



Canadian Northern Economic
Development Agency

Agence canadienne de
développement économique du Nord

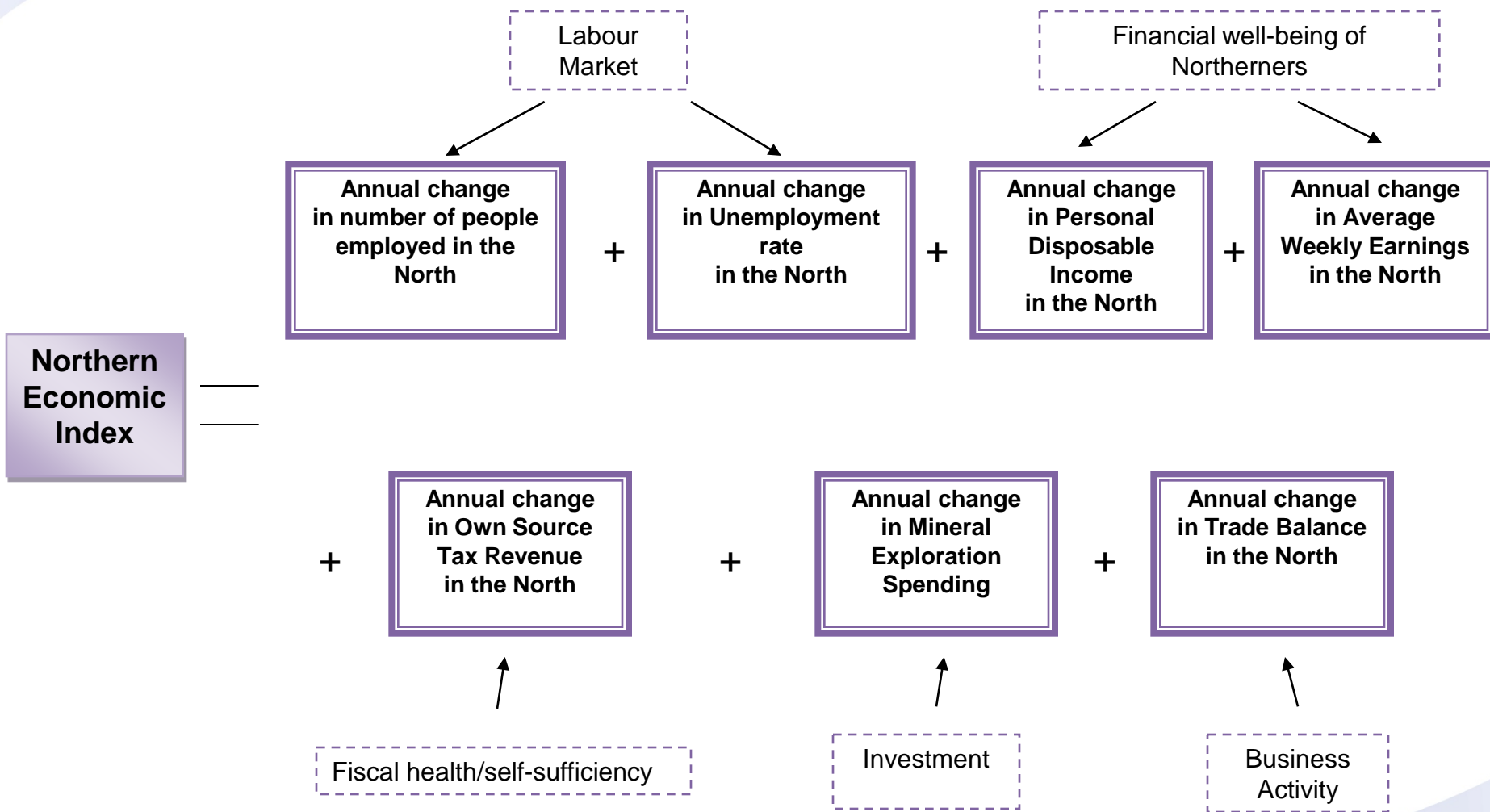
Northern Economic Index



Northern Economic Index (NEI)

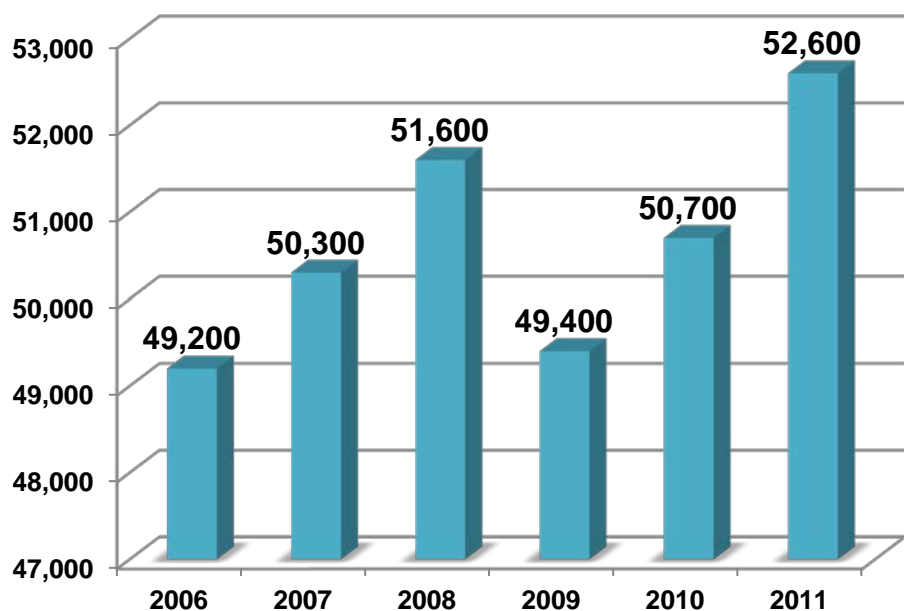
- Measures the state of economic development in Canada's three territories.
- Compares economic performance over 6 years to assess how the economy is performing over that time.
- Serves as a performance indicator in CanNor's 2012-2013 Report on Plan and Priorities.

Measuring Key Economic Indicators

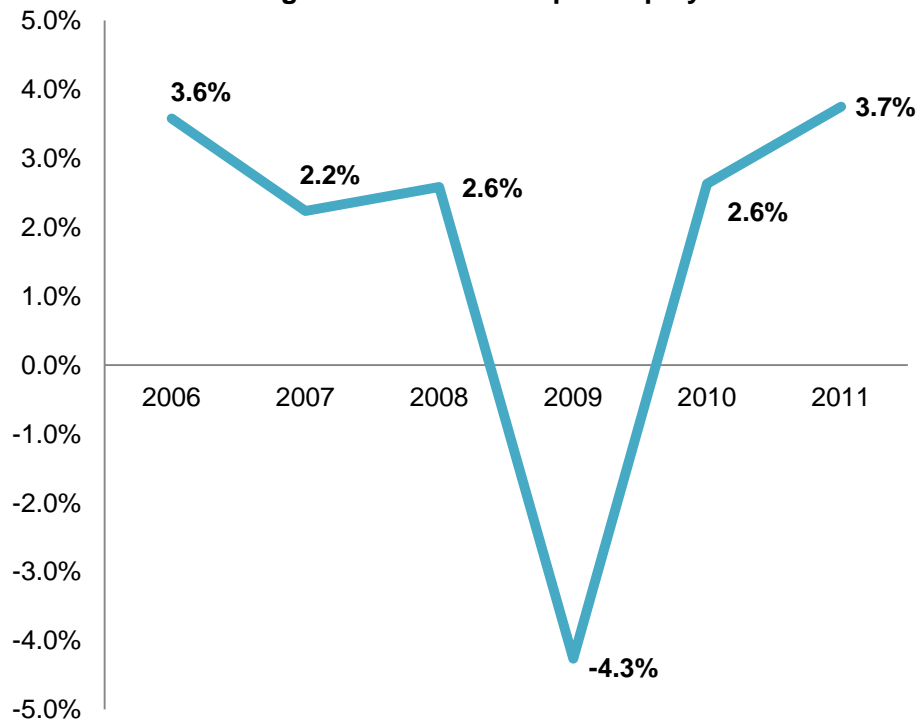


Total Number of People Employed in the North

Total Number of People Employed in the North

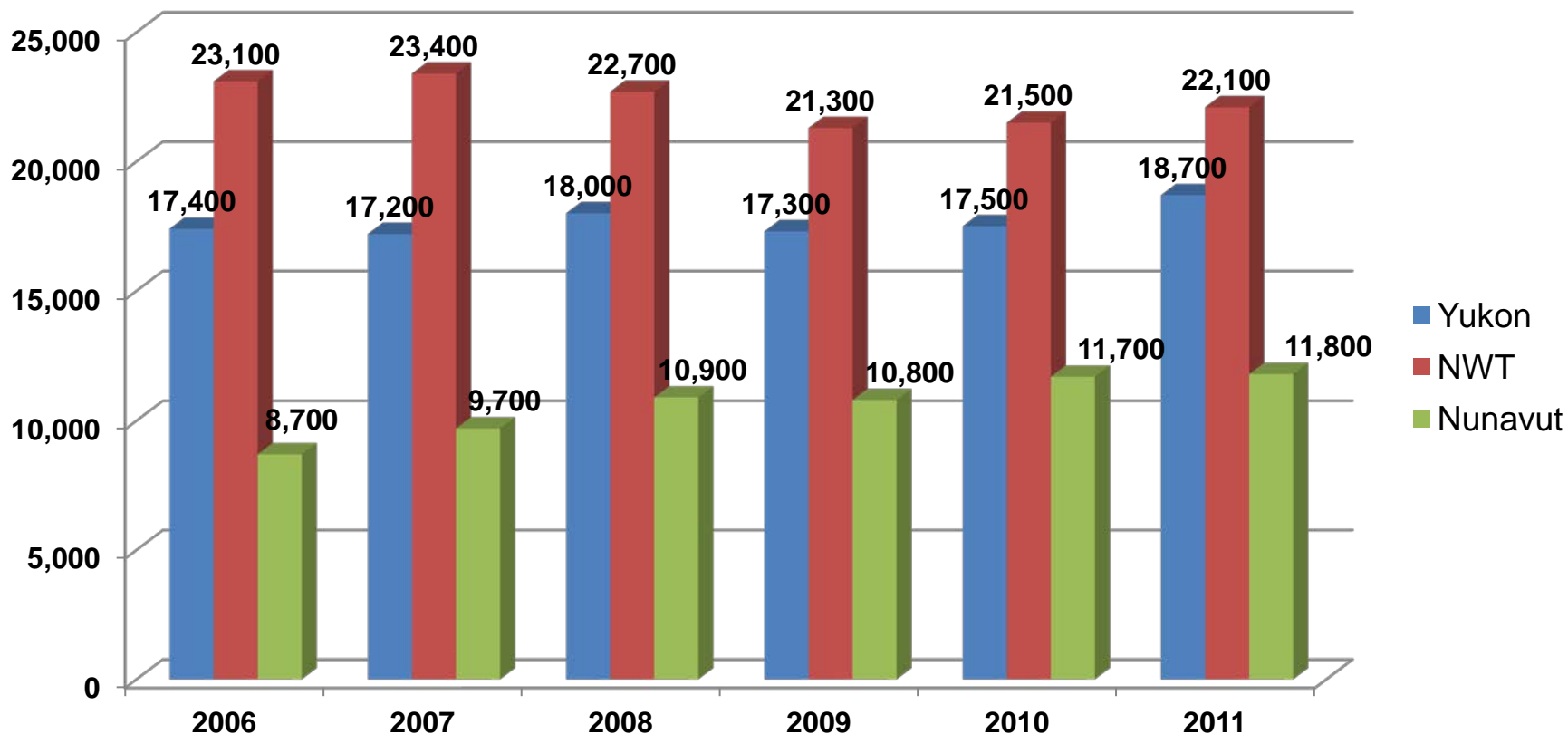


Annual Change in Number of People Employed in the North



There has been a steady increase in the size of the working population in the past 6 years, except for year 2009 – the year of the global economic downturn.

Total Number of People Employed in the North



Source: Territorial Labour Force Surveys

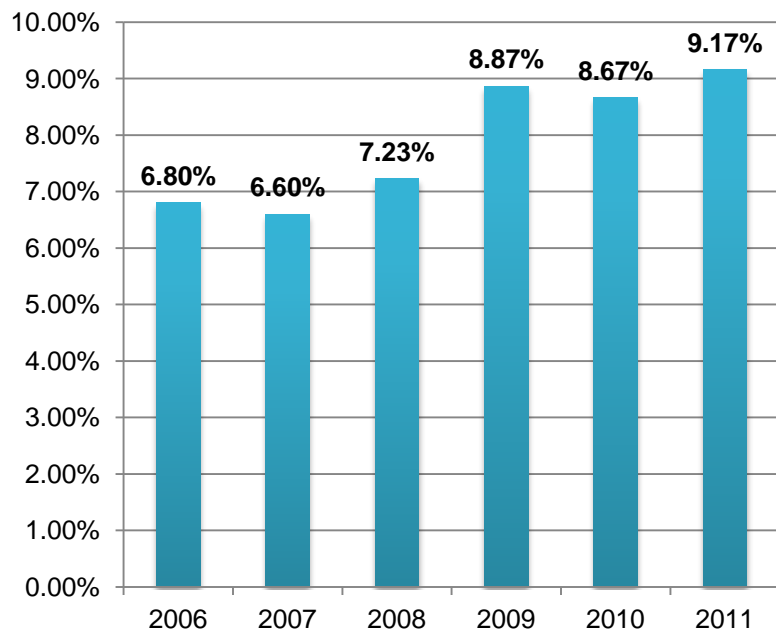
Yukon: largest increase in people employed from 2010 to 2011.

NWT : consistently the most people employed; steady growth since 2009.

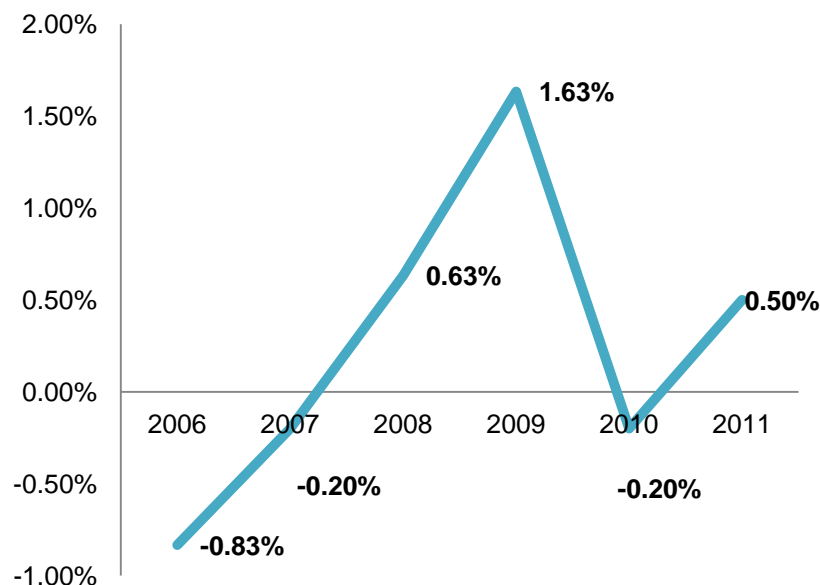
Nunavut: experiencing consistent employment growth, with the smallest drop in 2009.

Average Unemployment Rate in the Territories

Average Unemployment Rate in the North

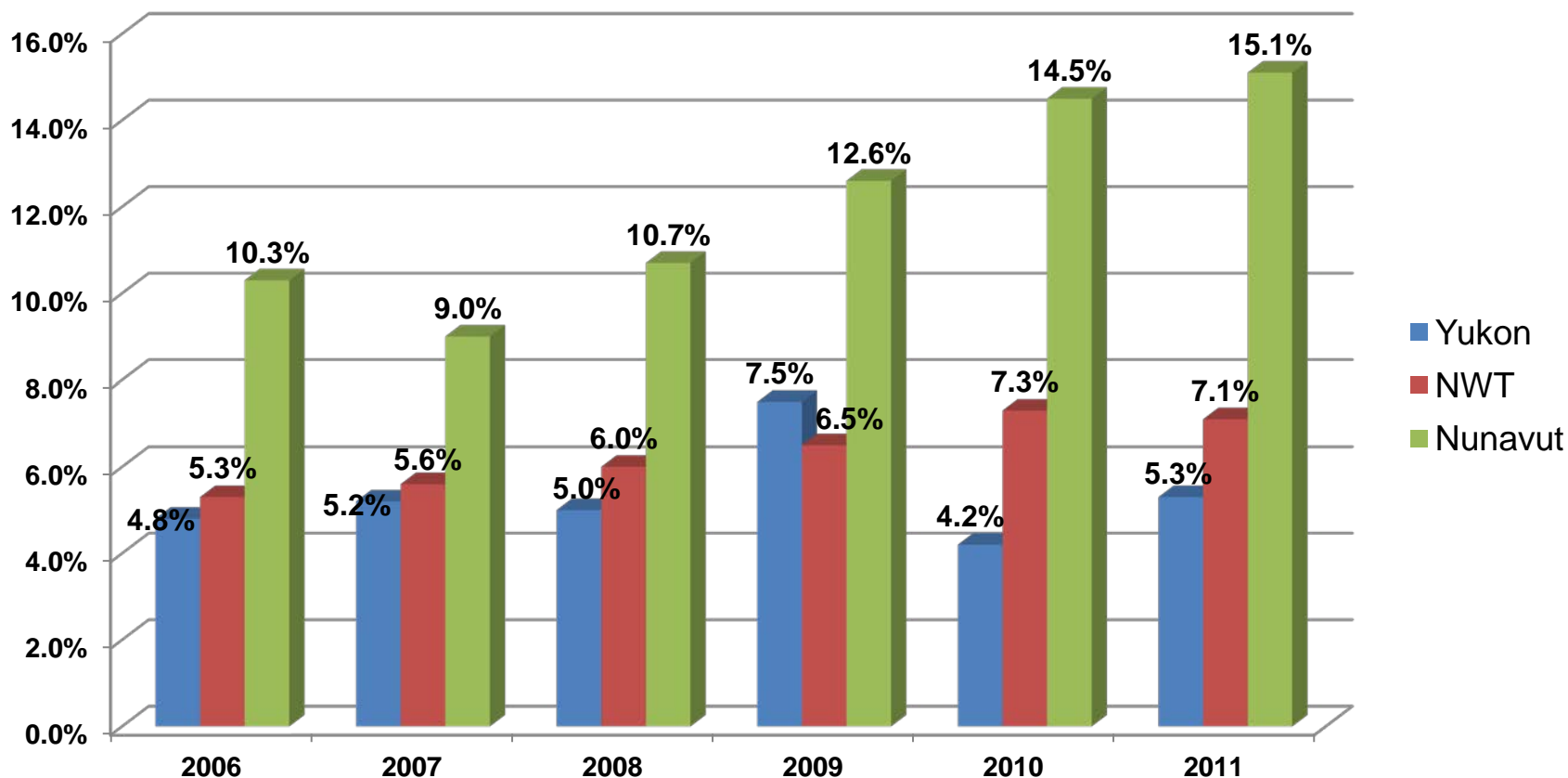


Annual change in Unemployment Rate in the North



The current overall level of unemployment is at its highest level over the last six years, exceeding the levels reached during the 2009 global recession.

Unemployment Rate in the Territories



Source: Territorial Bureaus of Statistics

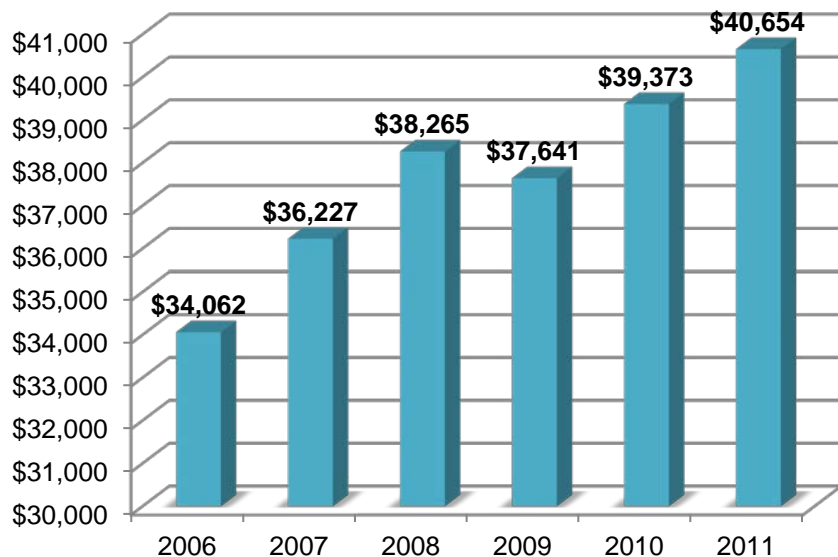
Yukon: the unemployment rate has been hovering around 5% and is almost always the lowest.

NWT: the unemployment rate has generally been on the rise.

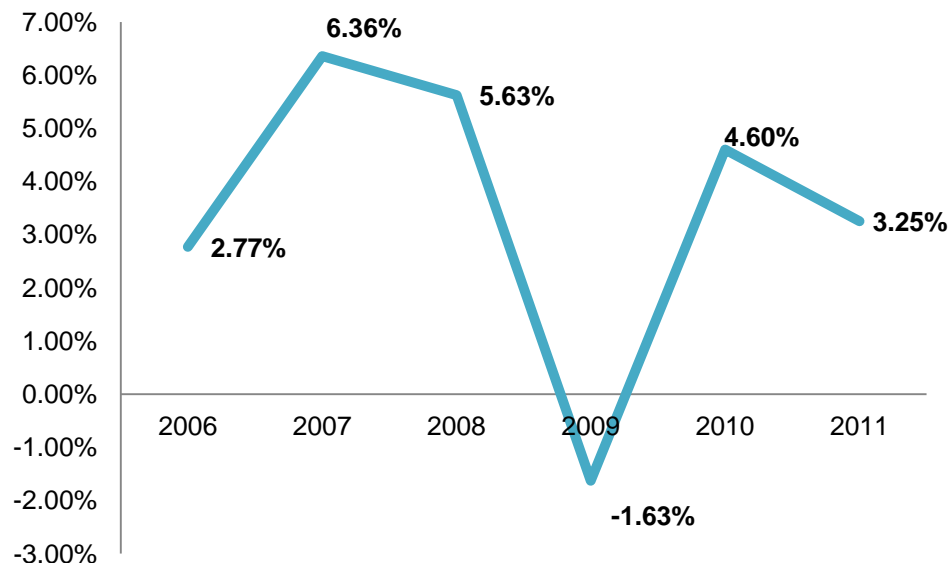
Nunavut: always the highest rate of unemployment and continues to move upward.

Average Personal Disposable Income in the Territories

Average Personal Disposable Income in the North



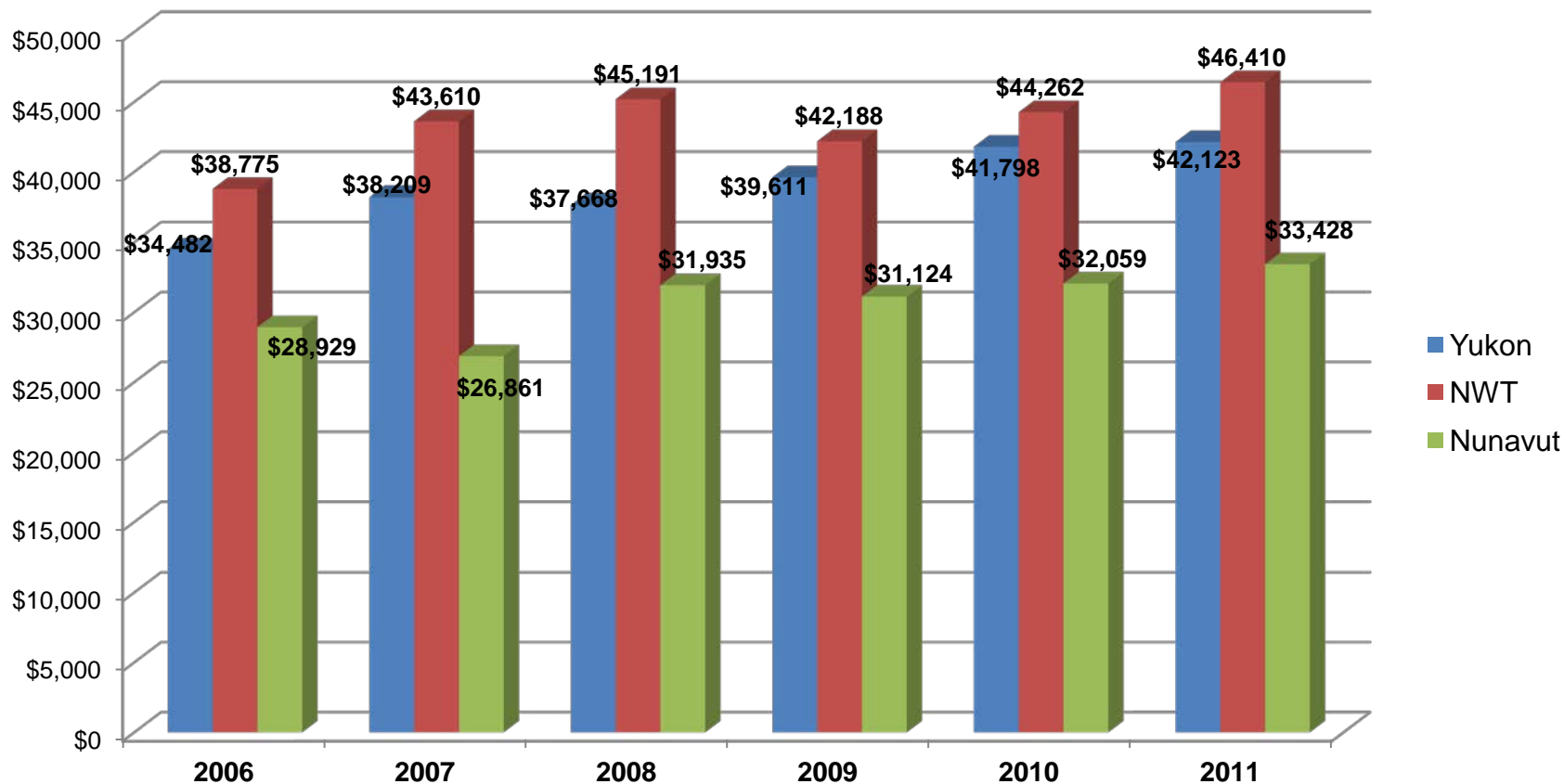
Annual Change in Average Personal Disposable Income in the North



Average personal disposable income has grown quite substantially over the past 6 years, largely due to well-paying jobs in the major projects development sector.

In 2009, during the global recession, personal disposable income experienced a decline, which links to the increase in the unemployment rate that year.

Personal Disposable Income in the Territories



Source: Statistics Canada, Conference Board of Canada Territorial Outlook 2011

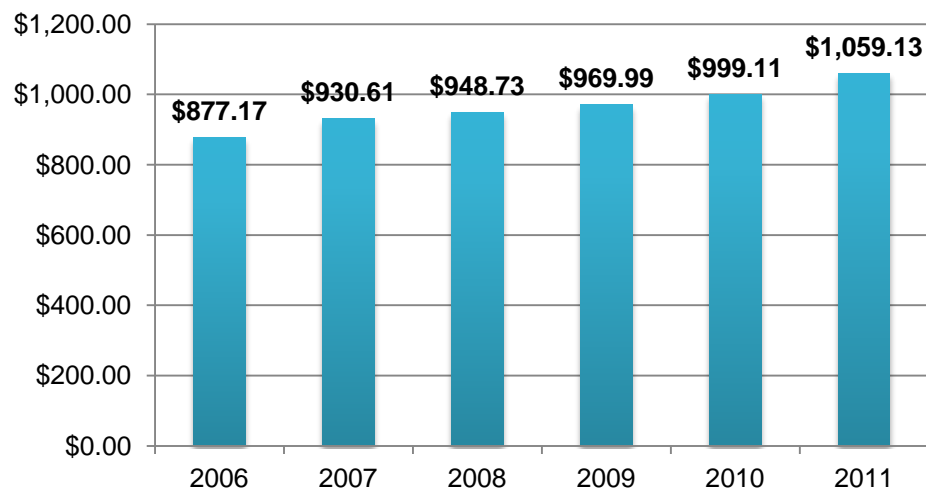
Yukon: showed the 2nd biggest growth after NWT over 6 years.

NWT: has been consistently the highest among the territories.

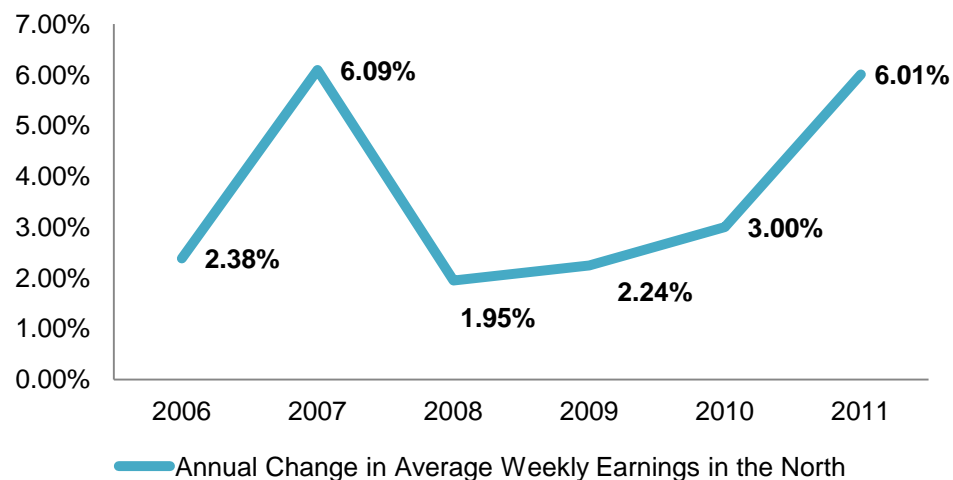
Nunavut: continues to fall further behind the other territories.

Average Weekly Earnings in the Territories

Average Weekly Earnings in the North

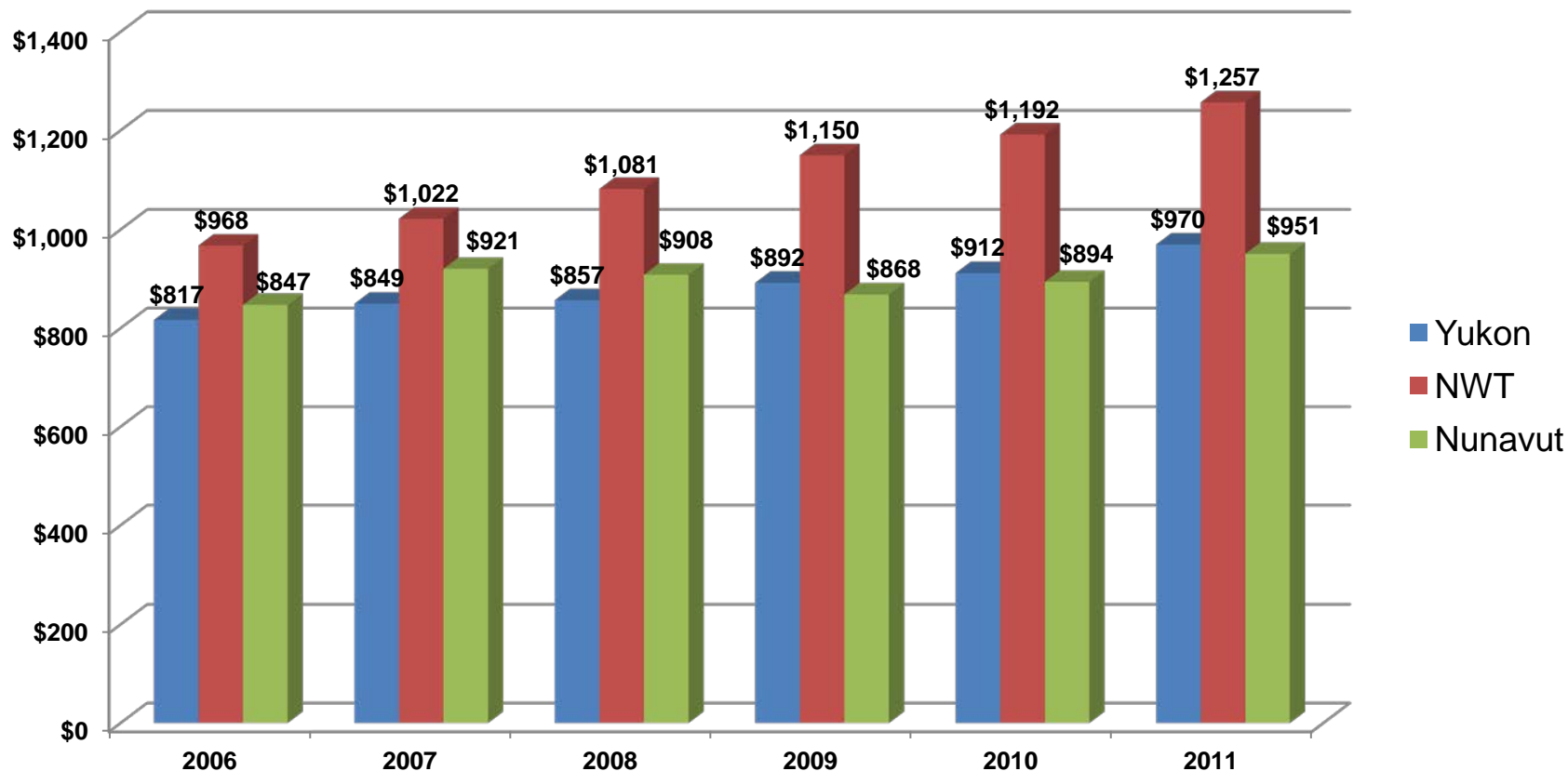


Annual Change in Average Weekly Earnings in the North



The steady rise in weekly earnings suggests that the “quality” of jobs has improved, largely owing to major projects where pay rates move faster than in the public sector.

Average Weekly Earnings in the Territories

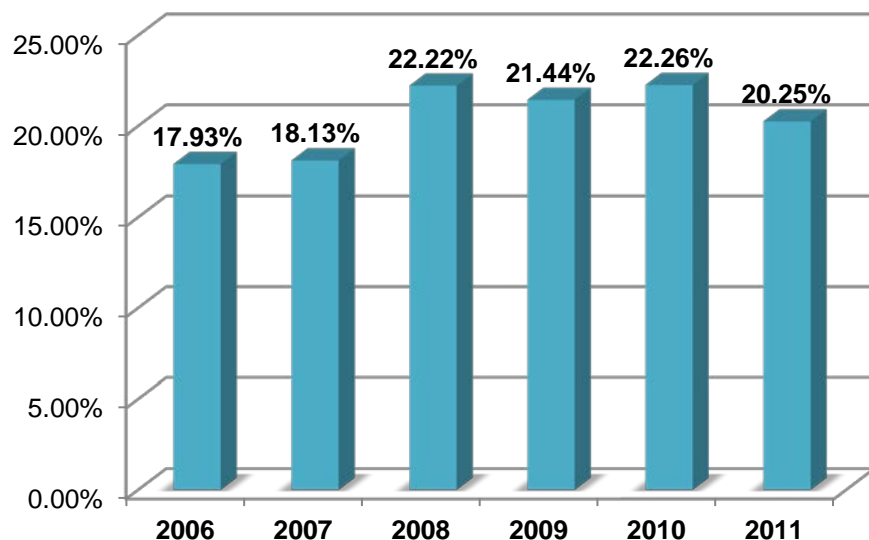


Source: Statistics Canada, Territorial Bureaus of Statistics

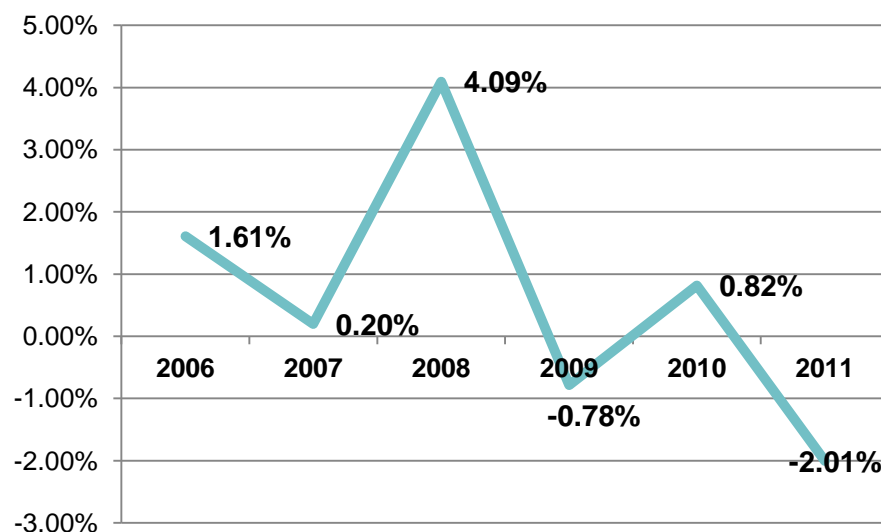
Average weekly earnings in all three territories are some of the highest in Canada, with those in NWT being the highest in the country due to a lucrative diamond mining sector.

Average Own Source Tax Revenues in the North

**Average Own Source Tax Revenue portion of
Total Territorial Tax Revenues in the North**

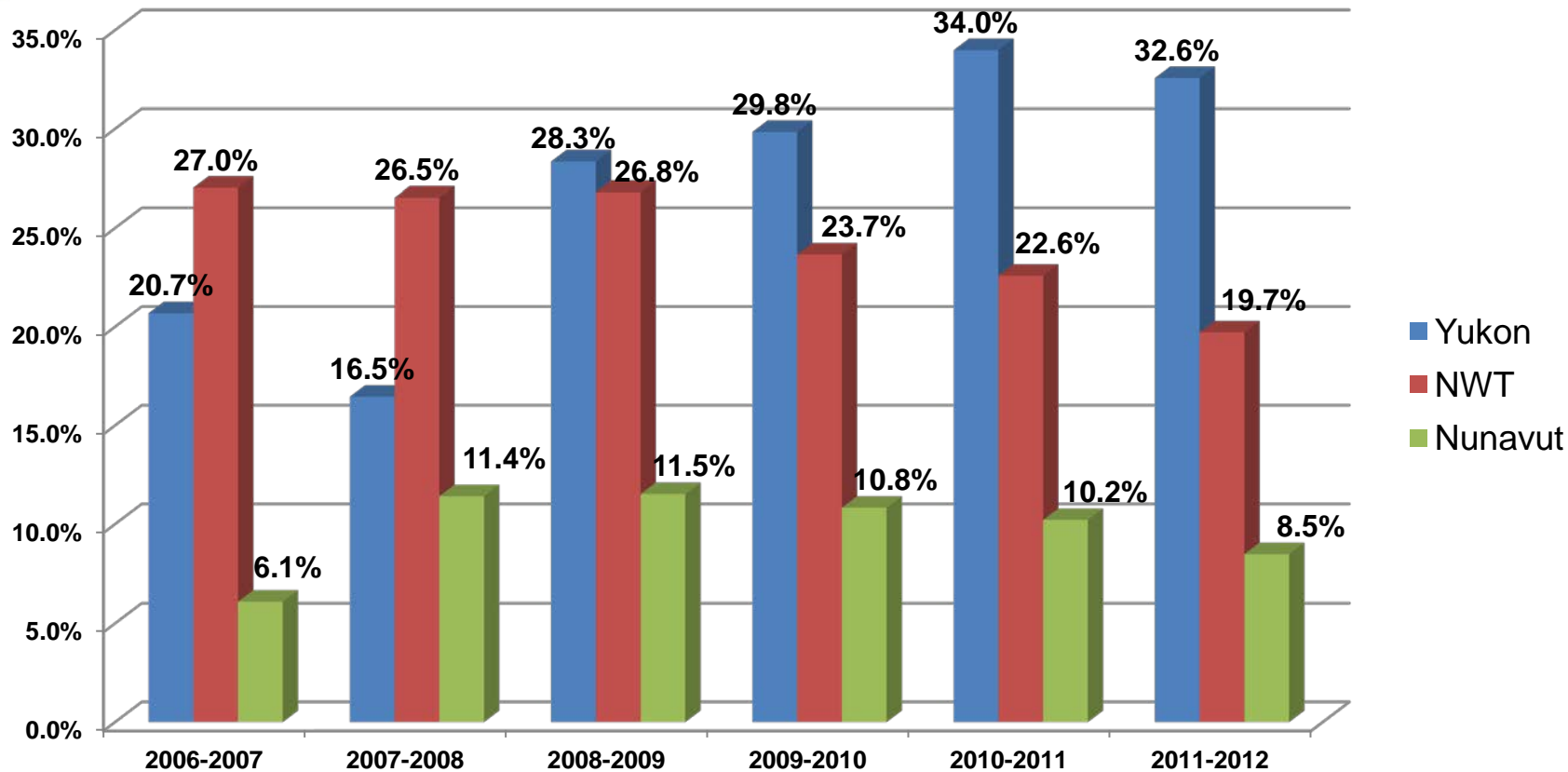


**Annual Change in Average Own Source
Revenues in the North**



A negative change in 2011-2012 may be attributed to a growing population, which increases federal transfers at a faster rate than own source revenues.

Own Source Tax Revenues in the Territories



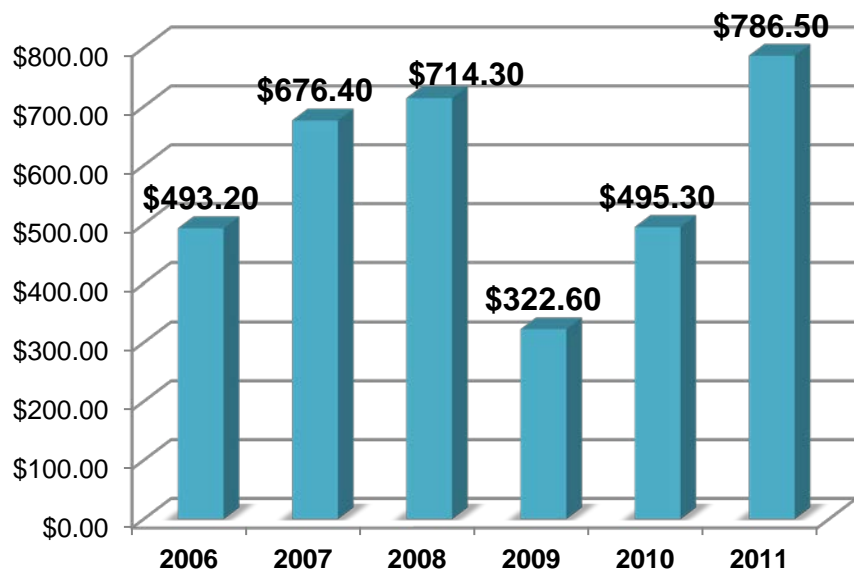
Source: Territorial Finance Public Accounts, Conference Board of Canada Territorial Outlook 2011.

Yukon: the only territory generally increasing its own tax revenues in relation to total revenues in recent years; linked to devolution.

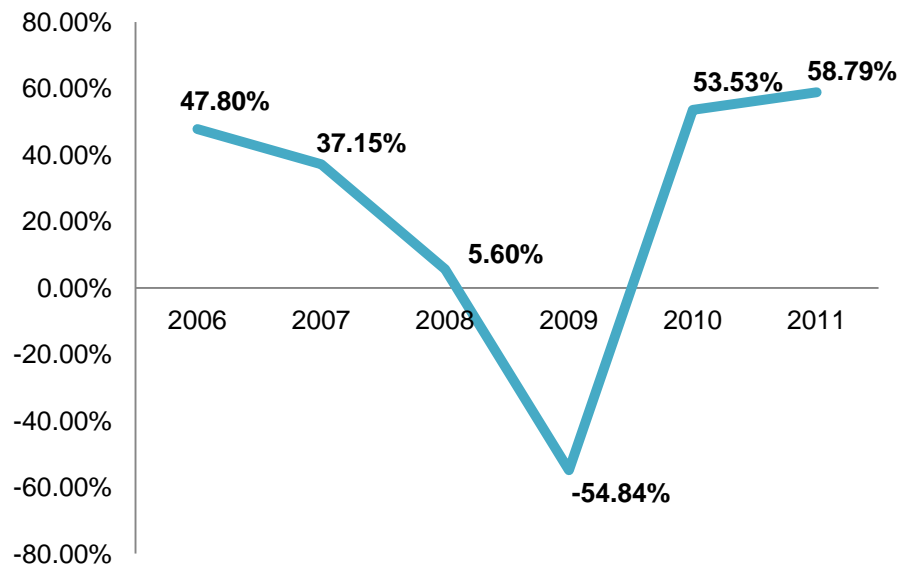
NWT and Nunavut: own source tax revenues have been decreasing annually over the last four years.

Mineral Exploration Spending in the North

**Mineral Exploration Expenditures in the North
(in \$ millions)**



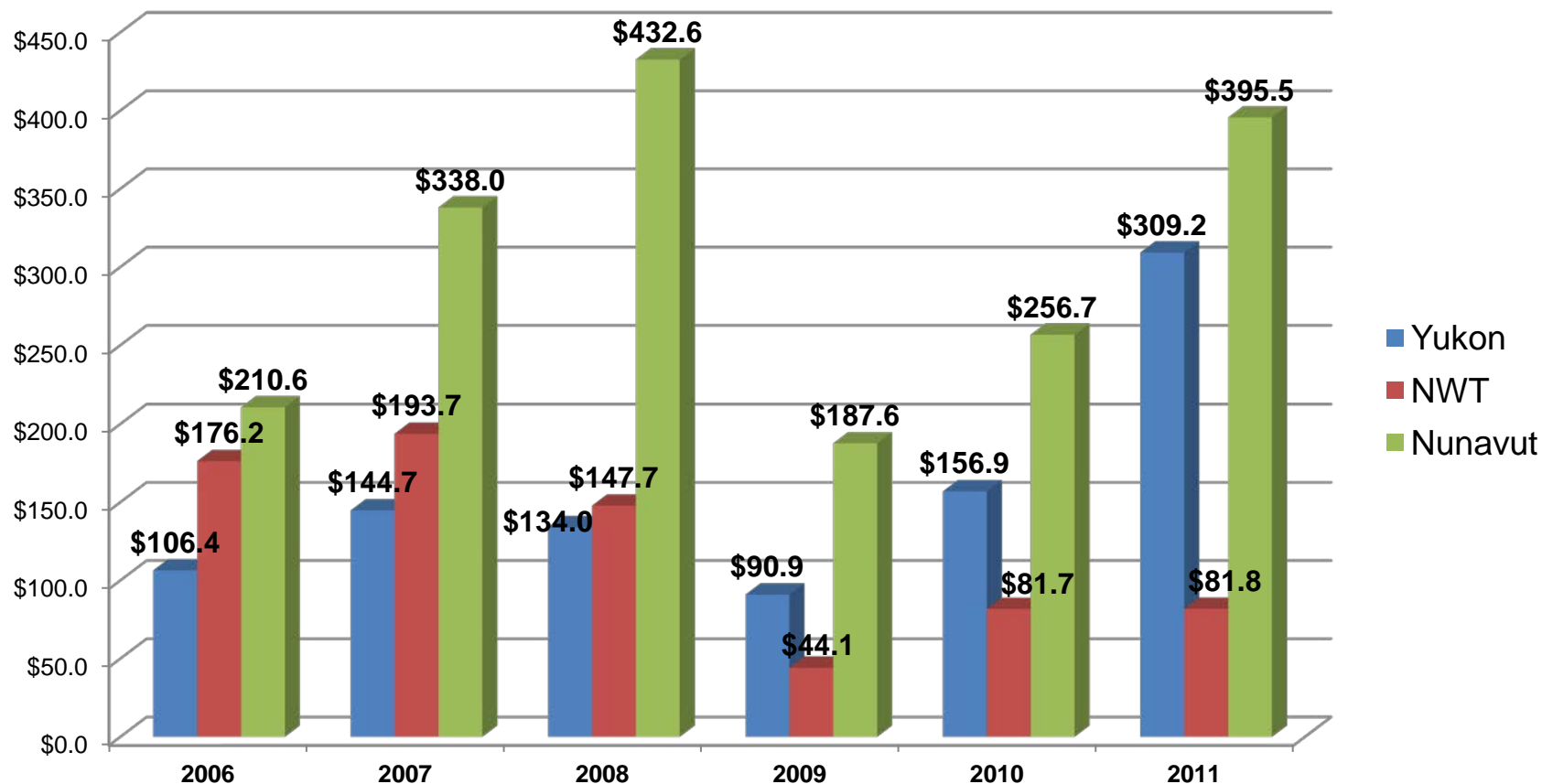
**Annual change in Mineral Exploration
Expenditures in the North (in \$ millions)**



Major projects are key drivers to short term dramatic economic shift in the territories. The level of mineral exploration spending has an immediate impact, while setting the stage for longer term shifts.

Since the 2009 economic downturn mineral exploration spending has risen steadily to reach all time highs.

Mineral Exploration Spending in the Territories (in \$ millions)



Source: Natural Resources Canada

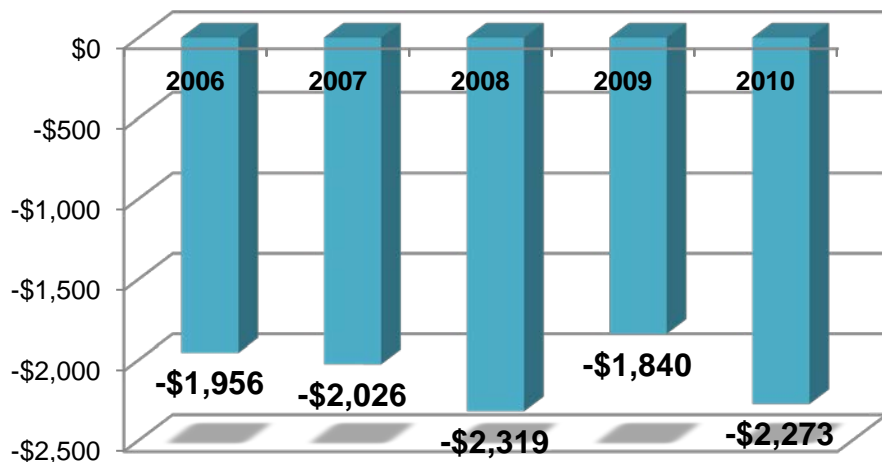
Yukon: exploration spending more than tripled over the last two years.

NWT: fell to third in exploration spending in 2009 and has been flat over the last two years.

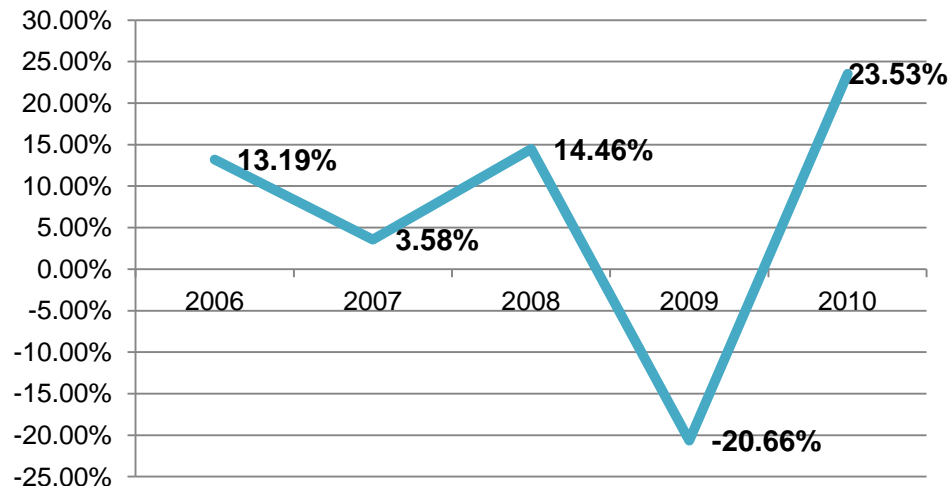
Nunavut: for 6 straight years had the highest exploration spending in the North.

Trade Balance in the North

**Trade Deficit in the North
(in \$ millions in 2002 dollars)**



Annual Change in Trade Deficit in the North



Source: Statistics Canada, Economic Accounts

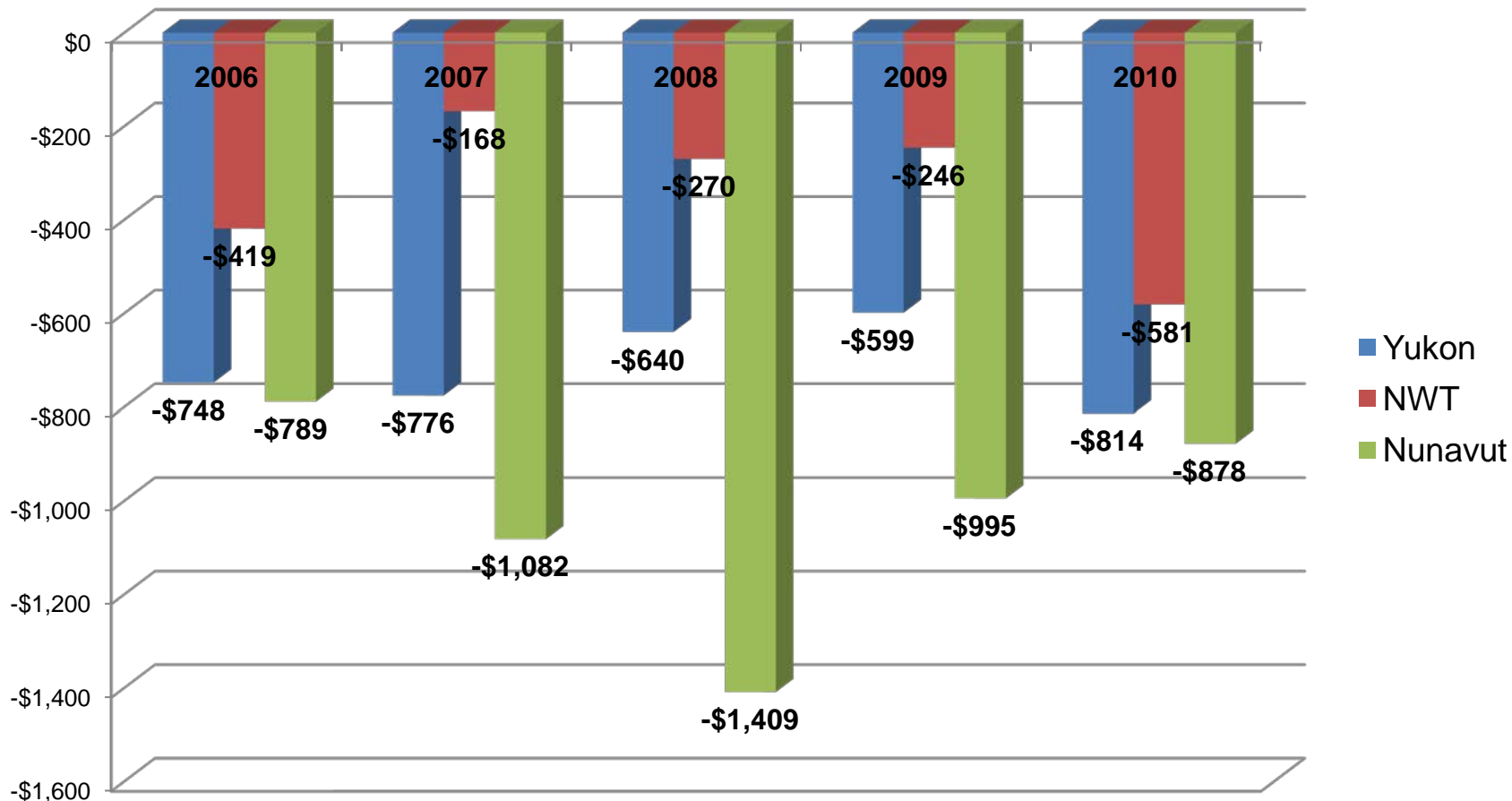
The territorial economy is less mature than the economy in the South of Canada – a trade deficit is a positive sign for economic expansion as goods and services need to be brought in to feed the growing economy.

Trade deficit across the North has been increasing rather rapidly, with the exception of 2009, when overall business activity declined.

The data for 2011 is not yet available.

Trade Balance in the Territories

(in millions of 2002 dollars)



Yukon: historically the most stable trade deficit across the 6 year period.

NWT: relatively low trade deficit can generally be linked to the export of high value diamonds.

Nunavut : always the highest trade deficit, reflecting its “least” developed status with accessibility challenges.

Northern Economic Index

- The index can range from 0 to 35 in any one year – generally an annual score of 21 (a score of 3 for each of the 7 indicators) would be a good result.
- The North has consistently performed well over the entire 6 years with the exception of the global economic downturn in 2009.
- In 2010, the northern economy rebounded and showed a positive annual change in every indicator. In 2011 NEI is likely to be close to the figure in 2010.

Northern Economic Index

