



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

August 2015



This Labour Market Bulletin provides an analysis of Labour Force Survey results for all three of Canada's territories, including the Northwest Territories, Nunavut and Yukon.

OVERVIEW

Employment

The combined employment of Northwest Territories, Nunavut and Yukon continued to trend upwards for a third consecutive month in August. In fact, the number people employed increased by 1.3% to 55,100, with gains occurring in both full-time and part-time employment.

Year-over-year, employment in the territories fell 2%, with the number employed dropping by 1,100 as part of a larger trend of economic loss and challenging employment conditions brought on by an ongoing slump in global commodity prices over the past three years.

On a year-over-year basis, Nunavut is the only territory to see increases in employment (+400), while both Northwest Territories and Yukon posted notable declines.

Unemployment

The unemployment rate for the territories dropped 0.6 percentage points to 9.8% in August. However, all three territories saw their unemployment rates increase year-over-year. Yukon posted the most significant increase, as the unemployment rate surged 3.4 percentage points to 5.7%.

For the combined territories, the unemployment rate for youth (aged 15-24 years) was 20.6% on the month, a decrease of 3.6 percentage points over July. However, the unemployment rate for this age group increased 6.2 percentage points year-over-year. Indeed, the unemployment rate for young women reached 22.4%, 11.3 percentage points higher than one year earlier. By contrast, the unemployment rate for young men reached 18.9% this month, 0.3 percentage points lower than in August 2014.

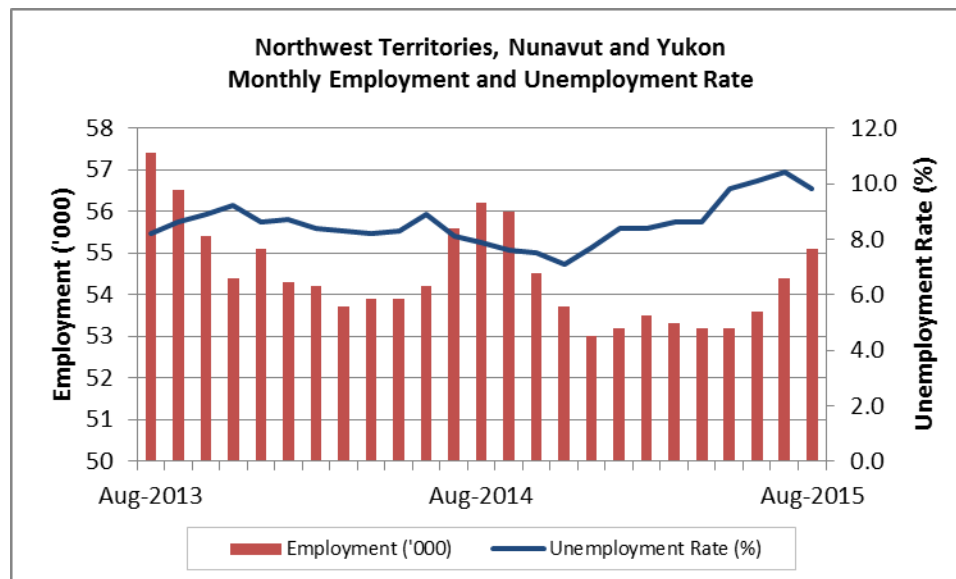
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Unadjusted Data	August 2015	July 2015	August 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	84.0	83.8	83.5	0.2	0.2	0.5	0.6
Labour Force ('000)	61.1	60.7	60.9	0.4	0.7	0.2	0.3
Employment ('000)	55.1	54.4	56.2	0.7	1.3	-1.1	-2.0
Full-Time ('000)	48.7	48.1	50.2	0.6	1.2	-1.5	-3.0
Part-Time ('000)	6.4	6.2	6.0	0.2	3.2	0.4	6.7
Unemployment ('000)	6.0	6.3	4.8	-0.3	-4.8	1.2	25.0
Unemployment Rate (%)	9.8	10.4	7.9	-0.6	-	1.9	-
Participation Rate (%)	72.7	72.4	72.9	0.3	-	-0.2	-
Employment Rate (%)	65.6	64.9	67.3	0.7	-	-1.7	-

* Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - CANSIM Table 282-0100



Northwest Territories, Nunavut and Yukon* Monthly Unemployment Rates, by Gender and Age

Seasonally Unadjusted Data	August 2015	July 2015	August 2014	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	9.8	10.4	7.9	-0.6	1.9
25 years and over	7.7	7.7	6.4	0.0	1.3
Men - 25 years and over	7.9	9.4	7.3	-1.5	0.6
Women - 25 years and over	7.4	5.8	5.4	1.6	2.0
15 to 24 years	20.6	24.2	14.4	-3.6	6.2
Men - 15 to 24 years	18.9	22.0	19.2	-3.1	-0.3
Women - 15 to 24 years	22.4	26.5	11.1	-4.1	11.3

* Combined data - three month moving average

Source: Statistics Canada Labour Force Survey - CANSIM Table 282-0100

EMPLOYMENT BY INDUSTRY

The **goods-producing sector** gained ground in August, with employment reaching 9,000, an increase of 4.7%. In fact, almost all industries within the sector gained jobs this month, with the exception of **agriculture**. Year-over-year, the sector saw employment rise 7.1% (+600) in August compared to the previous year. Although employment in the **construction** industry dropped 4.4% over the year, increases in the **mining, oil and gas** industry (+19.2%) offset the decline.

Moving forward, the goods-producing sector should see some growth in 2015 and 2016. Funding from all levels of government will help to support growth in the construction industry and provide improvements to infrastructure, such as roads, airports, community facilities and hospital expansions. The gross domestic product (GDP) in the territories as a whole is forecast to grow 0.9% in 2015 and 1.6% in 2016, according to the Conference Board of Canada.¹

Focusing on the **services-producing sector**, employment increased 0.4% between July and August, with the largest growth occurring in the **information, culture and recreation** industry (+300). However, the number of workers in the overall services sector dropped considerably, down 3.8% year-over-year. **Public administration** showed the largest declines, with the number of employed decreasing 1,400, while employment in trade dropped 800.

In spite of these declines, the outlook for this sector in the medium-term remains positive. Public administration, which accounts for a large share of employment in the territories, is anticipated to experience better growth in the near term as the need for government services increases. In addition, as new infrastructure and mining developments get underway, employment in industries such as **trade** and **professional, scientific and technical services** will likely see some signs of improvement over the next few years.

¹ Conference Board of Canada (CBOC) Territorial Outlook: Economic Forecast Summer 2015

Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics, by Industry

Seasonally Unadjusted Data	August 2015	July 2015	August 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	55.1	54.3	56.2	0.8	1.5	-1.1	-2.0
Goods-producing sector	9.0	8.6	8.4	0.4	4.7	0.6	7.1
Agriculture	0.2	0.3	0.0	-0.1	-33.3	0.2	-
Forestry, fishing, mining, quarrying, oil and gas	3.1	2.9	2.6	0.2	6.9	0.5	19.2
Utilities	1.0	1.0	0.5	0.0	0.0	0.5	100.0
Construction	4.3	4.0	4.5	0.3	7.5	-0.2	-4.4
Manufacturing	0.2	0.3	0.4	-0.1	-33.3	-0.2	-50.0
Services-producing sector	46.0	45.8	47.8	0.2	0.4	-1.8	-3.8
Trade	5.6	5.7	6.4	-0.1	-1.8	-0.8	-12.5
Transportation and warehousing	2.9	3.0	2.8	-0.1	-3.3	0.1	3.6
Finance, insurance, real estate and leasing	2.5	2.6	2.8	-0.1	-3.8	-0.3	-10.7
Professional, scientific and technical services	2.9	3.0	3.1	-0.1	-3.3	-0.2	-6.5
Business, building and other support services	1.5	1.4	1.6	0.1	7.1	-0.1	-6.3
Educational services	4.6	4.8	4.5	-0.2	-4.2	0.1	2.2
Health care and social assistance	6.2	6.2	6.1	0.0	0.0	0.1	1.6
Information, culture and recreation	2.9	2.6	2.4	0.3	11.5	0.5	20.8
Accommodation and food services	2.8	2.9	2.9	-0.1	-3.4	-0.1	-3.4
Other services	1.9	1.8	2.1	0.1	5.6	-0.2	-9.5
Public administration	11.8	12.0	13.2	-0.2	-1.7	-1.4	-10.6

* Combined data — three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

REGIONAL ANALYSIS

Yukon

Employment in Yukon experienced a second consecutive month of gains in August, reaching 19,800, up 1% month-over-month. Gains are entirely attributed to increases in the **goods-producing sector**.

Year-over-year, the number of employed in Yukon fell 6.2% (-1,300) in August. Both Yukon's **goods-producing sector** (-300) and **services-producing sector** (-1,000) saw employment declines on the year. This is likely a reflection of the soft market conditions experienced by the mining industry, which has led to production cutbacks and layoffs in recent years— a reality that has significantly affected the territory's economy and labour market.

With mineral commodity prices still low and exploration down, the outlook for Yukon's economy is forecasted to be weak in 2015. The territory's GDP is expected to decrease 3.4%.² Nonetheless, projects such as the Whitehorse General Hospital expansion project, the transmission infrastructure development in central Yukon and the new Salvation Army Centre of Hope, should create job opportunities for the territory over the medium-term.

Northwest Territories

Employment in the Northwest Territories remained unchanged in August compared to the previous month. However, employment in the territory decreased 0.9% (-200) year-over-year. Employment losses resulted entirely from a decrease in the services-producing sector (-4.3%), with **trade** and **professional, scientific and technical services** seeing the largest declines, down 25% and 30.8% respectively.

Looking forward, the territory's economic outlook should improve in the medium-term, as a number of public and private projects will provide some support for **construction** and related industries. These projects include the new female correctional facility in Fort Smith, the \$300 million Stanton Territorial Hospital renewal project and the Gahcho Kue diamond mine. Moreover, the federal and territorial governments have also pledged \$96 million in funding to upgrade the territory's roads and highways this year. This funding is intended to provide better quality roads between remote communities and to encourage tourism in the territory.

Nunavut

The number of people employed in Nunavut increased 4.9% to 12,800 from July. Indeed, both **goods-producing sector** (+200) and **services-producing sector** (+400) saw employment increases this month compared to the previous month.

On a year-over-year basis, the number of workers employed increased 3.2% (+400) between August 2014 and August 2015. Employment gains were mainly concentrated in the goods-producing sector, with employment in **mining** and **construction** increasing significantly over the year, up 33.3% and 12.5% respectively.

The territory's economic performance is expected to remain positive this year, as the Iqaluit Airport, the Meliadine gold mine development and the Canadian High Arctic Research Station project get underway. The territorial GDP is projected to advance 3.8% in 2015, representing the largest growth among the territories according to the Conference Board forecast.³

² Ibid

³ Ibid

Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics, by Economic Region

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	August 2015 ('000)	August 2014 ('000)	Yearly Variation (%)	August 2015 (%)	August 2014 (%)	Yearly Variation (% points)
Territories*	55.1	56.2	-2.0	9.8	7.9	1.9
Northwest Territories	22.5	22.7	-0.9	8.2	7.7	0.5
Nunavut	12.8	12.4	3.2	18.1	15.9	2.2
Yukon	19.8	21.1	-6.2	5.7	2.3	3.4

* Combined data — three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - CANSIM Table 282-0100

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.

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For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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