

# LABOUR MARKET BRIEF

Based on Statistics Canada's Labour Force Survey

June 2007

## Labour Market Data (Seasonally Adjusted)

### NOVA SCOTIA (June 2007)

**Labour Force ('000): 485.1**  
(May '07 = 485.3)

**Employment ('000): 445.8**  
(May '07 = 446.5)

**Unemployment: 39.3**  
(May '07 = 38.8)

**Unemployment Rate: 8.1%**  
(May '07 = 8.0%)

**Participation Rate: 63.5%**  
(Mar '07 = 63.5%)

### ALL PROVINCES (June 2007)

	EMP. ( '000)	UNEMP. RATE
<b>NFLD:</b>	215.5	13.1%
<b>PEI:</b>	69.1	10.5%
<b>NS:</b>	445.8	8.1%
<b>NB:</b>	365.4	6.8%
<b>QUE:</b>	3,858.9	6.9%
<b>ONT:</b>	6,573.3	6.5%
<b>MAN:</b>	596.8	4.6%
<b>SASK:</b>	497.1	4.4%
<b>ALTA:</b>	1,955.3	3.8%
<b>BC:</b>	2,260.1	4.4%
<b>CANADA:</b>	16,837.3	6.1%

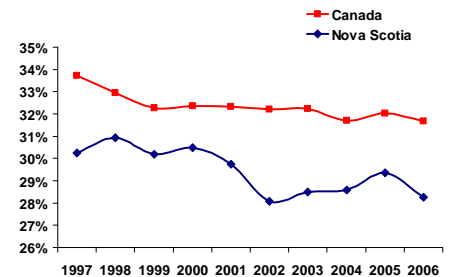
## Unemployment Increases in June

In Nova Scotia, unemployment increased by 1.3 percent, from May to June using seasonally adjusted data and now stands at 39,300. Marginal increases were experienced in both the labour force (-200 or less than -0.1 percent) and employment (-700 or -0.2 percent). The provincial unemployment rate increased slightly (0.1 percentage point) from May and is currently 8.1 percent. The labour force participation rate remained constant at 63.5 percent.

## Unionization Rates are on the Decline

The percentage of unionized employees has been on the decline both in Canada and in Nova Scotia. Over the past ten years the Canadian and Nova Scotian unionization rates have fallen by 2.0 and 1.9 percentage points respectively. In addition, the Nova Scotian unionization rate has been about 3.5 percentage points lower than the national rate.

Unionization Rates for Canada and Nova Scotia



Source: Statistics Canada, LFS Annual Average Data

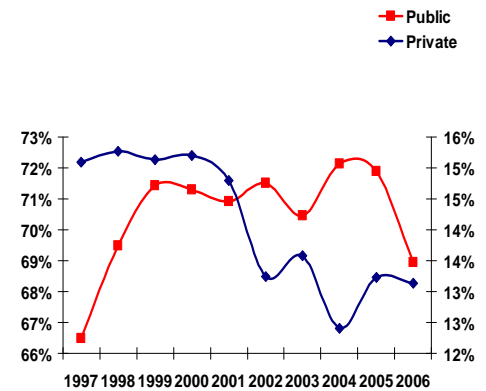
## Public vs. Private Sector Unionization

Unionization rates for the public sector are very strong as compared to unionization rates for the private sector. Unionization rates in the public sector were growing until 2005, pushing above 70 percent, while private sector unionization rates fell below the 15 percent level to around 13 percent.

Total public sector employment grew by 10.6 percent between 1997 and 2006 as compared to 24.3 percent growth for private sector employment. Public sector employment made up an increasingly small part of total employment and had a reduced effect on overall unionization in Nova Scotia.

In order to get a clearer picture of the pressures on the unionization rate in Nova Scotia, the performance of more specific industry sectors will be considered on the following pages.

Nova Scotia Unionization Rates by Sector



Source: Statistics Canada, LFS Annual Average Data

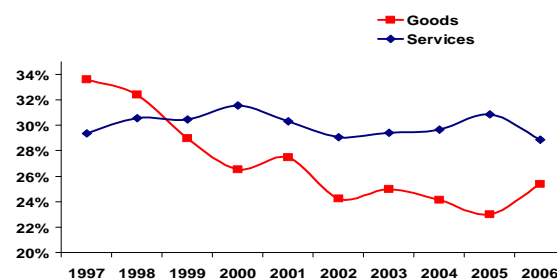
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## Unionization in Goods vs. Service Industries

Unionization in service industries has remained relatively stable in the period between 1997 and 2006 while unionization in the goods producing industries has shown some decline.

Within the Goods-producing industries, Construction and Manufacturing were traditionally heavily unionized but the number of unionized employees fell while non-unionized employees rose for both of these industries. Within the Service-producing industries Transportation and Health related industries had greater growth of unionized employees than non-unionized employees but they were overshadowed by industries with more growth in non-unionized employment.

Unionization Rates for Nova Scotia By Industry Group



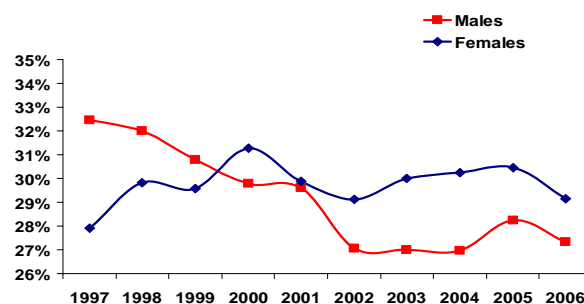
Source: Statistics Canada, LFS Annual Average Data

## Female vs. Male Unionization Rates

Unionization rates for males declined while they grew for females during the 1997 to 2006 period. Female employment grew more quickly than male employment and female employment in unionized employment was growing while unionized male employment fell.

Females have greater presence in industries where unionized employment was strong such as Health related industries while males had a greater presence in industries such as Construction and Manufacturing where unionized employment did not grow.

Unionization Rates for Nova Scotia by Gender



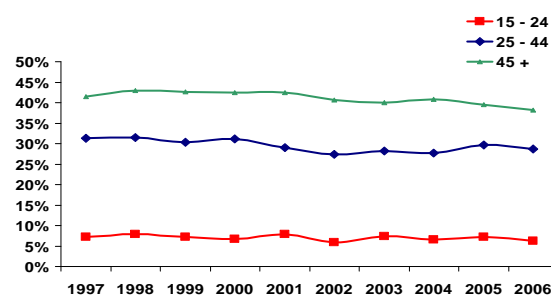
Source: Statistics Canada, LFS Annual Average Data

## Unionization Rates by Age

Older age groups have higher levels of unionization but the rates of unionization have fallen slightly between 1997 and 2006. Thus, while there was stronger employment growth for older workers (45+), unionized employment did not grow as quickly as non-unionized employment.

In a labour market where both unionized and non-unionized employment are available, higher average wages and contracted benefits would make unionized employment more desirable. Unionized employment is more common amongst workers with greater labour market experience.

Unionization Rates for Nova Scotia By Age



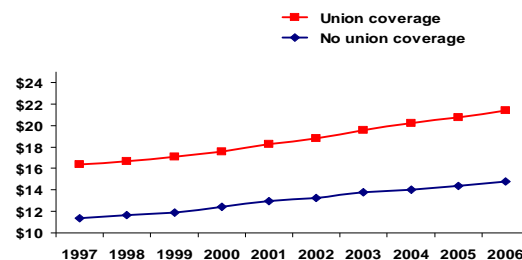
Source: Statistics Canada, LFS Annual Average Data

## Unionized Employment Grew but not as Quickly as Non-unionized Employment

Overall there was growth in unionized employment between 1997 and 2006 but it did not grow as quickly as non-unionized employment. Unionization rates in the Construction and Manufacturing, which were higher than average, fell significantly during the 1997 to 2006 period. Slow employment growth in the Public Sector, another heavily unionized industry group, helped to slow the growth of unionized employment.

While both average unionized and non-unionized wages grew between 1997 and 2006, average unionized wages remained about 30 percent higher than average non-unionized wages.

Wage Rates for Nova Scotia By Union vs. Non-Union



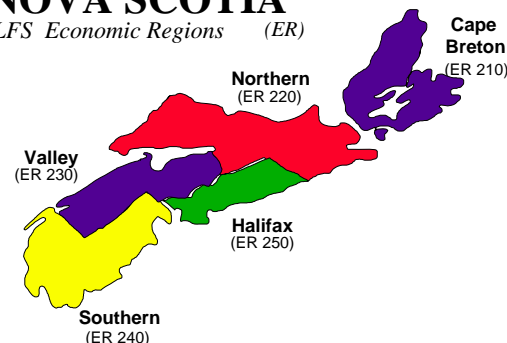
Source: Statistics Canada, LFS Annual Average Data

# Economic Region Synopsis

Three Month Moving Average

## Employment levels increase across the regions except in the Northern region

NOVA SCOTIA  
LFS Economic Regions (ER)



*Full-time Employment increases offset by Part-time Employment decreases in Halifax*

The size of the labour force in the **Halifax** region increased by 2,000 compared with June 2006 but employment rose marginally by 100 thus resulting in a 1,900 increase in unemployment. The net change in employment was the result of a 1,500 increase in full-time employment being almost wholly offset by a 1,400 decrease in part-time employment, which understates employment gains. Both the participation rate (+0.2 percentage points, 70.5 percent) and the unemployment rate (+0.8 percentage points, 5.9 percent) were higher. Employment in the Service sector fell with the largest decline coming from Professional, Scientific and Technical Services. The Goods sector experienced higher employment with the Construction, Manufacturing and Utilities Industries all having employment growth.

*Employment levels decline in Cape Breton*

The size of the labour force and the number employed in the **Cape Breton** region decreased by 2,100 and 1,600, respectively, compared to June 2006. Job losses occurred primarily in full-time positions (-1,300). The number of people working in the Goods sector was approximately 1,400 lower than in June 2006. Employment was down in both Construction and Utilities compared with this time last year. While some job losses occurred in the Service-producing sector, primarily in Trade, Business, Building and Other Support Services, and in Health Care, they were largely offset by gains elsewhere. The unemployment rate decreased from 13.8 percent in June 2006 and now stands at 13.5 percent.

*Service Sector Employment gains in the Southern Region*

Compared with June 2006, there was an increase in the size of the labour force (+1,700) and the number employed (+2,700) in the **Southern** region. Almost all of the employment gains were in full-time jobs (+2,600). At 58,300, the number employed reached a new high for the month of June. The number of people employed in the Goods sector remained unchanged compared with June 2006. Employment growth in Trade and Educational Service industries accounted for the majority of the gains in the Service sector over the 12 month period. The unemployment rate decreased from 10.8 percent in June 2006 to 8.9 percent this year, its lowest level for June since the start of the decade.

*Employment rate reaches new high in the Valley Region*

In June, there were approximately 5,500 more people in the labour force and 5,700 additional people employed in the **Valley** region compared with this time last year. Employment levels reached 61,100, the highest recorded level for the month of June. Full-time employment increased by almost 4,000 on a year-over-year basis. Goods-sector employment increased by 1,300, due to an improvement in employment in the Manufacturing sector. In the Service sector, employment increased by 3,100 with large gains primarily in Trade, Transportation and Warehousing and Finance, Insurance, Real Estate and Leasing. The unemployment rate decreased from 7.2 percent last year to 6.3 percent in June 2007, the lowest level recorded for this time of year since 1987.

*Employment levels lower in the Northern Region*

There were close to 1,500 fewer people in the labour force in the **Northern** region in June compared with the same period in 2006. The number of people working full time increased by 1,100 but the 3,300 decline in part-time positions resulted in a total drop in employment (-2,200). This is the second consecutive year employment levels declined on a year over year basis for June. In the Goods-producing sector, employment declined primarily in Construction and Utilities industries. Overall, employment levels decreased in most Service-producing industries with the exception of Health Care and Social Assistance; Accommodation and Food Services; and, Public Administration. The unemployment rate in the region increased by one percentage point to reach 10.7 percent this year.

Economic Region	Economic Region Data Three Month Moving Average (Ending June 2007)					
	CB	Northern	Valley	Southern	Halifax	NS
Population 15+ ('000)	116.4	130.9	100.1	103.5	312.9	763.7
Labour Force ('000)	62.9	79.2	65.2	64.0	220.6	491.9
Employed ('000)	54.4	70.7	58.3	58.3	207.5	452.0
Unemployed ('000)	8.5	8.5	4.1	5.7	13.1	39.9
Part. Rate (%)	54.0	60.5	65.1	61.8	70.5	64.4
Unemp. Rate (%)	13.5	10.7	6.3	8.9	5.9	8.1

Note: Data is not seasonally adjusted.

Source: Statistics Canada's LFS

*For more information or additional copies, please contact . . .*

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