



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

March 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 territories' combined economies continued to perform well through the first quarter of 2016. Employment increased for a second consecutive quarter, with the number of people employed rising 900 (+1.7%) in the first quarter of 2016. All employment gains during the quarter were due to an increase in full-time employment.

On a year-over-year basis, employment levels in Yukon are unchanged, while employment in Nunavut and Northwest Territories (NWT) is up 4.0% and 3.2% respectively. Overall, employment in the territories increased 2.1% between the first quarter of 2015 and the first quarter of 2016, meaning that 1,100 more people were employed over the year.

Looking forward, the territories' long-term employment trend is expected to remain positive, as a number of new private and public infrastructure projects get underway across the North.

#### Unemployment

On a quarterly basis, the unemployment rate for the territories dropped to 9.6%, down 1.0 percentage points from the fourth quarter of 2015. Year-over-year, the unemployment rate decreased both in Yukon and Northwest Territories, while Nunavut's unemployment rate increased 5.4 percentage points to 17.4%. Nunavut continues to have the highest unemployment rate across the North, well above the national rate of 7.1% as of March 2016.

The youth (aged 15 to 24 years) unemployment rate in the territories was 19.2% in the first quarter, a decrease of 2.0 percentage points over the fourth quarter of 2015. On a year-over-year basis, the unemployment rate for

this age group increased 0.8 percentage points. The unemployment rate for young men reached 23.7%, 0.6 percentage points higher than one year prior. By comparison, the unemployment rate for young women increased 1.5 percentage points to 15.0%. Finally, Nunavut continues to have the highest youth unemployment rate among all three territories, at nearly 27.0%.

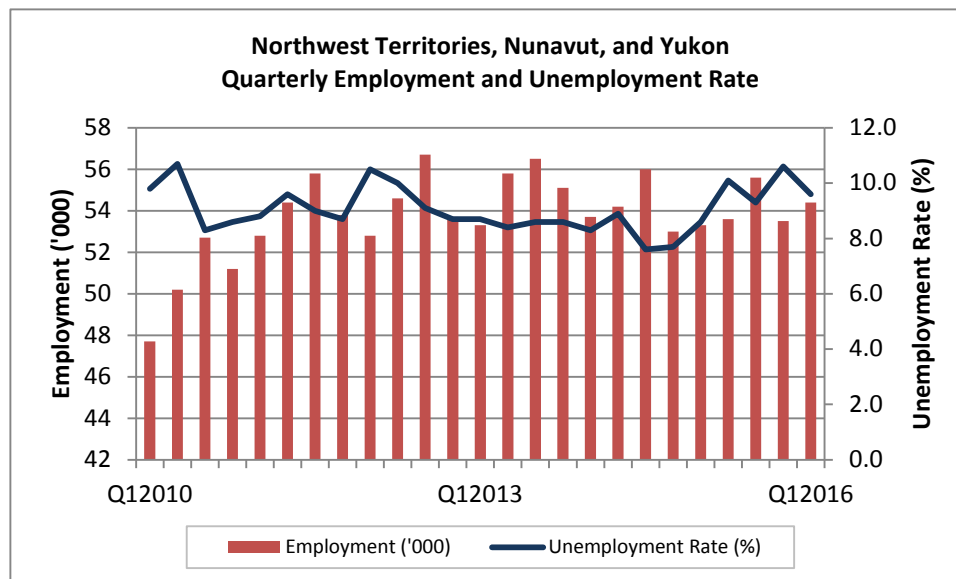
**Northwest Territories, Nunavut, Yukon\* Quarterly Labour Force Statistics**

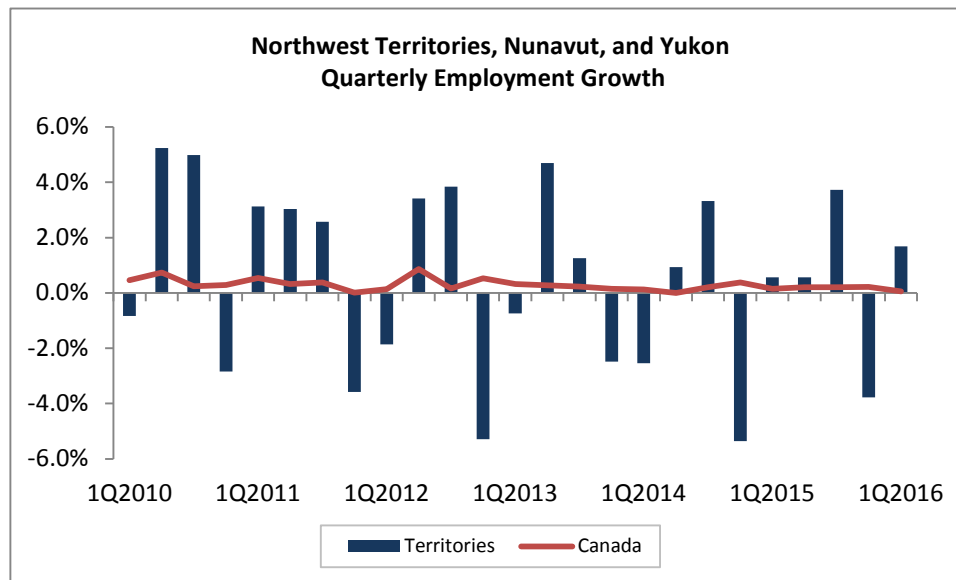
Seasonally unadjusted quarterly data	1st Quarter 2016	4th Quarter 2015	1st Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	84.6	84.3	83.5	0.3	0.4	1.1	1.3
<b>Labour Force ('000)</b>	60.2	59.7	58.3	0.5	0.8	1.9	3.3
<b>Employment ('000)</b>	54.4	53.5	53.3	0.9	1.7	1.1	2.1
Full-Time ('000)	47.0	46.2	47.0	0.8	1.7	0.0	0.0
Part-Time ('000)	7.3	7.3	6.3	0.0	0.0	1.0	15.9
<b>Unemployment ('000)</b>	5.8	6.3	5.0	-0.5	-7.9	0.8	16.0
<b>Unemployment Rate (%)</b>	9.6	10.6	8.6	-1.0	-	1.0	-
<b>Participation Rate (%)</b>	71.2	70.8	69.8	0.4	-	1.4	-
<b>Employment Rate (%)</b>	64.3	63.5	63.8	0.8	-	0.5	-

\* 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	1st Quarter 2016 (%)	4th Quarter 2015 (%)	1st Quarter 2015 (%)	Quarterly Variation	Yearly Variation
				(% points)	(% points)
<b>Total</b>	9.6	10.6	8.6	-1.0	1.0
<b>25 years and over</b>	8.4	8.8	7.1	-0.4	1.3
Men - 25 years and over	11.3	12.1	8.8	-0.8	2.5
Women - 25 years and over	5.2	5.3	5.3	-0.1	-0.1
<b>15 to 24 years</b>	19.2	21.2	18.4	-2.0	0.8
Men - 15 to 24 years	23.7	23.3	23.1	0.4	0.6
Women - 15 to 24 years	15.0	19.0	13.5	-4.0	1.5

*Combined data — based on a three month moving average  
Source: Statistics Canada Labour Force Survey*

## EMPLOYMENT BY INDUSTRY

In the first quarter of 2016, employment in the goods-producing sector stood at 7,700, down 7.2% compared to the fourth quarter of 2015. This setback is due to employment losses in construction (-400) and forestry, fishing, mining, quarrying, oil and gas (-500). However, this decline is not unusual given the seasonal nature of these industries. The employment outlook for the goods sector is expected to improve considerably with the arrival of spring.

Despite this quarterly decline, employment in the goods-producing sector is up 1.3% year-over-year. The largest contributor to this increase is mining, which grew 14.3% on the year. Going forward, the goods-producing sector

is expected to see growth over the medium-term, driven by major mining and construction projects scheduled to begin in the next few years. Projects include Nunavut's Meliadine gold project, NWT's Gahcho Kue diamond mine, and Yukon's Whistle Bend continuing care facility in Whitehorse.

Meanwhile, employment in the services-producing sector increased 3.1% to reach 46,600 in the first quarter. Growth in the services sector was observed in several industry groups including public administration, health care and social assistance, transportation and warehousing, and educational services.

Year-over-year, the number of people employed in the services-producing sector increased by 2.2% (+1,000). Although employment in finance, insurance, real estate and leasing dropped 29.2% (-700) the past year, employment increases in accommodation and food services were able to offset this decline (+800).

Looking ahead, the services sector should see steady growth over the medium-term. Tourism is expected to generate plenty of employment opportunities for the territories over the next few years, as all three territorial governments have increased their funding to support new tourism initiatives. 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)	1st Quarter 2016	4th Quarter 2015	1st Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	54.4	53.5	53.2	0.9	1.7	1.2	2.3
<b>Goods-producing sector</b>	7.7	8.3	7.6	-0.6	-7.2	0.1	1.3
Agriculture	0.0	0.0	0.0	0.0	-	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.4	2.9	2.1	-0.5	-17.2	0.3	14.3
Utilities	0.8	0.5	0.8	0.3	60.0	0.0	0.0
Construction	4.0	4.4	4.2	-0.4	-9.1	-0.2	-4.8
Manufacturing	0.2	0.2	0.2	0.0	0.0	0.0	0.0
<b>Services-producing sector</b>	46.6	45.2	45.6	1.4	3.1	1.0	2.2
Trade	5.5	5.9	5.5	-0.4	-6.8	0.0	0.0
Transportation and warehousing	3.1	2.5	2.9	0.6	24.0	0.2	6.9
Finance, insurance, real estate and leasing	1.7	2.0	2.4	-0.3	-15.0	-0.7	-29.2
Professional, scientific and technical services	2.2	2.8	2.7	-0.6	-21.4	-0.5	-18.5
Business, building and other support services	1.2	1.4	1.4	-0.2	-14.3	-0.2	-14.3
Educational services	6.1	5.6	5.3	0.5	8.9	0.8	15.1
Health care and social assistance	7.2	6.2	6.6	1.0	16.1	0.6	9.1
Information, culture and recreation	2.1	2.1	2.5	0.0	0.0	-0.4	-16.0
Accommodation and food services	3.4	3.6	2.6	-0.2	-5.6	0.8	30.8
Other services	2.2	2.0	1.7	0.2	10.0	0.5	29.4
Public administration	12.1	11.0	12.2	1.1	10.0	-0.1	-0.8

\* 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 decreased 0.5% to 18,900 in the first quarter of 2016. On an annual basis, employment in the territory was flat, likely a reflection of the soft commodity markets, which has led to production cutbacks and layoffs in the mining industry over the past year.

Nonetheless, Yukon's economic outlook should improve this year and next as a number of construction projects are slated to begin. For instance, BC-based retailer Save-On-Foods recently announced plans to build a new grocery store in Whitehorse. The project is expected to create about 100 jobs during construction and another 100 permanent positions when the store opens in the summer of 2017.

In addition, major construction projects such as the Coffee Gold exploration project, the Faro Mine remediation project, the Whitehorse General Hospital project, and the Dempster Highway fibre optic cable installation project are expected to generate plenty of employment opportunities for the territory over the next few years.

### Northwest Territories

In the first quarter of this year, the number of workers employed in Northwest Territories increased 700, reaching 22,400. Job growth is due entirely to gains in the services-producing sector (+800).

On a year-over-year basis, employment in the territory is up 3.2% (+700). Both the goods-producing and the services-producing sectors posted employment gains over the year, up 8.1% and 2.2% respectively. However, this positive trend may not continue this year due to the recent closures of the Cantung Mine and Snap Lake diamond mine. These closures will certainly have a negative impact on many local businesses that supply goods and services to the mine and its employees.

In the short-term, projects such as the Staton Territorial Hospital renewal project, construction of a new female correctional facility in Fort Smith, as well as the Gahcho Kue diamond mine should provide some support for construction and related industries. Furthermore, the federal government has pledged \$16 million to support 13 new infrastructure projects in small communities throughout the territory. These projects are anticipated to generate job opportunities for local residents and businesses over the next two years.

### Nunavut

On a quarterly basis, employment in Nunavut increased 2.3% to 13,100. A small decline in employment in the goods-producing sector (-100) was offset by gains in the services-producing sector (+300).

Year-over-year, the number of people employed increased 4.0% (+500). Employment gains were mainly concentrated in the services-producing sector. Many industries made small gains since last year, while public administration employment fell by 400, a decrease of 10.8%.

The territory’s economic outlook remains positive in the near-term as work continues on major projects such as the \$300 million Iqaluit Airport and the \$142 million Canadian High Arctic Research Station. Moreover, Agnico Eagle plans to invest \$96 million this year to further develop the Meliadine mine. The company estimates that the \$911-million project will require about 1,100 workers during three years of construction.

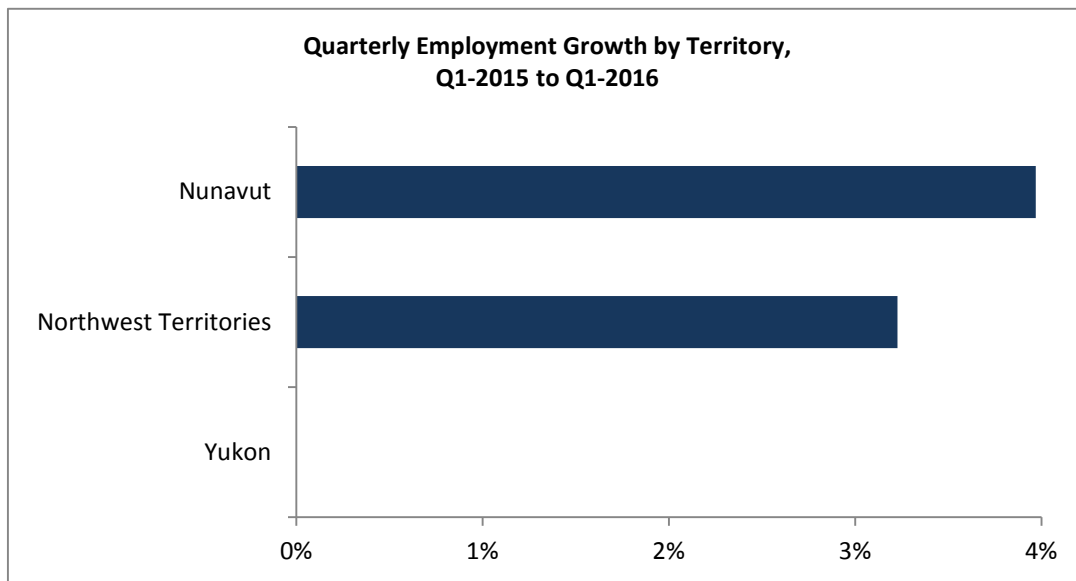
**Quarterly Labour Force Statistics, by Territory**

Seasonally unadjusted data	Employment			Unemployment Rate		
	1st Quarter 2016 ('000)	1st Quarter 2015 ('000)	Yearly Variation (%)	1st Quarter 2016 (%)	1st Quarter 2015 (%)	Yearly Variation (% points)
<b>Total territories*</b>	54.4	53.3	2.1	9.6	8.6	1.0
Yukon	18.9	18.9	0.0	6.0	6.9	-0.9
Northwest Territories	22.4	21.7	3.2	7.4	8.1	-0.7
Nunavut	13.1	12.6	4.0	17.4	12.0	5.4

\* Combined data — 3 month moving average seasonally unadjusted data

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.

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**For information on the Labour Force Survey,** please visit the Statistics Canada Web site at: [www.statcan.gc.ca](http://www.statcan.gc.ca)

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