



Labour Market Bulletin

Nova Scotia

June 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 went down by 2.0% during Q2 2021. This was largely influenced by a province-wide lockdown imposed on April 28 that lasted throughout the month of May. All of the decrease was among full-time workers and all was in the private sector. The unemployment rate rose from 8.3% to 9.0%, and the participation rate slipped from 62.1% to 61.1%.

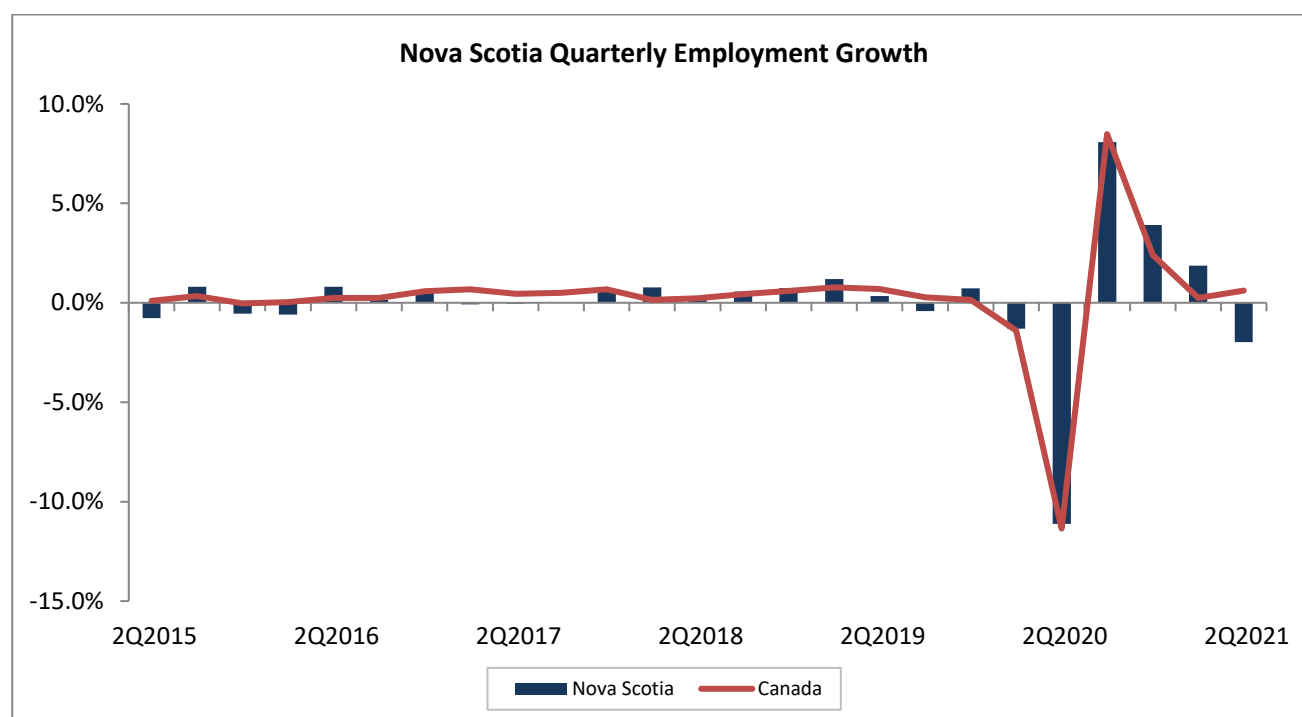
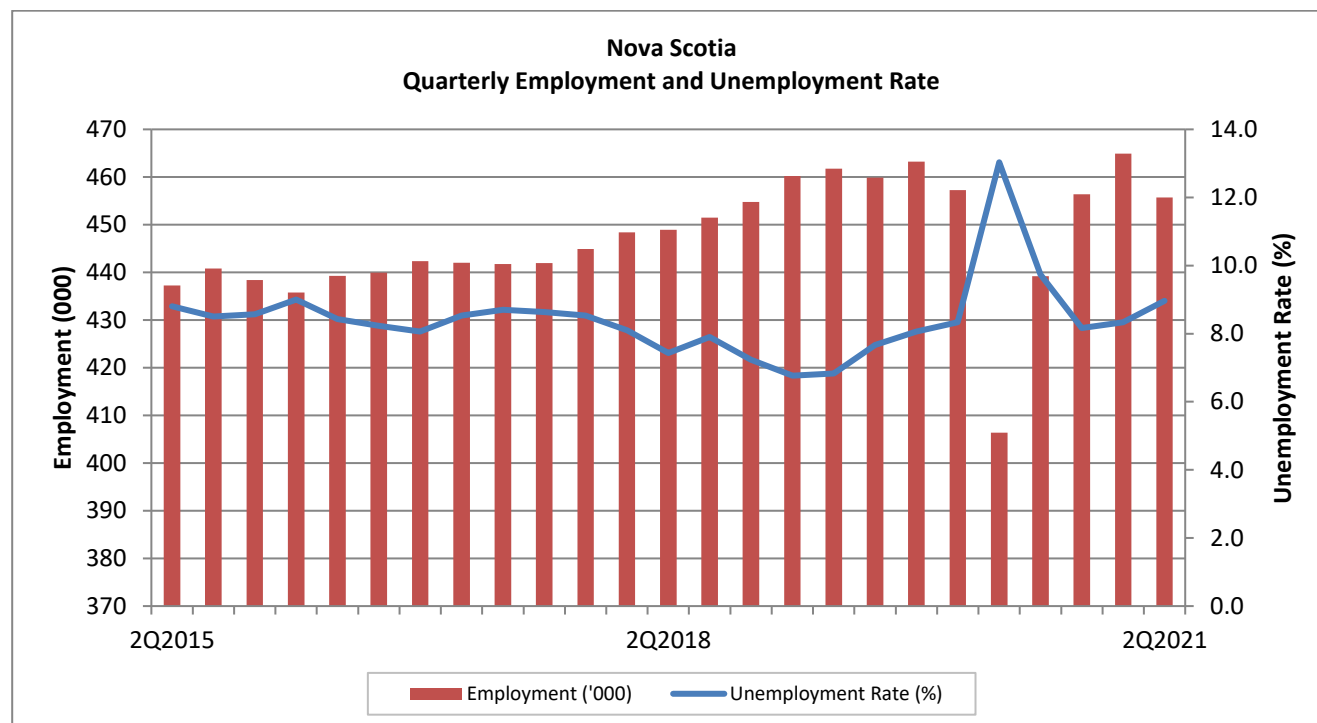
Nova Scotia Quarterly Labour Force Statistics

| Seasonally Adjusted Quarterly Data | 2nd Quarter 2021 | 1st Quarter 2021 | 2nd Quarter 2020 | Quarterly Variation | | Yearly Variation | |
|---------------------------------------|------------------------|------------------------|------------------------|------------------------|------|------------------|-------|
| | | | | Number | % | Number | % |
| Population 15 + ('000) | 818.8 | 817.4 | 812.8 | 1.4 | 0.2 | 6.0 | 0.7 |
| Labour Force ('000) | 500.7 | 507.2 | 467.5 | -6.5 | -1.3 | 33.2 | 7.1 |
| Employment ('000) | 455.7 | 464.9 | 406.4 | -9.2 | -2.0 | 49.3 | 12.1 |
| Full-Time ('000) | 371.2 | 381.0 | 339.0 | -9.8 | -2.6 | 32.2 | 9.5 |
| Part-Time ('000) | 84.5 | 83.9 | 67.4 | 0.6 | 0.7 | 17.1 | 25.4 |
| Unemployment ('000) | 45.0 | 42.3 | 61.1 | 2.7 | 6.4 | -16.1 | -26.4 |
| Unemployment Rate (%) | 9.0 | 8.3 | 13.0 | 0.7 | - | -4.0 | - |
| Participation Rate (%) | 61.1 | 62.1 | 57.5 | -1.0 | - | 3.6 | - |
| Employment Rate (%) | 55.7 | 56.9 | 50.0 | -1.2 | - | 5.7 | - |

Note: Totals may not add due to rounding

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

The quarterly labour force figures represent the average of the months of April, May, and June 2021. In April, before the lockdown, the employment level was comparable to pre-pandemic levels. In May, the number of workers declined by 22,200— or 4.8%. In June, the provincial labour market regained 13,800 jobs, amounting to about three-fifths of those lost in May.



Despite the deterioration in conditions since the previous quarter (Q1 2021), this quarter's outcomes marked a significant improvement over those posted one year ago, in Q2 2020. During that period, employment dropped by more than 50,000 as the first round of strict containment measures were implemented in response to the initial outbreak of COVID-19 cases. Against that low baseline, employment in Q2 2021 was up by 49,300 year-over-year,

or 12.1%. The majority of the annual increase was in part-time work, as those positions had been shed disproportionately during the contraction one year earlier.

Despite declining by 1.3% this quarter, the labour force remained large from a historical perspective, with just over half a million participants. The working age population expanded by 0.7% during the past year, as positive interprovincial migration trends have continued throughout the pandemic.

Similar to previous periods with stricter containment measures, females experienced a greater share of the negative labour market changes this quarter compared to their male counterparts. Compared to the previous quarter, female employment was down by 2.8%, all full-time, whereas male employment declined by just 1.1%. Factors behind this development may include the overrepresentation of females in harder-hit industries and reduced access to daycare and early learning centre spaces.

Youth (15 to 24 years of age) have also been more affected by job loss throughout the pandemic, and this quarter was no exception. While youth make up less than 14% of all employment, they comprised more than 30% of the employment decline in Q2 2021. The youth unemployment rate increased by half of a percentage point (pp) to 15.2%. The scale of this increase was limited by 2,800 youth exiting the labour force altogether.

Prime working age individuals (25 to 54 years of age) and older workers (55 years and up) experienced less severe labour market outcomes than youth this quarter. Employment contracted by 2.0% among the prime working age group, while the number of older workers declined by just 0.5%.

Nova Scotia Quarterly Unemployment Rates, by Gender and Age

| Seasonally Adjusted Data | 2nd Quarter 2021 % | 1st Quarter 2021 % | 2nd Quarter 2020 % | Quarterly Variation (% points) | Yearly Variation (% points) |
|---------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|-----------------------------------|
| Total | 9.0 | 8.3 | 13.0 | 0.7 | -4.0 |
| 25 years and over | 8.0 | 7.2 | 11.0 | 0.8 | -3.0 |
| Men - 25 years and over | 9.0 | 8.7 | 10.8 | 0.3 | -1.8 |
| Women - 25 years and over | 6.8 | 5.7 | 11.2 | 1.1 | -4.4 |
| 15 to 24 years | 15.2 | 14.6 | 25.5 | 0.6 | -10.3 |
| Men - 15 to 24 years | 17.2 | 16.1 | 23.9 | 1.1 | -6.7 |
| Women - 15 to 24 years | 13.1 | 13.1 | 27.2 | 0.0 | -14.1 |

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

EMPLOYMENT BY INDUSTRY

Overall, the job loss of Q2 2021 was split proportionally between the goods- and services-producing sectors. In the **goods-producing sector**, the **agriculture** industry accounted for much of the decline. This may simply represent a return to normal employment levels, however, as job figures in this industry have been above average in recent months. The two largest goods-producing industries, **construction** and **manufacturing**, had relatively small declines this quarter, with employment going down by 1.6% and 1.2% respectively. The construction industry has been characterized by high levels of activity and shortages of certain labour and trade positions during the past year. Residential construction activity has reached historical highs in the Halifax region and several major capital projects on highways and hospitals are underway throughout the province. In response to labour shortages, the

province has added heavy equipment operators and construction trade helper and labourer positions to its Occupations in Demand immigration stream.¹

Nova Scotia Quarterly Employed Labour Force, by Industry

| Seasonally Adjusted Data ('000) | 2nd Quarter 2021 | 1st Quarter 2021 | 2nd Quarter 2020 | Quarterly Variation | | Yearly Variation | |
|---|------------------------|------------------------|------------------------|------------------------|-------|------------------|------|
| | | | | Number | % | Number | % |
| Total employed, all industries | 455.7 | 464.9 | 406.4 | -9.2 | -2.0 | 49.3 | 12.1 |
| Goods-producing sector | 91.6 | 93.0 | 80.5 | -1.4 | -1.5 | 11.1 | 13.8 |
| Agriculture | 6.9 | 8.1 | 5.3 | -1.2 | -14.8 | 1.6 | 30.2 |
| Forestry, fishing, mining, quarrying, oil and gas | 11.3 | 10.3 | 11.0 | 1.0 | 9.7 | 0.3 | 2.7 |
| Utilities | 4.3 | 4.5 | 3.3 | -0.2 | -4.4 | 1.0 | 30.3 |
| Construction | 36.2 | 36.8 | 31.0 | -0.6 | -1.6 | 5.2 | 16.8 |
| Manufacturing | 32.9 | 33.3 | 29.8 | -0.4 | -1.2 | 3.1 | 10.4 |
| Services-producing sector | 364.2 | 371.9 | 325.9 | -7.7 | -2.1 | 38.3 | 11.8 |
| Trade | 69.5 | 72.9 | 63.7 | -3.4 | -4.7 | 5.8 | 9.1 |
| Transportation and warehousing | 23.3 | 22.4 | 17.5 | 0.9 | 4.0 | 5.8 | 33.1 |
| Finance, insurance, real estate and leasing | 23.2 | 23.8 | 21.1 | -0.6 | -2.5 | 2.1 | 10.0 |
| Professional, scientific and technical services | 33.9 | 33.7 | 27.7 | 0.2 | 0.6 | 6.2 | 22.4 |
| Business, building and other support services | 18.0 | 17.0 | 16.2 | 1.0 | 5.9 | 1.8 | 11.1 |
| Educational services | 36.3 | 39.5 | 32.6 | -3.2 | -8.1 | 3.7 | 11.3 |
| Health care and social assistance | 72.8 | 73.2 | 69.0 | -0.4 | -0.5 | 3.8 | 5.5 |
| Information, culture and recreation | 14.0 | 15.2 | 13.1 | -1.2 | -7.9 | 0.9 | 6.9 |
| Accommodation and food services | 26.6 | 27.7 | 21.6 | -1.1 | -4.0 | 5.0 | 23.1 |
| Other services | 15.6 | 15.9 | 12.6 | -0.3 | -1.9 | 3.0 | 23.8 |
| Public administration | 31.0 | 30.7 | 30.9 | 0.3 | 1.0 | 0.1 | 0.3 |

Note: Totals may not add due to rounding

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

In the **services-producing sector**, declines occurred in many of the same industries that were disrupted in past periods of strict pandemic containment measures. In absolute terms, the largest employment decrease was in the **wholesale and retail trade** industry, which shed 3,400 workers as non-essential stores were ordered to close to in-person shopping. Employment in the **educational services** industry also went down by more than 3,000; elementary and secondary schools closed and learning occurred remotely during the month of May. Notable job loss also occurred in the **information, culture, and recreation** and **accommodation and food services** industries, as restrictions tightened on inter- and intra-provincial travel, eat-in dining, and many other non-essential activities. Some businesses in the **other services** industry—such as hair salons—were also ordered to close temporarily. Dentists and health practitioners were permitted to remain open, however, which limited the impact of the lockdown on the **health care and social assistance** industry.

Some industries posted positive employment growth this quarter despite the lockdown. The largest job gains this quarter occurred in the **business, building, and other support services** industry, followed closely by the

¹ <https://novascotia.ca/news/release/?id=20210616001>

transportation and warehousing industry. The **professional, scientific, and technical services** industry has been a bright spot throughout the pandemic. While this industry only added 200 jobs in Q2 2021, employment has expanded by more than 20% over pre-pandemic levels during the past year.

REGIONAL ANALYSIS

Employment in the **Cape Breton** economic region went up by 5.1% year-over-year, all of which was full-time in nature, while the size of the labour force remained nearly-unchanged. The unemployment rate declined from 18.7% one year ago to 14.2% in Q2 2021. While labour market conditions have recovered somewhat during the past year, employment remains well below pre-pandemic levels. By industry, the largest decline occurred in the **wholesale and retail trade** industry, while the **public administration** industry gained the largest number of workers.

The **North Shore** economic region added 10,000 workers over the past year, nearly reaching pre-pandemic employment levels. The labour force also expanded, but at a slower pace, adding 6,600 individuals. The net result of these changes was a 5.6p.p. reduction in the unemployment rate, which fell from 13.1% to 7.5%. The majority of industries in the North Shore region posted strong job growth compared with Q2 2020, when the shutdown occurred during the first wave of the pandemic. Three exceptions were the **construction**, **educational services**, and **accommodation and food services** industries, which experienced employment declines.

Nova Scotia Quarterly Labour Force Statistics, by Economic Region

| 3-Month Moving Averages Seasonally Unadjusted Data | Employment | | | Unemployment Rate | | |
|---|----------------------------------|----------------------------------|----------------------------|-------------------------|-------------------------|-----------------------------------|
| | 2nd Quarter 2021 ('000) | 2nd Quarter 2020 ('000) | Yearly Variation (%) | 2nd Quarter 2021 (%) | 2nd Quarter 2020 (%) | Yearly Variation (% points) |
| Nova Scotia | 460.2 | 411.4 | 11.9 | 8.9 | 12.9 | -4.0 |
| Economic Regions | | | | | | |
| Cape Breton | 47.2 | 44.9 | 5.1 | 14.2 | 18.7 | -4.5 |
| North Shore | 69.5 | 59.5 | 16.8 | 7.5 | 13.1 | -5.6 |
| Annapolis Valley | 57.4 | 48.5 | 18.4 | 8.5 | 12.2 | -3.7 |
| Southern | 52.2 | 47.1 | 10.8 | 7.0 | 12.3 | -5.3 |
| Halifax | 233.9 | 211.5 | 10.6 | 8.8 | 11.8 | -3.0 |

Note: Totals may not add due to rounding

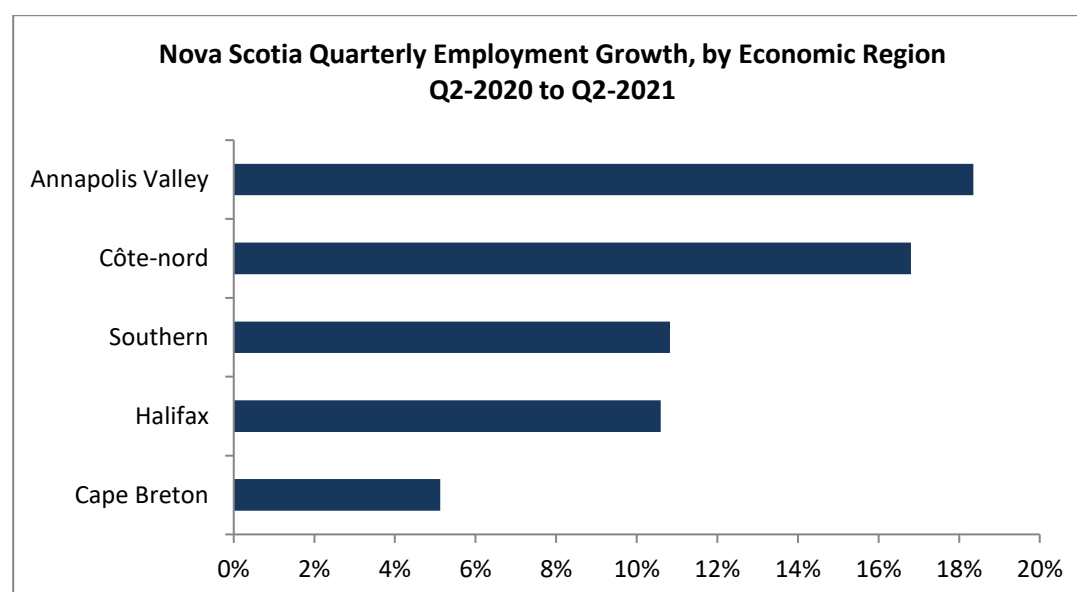
Source: Statistics Canada Labour Force Survey – Table 14-10-0387

In the **Annapolis Valley** economic region, the unemployment rate slipped from 12.2% to 8.5% on an annual basis as the number of people employed went up by 8,900. The majority of the added employment was in full-time positions, and nearly all was in the **services-producing** sector. The participation rate rose to 59.2%—the second-highest in the province after Halifax—as 7,600 people joined the labour force. By industry, the largest employment increases were in the **wholesale and retail trade** and **health care and social assistance** industries.

Employment in the **Southern** economic region reached 52,200 this quarter, an increase of 5,100 from one year prior and more than before the pandemic struck. Of the workers added during the past year, nine out of ten were in part time positions. The unemployment rate declined to 7.0%, which was 5.3p.p. lower than during Q2 2020. As

in other regions, most industries experienced strong job growth over the past year as they recovered from last year's lockdown.

The **Halifax** economic region added 22,400 jobs year-over-year, of which approximately three-quarters were full-time in nature. Despite the strong improvement from one year earlier, employment fell somewhat short of pre-pandemic levels. The unemployment rate remained elevated at 8.8%, but was down by 3p.p. year-over-year. The working age population of Halifax expanded by 1.8% over the past year, reflecting a high level of net migration. Job growth was led by the **professional, scientific and technical services** industry, which has been a strong performer provincially and is heavily concentrated in this region. Exceptionally strong employment increases also occurred in the **construction** and **transportation and warehousing** industries.



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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