



Labour Market Bulletin

Nova Scotia

August 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 up by 3,900 in August, all of which was part-time in nature. The number of workers has nearly returned to the pre-pandemic level posted in February 2020. The labour force also expanded in August, but at a slower pace than employment. The net result was a reduction in the number of unemployed jobseekers and the unemployment rate, which declined from 8.4% to 7.8%. Growth of the working-age population accelerated this month, as the province added 1,800 individuals aged 15 years and older.

Nova Scotia Monthly Labour Force Statistics

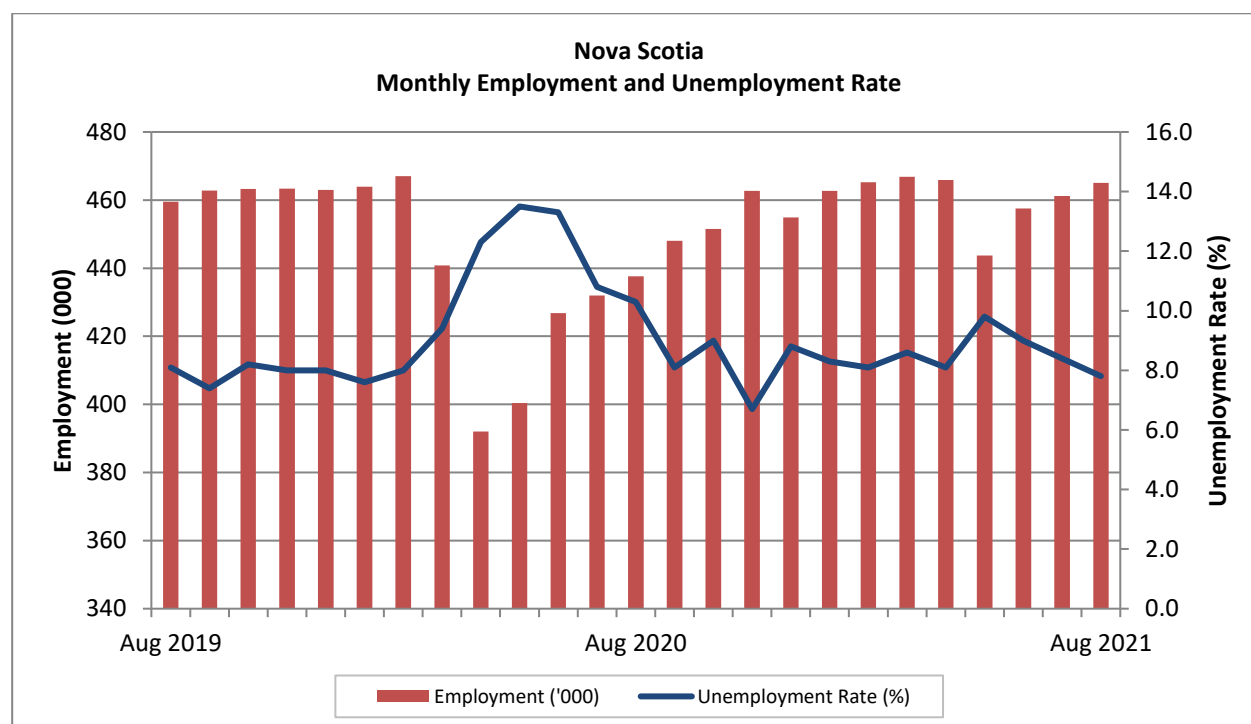
Seasonally Adjusted Monthly Data	Aug 2021	July 2021	Aug 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	822.3	820.5	815.0	1.8	0.2	7.3	0.9
Labour Force ('000)	504.6	503.3	487.9	1.3	0.3	16.7	3.4
Employment ('000)	465.1	461.2	437.6	3.9	0.8	27.5	6.3
Full-Time ('000)	371.2	372.7	350.3	-1.5	-0.4	20.9	6.0
Part-Time ('000)	93.8	88.5	87.4	5.3	6.0	6.4	7.3
Unemployment ('000)	39.5	42.1	50.3	-2.6	-6.2	-10.8	-21.5
Unemployment Rate (%)	7.8	8.4	10.3	-0.6	-	-2.5	-
Participation Rate (%)	61.4	61.3	59.9	0.1	-	1.5	-
Employment Rate (%)	56.6	56.2	53.7	0.4	-	2.9	-

Note: Totals may not add due to rounding

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

Recent job gains mark the provincial labour market's second recovery in the past year and a half. At the outset of the pandemic in March 2020, employment plunged by 16.1%, which was largely recovered over the course of the following twelve months. In May 2021, another major outbreak of COVID-19 cases prompted new containment

measures and another sharp decline in employment transpired as a result. Throughout June, July, and August of 2021, the number of workers rebounded to pre-pandemic levels for the second time, as can be seen in the chart below.



Year-over-year changes in the labour market reflect the fact that during the baseline month of August 2020, the provincial economy was in the midst of its initial recovery. Since then, employment increased by 27,500, three quarters of which was in full-time work. During the same period, the unemployment rate fell from 10.3% to 7.8%, and the participation rate rose by 1.5 percentage points (pp) to 61.4%, as thousands of individuals entered (or re-entered) the labour force.

Between August 2020 and August 2021, the working-age population increased by 7,300 -- slightly more than during the previous 12 months. Despite the additional challenges posed by the pandemic, strong international and interprovincial migration flows to the province have continued during the past year.

Nova Scotia Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Aug 2021	July 2021	Aug 2020	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	7.8	8.4	10.3	-0.6	-2.5
25 years and over	7.1	7.4	8.9	-0.3	-1.8
Men - 25 years and over	7.5	8.1	10.7	-0.6	-3.2
Women - 25 years and over	6.8	6.7	7.2	0.1	-0.4
15 to 24 years	11.9	14.0	18.7	-2.1	-6.8
Men - 15 to 24 years	14.6	18.2	21.7	-3.6	-7.1
Women - 15 to 24 years	9.2	9.9	15.3	-0.7	-6.1

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

Throughout the pandemic, youth (15 to 24 years of age) have experienced a greater degree of job loss during periods of strong containment measures than older age groups, due in large part to their overrepresentation in harder-hit industries. They have also accounted for an outsized share of the employment rebound. While youth make up just 14% of overall employment, they accounted for more than one-third of the year-over-year job gains, and nearly half of the one-month increase measured in August. Despite these improvements, however, employment for this age group continues to fall well short of levels observed in the months before the pandemic.

There has been a less pronounced decline and rebound among prime working-age individuals (25 to 54 years of age). Employment for this age group increased by 4.1% year-over-year, but declined by 0.8% on a monthly basis. Meanwhile, the number of older workers jumped by 3.6% in this month, reaching the highest value on record. This age group appears to be experiencing sustained employment growth, having exceeded pre-pandemic figures during six of the past seven months.

Females have experienced more extensive job loss during periods of strong containment measures than their male counterparts. As of August 2021, male employment was just 0.1% below the pre-pandemic level measured in February 2020, while for females, the gap was 0.7%. On a year-over-year basis, the number of employed males went up by 7.3%, while the number of female workers rose by just 5.2%. Furthermore, the majority of the increase among females occurred in the older worker age bracket.

EMPLOYMENT BY INDUSTRY

Employment in the **goods-producing sector** went up by 3.9% year-over-year. Growth was led by the **construction** industry, which added 1,800 workers. Activity in this industry has been boosted by a high level of capital spending by the provincial government on several major highway and healthcare infrastructure projects, as well as exceptionally high demand for residential dwellings. Job gains also occurred in the **agriculture** and **utilities** industries. There was a slight decline in the **forestry, fishing, mining, quarrying, oil, and gas** industry; in the forestry industry, the looming impact of the closure of the Northern Pulp mill has so far been offset by high global demand and elevated prices for lumber. Employment in the **manufacturing** industry declined slightly (-1.0%).

There has been a wide range of employment outcomes among **services-producing industries** during the past year. The largest employment increase was in the **professional, scientific, and technical services** industry, in which the number of workers rose by 7,000 year-over-year amid an influx of openings and expansions in the IT sector. Substantial employment growth also occurred in the **health care and social assistance** industry. Over the longer term, the aging of the population is creating greater demand for health care workers, which has been further compounded by temporary efforts related to the pandemic such as testing and vaccination programs. The **wholesale and retail trade** industry added 6,000 workers but, despite an overall recovery of retail sales values, remains well short of pre-pandemic employment figures.

Declines occurred in both the **accommodation and food services** industry and the **information, culture, and recreation** industry. These two industries have been heavily impacted by ongoing containment measures and the decrease in tourist visitations to the province. August employment figures for both industry groups were more than one-quarter below pre-pandemic values, having been unable to recover meaningfully during the past sixteen months. On a more positive note, some accommodations establishments reported having solid bookings throughout the later part of the 2021 tourist season. Employment also went down in the **other services** and **education** industries.

Nova Scotia Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Aug 2021	July 2021	Aug 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	465.1	461.2	437.6	3.9	0.8	27.5	6.3
Goods-producing sector	87.9	89.5	84.6	-1.6	-1.8	3.3	3.9
Agriculture	5.9	6.2	4.7	-0.3	-4.8	1.2	25.5
Forestry, fishing, mining, quarrying, oil and gas	11.4	12.0	11.6	-0.6	-5.0	-0.2	-1.7
Utilities	4.3	3.4	3.7	0.9	26.5	0.6	16.2
Construction	35.3	36.0	33.5	-0.7	-1.9	1.8	5.4
Manufacturing	30.9	31.9	31.2	-1.0	-3.1	-0.3	-1.0
Services-producing sector	377.1	371.7	353.0	5.4	1.5	24.1	6.8
Trade	73.5	71.7	67.5	1.8	2.5	6.0	8.9
Transportation and warehousing	23.5	24.3	18.5	-0.8	-3.3	5.0	27.0
Finance, insurance, real estate and leasing	22.9	23.0	21.8	-0.1	-0.4	1.1	5.0
Professional, scientific and technical services	37.5	34.2	30.1	3.3	9.6	7.4	24.6
Business, building and other support services	18.1	18.4	15.8	-0.3	-1.6	2.3	14.6
Educational services	38.0	35.1	39.0	2.9	8.3	-1.0	-2.6
Health care and social assistance	76.1	77.5	69.7	-1.4	-1.8	6.4	9.2
Information, culture and recreation	13.6	13.2	15.8	0.4	3.0	-2.2	-13.9
Accommodation and food services	26.7	28.6	27.4	-1.9	-6.6	-0.7	-2.6
Other services	15.9	14.8	17.5	1.1	7.4	-1.6	-9.1
Public administration	31.3	30.8	29.8	0.5	1.6	1.5	5.0

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Over the past year, major improvements in labour market conditions occurred in all five economic regions in the province. Each region posted a lower unemployment rate than one year earlier, and all experienced positive job growth. The extent of the employment increase varied considerably across regions, however, as did the distribution between full- and part-time work.

In **Cape Breton**, employment went up by 1,600 year-over-year— the smallest increase in the province and nearly all part-time in nature. The labour force contracted by 1,000 individuals, causing the participation rate to slip to 53.9%, lowest in the province. The combined effect of these changes caused the unemployment rate to decline from 15.8% to 11.8%. Approximately two-thirds of the job growth occurred in the **goods-producing sector**— specifically, in the **forestry, fishing, mining, quarrying, oil, and gas** and **construction** industries. Among services-producing industries, gains were led by **public administration** and **accommodation and food services**.

The **North Shore** region experienced the largest employment increase in the province, adding 10,800 workers since last August, three quarters of whom were in full-time positions. This employment growth outpaced the

expansion of the labour force, resulting a 4.2pp decline of the unemployment rate to 7.5%. Job gains were shared among most industries, led by **wholesale and retail trade, transportation and warehousing, and professional, scientific, and technical services**, while the largest decline was in the **educational services** industry.

Job growth in the **Annapolis Valley** was also strong during the past year. The level of employment rose by 4,300, of which 2,700 was in full-time work. The labour force grew at a comparable rate, which pushed the participation rate up to 59.5% but also served to limit the improvement in the unemployment rate. The **wholesale and retail trade** industry posted the largest employment increase by a wide margin, but there were also notable gains in **construction, health care, and social assistance, and other services**.

In the **Southern** region, the number of workers went up by 2,600 on an annual basis, though most was part-time. Growth of the labour force in this region was limited, adding just 500 individuals. As a result, the employment increase had a significant effect on the unemployment rate, which fell by nearly four percentage points. As in other regions, employment in the majority of industries rose throughout the year, with some of the largest changes occurring in **professional, scientific, and technical services, health care and social assistance, and manufacturing**. Noteworthy declines occurred in **wholesale and retail trade** and **finance, insurance, real estate, rental, and leasing**.

Employment in **Halifax** went up by a robust 4.2% year-over-year, which was fairly evenly split between full- and part-time work. This region remains the centre of population growth in the province, with the number of working-age individuals increasing by 1.9%, or 7,000, since August 2020. This rate of population growth outpaced the expansion of the labour force, causing the participation rate to slip to 68.2%, though this was still the highest figure in the province by a wide margin. The **professional, scientific, and technical services** industry was a major driver of job growth in this region, adding 5,300 employees, while **transportation and warehousing** also expanded by several thousand. **Information, culture, and recreation**, which is heavily concentrated in the Halifax region, experienced the greatest decline, shedding 2,300 jobs.

Nova Scotia Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Aug 2021 ('000)	Aug 2020 ('000)	Yearly Variation (%)	Aug 2021 (%)	Aug 2020 (%)	Yearly Variation (%)
Nova Scotia	472.1	443.1	6.5	8.2	11.3	-3.1
Economic Regions						
Cape Breton	51.7	50.1	3.2	11.8	15.8	-4.0
North Shore	71.3	60.5	17.9	7.5	11.7	-4.2
Annapolis Valley	57.4	53.1	8.1	9.2	10.2	-1.0
Southern	51.6	49.0	5.3	7.5	11.4	-3.9
Halifax	240.1	230.4	4.2	7.4	10.3	-2.9

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

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