



January, 2010*

Employment Declines Monthly, Still Above January 2009

- Last year was a very strong year for employment in Halifax despite reduced employment in many other geographic areas.
- Employment in Halifax fell in January as is the typical seasonal pattern, but was higher than in January 2009.
- The employment reductions were in full-time employment while the number of part-time jobs increased between December and January.
- Unemployment also followed the normal seasonal pattern by rising in January, leading to a higher unemployment rate, which rose above 6% for the first time in January since 2005.
- The level and percentage of people in the labour force fell in January from December but maintained record high levels for the month of January.
- Employment in the **Goods Sector** fell between January 2009 and January 2010, the result of lower employment in Construction and Manufacturing.
- Employment in the **Services Sector** rose on a year over year basis on the strength of Other Services, Accommodations & Food Services, and Finance, Insurance, Real Estate & Leasing.

| Economic Region Data 3 Month Average (Ending in January 2010) | | | | | |
|---|-------------|----------|---------|----------|---------|
| Economic Region | Cape Breton | Northern | Valley | Southern | Halifax |
| Population 15+ | 114,700 | 131,400 | 102,000 | 103,200 | 323,200 |
| Labour force | 61,600 | 79,400 | 62,400 | 60,300 | 229,500 |
| Employed | 52,300 | 70,100 | 56,900 | 51,500 | 215,300 |
| Unemployed | 9,300 | 9,300 | 5,500 | 8,800 | 14,100 |
| Participation rate | 53.7% | 60.4% | 61.2% | 58.4% | 71.0% |
| Unemployment rate | 15.1% | 11.7% | 8.8% | 14.6% | 6.1% |

Note: Data is not seasonally adjusted

Source: Statistics Canada's LFS

*This report is an analysis of three month moving average data from Statistics Canada's monthly Labour Force Survey. The reader should be cautioned that because of relatively small sample sizes in subprovincial regions, data reliability may be an issue.

In the News

According to the mayor, Halifax issued permits for \$681 million in construction activity in 2009, down \$51 million from 2008. While the figures have been very strong for a few years, he blames the decline this year on the global recession. Permits for residential construction, however, increased by more than \$25 million over the previous year, which he attributed to a population increase. With several large projects on the horizon, the mayor is very positive about an upswing in activity. **(Chronicle-Herald, Jan.29)**

Armour Construction expects to begin building the Waterside Centre development in downtown Halifax in the second half of 2010. The company plans to construct a nine-storey building inside the facades of six historic buildings. Some preparation work is currently taking place within the foundations of the existing structures. **(Chronicle-Herald, Jan.6)**

According to the **Canadian Association of Petroleum Producers**, low natural gas prices and low demand, expensive costs, and the development of shale natural reserves elsewhere will hamper the Nova Scotia offshore industry. Spending on the East Coast offshore will increase to \$2.5 billion in 2010 from \$1.5 billion in 2009, but most of it will be spent in Newfoundland and Labrador. Most of the Nova Scotia spending will be on the Deep Panuke gas project coming into service, while the Sable project is in decline with reserves expected to run out in a few years. **(Chronicle-Herald, Jan.29)**

The plan to build a **Sheraton Hotel** near the terminal at the Halifax Stanfield International Airport, originally postponed a year ago, now has been cancelled altogether. The mutual decision was made by the airport authority and developers, who say financing for new hotels has been difficult to obtain during the economic recession. **(Chronicle-Herald, Jan.28)**

Cargo volumes at the **Port of Halifax** declined by 6.2 percent in 2009 compared to the previous year. Bulk cargo, which makes up nearly two-thirds of the business, fell by 1.6 percent, containerized cargo by 11 percent, roll on/roll off cargo by 16.6 percent, and breakbulk cargo by 35.7 percent. As for 2008, the drop is attributed to the global recession, although volumes did increase somewhat towards the end of the year. Cargo volumes have dropped 30 percent at the port over the past five years. **(Chronicle-Herald, Jan.20)**

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