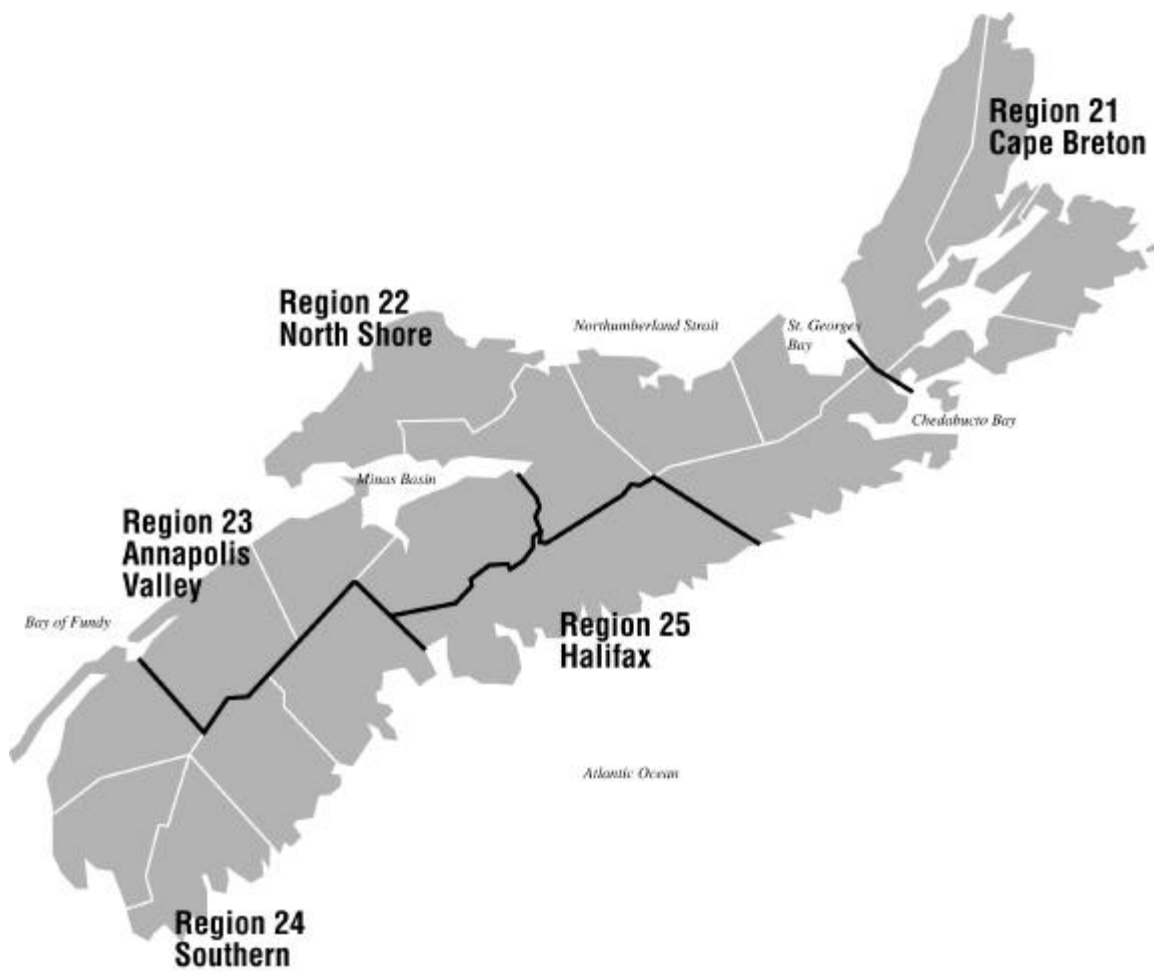


# Nova Scotia Labour Market February 2005



## **Labour Force Survey - Nova Scotia**

(March will be released April 8, 2005)

### **HIGHLIGHTS - LFS Release February 2005**

On a seasonally adjusted basis the provincial employment level in February 2005 decreased by 1,800 persons over January 2005 to 442,800 employees. The size of the labour force increased 0.8% and the number of unemployed persons increased 14.0% when compared to the previous month. As a result, the monthly unemployment rate increased 1.1 percentage points to 9.8%. When compared to February 2004, the employment level rose 1.4% while the unemployment rate increased 0.8 percentage points. The participation rate was 64.6% in February 2005, an increase of 0.5 percentage points from the previous month and increased 1.1 percentage points from February 2004.

Based on unadjusted three month moving averages, the unemployment rate increased in three of the five regions in the province as compared to February 2004. The unemployment rate increased +0.6 percentage points in the Annapolis Valley, +0.6 percentage points in the Halifax region and +0.5 percentage points in the North Shore region, while it declined -0.9 percentage points in the Cape Breton region and -0.6 percentage points in the Southern region.

On a seasonally adjusted three month moving average basis, the unemployment rate for the Halifax Census Metropolitan Area was 6.5%, an increase of 0.5 percentage points from February 2004. In February 2005 the Halifax rate stood as the lowest rate east of Quebec City.

*Source: Statistics Canada, Catalogue No. 71-001*

**Comparison of Nova Scotia Labour Force Characteristics  
Old Data Series and New Data Series—Long, Medium and Short-Term**

(Source: Statistics Canada, 2004 Labour Force Historic Review, Cat. No. 71F0004XCB; Labour Force Information, Cat. No. 71-0001-XIE)

Statistics Canada has revised its Labour Force Survey estimates for Canada and the Provinces covering the time period 1976 to 2004. The new revised series are the result of four major structural changes to the Survey.

1. Estimates have been adjusted to reflect 2001 Census population counts.
2. Industry estimates have been classified from the 1997 to the 2002 North American Industry Classification System (NAICS).
3. Occupation estimates have been classified from the 1991 Standard Occupational Classification (SOC) to the National Occupational Classification - Statistics 2001 (NOC-S).
4. Geography boundaries has changed from the 1996 Standard Geographical Classification (SGC) to the 2001 SGC (will affect boundaries of census metropolitan areas only).

The key effect for Nova Scotia is downward adjustment to the labour force estimates used in the Survey as a result of the change of population weights based on the 1996 census counts to the 2001 census counts. These weights are applied against the survey results each month to produce the labour force activity estimates (employment, unemployment, etc.) for the Provinces.

**Long-Term Trends, Nova Scotia, 1976 to 2004**

There was more of a downward adjustment to the labour force estimates in the end year (2004) than the start year (1976) causing lower long-term growth rates in the new data series. This pattern reflects the stronger impact on the more recent years resulting from the 2001 census adjustments. In terms of the unemployment rate, lower estimates produce a 0.4 percentage point drop in the rate over the 1976 to 2004 period in the new series compared to 0.2 percentage point drop under the old series. There was no major changes to the participation and employment rates.

**Long-Term Trends, Nova Scotia, 1976-2004**

| Labour Force Characteristics | Old Data Series | Old Data Series | Revised Data Series | Revised Data Series | Change between Old & Revised Data Series | Change between Old & Revised Data Series | Change Old Data Series 1976 to 2004 | Change New Data Series 1976 to 2004 | Change Old Data Series 1976 to 2004 | Change New Data Series 1976 to 2004 |
|------------------------------|-----------------|-----------------|---------------------|---------------------|--|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
|                              | 1976            | 2004            | 1976                | 2004                | 1976                                     | 2004                                     | 2004                                | 2004                                | 2004                                | 2004                                |
|                              | ('000)          | ('000)          | ('000)              | ('000)              | ('000)                                   | ('000)                                   | ('000)                              | ('000)                              | (%)                                 | (%)                                 |
| Population 15+               | 590.8           | 765.5           | 589.5               | 756.9               | -1.3                                     | -8.6                                     | 174.7                               | 167.4                               | 29.6                                | 28.4                                |

### Medium-Term Trends, Nova Scotia, 2000 to 2004

There were major downward adjustments in the labour force estimates in the medium-term 2000 to 2004. There was, however, larger adjustments for 2000 over 2004 for the labour force and employment levels. This gives lower base levels causing stronger growth trends under the new revised series.

As in the long-term period, there was a downward adjustment to the unemployment rate but no changes to the participation and employment rates.

### Medium-Term Trends, Nova Scotia, 2000-2004

| Labour Force Characteristics | Old Data Series | Old Data Series | Revised Data Series | Revised Data Series | Change between Old & Revised Data Series | Change between Old & Revised Data Series | Change Old Data Series | Change New Data Series | Change Old Data Series | Change New Data Series |
|------------------------------|-----------------|-----------------|---------------------|---------------------|--|--|------------------------|------------------------|------------------------|------------------------|
|                              | 2000 ('000)     | 2004 ('000)     | 2000 ('000)         | 2004 ('000)         | 2000 ('000)                              | 2004 ('000)                              | 2000 to 2004 ('000)    | 2000 to 2004 ('000)    | 2000 to 2004 (%)       | 2000 to 2004 (%)       |
| Population 15+               | 747.7           | 765.5           | 739.2               | 756.9               | -8.5                                     | -8.6                                     | 17.8                   | 17.7                   | 2.4                    | 2.4                    |
| Labour Force                 | 461.6           | 489.7           | 452.4               | 484.3               | -9.2                                     | -5.4                                     | 28.1                   | 31.9                   | 6.1                    | 7.1                    |
| Employment                   | 419.5           | 445.7           | 411.1               | 441.6               | -8.4                                     | -4.1                                     | 26.2                   | 30.5                   | 6.2                    | 7.4                    |
| Full-Time                    | 341.2           | 362.6           | 334.9               | 358.6               | -6.3                                     | -4.0                                     | 21.4                   | 23.7                   | 6.3                    | 7.1                    |
| Part-Time                    | 78.3            | 83.2            | 76.2                | 83.0                | -2.1                                     | -0.2                                     | 4.9                    | 6.8                    | 6.3                    | 8.9                    |
| Unemployment                 | 42.0            | 44.0            | 41.3                | 42.7                | -0.7                                     | -1.3                                     | 2.0                    | 1.4                    | 4.8                    | 3.4                    |
| Unemployment Rate            | 9.1 (%)         | 9.0 (%)         | 9.1 (%)             | 8.8 (%)             | 0.0 (% Points)                           | -0.2 (% Points)                          |                        |                        | -0.1 (% Points)        | -0.3 (% Points)        |
| Participation Rate           | 61.7            | 64.1            | 61.2                | 64.0                | -0.5                                     | -0.1                                     |                        |                        | 2.4                    | 2.8                    |
| Employment Rate              | 56.1            | 58.3            | 55.6                | 58.3                | -0.5                                     | 0.0                                      |                        |                        | 2.2                    | 1.7                    |

### Short-Term, Nova Scotia, 2003 to 2004

The labour force, employment and unemployment estimates have been adjusted down by the same amounts for both years. This adjustment results in no changes to the growth trends between the two data sets. Annual employment for Nova Scotia in 2004 under the new revised Labour Force Survey now stands at 441,600, a drop of 4,100 from the estimate in the old Survey.

The lower levels for the labour force and employment has, by definition, lowered the unemployment estimate for Nova Scotia. The end result is a new revised annual unemployment rate of 8.8 per cent for 2004 compared to 9.0 per cent under the old Survey methodology.

Short-Term, Nova Scotia, 2003 to 2004

|                        | Old<br>Data<br>Series | Old<br>Data<br>Series | Revised<br>Data<br>Series | Revised<br>Data<br>Series | Change<br>between<br>Old &<br>Revised<br>Data<br>Series | Change<br>between<br>Old &<br>Revised<br>Data<br>Series | Change<br>Old<br>Data<br>Series<br>2003 to<br>2004 | Change<br>New<br>Data<br>Series<br>2003 to<br>2004 | Change<br>Old<br>Data<br>Series<br>2003 to<br>2004 | Change<br>New<br>Data<br>Series<br>2003 to<br>2004 |
|------------------------|-----------------------|-----------------------|---------------------------|---------------------------|---|---|--|--|--|--|
| <u>Characteristics</u> | <u>2003</u>           | <u>2004</u>           | <u>2003</u>               | <u>2004</u>               | <u>2003</u>   | <u>2004</u>   | <u>2004</u>  | <u>2004</u>  | <u>2004</u>  | <u>2004</u>  |
|                        | ('000)                | ('000)                | ('000)                    | ('000)                    | ('000)  | ('000)  | ('000)   | ('000)   | (%)  | (%)  |
| Population 15+         | 760.0                 | 765.5                 | 752.7                     | 756.9                     | -7.3  | -8.6  | 5.5  | 4.2  | 0.7  | 0.6  |
| Labour Force           | 480.1                 | 489.7                 | 474.7                     | 484.3                     | -5.4  | -5.4  | 9.6  | 9.6  | 2.0  | 2.0  |
| Employment             | 435.4                 | 445.7                 | 431.3                     | 441.6                     | -4.1  | -4.1  | 10.3   | 10.3   | 2.4  | 2.4  |
| Full-Time              | 352.5                 | 362.6                 | 348.8                     | 358.6                     | -3.7  | -4.0  | 10.1   | 9.8  | 2.9  | 2.8  |
| Part-Time              | 83.0                  | 83.2                  | 82.5                      | 83.0                      | -0.5  | -0.2  | 0.2  | 0.5  | 0.2  | 0.6  |
| Unemployment           | 44.7                  | 44.0                  | 43.4                      | 42.7                      | -1.3  | -1.3  | -0.7   | -0.7   | -1.6   | -1.6   |
|                        | (%)                   | (%)                   | (%)                       | (%)                       | (% Points)  | (% Points)  |  |  | (% Points)   | (% Points)   |
| Unemployment Rate      | 9.3                   | 9.0                   | 9.1                       | 8.8                       | -0.2  | -0.2  |  |  | -0.3   | -0.3   |
| Participation Rate     | 63.2                  | 64.1                  | 63.1                      | 64.0                      | -0.1  | -0.1  |  |  | 0.9  | 0.9  |
| Employment Rate        | 57.3                  | 58.3                  | 57.3                      | 58.3                      | 0.0   | 0.0   |  |  | 1.0  | 1.0  |

In summary, key labour market activities (labour force, employment and unemployment estimates) in Nova Scotia, especially over the last several years, have been over estimated by using the population projections based on the 1996 census counts.

It should also be noted that the release of the monthly estimates for 2005 will now be based on new survey changes. When comparing the 2005 estimates to the 2004 estimates, ensure you use the new survey data in order to avoid confusion. Starting January 2005, the releases by Statistics Canada will also contain the revised estimates for 2004 to assist in allowing for a correct statistical comparison.

## Key Employment Indicators

March 11, 2005

Along with the monthly Labour Force Survey, several other data sources help view changes occurring in the labour market of the province. The following tables reflect some of those activities:

**Total Wages & Salaries** (Source: Statistics Canada, Catalogue No. 13F0016XPB)  
 (January - March 2005 will be released May 31, 2005)

From 2003 to 2004, the annual growth in total wages and salaries stood at 2.8% in Nova Scotia reaching \$13,401.1 million and rose 3.9% in Canada to \$559,376.9 million.

### Total Wages & Salaries, Nova Scotia (\$millions - Actual)

|                        | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> |
|------------------------|-------------|-------------|-------------|-------------|-------------|
| Total Wages & Salaries | 11,508.3    | 11,947.3    | 12,539.6    | 13,037.3    | 13,401.1    |

*Beginning with March 2001 data, the labour income estimates has been based on the North American Industry Classification (NAICS). NAICS based historical series were released for the period January 1997 through March 2001. Also beginning with the March 2001 data, the monthly estimates of labour income has become a quarterly release in conjunction with the National Income and Expenditure Accounts estimates.*

**Average Weekly Earnings** (Source: Statistics Canada, Catalogue No. 72-002-XPB)  
 (January 2005 will be released March 29, 2005)

In 2004 the average earnings for all employees—incl. overtime (industrial aggregate) in Nova Scotia of \$615.91 per week increased \$18.02, up 3.0% from 2003, while the Canadian figure of \$700.91 represented an increase of \$11.25 or 1.6%.

### Average Weekly Earnings, Nova Scotia NAICS-based(including overtime)

|                              | <u>1994</u> | <u>1995</u> | <u>1996</u> | <u>1997</u> | <u>1998</u> | <u>1999</u> | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2005</u> |
|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Average Weekly Earnings (\$) | 532.33      | 526.47      | 533.00      | 538.61      | 549.26      | 549.24      | 562.77      | 574.14      | 590.68      | 597.89      | 615.91      |

## Employment Insurance

(January 2005 will be released March 22, 2005)

There were 29,710 beneficiaries (seasonally adjusted) in Nova Scotia that received regular Employment Insurance benefits in December 2004, an increase of 0.2% from last month and a decline of 0.3% over December 2003. Nationwide there were 515,760 beneficiaries, an increase of 0.2% over last month and a decline of 8.0% over December 2003. Compared to December 2003, the number of beneficiaries in all provinces and territories declined with the exclusion of the Newfoundland & Labrador where it increased 1.0%. The most significant decline was reported in Manitoba at -17.7%.

### Number of Beneficiaries Receiving Regular EI Benefits

(Seasonally Adjusted)

|                                      | <u>December 2004p</u> | <u>% Change</u><br><u>December 2003 -</u><br><u>December 2004</u> |
|--------------------------------------|-----------------------|---|
| <b>Canada</b>                        | <b>515,760</b>        | <b>-8.0</b>   |
| Newfoundland & Labrador              | 37,260                | 1.0   |
| Prince Edward Island                 | 7,920                 | -1.9  |
| <b>Nova Scotia</b>                   | <b>29,710</b>         | <b>-0.3</b>   |
| New Brunswick                        | 33,930                | -1.6  |
| Quebec                               | 173,470               | -6.3  |
| Ontario                              | 129,670               | -9.6  |
| Manitoba                             | 11,920                | -17.7   |
| Saskatchewan                         | 11,130                | -12.6   |
| Alberta                              | 26,190                | -17.6   |
| British Columbia                     | 55,380                | -13.1   |
| Yukon                                | 890                   | -2.2  |
| Northwest Territories and<br>Nunavut | 1,100                 | -6.0  |

*Statistics Canada's Employment Insurance program completed a revision of the benefit payments and disqualifications and disentitlements data series. Due to adjustments received from HRSDC, a revision to job creation, training and self-employment benefit payments occurred for the months of April to October 2001. Please note, the Employment Insurance data on beneficiaries, claims, weeks paid and average weekly payment were not affected by the revision.*

## Public Sector Employment - Nova Scotia

(Source: Statistics Canada, Public Institutions Division, Public Sector FMS Reports (CANSIM retrieval Tables 183-0002 and 183-0004)

(1<sup>st</sup> Quarter 2005 and 4-year revision will be released May 25, 2005)

|  | <u>1999*</u>   | <u>2000*</u>   | <u>2001*</u>   | <u>2002*</u>   | <u>2003*</u>   | <u>2004p**</u> | % Change<br>2003-<br><u>2004p</u> |
|--|----------------|----------------|----------------|----------------|----------------|----------------|-----------------------------------|
| Federal Government (includes military) | 23,077         | 22,592         | 22,709         | 23,146         | 23,480         | 23,397         | -0.3                              |
| Military                               | 11,431         | 10,814         | 10,391         | 10,526         | 10,599         | 10,697         | 0.9                               |
| Provincial General                     | 11,922         | 11,615         | 11,303         | 11,108         | 11,288         | 11,047         | -2.1                              |
| Universities & Colleges                | 9,144          | 8,877          | 8,268          | 7,906          | 7,200          | 5,745          | -20.2                             |
| Health & Social Services Institution   | 27,301         | 27,501         | 28,156         | 29,068         | 30,309         | 27,717         | -8.6                              |
| Local General Government               | 8,720          | 9,212          | 9,483          | 10,244         | 11,775         | 12,349         | 4.9                               |
| School Boards                          | 17,038         | 16,933         | 16,470         | 15,800         | 16,374         | 16,120         | -1.6                              |
| <b>Total Government</b>                | <b>97,203</b>  | <b>96,731</b>  | <b>96,390</b>  | <b>97,271</b>  | <b>100,425</b> | <b>96,374</b>  | <b>-4.0</b>                       |
| Government Business Enterprises        | 7,439          | 6,825          | 6,396          | 6,479          | 7,049          | 7,676          | 8.9                               |
| Federal GBE                            | 4,652          | 4,050          | 3,738          | 3,809          | 4,333          | 4,912          | 13.4                              |
| Provincial GBE                         | 2,302          | 2,290          | 2,172          | 2,183          | 2,229          | 2,277          | 2.2                               |
| Local GBE                              | 485            | 485            | 486            | 486            | 487            | 488            | 0.2                               |
| <b>Total Public Sector</b>             | <b>104,641</b> | <b>103,556</b> | <b>102,786</b> | <b>103,750</b> | <b>107,474</b> | <b>104,051</b> | <b>-3.2</b>                       |

\* Figures by jurisdiction do not always add to published totals.

\*\* Quarterly data is not comparable to annual data due to normal seasonal changes in some groups, e.g., universities, schools.