

Research, Information and Analysis on Nova Scotia's labour market collected by LAE's RAIA division.

Labour Force Survey, September 2020: Impact of Covid-19 on Nova Scotia & Canada

At the beginning of September, as families in Nova Scotia adapted to new back-to-school routines, public health restrictions had been further eased and businesses and workplaces continue their operations. Nova Scotia's labour market conditions continued to improve and adjust to the pandemic world, building on the resumption of economic activities from May to Aug.

This issue of the Labour Market Information News continues to measure the impact of COVID-19 and the progress of economic recovery by using the October Labour Force Survey (reflecting the market conditions as of the week of September 13 to 19 and the comparison to the week of August 9 to August 15). This LFS release continue to measure and report the labour market conditions of visible minorities.

Employment continued to grow for the fifth consecutive month¹

- **Employment** continued to rise by 12,000 (+2.7%) in September. Combined with gains from May to August, this brought employment to within 15,300 (-3.2%) of its pre-COVID February level.
- Nova Scotia faced an **employment rate** of 55.7% in September, 1.4 percentage points higher than August and still 2.2 percentage points lower than its pre-COVID February level.
- Following a 0.5 percentage points drop in August, **unemployment rate** dropped further by 2.4 percentage points to 7.9% in September as employment expanded and labour force stalled. It is the biggest drop since the recovery and has brought unemployment rate on para with February level, being only 0.1 percentage points higher and with 900 more people unemployed.
- **Labour participation rate** stalled at 60.4% in September. It is 2.4 percentage points within its pre-COVID level.

Youth employment continued to recover after a dip in August, facing a longer recovery road than older population¹

- **Youth employment** (aged 15 to 24) increased by 10.3% (5,600 jobs) in September and was 12.0% (8,200 jobs) lower than its pre-COVID level. The employment level of core-aged workers (aged 25 to 54) gained marginally by 0.4% (1,100 jobs) and is 1.6% within its pre-COVID level. Older workers (aged 55 and over) experienced a moderate employment expansion in September (5,300 jobs, +5.3%) and mover closer to its pre-COVID level (-2.1%).

Employment continues to recover in the most sectors¹

- Employment continued to increase at a faster pace in the services-producing sector (+11,500; +3.2%) in September than in the goods-producing sector (+4000; +0.5%). Employment

¹ Source: Statistics Canada, Labour Force Survey, Table 14-10-0287-01 & Table 14-10-0355-02, Adjusted for Seasonality, Both Sexes, Ages 15+.

reached 97.4% of its pre-COVID February level in the services sector and 93.9% for the goods-producing sector.

- Employment growth in the services sector was led by gains in health care and social assistance (3,600 jobs, +5.0%), accommodation and food services (3,100 jobs, +10.8%), and wholesale and retail trade (1,600 jobs, +2.4%). In the goods sector, all sectors experienced small expansion except for forestry, fishing, mining, quarrying, oil and gas sector (-1,300 jobs, -12.1%).
- Many service sectors have recovered and some surpass pre-COVID levels including educational services (+4,300 jobs, +12.1%), Professional, scientific and technical services (+2,500 jobs, +8.7%) and health care and social assistance (+1,500 jobs, +2.0%).
- The industries that are furthest from employment recovery remain wholesale and retail trade (-11,300 jobs, -14.3%), accommodation and food services (-6,400 jobs, -16.7%), manufacturing (-3,100 jobs, -8.9%), and information, culture and recreation (-2,700 jobs, -14.1%).

Labour underutilization edged down to 20.0% in September^{2,3}

- After four consecutive months of dropping, the percentage of employed people who were absent 50% or more rose from 7.7% to 8.9% from August to September while the number of unemployed people decreased significantly by -23.4% (-11,900 people).
- Nova Scotians who are not in the labour force remained virtually the same in September (+900, +0.3%) as the rise in people who **wanted work but were not working or looking for job** offset the drop in people who do not want work.
- 20.0% of the potential labour force in Nova Scotia is still underutilized in September (104,100 people), compared to 13.9% in February. Unemployment and employed but absent more than half of their usual hours remain the two leading factors.

Labour market conditions of diverse groups took big steps towards recovery⁴

- The employment rate of visible minorities in Atlantic Canada rose by 7.1 percentage points in the last month while the employment rate of people who are not Indigenous or visible minorities in Atlantic Canada stalled (-0.2%), attributed to decline in unemployment rates and rise in participation rates. In September, visible minorities faced a higher employment rate than that of people who are not Indigenous or visible minorities (70.5% vs 65.0%, not seasonally adjusted).
- The unemployment rate of Black Canadians dropped 5.9 percentage points to 11.7% in September, while the rate for Filipino Canadians declined by 4.2 percentage points to 8.5% (not seasonally adjusted). However, the unemployment rates for these two groups remained higher than average.⁵
- Employment among Indigenous people living off-reserve increased by 2.7% (+15,000) from August to September, while employment among non-Indigenous Canadians rose by 1.5% (+264,000). In September, employment for Indigenous people was at 93.9% of its February level, compared with 98.1% for non-Indigenous Canadians (not seasonally adjusted).⁵

² Source: Statistics Canada, Labour Force Survey, Supplementary Indicators used in September 2020 analysis, seasonally adjusted.

³ Labour underutilization includes those who were unemployed with those who were not in the labour force but wanted a job and did not look for one; as well as those who remained employed but lost all or the majority of their usual work hours.

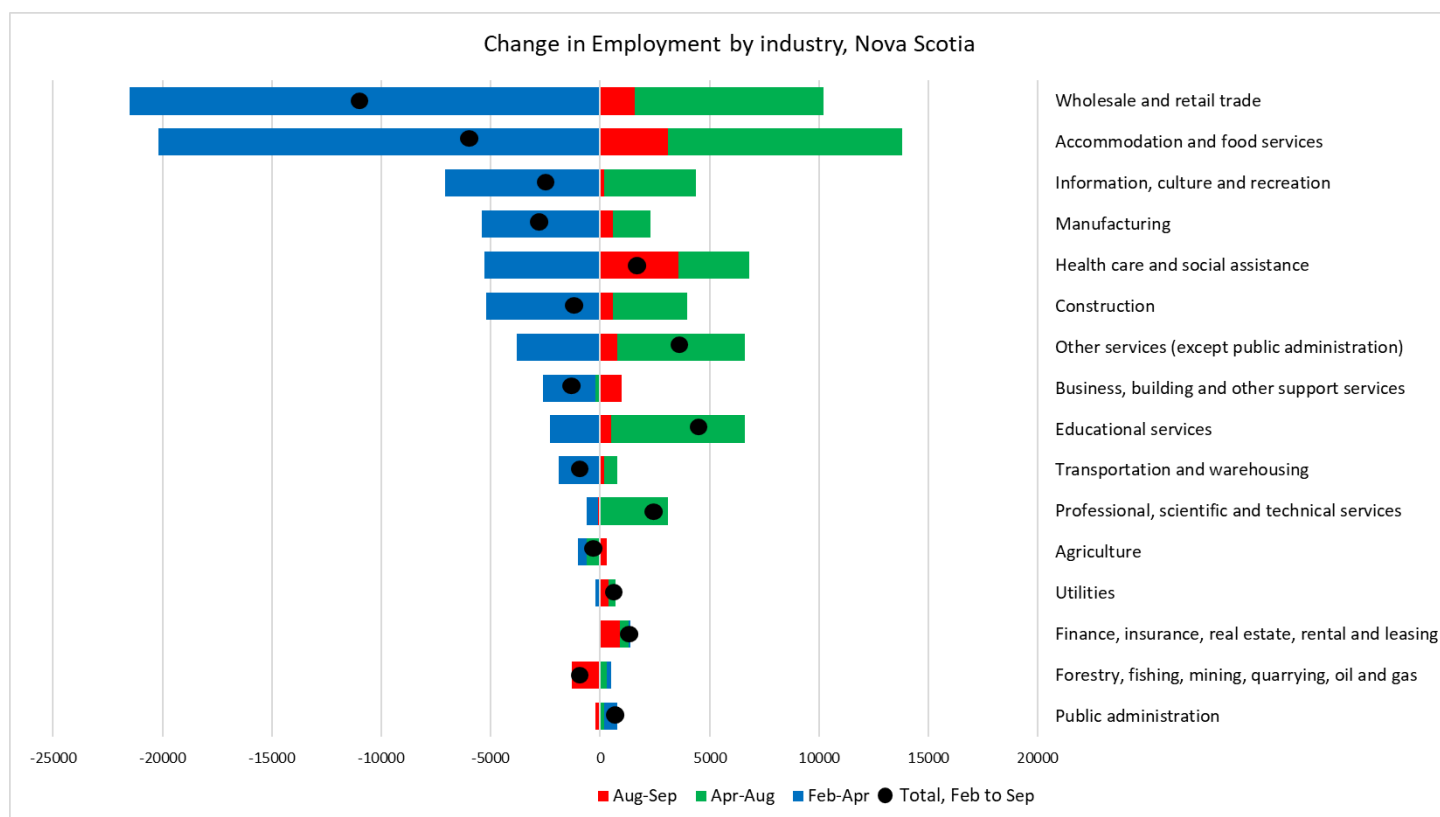
⁴ Source: Statistics Canada, September 2020 LFS population groups designated as visible minorities, September 2019 to September 2020.

⁵ Source: Statistics Canada, [The Daily: Labour Force Survey](#), September 2020.

Nova Scotia Labour Force Update, September 2020

Nova Scotia's Labour Market	Impact of restrictive measures (Feb-Apr)		Impact of eased measures (Apr-Sep)		Current to Pre-COVID (Feb-Sep)	
	change	% change	change	% change	change	% change
Labour force	-61,300	-12.0%	0	0%	-8,700	-1.7%
Employment	-75,400	-16.0%	60,100	15.2%	-15,300	-3.2%
Worked 0 hour	51,400	372.5%	-34,200	-52.4%	17,300	125.4%
Worked <50% hours	3,800	41.8%	-1,300	-12.0%	3,600	61.0%
Worked >=50% hours	-130,600	-29.1%	95,700	30.0%	-36,200	-8.0%
Unemployment	14,200	35.7%	-15,100	-28.0%	-0,900	-2.3%
Not in the labour force	62,500	20.6%	-41,100	-11.3%	21,400	7.1%
Wanted work	42,300	320.5%	-30,900	-55.7%	11,400	86.4%
Did not want work	20,200	7.0%	-10,000	-3.2%	10,000	3.5%
Unemployment rate	4.2 points	-	-4.1 points	-	0.1 points	-
Participation rate	-7.6 points	-	5.2 points	-	-2.4 points	-
Employment rate	-9.3 points	-	7.1 points	-	-2.2 points	-
Labour underutilization rate	22.9 points	-	-16.8 points	-	6.1 points	-

Source: Statistics Canada, Labour Force Survey, Table 14-10-0287-01, seasonally adjusted; Labour Force Survey, August Supplementary Indicators, seasonally adjusted.



Source: Statistics Canada, Labour Force Survey, Table 14-10-0355-02, seasonally adjusted.