



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

December 2016



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 (NWT), Nunavut and Yukon fell during the fourth quarter of 2016. This decrease is not unexpected and reflects an annual drop in seasonal employment between October and December. On a quarterly basis, employment fell 3.6% to 55,500, as full-time employment decreased by 3,600. Meanwhile, the number of people working part-time increased by 20.9% (+1,400).

Despite this fourth quarter decline, employment in the combined territories is up 3.7% on a year over year basis. In fact, employment in all three territories increased during the past year. The number of people employed is up considerably both in Nunavut (+5.5%) and in Yukon (+6.3%), while Northwest Territories posted a slight increase of 0.5% over the year.

Looking forward, the medium-term employment trend is positive for the territories, as a number of new private and public infrastructure projects get underway across the North.

Unemployment

The unemployment rate for the combined territories continued to trend downward in the fourth quarter, dropping to 8.1% – its lowest level in nearly two years and a significant improvement from the fourth quarter of 2015. In fact, both Nunavut and Northwest Territories saw their unemployment rates fall 3.2 percentage points, while the unemployment rate in Yukon decreased 0.7 percentage points over the year.

The youth (15 to 24 years) unemployment rate in the territories was 15% in the fourth quarter, a decrease of 1.8 percentage points from the third quarter of 2016. On a year over year basis, the unemployment rate for this age

group decreased a noteworthy 6.2 percentage points. The unemployment rate for young men dropped 3.3 percentage points to 20% over the year, while the unemployment rate for young women decreased 9.0 percentage points to 10%.

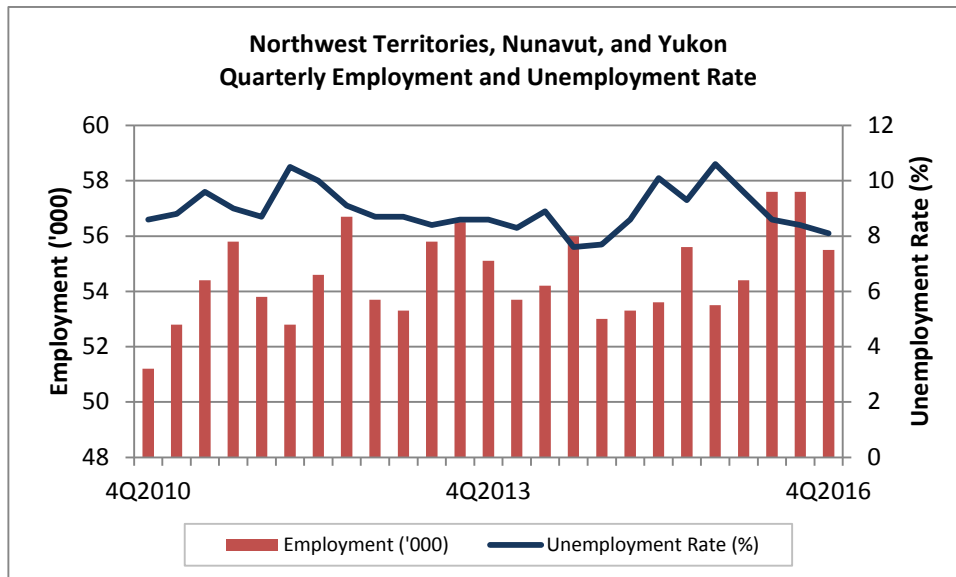
Northwest Territories, Nunavut, Yukon* Quarterly Labour Force Statistics

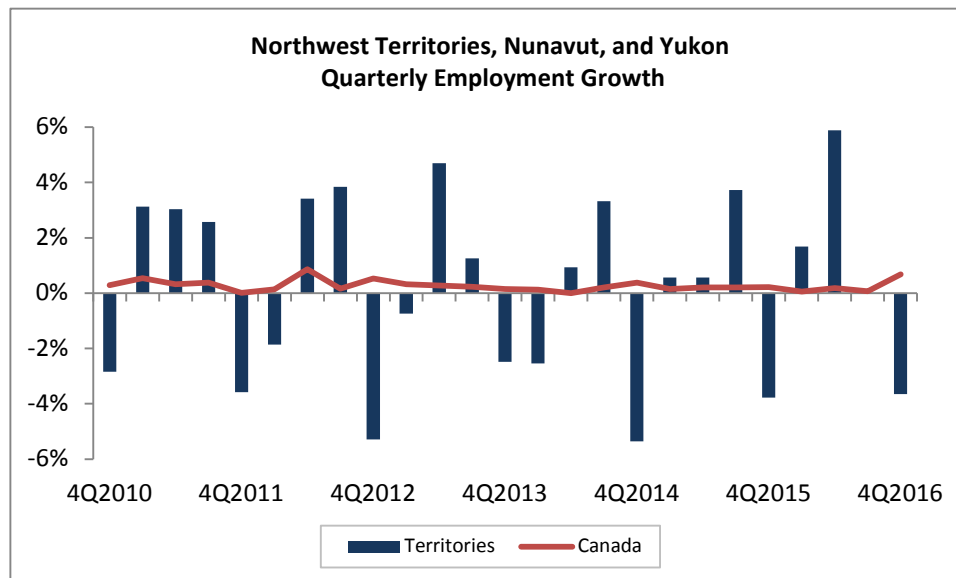
Seasonally unadjusted quarterly data	4th Quarter 2016	3rd Quarter 2016	4th Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	85.0	85.3	84.3	-0.3	-0.4	0.7	0.8
Labour Force ('000)	60.4	62.9	59.7	-2.5	-4.0	0.7	1.2
Employment ('000)	55.5	57.6	53.5	-2.1	-3.6	2.0	3.7
Full-Time ('000)	47.4	51.0	46.2	-3.6	-7.1	1.2	2.6
Part-Time ('000)	8.1	6.7	7.3	1.4	20.9	0.8	11.0
Unemployment ('000)	4.9	5.3	6.3	-0.4	-7.5	-1.4	-22.2
Unemployment Rate (%)	8.1	8.4	10.6	-0.3	-	-2.5	-
Participation Rate (%)	71.1	73.7	70.8	-2.6	-	0.3	-
Employment Rate (%)	65.3	67.5	63.5	-2.2	-	1.8	-

* Combined data — based on a three-month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey





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

Seasonally unadjusted data	4th Quarter 2016 (%)	3rd Quarter 2016 (%)	4th Quarter 2015 (%)	Quarterly Variation (% points)	Yearly Variation (% points)
	Total	8.1	8.4	10.6	-0.3
25 years and over	7.1	6.7	8.8	0.4	-1.7
Men - 25 years and over	8.6	8.2	12.1	0.4	-3.5
Women - 25 years and over	5.1	5.2	5.3	-0.1	-0.2
15 to 24 years	15.0	16.8	21.2	-1.8	-6.2
Men - 15 to 24 years	20.0	18.0	23.3	2.0	-3.3
Women - 15 to 24 years	10.0	15.6	19.0	-5.6	-9.0

*Combined data — based on a three month moving average

Source: Statistics Canada Labour Force Survey

EMPLOYMENT BY INDUSTRY

Employment in the goods-producing sector fell 13.8% to 7,500 on a quarterly basis. Most industries within the sector lost jobs in the fourth quarter, with the largest decline occurring in construction (-900).

On an annual basis, the number of people working in the goods-producing sector fell 9.6%. This setback is due to employment losses in forestry, fishing, mining quarrying, oil and gas (-500) and construction (-500). These declines demonstrate the continuing impact that lower commodity prices are having on the Territories' two most important industries within this sector.

Nevertheless, the outlook for the goods-producing sector is positive over the medium-term, as a number of major mining and construction projects are slated to begin across the three territories over the next two years.

Moreover, funding from all levels of government for new infrastructure such as roads, community facilities, hospitals and airports will support growth in the construction industry.

The services-producing sector also suffered employment losses in the fourth quarter, with employment falling by 800 to 48,100. Despite this quarterly decline, employment in the sector is still up 6.4% (+2,900) year over year. The largest employment gains are in public administration, with the number of people employed increasing by 1,300 (+11.8%). Meanwhile, employment is also up in health care and social assistance (+800) and in transportation and warehousing (+800) on an annual basis.

Looking ahead, the services-producing sector should continue to see steady growth in the medium-term. Tourism is expected to generate plenty of employment opportunities for the Territories the next few years as all three territorial governments have increased funding to support new tourism initiatives and facilities. These new incentives are expected to provide spin-off benefits for the accommodation and food services industry, as well as for the retail and transportation industries.

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

Seasonally Unadjusted Data ('000)	4th Quarter 2016	3rd Quarter 2016	4th Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	55.5	57.6	53.5	-2.1	-3.6	2.0	3.7
Goods-producing sector	7.5	8.7	8.3	-1.2	-13.8	-0.8	-9.6
Agriculture	0.0	0.0	0.0	0.0	-	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.4	2.4	2.9	0.0	0.0	-0.5	-17.2
Utilities	0.6	0.9	0.5	-0.3	-33.3	0.1	20.0
Construction	3.9	4.8	4.4	-0.9	-18.8	-0.5	-11.4
Manufacturing	0.3	0.2	0.2	0.1	50.0	0.1	50.0
Services-producing sector	48.1	48.9	45.2	-0.8	-1.6	2.9	6.4
Trade	5.9	6.1	5.9	-0.2	-3.3	0.0	0.0
Transportation and warehousing	3.3	3.2	2.5	0.1	3.1	0.8	32.0
Finance, insurance, real estate and leasing	2.5	2.6	2.0	-0.1	-3.8	0.5	25.0
Professional, scientific and technical services	2.6	2.6	2.8	0.0	0.0	-0.2	-7.1
Business, building and other support services	1.2	1.0	1.4	0.2	20.0	-0.2	-14.3
Educational services	5.9	4.9	5.6	1.0	20.4	0.3	5.4
Health care and social assistance	7.0	7.1	6.2	-0.1	-1.4	0.8	12.9
Information, culture and recreation	2.3	2.4	2.1	-0.1	-4.2	0.2	9.5
Accommodation and food services	3.3	3.3	3.6	0.0	0.0	-0.3	-8.3
Other services	1.9	2.3	2.0	-0.4	-17.4	-0.1	-5.0
Public administration	12.3	13.4	11.0	-1.1	-8.2	1.3	11.8

* Combined data — based on a three-month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

REGIONAL ANALYSIS

Yukon

The number of people employed in Yukon dropped 3.8% to 20,200 in the fourth quarter of 2016. Both the goods-producing sector (-100) and the services-producing sector (-600) saw employment decline on the quarter.

Year over year, employment in the territory is up 6.3% (+1,200). All employment gains over the past year were due to growth in the services-producing sector (+8.1%). Indeed, employment advanced considerably in several key industries in the sector including trade (+21.1%), transportation and warehousing (+42.9%), finance, insurance, real estate and leasing (+50%) and information, culture and recreation (+57.1%).

However, Yukon's economy is anticipated to take a step back this year. According to the Conference Board of Canada, the territory's gross domestic product (GDP) is forecasted to decline 11.7% in 2017.¹ This is due to the fact that the territory's only active mine – the Minto Mine – is scheduled to shut down in mid-2017. With no new mines planned for development for 2017, employment growth in many mining-related industries such as construction, trade and transportation will be adversely affected over the next two years.

Northwest Territories

The number of people employed in Northwest Territories decreased by 1,100 to 21,800 on a quarterly basis. However, employment in the territory was up 0.5% year over year. Employment results were mixed between sectors, with the services-producing sector seeing significant gains (+1,100), while employment in the goods-producing sector declined by 1,000. Several industries experienced large percentage swings in employment over the past year, most notably in health care and social assistance (+42.1%).

The territory's economic outlook for the next two years is positive, with work continuing on major projects such as the Stanton Territorial Hospital renewal project, the Don Steward Recreation Centre development, and the Dempster Highway extension project. Moreover, NWT's tourism industry should remain strong as more giant cruise ships visit the territory. The arrival of these cruise ships are expected to help boost tourism-related industries including transportation, food services and retail trade.

Nunavut

Employment in Nunavut fell 1.5% to 13,500 in the fourth quarter. This decline is due entirely to employment losses in the goods-producing sector (-500). The number of people employed in the territory is up 5.5% on a year over year basis, as both the goods-producing (+15.4%) and services-producing (+4.3%) sectors posted employment increases.

Nunavut's short-term economic performance is expected to be positive as a number of private and public construction projects are scheduled to begin in the next few years. Projects include the \$76 million Qikigtani Correctional Healing Centre, the \$10.5 million Jericho Mine remediation project and TMAC Resources Inc.'s Doris North Gold Mine project. In addition, the federal and territorial governments have pledged \$80 million in

funding over the next two years to build affordable housing in Nunavut. Approximately 190 new units across 15 communities in the territory will be built between now and 2018.

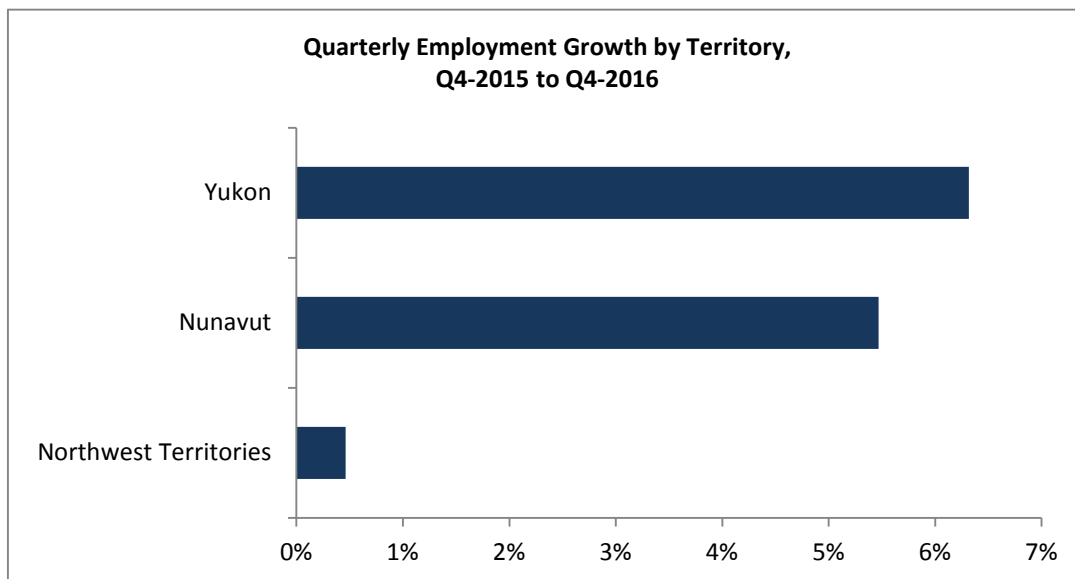
Quarterly Labour Force Statistics, by Territory

Seasonally unadjusted data	Employment			Unemployment Rate		
	4th Quarter 2016 ('000)	4th Quarter 2015 ('000)	Yearly Variation (%)	4th Quarter 2016 (%)	4th Quarter 2015 (%)	Yearly Variation (% points)
Total territories*	55.5	53.5	3.7	8.1	10.6	-2.5
Yukon	20.2	19.0	6.3	5.2	5.9	-0.7
Northwest Territories	21.8	21.7	0.5	6.8	10.0	-3.2
Nunavut	13.5	12.8	5.5	14.0	17.2	-3.2

* Combined data — based on a three-month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey



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.

Prepared by: Labour Market Information (LMI) Directorate, Service Canada, Northwest Territories, Nunavut and Yukon

For further information, please contact the LMI team at: NC-LMI-IMT-GD@hrsdc-rhdcc.gc.ca

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

© Her Majesty the Queen in Right of Canada as represented by Employment and Social Development Canada, 2016, all rights reserved

¹ Conference Board of Canada, Territorial Outlook 2016-17: Bottom of the Commodity Cycle, November 1, 2016