

Sector Profile

Educational Services

Atlantic Region

2024

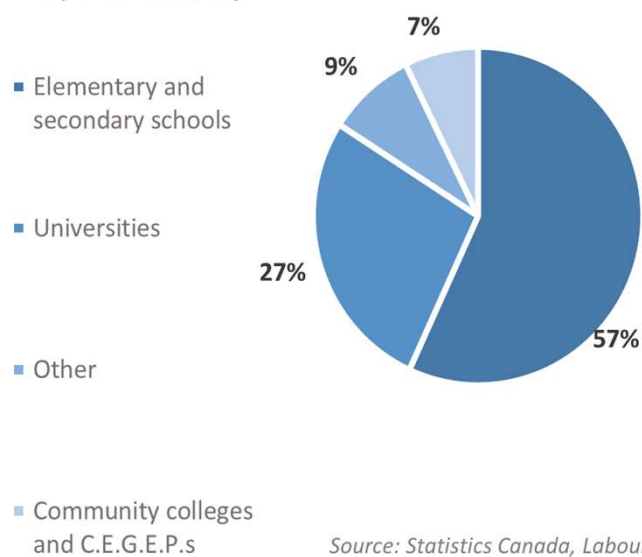


HIGHLIGHTS

- The educational services sector consists of publicly funded primary and secondary school systems and an extensive number of post-secondary institutions. The sector employed 92,700 Atlantic Canadians in 2023, representing 7.7% of the region's workforce.
- Many workers in this sector have a high level of educational attainment. Further, 70% are female and mostly in their prime working years (25 – 54 years). K-12 teachers comprise nearly one-third of the workforce.
- Employment in this sector has grown at a faster pace recently, adding 7,700 jobs since 2019, including a gain of 2,100 jobs in 2023.
- Overall, employment in educational services is projected to grow at a moderate average annual rate of 1.6% through 2026. Recent federal policy changes that cap the number of international students and non-permanent residents admitted to Canada are expected to restrain job growth in the university sub-sector.

ABOUT THE INDUSTRY

Employment Share by sub-industry



Composition and Importance of the Sector

The educational services sector is composed of seven subsectors that provide education and training through establishments such as schools, universities, colleges, and training centres. Training is usually delivered by subject matter experts with teaching or instructional qualifications.

In Atlantic Canada, the majority of elementary and secondary schools (K-12) are publicly funded. Universities and colleges typically receive both public funding and student fees, while some entirely private institutions also exist.

In 2023, the educational services employed 92,700 Atlantic Canadians, representing 7.7% of the region's workforce — a higher share of employment 7.7% compared to the national average (7.4%) for this sector. The two largest subsectors, elementary and secondary schools and universities, account for 84% of employment.

The sector's real gross domestic product increased by 2.7% and amounted to over \$7.5 billion in 2023, accounting for 6.6% of the total output of the Atlantic Region.



Geographic Distribution of Employment

In 2023, educational services employment as a share of total employment was distributed proportionally among the Atlantic provinces, ranging from 7.2% in Prince Edward Island (P.E.I.) to 7.9% in New Brunswick (N.B.). Nova Scotia (N.S.) had the highest concentration of employment in this sector, accounting for over 40% of the regional sectoral workforce, followed by New Brunswick with one-third.

The Halifax area had the largest number of workers in this sector, with over 20,000 of the sectoral workforce, followed by the Avalon Peninsula in Newfoundland and Labrador (N.L.) and the Moncton-Richibucto area in New Brunswick, which had more than 10,000 and 9,000, respectively.

	Employed 2023	Industry Share (%)
Atlantic Canada	92,700	7.7%
Newfoundland and Labrador	17,500	7.4%
Prince Edward Island	6,400	7.2%
Nova Scotia	38,200	7.7%
New Brunswick	30,600	7.9%

Source: Statistics Canada, Labour Force Survey

WORKFORCE

Workforce Characteristics

Workers in the educational services sector are highly educated. In 2023, approximately 65% of individuals employed in this sector had at least a university degree, compared to just over 30% of all workers in the region. Additionally, more than a third (34.5%) of educational services workers held a degree beyond the bachelor's level, more than triple the all-industry average of 10.1%.

The majority of the workforce in this sector consists of unionized public-sector employees covered by collective bargaining agreements. In 2023, about 9 in 10 workers in this sector were employed in elementary and secondary schools, universities, or colleges. However, despite being highly educated and mostly unionized, the sector has a higher share of individuals with temporary jobs (26.5%), almost double the all-industry average of 13.4%.

The workforce in this sector is mostly in the prime working age bracket, with more than 70% of workers falling between the ages of 25 and 54. As such, it has a lower share of youth (15-24 years of age) relative to the average for all industries. Historically, females have accounted for a majority of employment in this sector, representing 69.4% of sectoral employment in 2023 – much higher than the average share across all industries in the region, at 49.3%.

Main Occupations

The three largest occupations in this sector comprised nearly 41% of sectoral employment in 2023, and employed 37,825 individuals on average during the year. These occupations included elementary school and kindergarten teachers (21.5%), secondary school teachers (9.8%), and elementary and secondary school teacher assistants (9.5%).

The remaining two top-five occupations were in the post-secondary system, accounting for 14.2% of the sectoral employment in 2023. These include professors and lecturers (8.4%) and post-secondary teaching and research assistants (5.8%).

Top 5 largest occupations	Employed 2023	% Share of Industry
Elementary school and kindergarten teachers	19,900	21.5%
Secondary school teachers	9,075	9.8%
Elementary and secondary school teacher assistants	8,850	9.5%
University professors and lecturers	7,800	8.4%
Post-secondary teaching and research assistants	5,375	5.8%

Source: ESDC/Service Canada



RECENT HISTORY

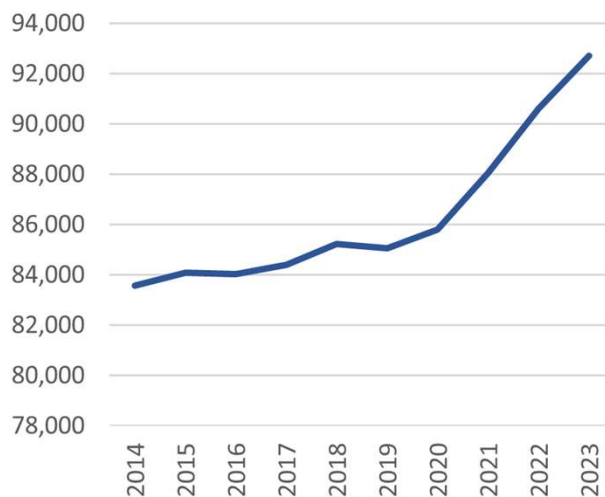
Employment in the educational services sector reached a historical high of 92,700 in 2023. Jobs in this sector have grown sharply, increasing by 7,700 (+9.1%) since 2019, including a gain of 2,100 (+2.3%) in 2023. Employment increased in three of four Atlantic provinces during the year, led by P.E.I. (+500) and N.S. (+1,800). New Brunswick experienced a slight decline, shedding 600 jobs.

The main driver of employment growth in Atlantic Canada's educational sector is rapid student enrolment growth. Enrolment in public elementary and secondary schools has been trending upward, reaching 323,353 students at the beginning of the 2023-2024 school year— an increase of more than 6,000 from the previous year. Nova Scotia and New Brunswick each added over 9,000 new students to their public schools in the past three years. During the 2023-2024 academic year, universities in the region had 85,715 full-time students enrolled, a 5.2% increase (+4,209) from the previous year, driven solely by the growth in international students' enrolment. The number of international students at Atlantic Canadian universities rose sharply by more than 20% to 26,000 in 2023, representing over 30% of total full-time enrolment. This trend highlights Atlantic Canada's growing appeal as a destination for international students.

A government-imposed cap on the number of international students admitted to study in Canada is projected to reduce the amount of study permits by 10% for 2024; N.L. may be an exception. As Atlantic Canada universities have a higher proportion of international students (30.5%) compared to the rest of Canada (18%), industry associations expect the cap on study permits to pose significant challenges, likely increasing financial pressure on post-secondary institutions depending on their size and current number of international students. However, it is too early to fully assess the impact of this policy change post-secondary employment.

Recent elevated inflation has resulted in upward pressure on wages, influencing collective bargaining between employers and workers in this sector. Both the Nova Scotia Teachers Union, representing nearly 10,000 teachers and specialists, and Newfoundland and Labrador teachers, numbering 6,500, recently reached agreements with their respective provincial governments. Additionally, several post-secondary institutions have faced labour disputes and reached agreements with their employees in the last 12 months.

Historical Employment Trend
Atlantic Canada



Source: Statistics Canada, Labour Force Survey

The educational services sector faces worker shortages in the elementary and secondary school subsector. There are widespread reports of teacher shortages and a limited supply of support staff, such as bus drivers and school psychologists, often exacerbated by retention and recruitment challenges. In Q4 2023, there were 1,140 vacant positions in the Atlantic provinces, slightly lower than in Q4 2022 (1,310). Nova Scotia alone accounted for just over half of these vacancies.

To address these challenges, all four provincial governments have allocated additional funding in their 2024-2025 budgets to ease enrolment growth pressures by hiring more teachers and support staff (N.S.: \$28 million, N.B.: \$18.6 million, PEI: \$7 million, N.L.: \$3 million). Other recruitment and retention initiatives include expanding teacher training seats in universities, streamlining certification, and extending job offers to prospective graduates in education programs.

Notable capital investments relevant to this sector include N.L.'s plan to spend \$146 million to construct four new schools, while N.S. is investing \$150 million to build modular units in Halifax-area schools to address enrolment pressures. Additionally, the University of Prince Edward Island (UPEI) is working on establishing the province's first medical school, while Cape Breton University in N.S. is also opening a new medical school and is expected to train 30 doctors per year.



OUTLOOK

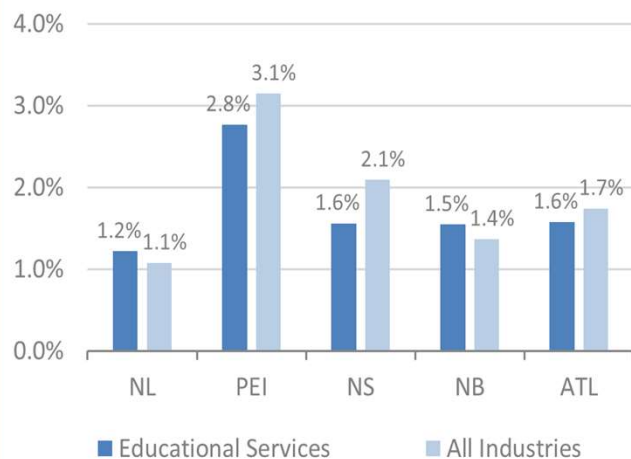
Employment in educational services in Atlantic Canada is projected to grow at an average rate of 1.6% over 2024 to 2026, slightly below the overall employment growth rate for all industries.

All four Atlantic provinces are expected to see employment growth in this sector. Prince Edward Island and Nova Scotia are forecasted to lead with average annual job growth rates of 2.8% and 1.6%, respectively, slightly below their overall job growth for all industries. Conversely, New Brunswick and Newfoundland and Labrador are the only two provinces expected to experience sectoral employment growth slightly higher than their all-industry averages, at 1.5% and 1.2% over the projection period.

This projected employment growth is largely attributed to education systems responding to the pressure of continued population growth. The number of school-aged children (ages 5 to 17) in Atlantic Canada grew by 17,360 over the last two years, with nearly 10,000 added in 2023 alone. As a result, enrolment has increased rapidly in all provinces (except Newfoundland and Labrador). This increased enrolment, along with the growing complexity of classrooms, is expected to drive demand for teachers and support staff in elementary and secondary schools across the region. Additionally, the provincial governments have increased their spending on education in their 2024-2025 budgets and have allocated additional funding to address enrolment pressures. These investments, combined with the demand for educators and school support staff due to increased enrolment, are expected to sustain and drive the majority of job growth in this sector.

Projected Average Annual Employment Growth Rate (%),

Atlantic Provinces, 2024-2026



Source: ESDC/Service Canada

On the other hand, employment growth in universities and colleges is forecast to remain nearly flat over the projection period. The recent national cap on study permit applications is expected to restrain international student enrolment in the region, limiting a source of revenue for universities and colleges. However, the subsector related to recreational and hobby learning (NAICS 6116) is projected to benefit from recent population growth and grow at a moderate pace.

Overall, employment in this sector is expected to grow at a moderate rate, despite facing moderating factors such as the recent cap on international students and non-permanent residents.

Note: In preparing this document, the authors have taken care to provide clients with labour market information 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 Employment and Social Development Canada.

The analysis in this report was finalized as of **August, 2024**.

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APPENDIX

Real GDP (2023) and Employment (2023) for Atlantic Canada

	Educational Services			All Industries		
	Number	Share of		Number	Share of	
		Total	AAGR*		Total	AAGR*
Real GDP (M\$)	\$7,580.2	100.0%	1.0%	\$114,774.4	100.0%	0.9%
Newfoundland and Labrador	\$1,798.0	23.7%	0.2%	\$28,950.2	25.2%	-0.5%
Prince Edward Island	\$468.0	6.2%	1.5%	\$7,267.1	6.3%	2.5%
Nova Scotia	\$3,135.9	41.4%	1.6%	\$43,765.1	38.1%	1.5%
New Brunswick	\$2,178.3	28.7%	0.9%	\$34,792.0	30.3%	1.1%
Employment (000s)	92.7	100.0%	1.0%	1210.0	100.0%	0.8%
Male	28.4	30.6%	0.0%	613.0	50.7%	0.8%
Female	64.4	69.4%	1.6%	597.0	49.3%	0.8%
15-24 years old	7.4	7.9%	4.0%	161.8	13.4%	0.8%
25-54 years old	65.5	70.7%	0.6%	765.4	63.3%	0.5%
55 years and older	19.8	21.4%	1.8%	282.7	23.4%	1.6%
Worked full-time	73.4	79.2%	1.0%	1015.6	83.9%	0.9%
Worked part-time	19.3	20.8%	1.4%	194.4	16.1%	0.2%
Self-employed	3.0	3.3%	-0.2%	124.5	10.3%	-0.7%
Employees	89.7	96.7%	1.1%	1085.4	89.7%	1.0%
Permanent job	65.1	70.2%	1.2%	923.3	76.3%	1.4%
Temporary job	24.6	26.5%	0.8%	162.1	13.4%	-1.1%
Less than high school	2.0	2.2%	-2.3%	92.1	7.6%	-2.6%
High school graduate	9.9	10.6%	1.5%	284.9	23.5%	-0.4%
Postsecondary cert. or diploma	20.7	22.3%	0.5%	465.0	38.4%	0.6%
University degree	60.1	64.8%	1.3%	367.9	30.4%	3.3%
Newfoundland and Labrador	17.5	18.9%	0.1%	236.8	19.6%	-0.1%
Prince Edward Island	6.4	6.9%	1.4%	89.0	7.4%	2.0%
Nova Scotia	38.2	41.2%	0.7%	497.8	41.1%	1.1%
New Brunswick	30.6	33.0%	2.0%	386.5	31.9%	0.8%

Source: Statistics Canada, Labour Force Survey - Custom Table; Table 36-10-0402-01

*Average annual growth rate for last ten years of available data (GDP 2014-23 and Employment 2014-23)

