousand individuals in this age group entered the labour force.

Nationally, media has pointed to the pandemic's unequal impact on women. Several labour market indicators at the provincial level indicate a strong recovery among females, however. Females made up more than three-quarters of employment added over the past year, while the unemployment rate among females remains significantly lower than that of their male counterparts.

EMPLOYMENT BY INDUSTRY

Approximately two-thirds of employment growth over the past year occurred in the **goods-producing** sector. Gains were led by the **agriculture** industry, in which employment has been trending higher during the past several months. The next-largest increase occurred in the **construction** industry, which added 2,400 workers on an annual basis. Demand for workers in construction is currently supported by both a large amount of residential construction as well as multi-year surge of capital spending by the provincial government on highways, hospitals, and educational facilities. The number of workers in the **manufacturing** industry was down 3.8% year-over-year from a pre-pandemic peak, but remains high relative to longer-term averages.

Employment in the **services-producing sector** went up by 0.7% since Q1 2020 though this moderate increase obscures large changes at the industry level. The **accommodation and food services** industry experienced the largest employment decline, shedding 7,100—or roughly one in five workers in this industry—over the past year. This industry has been impacted by capacity and physical distancing restrictions as well as the loss of most tourism from outside of the Atlantic Region. Tentative plans to re-establish the Atlantic travel “bubble” should improve tourism-based demand somewhat, though restrictions on travelers from beyond Atlantic Canada will likely remain in place until widespread vaccination has occurred. The second-largest employment decline over the past year was in the **wholesale and retail trade** industry. With the exception of gasoline and clothing, most categories of retail sales have been at or above normal values for several months; despite this, employment in this industry has remained persistently below pre-pandemic levels.

Nova Scotia Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	1st Quarter 2021	4th Quarter 2020	1st Quarter 2020	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	464.9	456.4	457.2	8.5	1.9	7.7	1.7
Goods-producing sector	93.0	87.5	87.9	5.5	6.3	5.1	5.8
Agriculture	8.1	8.1	5.1	0.0	0.0	3.0	58.8
Forestry, fishing, mining, quarrying, oil and gas	10.3	8.2	10.4	2.1	25.6	-0.1	-1.0
Utilities	4.5	4.4	3.4	0.1	2.3	1.1	32.4
Construction	36.8	35.0	34.4	1.8	5.1	2.4	7.0
Manufacturing	33.3	31.8	34.6	1.5	4.7	-1.3	-3.8
Services-producing sector	371.9	368.9	369.4	3.0	0.8	2.5	0.7
Trade	72.9	71.1	77.6	1.8	2.5	-4.7	-6.1
Transportation and warehousing	22.4	19.5	19.6	2.9	14.9	2.8	14.3
Finance, insurance, real estate and leasing	23.8	23.3	22.3	0.5	2.1	1.5	6.7
Professional, scientific and technical services	33.7	32.5	28.1	1.2	3.7	5.6	19.9
Business, building and other support services	17.0	17.6	18.2	-0.6	-3.4	-1.2	-6.6
Educational services	39.5	40.6	34.4	-1.1	-2.7	5.1	14.8
Health care and social assistance	73.2	72.3	72.1	0.9	1.2	1.1	1.5
Information, culture and recreation	15.2	14.7	17.0	0.5	3.4	-1.8	-10.6
Accommodation and food services	27.7	30.0	34.8	-2.3	-7.7	-7.1	-20.4
Other services	15.9	16.7	15.5	-0.8	-4.8	0.4	2.6
Public administration	30.7	30.6	29.8	0.1	0.3	0.9	3.0

Note: Totals may not add due to rounding

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

The loss of thousands of jobs in industries that are more exposed to the effects of the pandemic has been offset by growth in other industries. The **professional, scientific, and technical services** industry has been a bright spot for Nova Scotia’s labour market in recent years and job growth continued in this industry throughout the pandemic, adding 5,600 workers on a year-over-year basis. Employment in the **educational services** industry also went up substantially. During the past year this industry has experienced both the final step of the provincial government’s pre-primary program rollout, as well as an unprecedented shift to virtual learning at the post-

secondary level. Notable job growth also occurred in several other industries, such as: **transportation and warehousing; financial, insurance, real estate and leasing; and health care and social assistance.**

REGIONAL ANALYSIS

Cape Breton was the only economic region in which employment went down year-over-year, falling by 6,700. The decline was split fairly evenly between full- and part-time work. Despite the extent of job loss, the unemployment rate declined from 14.4% to 14.1% as more than eight thousand individuals left the labour force. The three industries that accounted for the majority of the employment decline were **wholesale and retail trade, information, culture and recreation, and accommodation and food services.** While there was modest employment growth in **construction and professional, scientific and technical services,** these gains were not enough to offset losses in other industries.

Employment in the **North Shore** economic region went up by 1,800 (or 2.8%) during the past year, all of which was part-time in nature. The job growth caused the unemployment rate to decrease by 1.4 pp to 9.0%, while the participation rate increased as 900 people joined the labour force. The **wholesale and retail trade** industry was a major contributor to employment growth, defying softer conditions observed elsewhere in the province. Other industries that added workers included **agriculture and manufacturing.**

In the **Annapolis Valley** economic region employment rose by 2,200 on an annual basis, though approximately three-quarters of this gain was in part-time work. The labour force expanded by a comparable amount, which limited the decrease in the unemployment rate to just 0.3 pp and pushed the participation rate up to 57.9%. Contributors to job growth included the **educational services and professional, scientific and technical services** industries, while declines occurred in **accommodation and food services and finance, insurance, real estate, rental and leasing.**

Nova Scotia Quarterly Labour Force Statistics, by Economic Region

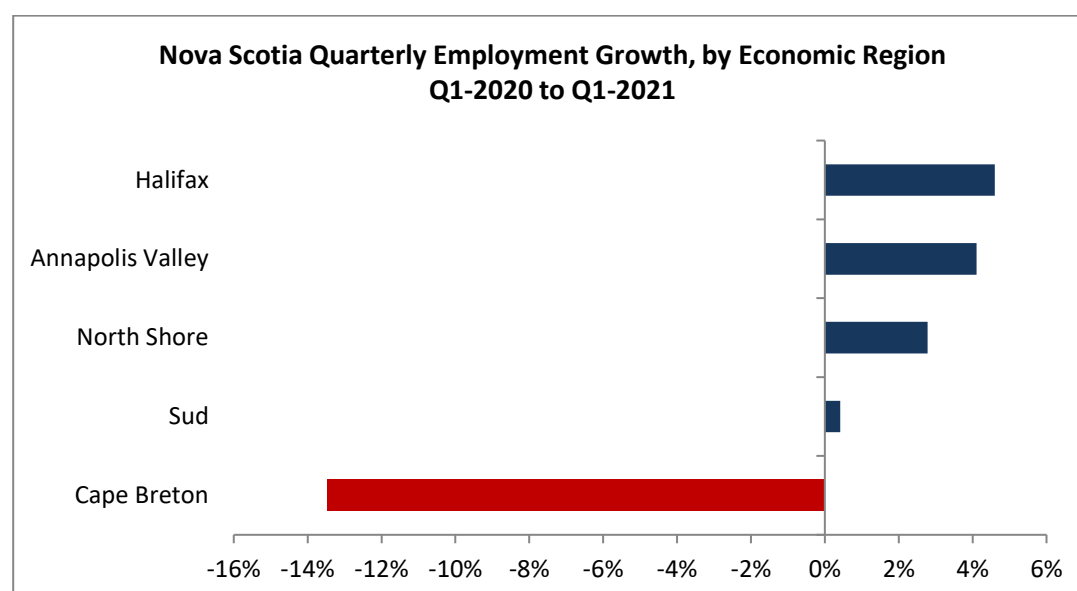
3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	1st Quarter 2021 ('000)	1st Quarter 2020 ('000)	Yearly Variation (%)	1st Quarter 2021 (%)	1st Quarter 2020 (%)	Yearly Variation (%)
Nova Scotia	452.5	444.4	1.8	9.2	9.1	0.1
Economic Regions						
Cape Breton	43.1	49.8	-13.5	14.1	14.4	-0.3
North Shore	66.5	64.7	2.8	9.0	10.4	-1.4
Annapolis Valley	55.8	53.6	4.1	9.0	9.3	-0.3
Southern	48.1	47.9	0.4	8.9	9.8	-0.9
Halifax	238.9	228.4	4.6	8.4	7.2	1.2

Note: Totals may not add due to rounding

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

The number of workers in the **Southern** economic region was little-changed from one year prior, as an increase in part-time work was offset by a loss of some full-time positions. The net change was an overall employment increase of just 200. Despite the modest change, the unemployment rate went down from 9.8% to 8.9% as the labour force contracted. By industry, **wholesale and retail trade**, **professional, scientific and technical services**, and **accommodation and food services** shed workers, while moderate increases occurred in most other sectors.

Halifax was the provincial driver of employment growth during the past year. The employment level went up by 10,500, all of which was full-time. Despite this growth, the unemployment rate increased from 7.2% to 8.4% as 14,800 jobseekers joined the labour force. While employment declines occurred in the **business, building and other support services** and **wholesale and retail trade** industries, large increases occurred in seven other industries. Employment in the **construction** industry expanded by the greatest amount, followed by several service-sector industries such as **transportation and warehousing**, **professional, scientific and technical services**, and **health care and social assistance**.



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:

http://www.esdc.gc.ca/cgi-bin/contact/esdc-esdc/eng/contact_us.aspx?section=lmi

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

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