

Nova Scotia Labour Market December 2005



Labour Force Survey - Nova Scotia

(January 2006 will be released February , 2006)

HIGHLIGHTS - LFS Release December 2005

On a seasonally adjusted basis the provincial employment level in December 2005 decreased by 1,300 persons over November 2005 to 441,500 employees. The size of the labour force remained flat and the number of unemployed persons increased 3.3 per cent when compared to the previous month. As a result, the monthly unemployment rate increased 0.3 percentage points to 8.5 per cent. When compared to December 2004, the employment level decreased 0.4 per cent while the unemployment rate decreased 0.4 percentage points. The participation rate stayed the same at 63.3 percent since last month and declined 0.9 percentage points from December 2004.

Based on unadjusted three month moving averages, the unemployment rate decreased in three of the five regions in the province since December 2004. The unemployment rate decreased

2.8 percentage points in the North Shore region,
0.7 percentage points in the Cape Breton region
0.4 percentage points in the Halifax region
, while it increased
1.5 percentage points in the Southern region
1.5 percentage points in the Annapolis Valley region.

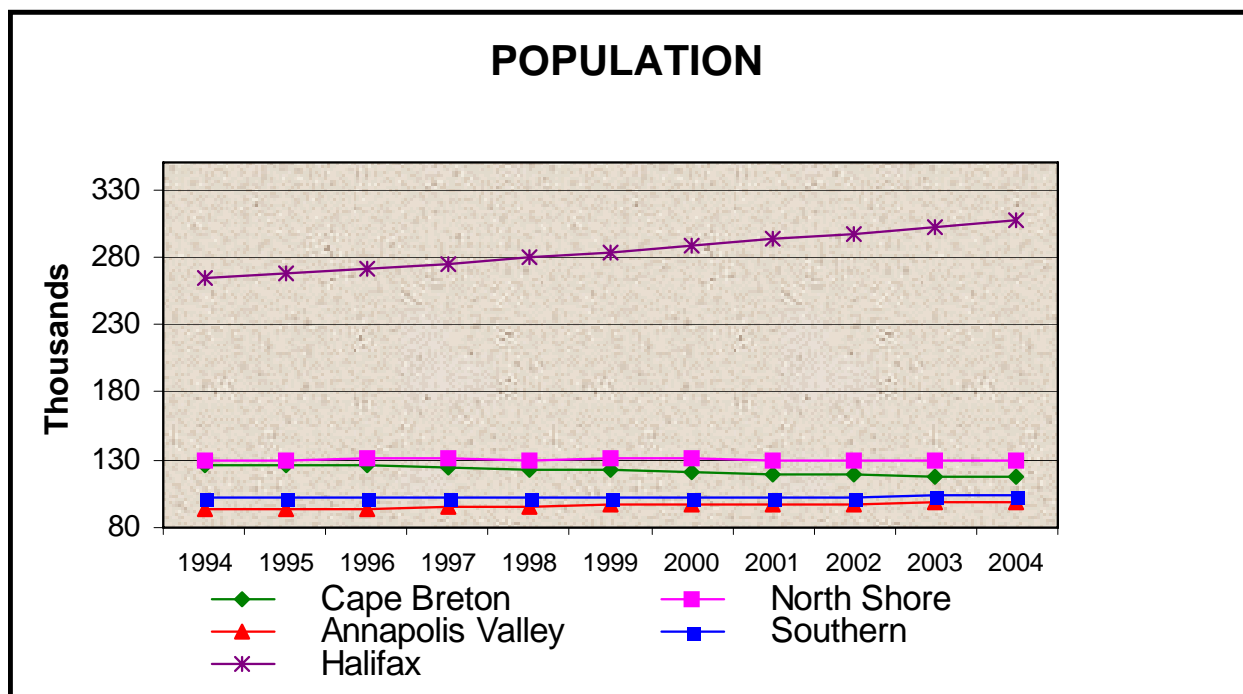
On a seasonally adjusted three month moving average basis, the unemployment rate for the Halifax Census Metropolitan Area (CMA) was 5.2 per cent in December 2005, a decrease of 0.2 percentage points from December 2004. In December 2005, the Halifax CMA rate stood as the lowest rate east of Quebec City.

Source: Statistics Canada, Catalogue No. 71-001

Labour Force Characteristics of Nova Scotia's Economic Regions, 1994 - 2004

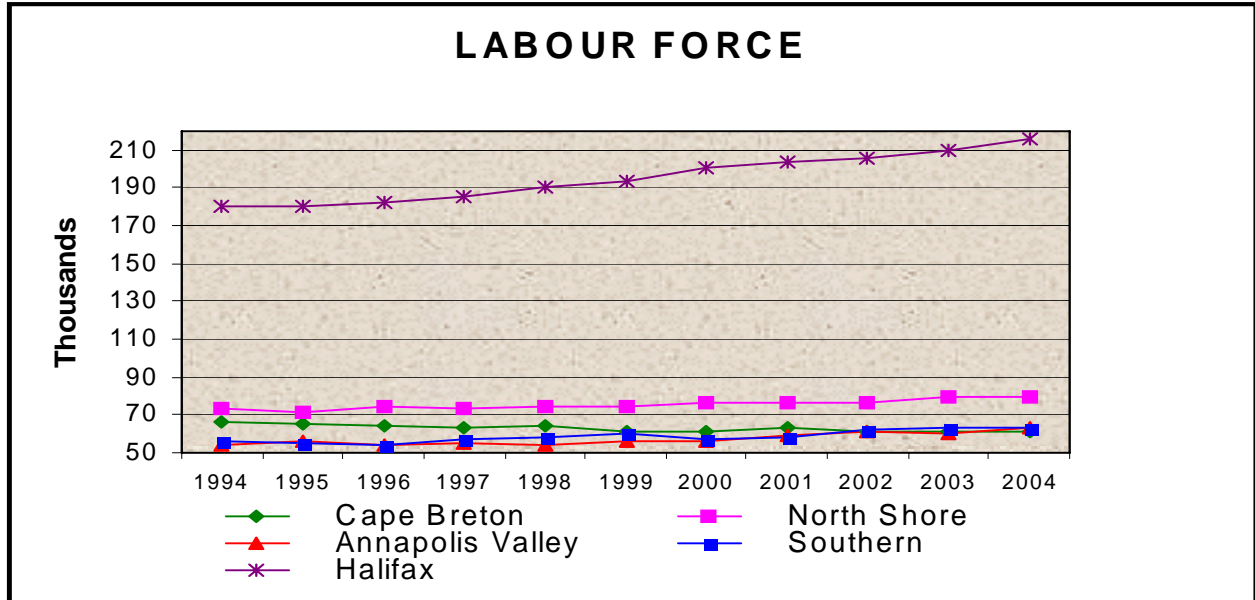
Statistics Canada provides labour force data for the five economic regions in Nova Scotia. The five regions are aggregates of counties. **North Shore region** consists of Colchester, Cumberland, Pictou, Antigonish and Guysborough counties; **Southern region** consists of Lunenburg, Queens, Shelburne, Yarmouth and Digby counties; **Annapolis Valley region** consists of Hants, Annapolis, and Kings counties; **Cape Breton region** consists of Richmond, Inverness, Victoria and Cape Breton counties; **Halifax region** consists of Halifax county.

Population (15 years and over)



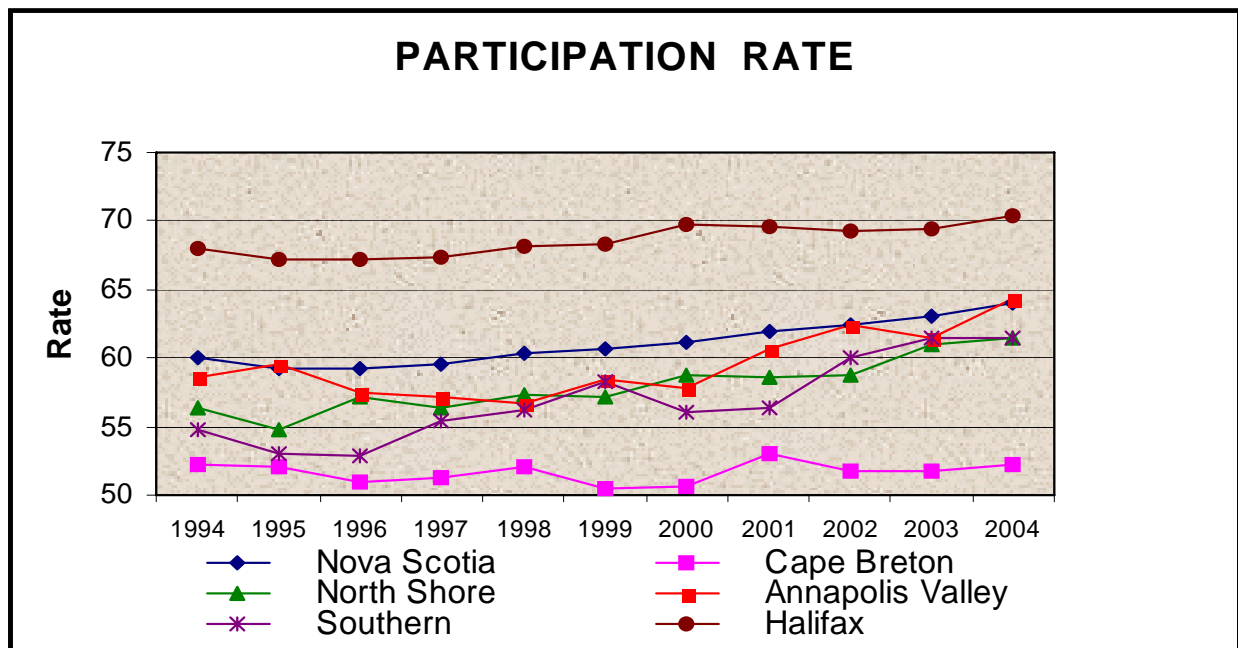
Over the ten year period the population growth in three of the five regions was relatively flat with a slight upward trend. North Shore region went from 129,700 to 130,300; Annapolis Valley region went from 93,000 to 98,800 and the Southern region went from 102,900 to 103,100. In the Halifax region the population grew from 265,100 to 307,500, an increase of 15.9%. The Cape Breton region showed the only decline dropping from 125,800 to 117,200 or -6.8%.

Labour Force



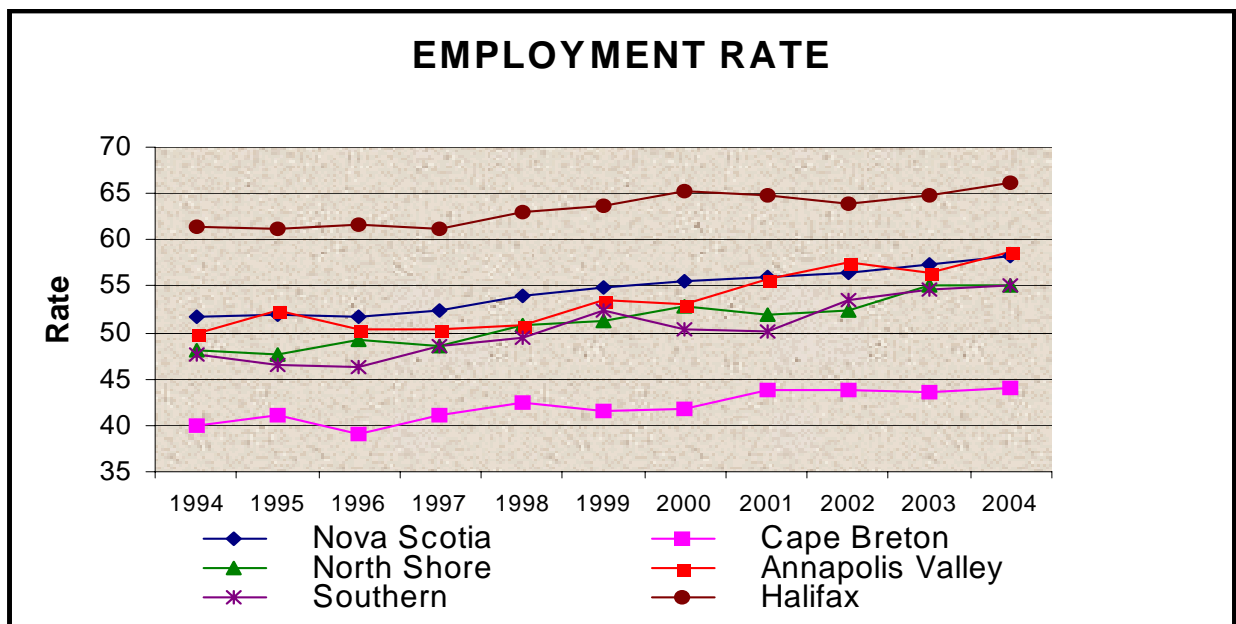
The labour force is defined as the number of people aged fifteen years or more who are employed or who are unemployed and looking for work. Similar to the population growth, the North Shore region, Annapolis Valley region and the Southern region exhibit slight growth in the labour force. Halifax region shows growth of 36,200 people while the Cape Breton region shows a decline of 4,600 people in the labour force.

Participation Rate



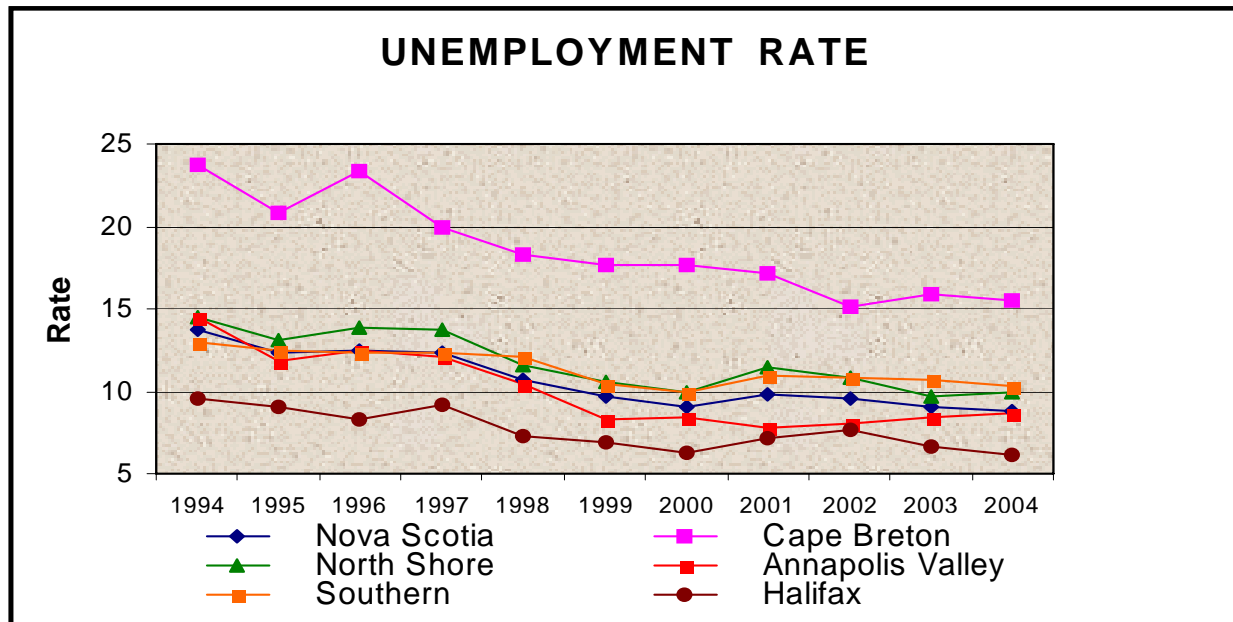
The participation rate is defined as the labour force expressed as a percent of the population aged fifteen years and over. Four of the regions had growth over the decade, ranging from 2.4 percentage points in the Halifax region to 9.1 percentage points in the North Shore region. Cape Breton had a minimal decline of 0.1 percentage points. The Nova Scotia average was growth of 4.0 percentage points. As can be seen from the graph the Halifax region had the highest participation rate through the entire period while Cape Breton had the lowest. In 1994 the difference in participation rate between the Halifax region and the Cape Breton region was 15.7 percentage points, this expanded to 18.2 percentage points in 2004.

Employment Rate



The employment rate is defined as the number of employed persons expressed as a percentage of the population aged fifteen years and over. The employment rate showed a positive trend in all regions of Nova Scotia over the period. The largest increase of 8.7 percentage points occurred in the Annapolis Valley region, while the lowest increase of 4.2 percentage points occurred in the Cape Breton Region. The Nova Scotia average was an increase of 6.5 percentage points. The Halifax region had the highest employment rate for the period while the Cape Breton region had the lowest employment rate. In 1994 the difference between the Halifax region and the Cape Breton region was 21.5 percentage points, this increased slightly to 22 percentage points in 2004.

Unemployment Rate



The unemployment rate is defined as the number of unemployed persons expressed as a percentage of the labour force. The unemployment rate has declined in all regions of the province over the period. The highest drop was in the Cape Breton region where the unemployment rate went from 23.7% in 1994 to 15.5% in 2004, a decline of 8.2 percentage points. Part of this decline could be attributed to the drop in the labour force and no growth in the participation rate over the period. Nova Scotia's unemployment rate declined 4.9 percentage points over the period. The Halifax region had the lowest unemployment rate over the period while the Cape Breton region had the highest. The discrepancy between unemployment rates for the two regions was 14.2 percentage points in 1994 and 9.4 percentage points in 2004.

Key Employment Indicators

January 6, 2006

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)
(4th quarter 2005 will be released February 28, 2006)

From 2003 to 2004, the annual growth in total wages and salaries stood at 2.7 per cent in Nova Scotia reaching \$13,349.0 million and rose 4.0 per cent in Canada to \$563,149.2 million. Total wages and salaries increased 5.3 per cent in Nova Scotia during January to September 2005 as compared to January to September 2004 reaching \$10,490.7 million and during the same period rose 5.0 per cent in Canada to \$420,583.0 million.

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

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	Jan-Sept. <u>2005</u>
Total Wages & Salaries	11,508.3	11,947.3	12,539.6	12,997.2	13,368.9	10,490.7

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)
(November 2005 will be released January 26, 2006)

In 2004 the average earnings for all employees (incl. overtime (industrial aggregate) in Nova Scotia of \$611.93^r per week increased \$14.85, up 2.5 per cent from 2003, while the Canadian figure of \$705.68^r represented an increase of \$15.33 or 2.2 per cent. In October 2005 Nova Scotia's average weekly earnings (industrial aggregate) increased 5.8 per cent over October 2004 to \$646.17 compared to a 4.3 per cent increase in Canada to \$737.56. The August 2005 average weekly earnings in Nova Scotia were 87.6 per cent of the Canadian average.

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

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	October <u>2005^p</u>
Average Weekly Earnings (\$)	574.14	590.68	597.08	611.93	646.17

^r - revised data

^p - preliminary data

Employment Insurance

(November 2005 will be released January 24, 2006)

There were 28,990 beneficiaries (seasonally adjusted) in Nova Scotia that received regular Employment Insurance benefits in October 2005. This figure was 1.4 per cent lower than last month and represented a decline of 3.6 per cent over October 2004. Nationwide there were 505,310 beneficiaries, a decrease of 1.3 per cent over last month and a decline of 3.6 per cent from October 2004. Compared to October 2004, change in the number of beneficiaries in October 2005 ranged from -24.7 per cent in Alberta to +5.0 per cent in Nunavut.

Number of Beneficiaries Receiving Regular EI Benefits

(Seasonally Adjusted)

	<u>October 2005^P</u>	<u>% Change</u> <u>October 2004 -</u> <u>October 2005</u>
Canada	505,310	-3.6
Newfoundland & Labrador	38,200	1.4
Prince Edward Island	8,400	-2.7
Nova Scotia	28,990	-3.6
New Brunswick	34,230	-0.2
Quebec	174,430	0.2
Ontario	127,920	-1.8
Manitoba	11,770	-6.4
Saskatchewan	10,490	-5.0
Alberta	20,540	-24.7
British Columbia	48,500	-13.2
Yukon	900	-1.1
Northwest Territories and Nunavut	770 420	0.0 5.0

Employment Insurance Statistics Program data are produced from an administrative data source and may, from time to time, be affected by changes to the Employment Insurance Act or administrative procedures. The number of beneficiaries is a measure of all persons who received Employment Insurance benefits for the week containing the fifteenth day of the month. The regular benefit payments series measures the total of all monies received by individuals for the entire month.

Public Sector Employment - Nova Scotia

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

(4th quarter 2005 will be released February 27, 2006)

	<u>2000*</u>	<u>2001*</u>	<u>2002*</u>	<u>2003*</u>	<u>2004*</u>	July- Sept <u>2005**</u>	% Change 3 rd Q 2004- <u>3rd Q 2005</u>
Federal Government (includes military)	22,592	22,709	23,146	23,480	23,396	23,784	0.9
Military	10,814	10,391	10,526	10,599	10,696	10,650	0.6
Provincial General	11,615	11,303	11,108	11,288	11,082	11,364	0.6
Universities & Colleges	8,877	8,280	7,986	7,388	7,636	7,184	7.2
Health & Social Services Institution	27,501	28,155	29,070	30,324	27,738	30,452	13.4
Local General Government	9,212	9,490	10,228	11,031	11,068	10,494	-9.3
School Boards	16,933	16,468	15,797	16,375	16,127	12,356	-3.1
Total Government	96,731	96,404	97,334	99,885	97,046	95,634	3.1
Government Business Enterprises	6,825	6,396	6,479	6,738	7,011	7,430	4.1
Federal GBE	4,050	3,738	3,809	4,022	4,246	4,623	5.6
Provincial GBE	2,290	2,172	2,183	2,229	2,277	2,317	2.1
Local GBE	485	486	486	487	487	490	0.2
Total Public Sector	103,556	102,800	103,812	106,623	104,056	103,064	3.2

* 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.