



Southern Nova Scotia Labour Market Monitor

~December 2010~



This is an overview of the Southern Region which includes Digby, Yarmouth, Shelburne, Queens and Lunenburg Counties.

The Labour Market Monitor is a monthly report focusing on labour market information produced by a local Labour Market Information Analyst.

Labour Force Trends

The labour market improved in Southern Nova Scotia on a year over year basis, with employment increasing by 1,400 and the labour force expanding by 1,500. The employment gains were in both full and part time work. With labour force growth roughly matching the rise in employment, the level of unemployment and the unemployment rate varied little on a year over year basis. Currently, the unemployment rate for the region is 11.2%.

For more information, please visit the Statistics Canada website at:

<http://www40.statcan.gc.ca/l01/cst01/lfss05b-eng.htm>

Southern NS	Dec	
	2009	2010
Region: 240		
Labour Force (000)	60.9	62.4
Employed (000)	54.0	55.4
Full Time	43.0	43.4
Part Time	11.1	12.0
Unemployed (000)	6.9	7.0
Participation Rate (%)	59.0	60.6
Unemployment Rate (%)	11.3	11.2

Data is 3 month moving average from the Labour Force Survey - Statistics Canada

Labour Market News by Industry

Forestry

Christmas tree exporters reported an average year for exports in late 2010. Trees are sold in American dollars. Five years ago producers were getting \$1.40 Canadian for each US dollar because of the strength of the US currency but with the Canadian dollar close to par, profits have decreased. Nova Scotia Christmas tree growers export \$20 to \$30 million worth of trees each season. In another alarming trend, farm closures in the US resulted in cheap US trees flooding the market this year through large retail stores. Bridgewater Bulletin - 7 December 2010

Mining

Greenlight Resources Inc hired Eastern Geophysics Limited of West Pubnico, Yarmouth County, to conduct the geophysical survey over its North Kemptville property. There are 127 claims for a total of 5,080 acres. The gold property is less than 20 minutes away from the company's Brazil Lake lithium and rare metal property.

Yarmouth Vanguard - 7 December 2010

Canuc Resources Corporation signed an option agreement with Magnum Resources Inc. to acquire 100 percent interest in the Mill Village gold property. Metallurgical and engineering work will be carried out before any production begins but the deposit is expected in the range of 100,000 to 200,000 ounces. The option agreement includes \$500,000 in work commitments in the first year.

Liverpool Advance - 7 December 2010

Manufacturing

Queens County lumber mill, Harry Freeman and Sons Limited, received a \$750,000 loan from the provincial government in early December. The loan will help to maintain 120 jobs at the local mill and was approved through the province's Industrial Expansion Fund.

Liverpool Advance - 7 December 2010

A \$150 million expansion into Nova Scotia by New Brunswick's Cooke Aquaculture, hinges on approval of salmon farms proposed for Shelburne and Digby areas. If approved, Cooke announced that Shelburne was chosen as the future site of a 360-job regional production and processing centre. Company officials stated that the earliest the facility would be in operation is the spring of 2012. The production site would accept farmed fish from all the company's Nova Scotia sites and would process and ship 40-million pounds of salmon annually for markets in the Maritimes and eastern U.S. In addition, the company intends to establish a regional corporate office in Shelburne that would house management and administrative personnel. The company's plans for Digby include a feed warehouse distribution centre and regional office, creating 58 new jobs for a total of 70 direct full-time jobs.

Various Sources - 23 December 2010

Transportation

The federal government announced \$51 million in funding over three years for three Atlantic ferry routes, including the Digby to Saint John service. The funding will keep the route operating until March 2014. The money is on top of the \$32 million included in the 2010 federal budget for the three ferry services.

Digby Courier - 7 December 2010

The Yarmouth Area Industrial Commission announced in late-December that there will be no ferry service between Yarmouth and New England in 2011. The Commission

stated that there has been ongoing communication with potential operators but at this time none show a clear confirmation of the financial capacity to operate a ferry service. The commission plans on continuing efforts into 2011 with a revised target of May 2012. In late November, the Portland Press Herald reported that the Nova Scotia premier stated that the two proposals for resuming a route, one of them to Portland, did not justify a subsidy.

Yarmouth Vanguard - 29 December 2010

Business, Building and Other Support

Convergys announced it will close its Cornwallis Park operation in March 2011, putting almost 300 employees out of work. The in-bound call centre offered customer service for a large US wireless provider since 2004. Convergys continues to operate two call centres in Nova Scotia and affected employees may apply to transfer to one of those locations. Reasons for the closure have ranged from the Canadian dollar being at par, the expiration of the company's lease agreement, and the provincial governments announced review of their payroll rebate program. Convergys has received \$15 million in payroll rebate incentives for all of its locations.

Digby Courier - 23 December 2010

Education

The provincial government has directed school boards to reduce their budgets as part of anticipated cuts for the 2011-12 budget year. Although no decisions have been made, boards have been asked to cut up to 22 percent out of their existing budgets over the next three years. Enrolment in both of the region's school boards has been declining annually. In the last five years, funding for the South Shore Regional School Board increased by \$12 million or 22 percent, while enrolment dropped by almost 1,200 students or 13 percent. The Nova Scotia School Board Association reported

that a 22 percent cut would result in the loss of 200 teachers from the South Shore Board and 190 teachers from the Tri-County Board.

Various Sources - 14 December 2010

Health Care and Social Assistance

The provincial government announced \$2.5 million in funding for the Queens General Hospital expansion project. The funds will go towards the \$16 million collaborative primary care clinic and an upgraded 22-bed in-patient unit. It was also announced that the province will provide \$765,000 annually to help with staffing costs for the primary care unit. The project has \$1.5 million left to raise before the anticipated construction start next fall. Once initiated, construction is expected to take about one year.

Liverpool Advance - 28 December 2010

Information, Culture and Recreation

The new Fundy YMCA in Cornwallis moved a step closer to a spring opening after all three levels of government and supporting organizations contributed \$780,000 to help upgrade the former Lifeplex Wellness Centre. Planned upgrades include an expansion of the cardio fitness area, reconfiguring of office space, safety improvements and a state-of-the-art air conditioning system.

Digby Courier - 30 December 2010

Accommodation & Food Services

Lunenburg County was not as dramatically impacted as the rest of the South Shore counties by the loss of the CAT Ferry and the resulting plummeting number of U.S. tourists. Visitor Information Centres reported a decrease of only two percent, compared to 87 percent in Yarmouth, 33 percent in Shelburne and 36 percent in Queens counties. A spokesperson from Destination Southwest Nova Association stated that the county is a viable day trip

option from the Halifax market but the wider southwest Nova Scotia region was down 34 percent and that if a new ferry service is not in place for 2011, it will be a very challenging year.

Bridgewater Bulletin - 7 December 2010

The NDP government issued a request for expressions of interest to determine the future of Nova Scotia's three Signature Resorts, including the Digby Pines. A 10-year management contract with New Castle Hotels expires in January 2012. Options reportedly include the sale of the properties that reported an operating loss of over \$700,000 for 2009-10. Upgrading the properties to modern standards reportedly would cost as much as \$22 million in maintenance, grounds work and upgrades to dated fixtures and furniture. A source at the Digby Pines reported that the resort had over \$4 million in revenue last year and returned about half of that to the region in wages.

Digby Courier - 23 December 2010

Note: *In preparing this bulletin, Service Canada has 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 the bulletin was published. Readers are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this bulletin does not necessarily reflect official policies of Service Canada.*

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