



# Labour Market Monitor

Halifax



October, 2011

*The Labour Market Monitor is a monthly report providing a summary of labour market news events for the Halifax Region.*

*The Halifax Region includes all of Halifax County.*

## GENERAL EVENTS

A report issued by BMO Capital Markets, is predicting that **Nova Scotia's economy** will grow by 1.7 percent in 2011, compared to 2.2 percent for Canada overall. According to a BMO economist, Nova Scotia's labour force is shrinking, people are going out west, government stimulus is slowing, the Canadian dollar is gaining strength, and a weak United States economy are all impacting export-oriented Nova Scotia. Private sector job creation in Nova Scotia has fallen by 3.5 percent in the past year and the closure of NewPage last month resulted in 1,000 jobs lost. However if Encana's Deep Panuke natural gas project begins gas production as expected in 2012 and if Irving is awarded part of the \$35 billion shipbuilding contract, Nova Scotia's economy would greatly improve. (Chronicle Herald, Oct.13)

The Canadian Federation of Independent Business (CFIB) list of **Canada's top 100 entrepreneurial cities**, has Halifax ranked 77th overall, in its annual release. The CFIB looked at 12 different indicators, separated into three categories - presence, perspective, policy - to determine the score and ranking of each centre. Halifax scored very poorly in the indicator that asked about government awareness of small business needs. In comparison, New Glasgow finished 22nd on the list, while Moncton was the highest ranking Atlantic Canadian city at 16th overall. Results can be found at [www.cfib-fcei.ca/english/research.html](http://www.cfib-fcei.ca/english/research.html). (Chronicle Herald, Oct.19)

The Nova Scotia government ([www.gov.ns.ca/econ/](http://www.gov.ns.ca/econ/)) announced a **\$10-million repayable loan program** for Nova Scotia's aerospace, defence and security industries this month. Funds will be made available to help with upfront one-time costs and will be offered as repayable loans linked to job creation, improved innovation, and productivity. These three industries account for more than 6,000 well-paying jobs in the province. (Chronicle Herald, Oct.13)

Following the news of Irving's ([www.irvingshipbuilding.com](http://www.irvingshipbuilding.com)) successful bid on the **\$25 billion shipbuilding contract**, the Halifax Regional Municipality now has to determine how to accommodate the coming influx of workers for the project. According to the mayor, the north end in Halifax and Dartmouth will likely get a lot of attention from developers, with employees wanting to live near the shipyard. Transportation is also seen as an issue to address as additional workers commute in and out of the peninsula. An economic impact study commissioned by the Greater Halifax Partnership (GHP) also projects an increase in furniture sales, home entertainment, full-service and fast-food restaurants, and groceries bought. Besides increasing the need for skilled trades people, the GHP says the contract will also drive demand for occupations like hairstylists, insurance brokers, pharmacists, and dentists. Some Halifax employers in the accommodation and food service industry are concerned that the current difficulty in finding qualified workers will become more difficult as the shipbuilding activity ramps up. Halifax already has 530 temporary foreign workers employed in the accommodation and food service industry, to help with demand issues. (Chronicle Herald, Oct.20)

A **\$2.6 million Government of Canada investment** was announced this month, which will go toward supporting the Native Council of Nova Scotia's Building Aboriginal Skills to Employment (BASE) and Driving Towards Industry Service Standards projects. According to a spokesperson with the Native Council of Nova Scotia (<http://ncns.ca/>), the council is partnering with a number of industry groups and organizations in order to bridge the gap between the supply and demand of the labour force. In this case, the job and skills training will focus on areas in demand for the oil and gas industry. This funding will enable 100 aboriginal people to receive skills training and help another 70 more find jobs. (Chronicle Herald, Oct.29)

## LABOUR MARKET NEWS BY INDUSTRY

### Construction

Halifax Regional Municipality - HRM ([www.halifax.ca](http://www.halifax.ca)) released figures this month that showed that **development permits** issued up to September 30th totalled \$596 million, up \$60 million from the same period last year. According to a local developer there is no real influx of people or growth in the province, the increase in permits is a result of low interest rates and will likely be short-lived. The city reported a 50 percent increase in commercial development permits valued at \$157 million, while residential permits rose six percent to \$393 million. (Chronicle Herald, Oct.04)

Le Groupe Germain announced this month that it would build a new **\$27-million, 169 room airport hotel** next to the Halifax Stanfield International Airport. Airport officials have been struggling for years to get an airport hotel built, with the two previous attempts being unsuccessful. The Marco Group ([www.marcogroup.ca](http://www.marcogroup.ca)), which has offices in Dartmouth, will be building the ALT hotel, which is slated to open early in 2013. The ALT brand offers a limited-service, three-star, no-frills chic concept. The 14 storey structure will incorporate environmentally friendly features and will have 10,000 square feet of meeting space, as well as a large banquet facility. Construction of another 120-room Courtyard by Marriott hotel, which was originally expected to begin in the fall, is now tentatively slated to begin next year. (Chronicle Herald, Oct.27)

Figures released by Statistics Canada show that **non-residential construction spending** in Nova Scotia fell by 6.4 percent in the three months ending Sept. 30, 2011, compared to the same quarter in 2010. Investment in commercial building construction increased by 5.4 percent during this period, however industrial construction dropped 61.2 percent, and institutional spending experienced a five percent drop. (Chronicle Herald, Oct.19)

Construction on the new **\$12.9-million provincial medical examiner's facility** in Dartmouth has begun. The number of autopsies performed by the medical examiner in Nova Scotia has doubled in recent years and the new facility will help medical examiners deliver faster, more effective service, and help train doctors as well. The new facility will be located on Garland Avenue, across from the new RCMP headquarters. Construction is expected to last about 14 months. (Burnside News, Oct.14)

### Manufacturing

Helly Hansen Canada Ltd. of Dartmouth won a **\$2 million standing offer** with the Defence Department to provide engineering, design and development support for the military's flotation and life-support equipment. According to Helly Hansen's manager of research and development, this is the first standing offer the company has received and this contract could provide an advantage for future bids with the military. (Chronicle Herald, Oct.18)

Halifax's Irving Shipbuilding Inc. ([www.irvingshipbuilding.com](http://www.irvingshipbuilding.com)) won the **\$25-billion combat shipbuilding contract**, which is expected to keep the shipyard busy for the next three decades. According to the Conference Board of Canada the projected spin-offs for Nova Scotia would be up to 11,500 new jobs, over \$500 million in personal income, and a \$900 million boost to the GDP. The contract involves building 15 Canadian Surface Combatants and six to eight arctic patrol ships. (Chronicle Herald, Oct.19)

### Retail Trade

**Banana Republic Factory Store** will open in Dartmouth Crossing ([www.dartmouthcrossing.com](http://www.dartmouthcrossing.com)) this month. The store will employ 38 employees. This is the second Banana Republic store to open in Eastern Canada. The other location is in the Halifax Shopping Centre. (Chronicle Herald, Oct.08)

According to Statistics Canada, **Nova Scotia retail sales** declined for the first time in five months. August sales figures decreased 2.3 percent from July, yet increased 3.9 percent compared to August 2010. However over a 12 month period, from September 2010 to August 2011, sales increased by 2.8 percent over the previous year to finish at \$12.9 billion. (Chronicle Herald, Oct.28)

### Transportation and Warehousing

Securitas Transport Aviation Security Ltd ([www.securitas.com/ca/](http://www.securitas.com/ca/)) was awarded a **\$481 million contract to supply security screeners** in the eastern region, including the Halifax Stanfield International Airport ([www.hiaa.ca](http://www.hiaa.ca)), over the next five years. St. John's-based Shannahan's Investigation and Security Ltd. currently provides security screening at the Halifax airport, but Securitas will assume operations in November, affecting at least 250 security screeners. Screeners in Halifax are now part of a new eastern region that involves between 1,700 employees in Atlantic Canada and Quebec. (Chronicle Herald, Oct.01)

### Real Estate and Rental and Leasing

According to the **Royal LePage house price survey** ([www.royallepage.ca](http://www.royallepage.ca)), housing prices in the Halifax market overall in the third quarter of 2011, compared to the same period in 2010. Detached bungalows in Halifax increased by 5.6 percent to \$269,000, two-storey homes jumped 4.5 percent to \$300,000, while condominium prices increased by 10.4 percent to \$193,500. A spokesperson with Royal LePage stated that housing prices are a good indicator of an improving local economy and migration patterns indicate that a lot of people are moving to Halifax from outlying areas. (Chronicle Herald, Oct.06)

### Professional, Scientific and Technical Services

Aurora ROV Systems Ltd. ([www.aurorarov.ca](http://www.aurorarov.ca)) of Lower Sackville was awarded a **\$475,474 contract to supply a pair of remotely operated mini subs** to the Canadian navy. Aurora ROV is the Canadian distributor for SeaBotix, who manufactures the vessels. (Chronicle Herald, Oct.07)

Dartmouth's MetOcean Data Systems Ltd. ([www.metocean.com](http://www.metocean.com)) won a **\$672,000 contract to provide ocean probes** for Fisheries and Oceans Canada. MetOcean operates globally, mostly to the oil and gas sector, aquaculture and surveillance industries, oceanographic and meteorological research groups and the military. (Chronicle Herald, Oct.05)

Halifax biotechnology company **Immunovaccine Inc's** ([www.imvaccine.com](http://www.imvaccine.com)) **shares rose** slightly on the TSX, following Health Canada's approval for clinical trials of Immunovaccine's vaccine. Immunovaccine's cancer vaccine, DPX-Survivac, can now undergo Phase 1 and 2 clinical trials on patients with advanced stage ovarian cancer. The Health Canada approval is good news for the company, which had already received the Food and Drug Administration's approval in the United States. (Chronicle Herald, Oct.27)

### **Educational Services**

Nova Scotia's **10,000 public school teachers have accepted a new two-year contract** between the Nova Scotia Teachers Union and the Nova Scotia Education Department. The contract will offer one percent wage increases per year, retroactive to July 2010 and will expire July 31, 2012. The new contract includes a commitment to address workload issues, such as reducing time spent doing paperwork and other administrative tasks. (Chronicle Herald, Oct.07)

According to the Association of Atlantic Universities in its **2011-2012 Preliminary Survey of Enrolments**, enrolments have increased in Atlantic Canada for the third consecutive year. In Nova Scotia overall enrolments were up 2.6 percent, with only NSCAD, Saint Mary's University and Ste. Ann showing slight declines in enrolment. Dalhousie, Acadia, and Cape Breton University showed the largest increase in number of students. The complete survey can be found at [www.atlanticuniversities.ca/facts-figures/](http://www.atlanticuniversities.ca/facts-figures/) (Chronicle Herald, Oct.14)

### **Arts, Entertainment and Recreation**

Gamebreakers Inc., a high-tech hockey training facility in Dartmouth, has shutdown operations after nearly two years in business. According to a letter by management, the business struggled to increase revenues and keep Gamebreakers a viable business. Gamebreakers offered an ice-skating treadmill, a synthetic ice surface, shooting and stick handling lanes, a shot-training device, and a fully equipped gym. According to the executive director for Hockey Nova Scotia, the cost of using the facility may have been more than what many teams and individuals could afford. When the 1,300-square-metre facility at 50 Raddall Ave originally opened, it employed three full-time staffers and about 10 part-time positions. (Chronicle Herald, Oct.29)

### **Accommodation and Food Services**

Choco Café, a **café and retail space opened for business** this month at the corner of Bishop and Lower Water streets. The business serves organic coffee, specialty teas and authentic hot chocolate, as well as personalized gourmet chocolates. (Chronicle Herald, Oct.25)

### **Public Administration**

The **Atlantic Canada Opportunities Agency is cutting 42 positions** as part of a \$15.2-million budget-cutting exercise, possibly less depending on retirements. According to a spokesperson with the Public Service Alliance of Canada, ACOA is cutting 12 positions in Moncton, two in Nova Scotia and five in Ottawa. ACOA has about 670 employees in the Atlantic provinces and about 30 in Ottawa. Affected employees with ACOA will have the option to find another job in the federal public service or retire with a cash payment tied to years of service, worth up to a year's salary. (Chronicle Herald, Oct.19)

**Note:** In preparing this document, the authors have taken care to provide clients with labour market information from reliable sources that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of the department.

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**For information on Labour Force Trends,** please visit Statistics Canada's website at [www40.statcan.gc.ca/l01/cst01/lfs05b-eng.htm](http://www40.statcan.gc.ca/l01/cst01/lfs05b-eng.htm)