



Labour Market Bulletin

Nova Scotia

March 2022



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 has been on an upward trend in recent months in Nova Scotia, despite a slight decline in March 2022. Through the first quarter (Q1) of 2022, employment rose by 6,200. All of the added employment was in full-time work. The unemployment rate declined noticeably in Q1 to 6.7%, from 8.3% in the previous quarter. In March 2022, Nova Scotia's unemployment rate was 6.5%, the lowest rate observed since May 2019.

March data reflect labour market conditions during the March 13 to 19 reference week. Nova Scotia ended most public health restrictions March 21, including gathering limits, mask requirements and proof-of-vaccination.

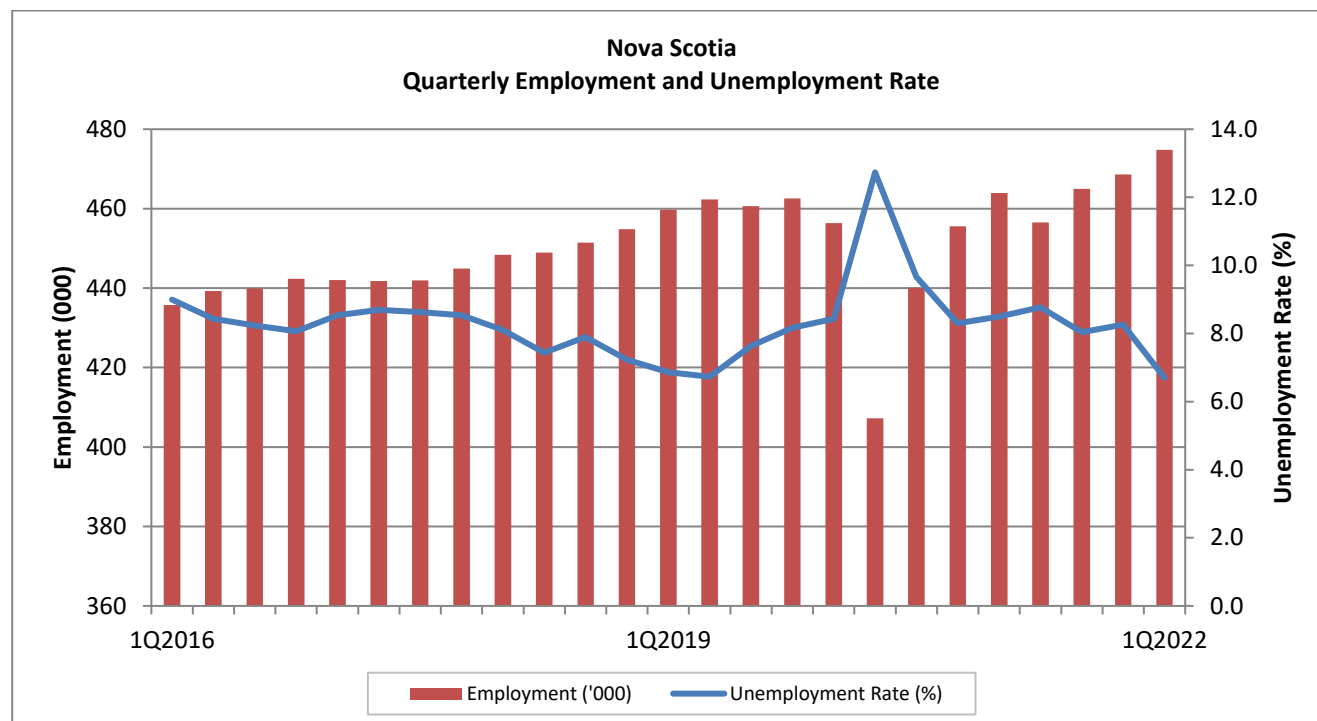
Nova Scotia Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	1st Quarter 2022	4th Quarter 2021	1st Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	831.6	826.7	817.4	4.9	0.6	14.2	1.7
Labour Force ('000)	508.8	510.8	507.1	-2.0	-0.4	1.7	0.3
Employment ('000)	474.8	468.6	464.0	6.2	1.3	10.8	2.3
Full-Time ('000)	392.5	379.7	379.6	12.8	3.4	12.9	3.4
Part-Time ('000)	82.3	88.9	84.4	-6.6	-7.4	-2.1	-2.5
Unemployment ('000)	34.1	42.3	43.1	-8.2	-	-9.0	-20.9
					19.4		
Unemployment Rate (%)	6.7	8.3	8.5	-1.6	-	-1.8	-
Participation Rate (%)	61.2	61.8	62.0	-0.6	-	-0.8	-
Employment Rate (%)	57.1	56.7	56.7	0.4	-	0.4	-

Note: Totals may not add due to rounding

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

Compared to Q1 2021, Nova Scotia's labour market has improved considerably. Employment has risen by more than 10,000, all full-time jobs. The unemployment rate has also fallen from 8.5% to 6.7%. Though the size of Nova Scotia's labour force grew slightly over the past year, Nova Scotia's labour force participation rate was a notch lower, falling from 62% in the first quarter of 2021 to 61.2% in the first quarter of 2022. Nova Scotia experienced record growth in the working-age population, up by 14,200 since Q1 2021, but many did not join the labour force in search of work. Indeed, only 1,700 persons were added to the labour force over the year.



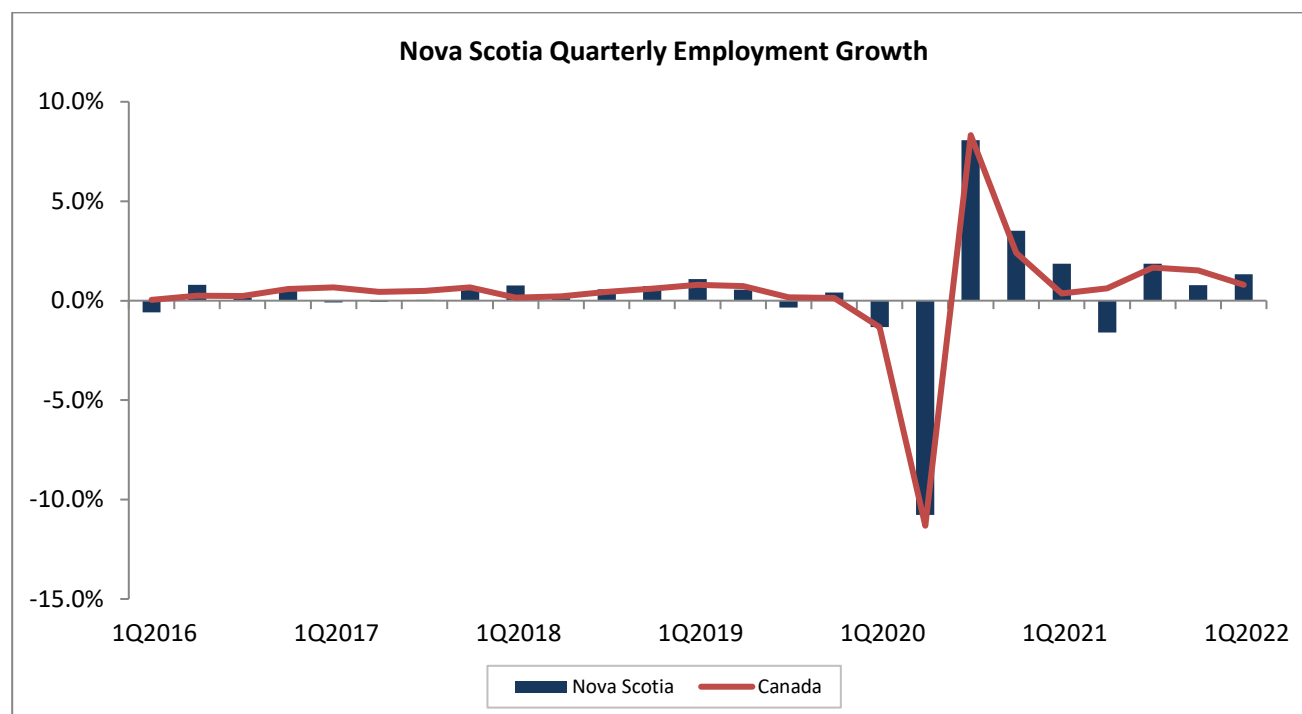
Labour force changes over the past year have been uneven across broad age groups and among females and males. Though employment levels rose for males and females over the past year (Q1 2021 to Q1 2022), males accounted for about three quarters of the 10,900 jobs added. Males also accounted for three quarters of 12,200 jobs added compared with the pre-pandemic period (Q4 2019). Despite employment gains, males' unemployment rates remain above those of females in Nova Scotia, though this gap has narrowed considerably. Prior to the pandemic, the male unemployment rate in Q4 2019 was 9.4%; while it was 6.9% for females. In the most recent quarter (Q1 2022), the male unemployment rate was 7.3%, compared to 6.1% for females.

Compared with the first quarter of 2021 (Q1), all broad age groups experienced employment gains. There were 1,100 more employed youth (aged 15-24 years of age), resulting in a noticeable improvement in the youth unemployment rate to 8.7%, down from 11.2% in the first quarter of 2021. Youth constituted a larger share of employment in industries that were hardest-hit during the pandemic, like retail and wholesale trade and accommodations and food services. The drop in the youth unemployment rate was partly due to 1,400 youth exiting the labour force over this period, even though the population of Nova Scotian youth rose slightly. The large drop in the youth labour force resulted in a decline in the youth participation rate from 69.0% in Q1 2021 to 67.7% in Q1 2022.

The largest employment gains over the past year occurred among the core-age workforce (aged 25-54 years of age). Employment rose by 6,200, and all the gains were in full-time work. Despite strong employment gains,

however, the labour force participation rate for core-aged workers declined over the past year by 1.4 percentage points to 86.5% in Q1 2022. At the same time, the core-age population grew by 7,000, though just 1,100 more persons joined the labour force in search of work.

A similar trend was observed among older workers (aged 55 years and over). Though employment growth was strong, as 3,700 more older workers found work, labour force participation rates for this age cohort declined slightly from 34.3% to 34.2%. The number of older persons grew by 7,000, while only 2,100 joined the labour force in search of work. Of note, older workers were the only age group to experience a rise in participation rates compared with pre-pandemic levels.



Nova Scotia Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	1st Quarter 2022 %	4th Quarter 2021 %	1st Quarter 2021 %	Quarterly Variation (% points)	Yearly Variation (% points)
Total	6.7	8.3	8.5	-1.6	-1.8
25 years and over	5.8	7.4	7.4	-1.6	-1.6
Men - 25 years and over	6.0	8.0	8.9	-2.0	-2.9
Women - 25 years and over	5.7	6.7	5.9	-1.0	-0.2
15 to 24 years	11.7	13.4	14.8	-1.7	-3.1
Men - 15 to 24 years	15.4	14.3	16.9	1.1	-1.5
Women - 15 to 24 years	8.0	12.5	12.6	-4.5	-4.6

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

EMPLOYMENT BY INDUSTRY

Compared with Q1 2021, nearly all of the jobs added in Nova Scotia have been in the **services-producing** sector. Employment rose by 900 in the **goods-producing** sector overall, as robust employment growth in the **construction** and **manufacturing** industries were offset by relatively large declines in the **agriculture** and **forestry, fishing, mining, quarrying and oil and gas** industries.

Employment in Nova Scotia's **construction** sector has been boosted by record capital spending. The government recently announced its 2021-22 Capital Plan, which includes over \$1.5 billion for new and previously announced projects including health care redevelopment projects, the Cogswell interchange, highways and new school construction. Strong population growth and a strong housing market has also increased residential building construction, which grew by more than 25% in 2021. Employment gains in the manufacturing industry were supported by a substantial recovery in exports despite global supply challenges. Exports of tires, fish and seafood products from Nova Scotia experienced strong growth in 2021 rising by more than 20% following sharp declines the previous year. Exports from saw mills and papers mills also had noticeable gains in 2021, rising by 41% and 27%, respectively.

Among **services-producing** industries, the largest employment increases were for the **professional, scientific and technical services**, and **health care and social assistance** industries. The former was less impacted by the shift to remote work though has increasingly been affected by reports of skills shortages. This industry reported the second-highest job vacancy rate in Nova Scotia in the most recent quarter (Q4 2021). Employment increases in the **health care and social assistance** industry have also been restricted by labour shortages as health service needs rise as a result of the aging population, made worse by the COVID-19 pandemic. In the latest quarter, the industry reported one of the largest number of job vacancies in Nova Scotia (3,465). The province has recently announced several new investments for healthcare, including some to address skills shortages such as funding to increase pay for continuing care assistants (CCAs).

Three services-producing industries remain below pre-pandemic levels as far as employment is concerned: **accommodation and food services**, **wholesale and retail trade**, and **information, culture and recreation**. There are some positive developments, especially for the accommodation and food services industry, including the lifting of public health restrictions in March 2022, as well as the removal of travel restrictions and return of the CAT ferry and cruise travel for the 2022 season. Retail sales in Nova Scotia have also risen strongly, by 16.4% in 2021. However, as these industries emerge from the negative shock of the pandemic, labour shortages also appear to be holding back employment levels. In the latest quarter (Q4 2021), the accommodation and food service industry reported the highest number of job vacancies (3,480), as well as the highest job vacancy rate (10.1%) among industries.

Nova Scotia Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	1st Quarter 2022	4th Quarter 2021	1st Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	474.8	468.6	464.0	6.2	1.3	10.8	2.3
Goods-producing sector	93.7	88.3	92.8	5.4	6.1	0.9	1.0
Agriculture	7.0	6.3	8.0	0.7	11.1	-1.0	-
Forestry, fishing, mining, quarrying, oil and gas	9.6	9.7	10.4	-0.1	-1.0	-0.8	-7.7

Utilities	4.6	5.4	4.7	-0.8	-14.8	-0.1	-2.1
Construction	38.1	34.3	36.6	3.8	11.1	1.5	4.1
Manufacturing	34.4	32.7	33.2	1.7	5.2	1.2	3.6
Services-producing sector	381.1	380.3	371.1	0.8	0.2	10.0	2.7
Trade	72.8	75.2	72.7	-2.4	-3.2	0.1	0.1
Transportation and warehousing	23.9	25.6	22.5	-1.7	-6.6	1.4	6.2
Finance, insurance, real estate and leasing	24.8	22.0	23.8	2.8	12.7	1.0	4.2
Professional, scientific and technical services	37.9	36.4	33.5	1.5	4.1	4.4	13.1
Business, building and other support services	19.9	18.8	17.0	1.1	5.9	2.9	17.1
Educational services	37.1	37.6	39.7	-0.5	-1.3	-2.6	-6.5
Health care and social assistance	76.0	75.4	72.9	0.6	0.8	3.1	4.3
Information, culture and recreation	14.3	13.9	14.9	0.4	2.9	-0.6	-4.0
Accommodation and food services	27.3	28.5	27.5	-1.2	-4.2	-0.2	-0.7
Other services	16.1	16.2	15.9	-0.1	-0.6	0.2	1.3
Public administration	30.9	30.5	30.7	0.4	1.3	0.2	0.7

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

In Q1 2022, employment rose in three of Nova Scotia's economic regions compared with the same period in 2021. Employment in the **Cape Breton** economic region rose by 7,000 over the past year. However, employment remains about 1,200 below the pre-pandemic level. Higher employment resulted in a decline in the unemployment rate to 13.6% from 14.1% in the same period a year ago. A slightly larger number (7,800) of persons joined the labour force in search of work over this period, even though the work-age population was little changed. As a result, the labour force participation rate rose dramatically from 46.0% to 53.1%, though it remains below the level observed prior to the pandemic. Employment gains were widespread among industries. The largest gains were in the **health care and social assistance** and **manufacturing** industries.

The **North Shore** economic region experienced a moderate decline in employment of 1,200 over the past year. At the same time, more than twice as many persons more exited the labour force and were no longer in search of work. As a result of fewer persons looking for work, the unemployment rate declined to 6.7%. Employment increases were largest in the **construction** and **accommodation and food services** industry over the past year. The largest employment declines were in **wholesale and retail trade**.

The **Annapolis Valley** economic region experienced large employment gains over the past year, of 5,700. As a result of more persons working, the unemployment rate declined to 6.1%, well-below the rate of 9.0% observed in the same quarter of 2021. Employment gains in the Annapolis Valley economic region were widespread among industries. The largest gain occurred in the **health care and social assistance** industry, up by 3,100 over the past year.

The **Southern** economic region experienced a modest employment decline of 500 over the past year. As a result of lower employment levels, the unemployment rate rose to 9.3%, up from 8.9% a year earlier. Employment levels

remain slightly below pre-pandemic levels in the region. The largest employment change was an increase in employment of 3,100 in the **health care and social assistance** industry.

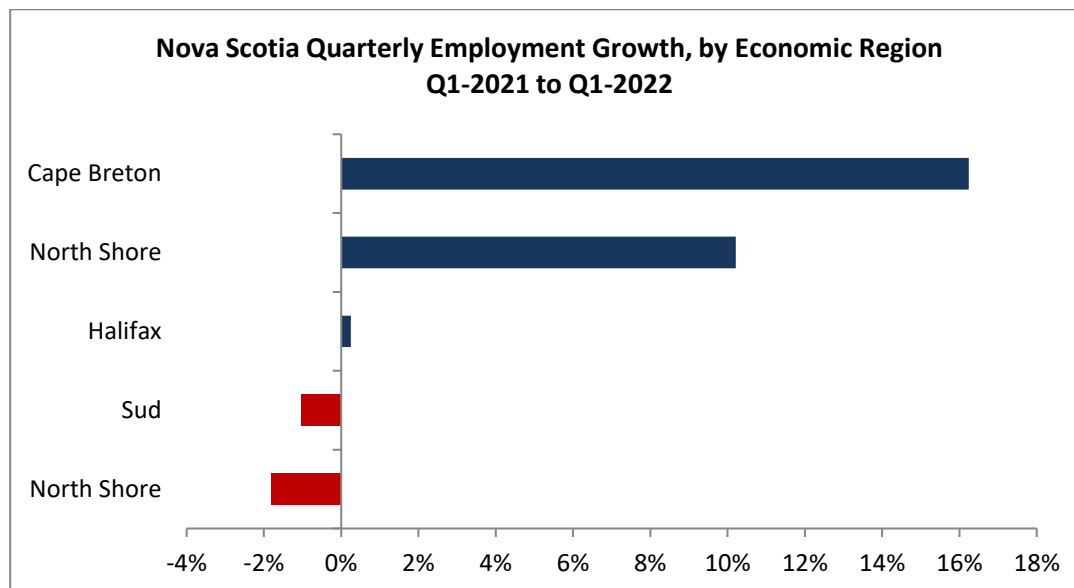
Employment levels in the **Halifax** economic region rose by only 600 compared with a year ago. However, the region has experienced the strong employment gains (+ 7,300) compared with pre-pandemic levels. Despite strong gains in the working-age population compared with Q1 2021, a number of persons exited the labour force and were no longer looking for work. As a result of fewer persons looking for work, the unemployment rate declined to 5.6% in Q1 2022. A year earlier, the unemployment rate was 8.4%. Compared with pre-pandemic levels, the working-age population has risen by 18,000 and the size of the labour force has grown by 4,800. Employment changes over the past year varied by industry. Strong employment growth was observed in the **professional, scientific and technical services** and **business, building and other support services**, and **wholesale and retail trade** industries. On the other hand, there were relatively large employment declines observed in this region in **health care and social assistance**, and **accommodation and food services**. Despite employment declines in these industries, both reported high job vacancies across the province in the latest quarter (Q4 2021). The Halifax region reported more than half of all job vacancies in the province.

Nova Scotia Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	1st Quarter 2022 ('000)	1st Quarter 2021 ('000)	Yearly Variation (%)	1st Quarter 2022 (%)	1st Quarter 2021 (%)	Yearly Variation (%)
Nova Scotia	463.9	452.5	2.5	7.1	9.2	-2.1
Economic Regions						
Cape Breton	50.1	43.1	16.2	13.6	14.1	-0.5
North Shore	65.3	66.5	-1.8	6.7	9.0	-2.3
Annapolis Valley	61.5	55.8	10.2	6.1	9.0	-2.9
Southern	47.6	48.1	-1.0	9.3	8.9	0.4
Halifax	239.5	238.9	0.3	5.6	8.4	-2.8

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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http://www.esdc.gc.ca/cgi-bin/contact/edsc-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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