



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

June 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 territorial economies continued to perform well through the second quarter of 2016. Employment increased for a second consecutive quarter, with the number of employed rising by 3,200 between March and June. In fact, both full-time and part-time employment in the territories increased for the first time since the second quarter of 2015.

Year-over-year, employment levels in the territories advanced by 7.5%, meaning that 4,000 more people were employed in this quarter compared to a year earlier. Indeed, employment in all three territories increased during the second quarter of this year, with Nunavut and Yukon each posting gains of 1,600 jobs, while Northwest Territories (NWT) recorded a gain of 700.

Looking to the future, the territories' long-term employment trend is positive, as a number of new private and public infrastructure projects commence across the North.

#### Unemployment

The unemployment rate for the combined territories dropped for the second consecutive quarter, decreasing to 8.6%. On a year-over-year basis, both Yukon and Nunavut recorded a decrease in their unemployment rate, which reached 5.5% and 13.5% respectively. Meanwhile, Northwest Territories was the only territory to record an increase in its unemployment rate, up by 0.9 percentage points to 8.0%. This increase is likely due to the closures of two major diamond mines in the territory last year.

Compared to the first quarter this year, the unemployment rate for youth (aged 15-24 years) in the territories decreased 2.0 percentage points to 17.2%. Year-over-year, the unemployment rate for this age group decreased a notable 6.1 percentage points. Indeed, the unemployment rate for young men dropped 4.7 percentage points to 22.0% over the year, while the unemployment rate for young women also decreased by 7.4 percentage points to 12.2%.

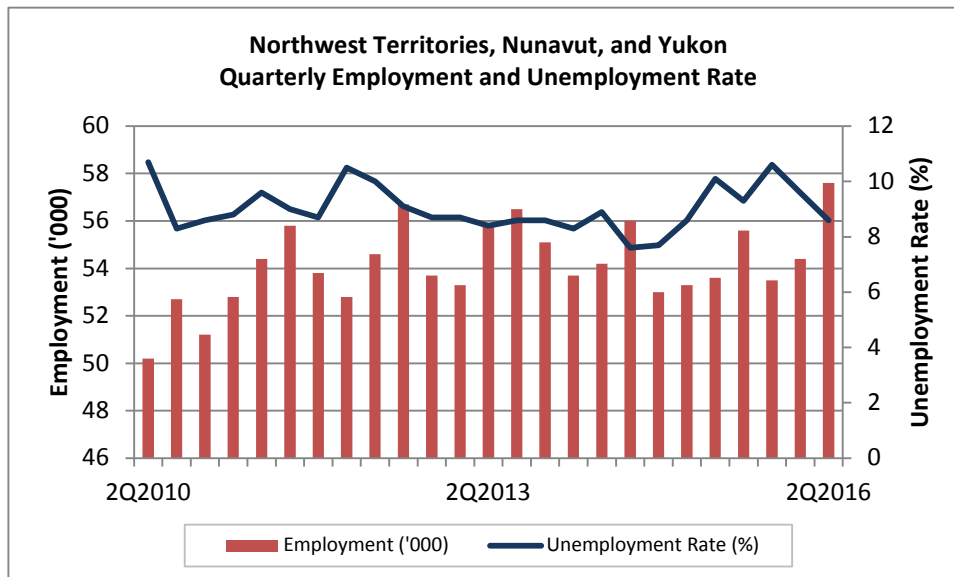
**Northwest Territories, Nunavut, Yukon\* Quarterly Labour Force Statistics**

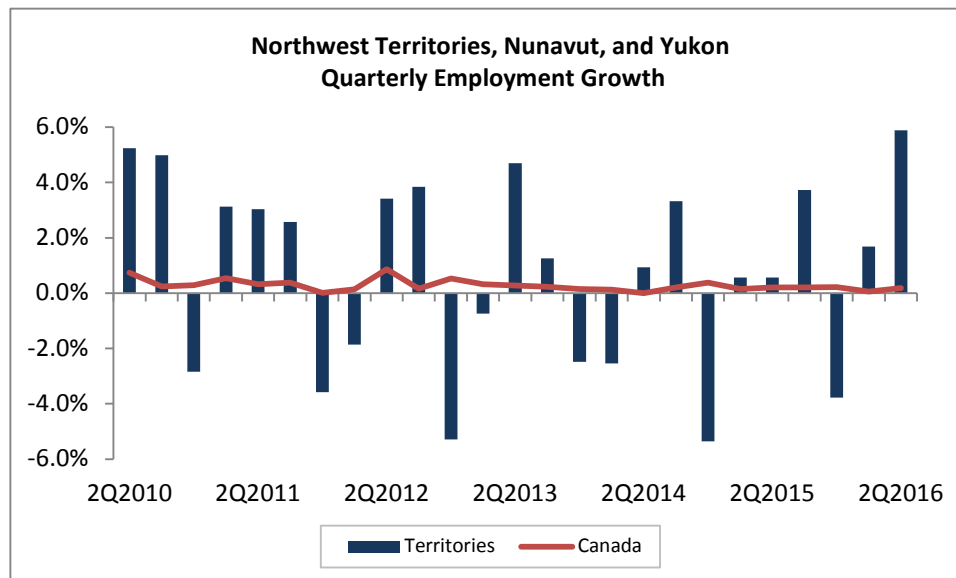
Seasonally unadjusted quarterly data	2nd Quarter 2016	1st Quarter 2016	2nd Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	85.0	84.6	83.6	0.4	0.5	1.4	1.7
Labour Force ('000)	63.0	60.2	59.5	2.8	4.7	3.5	5.9
Employment ('000)	57.6	54.4	53.6	3.2	5.9	4.0	7.5
Full-Time ('000)	49.4	47.0	47.1	2.4	5.1	2.3	4.9
Part-Time ('000)	8.2	7.3	6.5	0.9	12.3	1.7	26.2
Unemployment ('000)	5.4	5.8	6.0	-0.4	-6.9	-0.6	-10.0
Unemployment Rate (%)	8.6	9.6	10.1	-1.0	-	-1.5	-
Participation Rate (%)	74.1	71.2	71.2	2.9	-	2.9	-
Employment Rate (%)	67.8	64.3	64.1	3.5	-	3.7	-

\* 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	2nd Quarter 2016 (%)	1st Quarter 2016 (%)	2nd Quarter 2015 (%)	Quarterly Variation	Yearly Variation
				(% points)	(% points)
<b>Total</b>	8.6	9.6	10.1	-1.0	-1.5
<b>25 years and over</b>	7.0	8.4	7.7	-1.4	-0.7
Men - 25 years and over	9.1	11.3	10.2	-2.2	-1.1
Women - 25 years and over	4.7	5.2	5.0	-0.5	-0.3
<b>15 to 24 years</b>	17.2	19.2	23.3	-2.0	-6.1
Men - 15 to 24 years	22.0	23.7	26.7	-1.7	-4.7
Women - 15 to 24 years	12.2	15.0	19.6	-2.8	-7.4

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

## EMPLOYMENT BY INDUSTRY

In the second quarter of 2016, the goods-producing sector added 700 jobs, an increase of 9.1% from the previous quarter. In fact, all industries within the sector gained jobs this quarter, with mining and construction posting strong employment gains of 4.2% and 5.0% respectively. Employment gains in the construction industry were largely driven by a number of new private and public infrastructure projects, which are underway across the three territories.

Year-over-year, goods-producing employment also rose 5.0%, representing an increase of 400 positions. Both agriculture and manufacturing posted employment losses, but these were offset by gains in the mining, utilities and construction industries. Both Nunavut and Yukon posted employment gains in the goods-producing sector, with Nunavut making the most headway (up 21.4% on the year). Meanwhile, Northwest Territories was the only territory to see a decline in employment in this sector, with the number of people working down by 9.8%.

The services-producing sector gained ground in the third quarter, with employment reaching 49,300, an increase of 5.8% over the previous quarter. Employment in nearly every industry within the sector increased this quarter, except for educational services, health and social assistance and other services.

On a year-over-year basis, services-producing employment also rose 8.4%, representing an increase of 3,800 positions. Accommodation and food services showed the largest gain, with the number of employed increasing 1,000 (+37%), while employment in health care and social assistance was also up 1,000 (+16.9%).

Moving forward, the outlook for this sector is strong as new construction and mining projects are expected to create employment opportunities for the transportation and warehousing and the professional scientific and technical services industries. Some upcoming projects include Nunavut's Meliadine gold mine development, Northwest Territories' Gahcho Kue diamond mine, and the transmission infrastructure development in central Yukon.

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

Seasonally Unadjusted Data ('000)	2nd Quarter 2016	1st Quarter 2016	2nd Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	57.5	54.4	53.6	3.1	5.7	3.9	7.3
<b>Goods-producing sector</b>	8.4	7.7	8.0	0.7	9.1	0.4	5.0
Agriculture	0.2	0.0	0.3	0.2	-	-0.1	-33.3
Forestry, fishing, mining, quarrying, oil and gas	2.5	2.4	2.3	0.1	4.2	0.2	8.7
Utilities	1.0	0.8	0.6	0.2	25.0	0.4	66.7
Construction	4.2	4.0	4.0	0.2	5.0	0.2	5.0
Manufacturing	0.2	0.2	0.5	0.0	0.0	-0.3	-60.0
<b>Services-producing sector</b>	49.3	46.6	45.5	2.7	5.8	3.8	8.4
Trade	6.2	5.5	5.4	0.7	12.7	0.8	14.8
Transportation and warehousing	3.1	3.1	2.8	0.0	0.0	0.3	10.7
Finance, insurance, real estate and leasing	2.3	1.7	2.5	0.6	35.3	-0.2	-8.0
Professional, scientific and technical services	2.8	2.2	2.9	0.6	27.3	-0.1	-3.4
Business, building and other support services	1.2	1.2	1.4	0.0	0.0	-0.2	-14.3
Educational services	6.0	6.1	5.4	-0.1	-1.6	0.6	11.1
Health care and social assistance	6.9	7.2	5.9	-0.3	-4.2	1.0	16.9
Information, culture and recreation	2.3	2.1	2.4	0.2	9.5	-0.1	-4.2
Accommodation and food services	3.7	3.4	2.7	0.3	8.8	1.0	37.0
Other services	1.9	2.2	1.6	-0.3	-13.6	0.3	18.8
Public administration	12.8	12.1	12.4	0.7	5.8	0.4	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

## REGIONAL ANALYSIS

### Yukon

On a quarterly basis, employment in the Yukon increased 9.5% to 20,700 in the second quarter of 2016. Both the goods-producing (+500) and services-producing (+1,400) sectors saw employment increases compared to the first quarter this year.

On a year-over-year basis, employment in the territory was up 0.8% (+1,600). Employment advanced considerably in several key industries including accommodation and food services (+69.2%), construction (+23.5%), and health care and social assistance (+20%). The Government of Yukon forecasted that the territory's gross domestic product (GDP) is anticipated to increase by 2.8% this year.<sup>1</sup>

Nonetheless, this positive growth could be short-term as ongoing volatility in global commodity prices continues to impact the territory's mining industry. In fact, the territory's only active mine, the Minto mine, is scheduled to temporarily shut down next year. Consequently, the territory's economy is expected to contract by 5.7% in 2017.

### Northwest Territories

Employment in the Northwest Territories increased by 500 to 22,900 on a quarterly basis. Employment losses in the goods-producing sector were offset by gains in the services-producing sector. On a year-over-year basis, the number of workers employed also increased 3.2% (+700). Job growth is due entirely to gains in the services-producing sector (+7.2%).

Despite these positive figures, the outlook for the territory's economy is anticipated to be weak, as both the Cantung Mine and Snap Lake Mine were shut down last year. These closures are certainly having a noticeable impact on employment in the territory's mining-related industries. In fact, the number of people employed in the mining and transportation industries remained unchanged over the year, while employment in the professional, scientific and technical services decreased over 8.0%.

In the next two years, projects such as the Stanton Territorial Hospital renewal project, the Don Stewart Recreation Centre redevelopment project, as well as the Gahcho Kue diamond mine should provide some support for construction and related industries. In addition, NWT's tourism sector is expected to remain strong due to the weak Canadian dollar. This will create some job opportunities in the accommodation and food services and retail industries.

### Nunavut

In the second quarter this year, the number of workers employed in Nunavut increased 800 on a quarterly basis, reaching 13,900. Indeed, both goods-producing (+41.7%) and services-producing (+3.4%) sectors posted employment increases this quarter compared to the previous quarter.

Year-over-year, the territory also saw a notable increase in employment, up 13.0% (+1,600) between the second quarter of 2015 and the second quarter of 2016. Nearly all industries gained jobs over the year, notwithstanding

marginal losses in professional, scientific and technical services, accommodation and food services and public administration.

Looking ahead, the territory's economic performance is expected to remain positive over the next few years. Construction projects such as the Iqaluit Airport, the deep water port in Iqaluit and the recently approved Doris North Gold Mine in the Kitikmeot region, will create plenty of job opportunities for the territory. In fact, the Doris North Gold project alone will create about 350 jobs annually during the construction and operational phase between 2016 and 2021.<sup>2</sup> TMAC Resources (the developer of the site) anticipates that about 42.0% of workers are expected to be hired from the Inuit region during construction.<sup>3</sup>

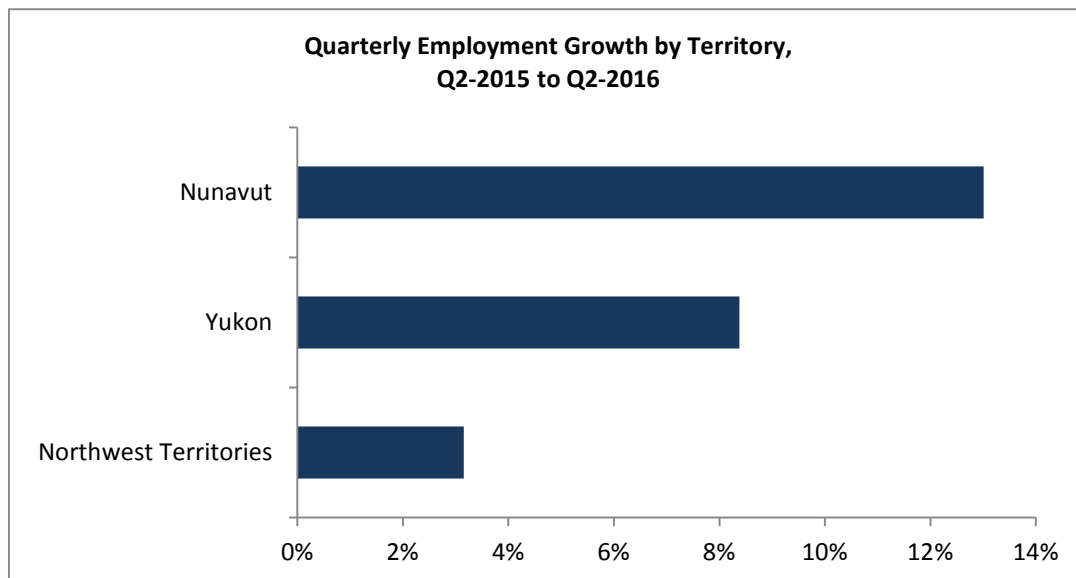
### Quarterly Labour Force Statistics, by Territory

Seasonally unadjusted data	Employment			Unemployment Rate		
	2nd Quarter 2016 ('000)	2nd Quarter 2015 ('000)	Yearly Variation (%)	2nd Quarter 2016 (%)	2nd Quarter 2015 (%)	Yearly Variation (% points)
<b>Total territories*</b>	57.6	53.6	7.5	8.6	10.1	-1.5
Yukon	20.7	19.1	8.4	5.5	8.6	-3.1
Northwest Territories	22.9	22.2	3.2	8.0	7.1	0.9
Nunavut	13.9	12.3	13.0	13.5	16.8	-3.3

\* 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.

**Prepared by:** Western and Territories Region, Service Canada, Northwest Territories, Nunavut and Yukon

**For further information,** please contact the LMI team at: [NC-LMI-IMT-GD@hrsdc-rhdcc.gc.ca](mailto: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](http://www.statcan.gc.ca)

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

---

<sup>1</sup> Government of Yukon, Business and Economic Research Branch, Yukon Economic Outlook, May 2016.

<http://economics.gov.yk.ca/>

<sup>2</sup> CBC News North, Doris North gold mine just the beginning for TMAC in Nunavut, June 18, 2016.

<http://www.cbc.ca/news/canada/north/tmac-doris-north-gold-mine-and-beyond-1.3639272>

<sup>3</sup> Ibid