



# Labour Market Bulletin

## Nova Scotia

### June 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 decline in May 2022. Through the second quarter (Q2) of 2022, employment rose by 5,300. Most of the added employment was in part-time work (+4,100). The unemployment rate remained relatively unchanged, dropping in Q2 to 6.6%, from 6.7% in the previous quarter. In April 2022, Nova Scotia's unemployment rate was 6.0%, the lowest rate observed since at least 1976.

June data reflect labour market conditions during the June 12 to 18 reference week. The virus was still spreading in the province but gathering limits and restrictions on businesses were virtually nonexistent.

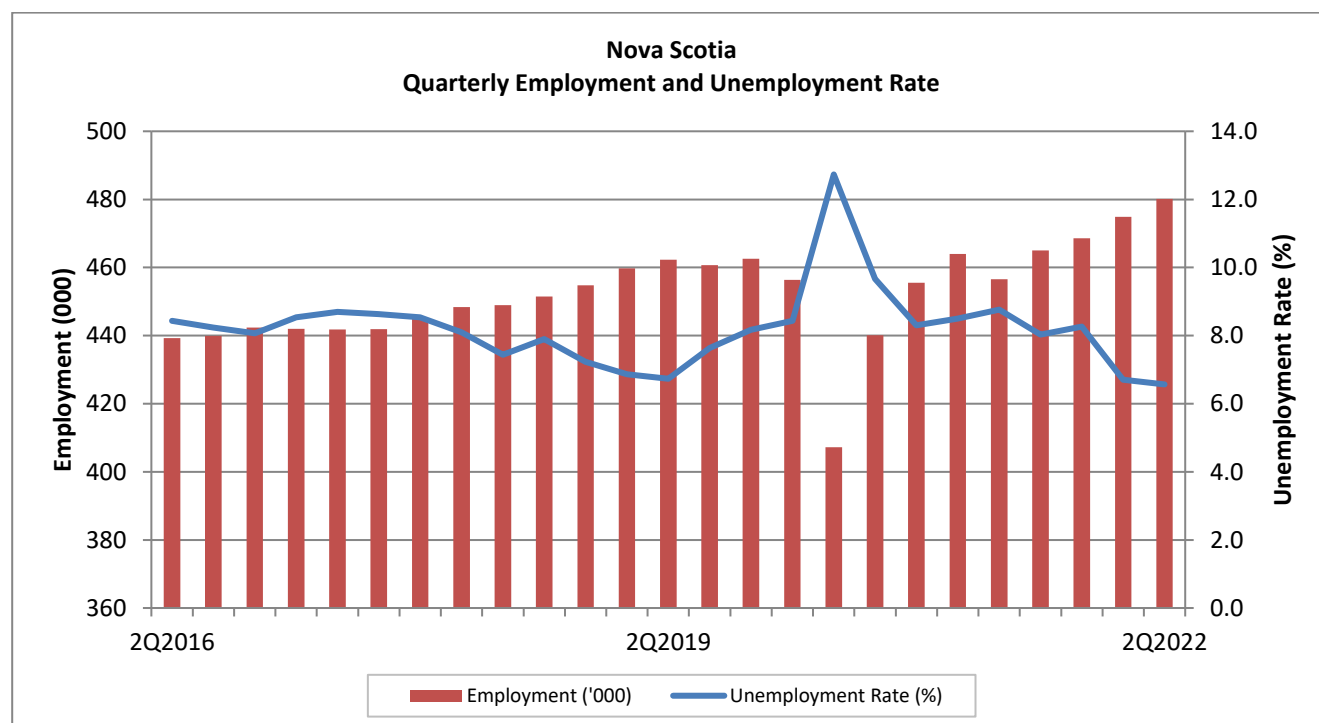
**Nova Scotia Quarterly Labour Force Statistics**

Seasonally Adjusted Quarterly Data	2nd Quarter 2022	1st Quarter 2022	2nd Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	836.7	831.6	818.8	5.1	0.6	17.9	2.2
<b>Labour Force ('000)</b>	513.8	508.8	500.4	5.0	1.0	13.4	2.7
<b>Employment ('000)</b>	480.1	474.8	456.5	5.3	1.1	23.6	5.2
Full-Time ('000)	393.7	392.5	371.4	1.2	0.3	22.3	6.0
Part-Time ('000)	86.4	82.3	85.2	4.1	5.0	1.2	1.4
<b>Unemployment ('000)</b>	33.6	34.1	43.8	-0.5	-1.5	-10.2	-23.3
<b>Unemployment Rate (%)</b>	6.6	6.7	8.8	-0.1	-	-2.2	-
<b>Participation Rate (%)</b>	61.4	61.2	61.1	0.2	-	0.3	-
<b>Employment Rate (%)</b>	57.4	57.1	55.8	0.3	-	1.6	-

Note: Totals may not add due to rounding

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

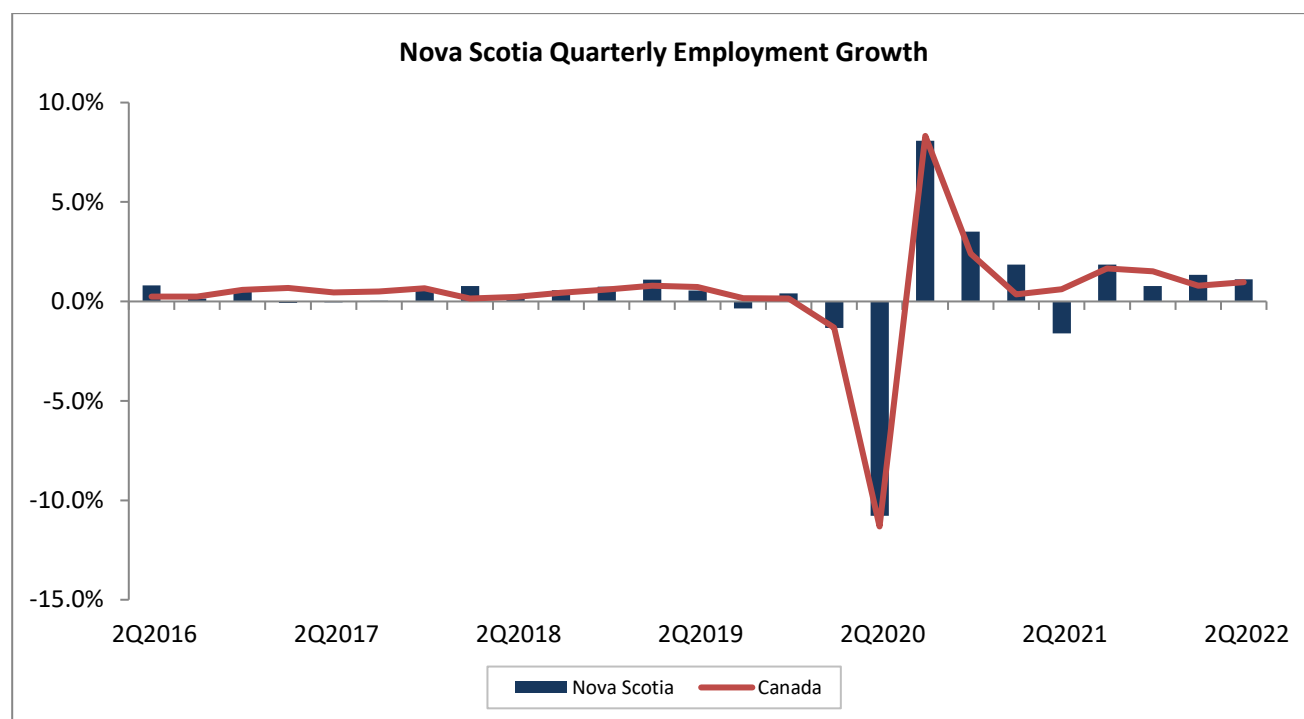
Compared to Q2 2021, Nova Scotia’s labour market has improved considerably. Employment has risen by 23,600, chiefly full-time jobs. The unemployment rate has also fallen from 8.8% to 6.6%. The size of Nova Scotia’s labour force grew slightly over the past year, leading to Nova Scotia’s labour force participation rate increasing from 61.1% in the second quarter of 2021 to 61.4% in the second quarter of 2022. Nova Scotia experienced record growth in the working-age population, up by 17,900 since Q2 2021, many of which joined the labour force in search of work (13,400).



Labour force changes over the past year have been even across broad age groups and among females and males. Employment levels rose for males and females over the past year (Q2 2021 to Q2 2022), with males accounting for about half of the 23,600 jobs added. Males also accounted for two-thirds of the 17,600 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 since before the pandemic. Prior to the pandemic, the male unemployment rate in Q4 2019 was 9.4%; meanwhile, it was 6.9% for females. In the most recent quarter (Q2 2022), the male unemployment rate was 7.5%, compared to 5.6% for females.

Compared with the second quarter of 2021 (Q2), all broad age groups experienced employment gains. Although there was 4,200 more employed youth (aged 15-24 years of age), resulting in a noticeable improvement in the youth unemployment rate to 11.8%, down from 14.5% in the second 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. There was 2,600 youth who entered the Nova Scotia labour force over the last year, while the population of Nova Scotian youth rose by half that amount. The larger increase in the youth

labour force compared to population growth resulted in a jump in the youth participation rate from 66.7% in Q2 2021 to 68.3% in Q2 2022.



The largest employment gains over the past year occurred among the core-age workforce (aged 25-54 years of age). Employment rose by 12,700, 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 0.7 percentage points to 86.2% in Q2 2022. At the same time, the core-age population grew by 9,600, with 6,000 of those joining the labour force in search of work.

#### Nova Scotia Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	2nd Quarter 2022 %	1st Quarter 2022 %	2nd Quarter 2021 %	Quarterly Variation (% points)	Yearly Variation (% points)
<b>Total</b>	6.6	6.7	8.8	-0.1	-2.2
<b>25 years and over</b>	5.7	5.8	7.8	-0.2	-2.1
Men - 25 years and over	6.4	6.0	8.9	0.4	-2.5
Women - 25 years and over	4.9	5.7	6.7	-0.8	-1.8
<b>15 to 24 years</b>	11.8	11.7	14.5	0.1	-2.7
Men - 15 to 24 years	13.7	15.4	16.1	-1.7	-2.4
Women - 15 to 24 years	9.8	8.0	12.7	1.7	-3.0

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

Older workers (aged 55 years and over) had a different outcome than the core-age workforce over the last year. Employment growth was strong, as 6,800 more older workers found work, and labour force participation rates for this age cohort increased from 34.0% to 34.6%. The number of older persons grew by 7,200, while only 4,900 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.

## EMPLOYMENT BY INDUSTRY

Compared with Q2 2021, all of the jobs added in Nova Scotia have been in the **services-producing** sector. Employment fell by 900 in the **goods-producing** sector overall, as robust employment growth in the **construction** industry was not enough to offset relatively large declines in the **manufacturing, agriculture and forestry, fishing, mining, quarrying and oil and gas** industries.

Among goods-producing industries in Nova Scotia, employment gains were only experienced in the **construction** sector (+4,200) over Q2 2021. Residential construction has been on the rise in the province, particularly in Halifax, largely driven by strong population growth and a hot housing market. Housing starts in May 2022 was the highest monthly figure on record with 832 units, 247 higher than May 2021. Employment in Nova Scotia's **manufacturing** industry fell by 1,800 jobs over Q2 2021. Exports of tires have fallen 4% in the first five months of 2022 over last year. Meanwhile, exports of fish and seafood products from Nova Scotia experienced strong growth over the same period, rising by 9%. Exports from paper and wood product manufacturing are rising by 13% and 3%, respectively. Both **manufacturing** and **forestry, fishing, mining, quarrying and oil and gas** industries have employment levels below the pre-pandemic period (Q4 2019).

Employment in **services-producing** industries grew by 24,500 in Q2 2022 compared to Q2 2021. The largest employment increases over the last year are found in the **professional, scientific and technical services** (+5,100), and **health care and social assistance** (+4,900) industries. These two industries also boast the two largest job vacancy rates amongst services-producing industries as of Q1 2022. Further 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. In the latest quarter, the **health care and social assistance** industry reported the largest number, by a great amount, of job vacancies in the province (4,425). The Province will borrow up to \$1.8B to provide financing for 27 approved long-term care facility construction/renovation projects that will create or improve over 2,800 beds that will create thousands of jobs in engineering, construction and healthcare. The province plans to create 1,500 new licensed daycare spaces by the end of 2022 as part of a 4-year funding arrangement with the federal government that will create 300 early childhood educator positions. A new compensation package for early childhood educators is expected this fall.

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**. In Q2 2022, the accommodations and food services industry reached its highest level of employment since Q1 2020, as it was the first full quarter after the lifting of public health restrictions in March 2022, as well as the removal of travel restrictions and the return of the cruise ships. Both retail sales and wholesale sales in Nova Scotia have risen, by 4.2% and 8.6% respectively in Q1 2022 over Q1 2021. Labour shortages appear to be hindering some of these industries from fully recovering from the pandemic. In the latest quarter (Q2 2022), the accommodation and food service industry reported the second highest number of job vacancies (2,745), as well as the highest job

vacancy rate (8.9%) among all industries. The other services (except public administration) industry also boasts a high job vacancy rate (4.9%).

#### Nova Scotia Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	2nd Quarter 2022	1st Quarter 2022	2nd Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	<b>480.1</b>	<b>474.8</b>	<b>456.5</b>	<b>5.3</b>	<b>1.1</b>	<b>23.6</b>	<b>5.2</b>
<b>Goods-producing sector</b>	<b>90.6</b>	<b>93.7</b>	<b>91.5</b>	<b>-3.0</b>	<b>-3.2</b>	<b>-0.9</b>	<b>-1.0</b>
Agriculture	6.1	7.0	7.0	-0.9	-13.3	-1.0	-
Forestry, fishing, mining, quarrying, oil and gas	8.7	9.6	11.0	-0.8	-8.7	-2.3	-
Utilities	4.3	4.6	4.4	-0.3	-6.5	0.0	-0.8
Construction	40.4	38.1	36.2	2.3	5.9	4.2	11.7
Manufacturing	31.2	34.4	33.0	-3.2	-9.4	-1.8	-5.5
<b>Services-producing sector</b>	<b>389.5</b>	<b>381.1</b>	<b>364.9</b>	<b>8.4</b>	<b>2.2</b>	<b>24.5</b>	<b>6.7</b>
Trade	71.4	72.8	69.5	-1.4	-2.0	1.9	2.8
Transportation and warehousing	22.6	23.9	23.4	-1.3	-5.4	-0.7	-3.1
Finance, insurance, real estate and leasing	25.8	24.8	23.2	1.0	4.2	2.6	11.4
Professional, scientific and technical services	39.3	37.9	34.2	1.3	3.5	5.1	14.9
Business, building and other support services	20.0	19.9	18.1	0.1	0.5	1.9	10.3
Educational services	38.5	37.1	37.0	1.3	3.6	1.5	4.0
Health care and social assistance	77.2	76.0	72.3	1.2	1.6	4.9	6.7
Information, culture and recreation	15.3	14.3	13.8	1.0	7.2	1.5	10.6
Accommodation and food services	30.5	27.3	26.9	3.3	12.0	3.6	13.5
Other services	17.6	16.1	15.7	1.5	9.1	1.9	11.9
Public administration	31.4	30.9	30.8	0.5	1.5	0.6	1.8

Note: Totals may not add due to rounding

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

## REGIONAL ANALYSIS

In Q2 2022, employment rose in four of Nova Scotia's economic regions compared with the same period in 2021. Employment in the **Cape Breton** economic region rose by 4,700 over the past year. However, employment remains 1,800 below the pre-pandemic level (Q4 2019). Higher employment resulted in a decline in the unemployment rate to 12.9% from 14.2% in the same period a year ago. The labour force in the region grew by 4,600 people in search of work over the last year even though the working-age population only grew by 800. This resulted in the labour force participation rate rising dramatically from 50.5% to 54.3%. Despite the large jump, 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 **wholesale and retail trade** industries. The largest employment declines were in **forestry, fishing, mining, quarrying, oil and gas**.

The **North Shore** economic region experienced a decline in employment of 2,000 over the past year. At the same time, a moderate amount of people exited the labour force (-1,600) and were no longer in search of work. As a result of more people losing employment, the unemployment rate increased to 8.2% in Q2 2022 from 7.5% in Q2 2021. Employment increases were largest in the **construction** and **health care and social assistance** 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 5,600. As a result of more persons working, the unemployment rate declined to 4.8%, well below the rate of 8.5% observed in the same quarter of 2021. The region's labour force grew by 3,500 over the last year. Employment gains in the Annapolis Valley economic region were widespread among industries. The largest gain occurred in the **professional, scientific and technical services** industry, up by 1,300 over the past year. The largest employment decline was in **agriculture** (-600).

The **Southern** economic region experienced a modest employment decline of 1,600 over the past year. At the same time, the region lost 1,600 people in its labour force. As a result of these two factors, the unemployment rate only experienced a slight upward tick to 7.3% in Q2 2022 from 7.0% a year earlier. Employment is above pre-pandemic levels in the region, while unemployment is below. The largest employment change over the last year was an increase in employment of 1,500 in the **health care and social assistance** industry. The largest employment declines were in **manufacturing** (-1,600).

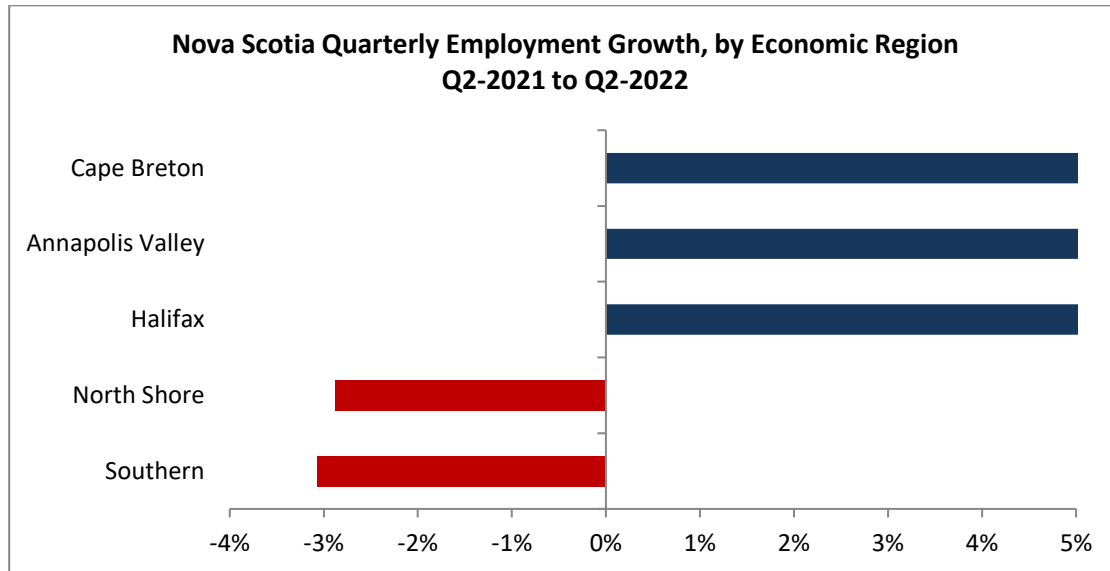
Employment levels in the **Halifax** economic region rose by 17,800 compared with a year ago. The region has experienced strong employment gains (+18,600) compared with pre-pandemic levels. Despite strong gains in the working-age population compared with Q2 2021, there was only a moderate increase in the region's labour force (+7,400). As a result of employment growing far quicker than the labour force, the unemployment rate declined to 4.7% in Q2 2022. A year earlier, the unemployment rate was 8.8%. Compared with pre-pandemic levels, the working-age population has risen by 22,600 and the size of the labour force has grown by 13,900. Employment changes over the past year varied by industry. Over the last year, strong employment growth was observed in the **wholesale and retail trade; professional, scientific and technical services** and **accommodation and food services** industries. On the other hand, there were relatively large employment declines observed in this region in **transportation and warehousing, and forestry, fishing, mining, quarrying, oil and gas** industries.

**Nova Scotia Quarterly Labour Force Statistics, by Economic Region**

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	2 <sup>nd</sup> Quarter 2022 ('000)	2 <sup>nd</sup> Quarter 2021 ('000)	Yearly Variation (%)	2 <sup>nd</sup> Quarter 2022 (%)	2 <sup>nd</sup> Quarter 2021 (%)	Yearly Variation (% points)
<b>Nova Scotia</b>	484.6	460.2	5.3	6.4	8.9	-2.5
<b>Economic Regions</b>						
Cape Breton	51.9	47.2	10.0	12.9	14.2	-1.3
North Shore	67.5	69.5	-2.9	8.2	7.5	0.7
Annapolis Valley	63.0	57.4	9.8	4.8	8.5	-3.7
Southern	50.6	52.2	-3.1	7.3	7.0	0.3
Halifax	251.7	233.9	7.6	4.7	8.8	-4.1

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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