



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

August 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, Nunavut and Yukon increased for a fifth consecutive month in August, with the number of employed rising by 100 (0.2%). All job gains were in full-time positions (+1.6%), while part-time employment was down 10.4% from the previous month.

On a year-over-year basis, employment in the Territories advanced by 5.3%, meaning that 2,900 more people were employed in August 2016 than August 2015. In fact, employment in all three territories increased considerably over the year, with Nunavut and Northwest Territories (NWT) each posting gains of 900, while Yukon recorded an increase of 1,100.

Unemployment

The unemployment rate for the Territories dropped 0.2 percentage points to 8.9% in August 2016. Year-over-year, the unemployment rate decreased both in Northwest Territories and Nunavut, while Yukon's unemployment rate increased 1.4 percentage points to 7.1%.

For the combined territories, the unemployment rate for youth (15 to 24 Years) was 18.6% on the month, an increase of 0.5 percentage points from July. However, the youth unemployment rate is down slightly on a year-over-year basis (-2.0 percentage points).

Compared to August 2015, the unemployment rate for young women was down 8.1 percentage points to 14.3%, while the unemployment rate for young men increased 3.7 percentage points to 22.6% over the year. By far the most striking figure is the unemployment rate for young men in Nunavut, which reached 29.9% this month.

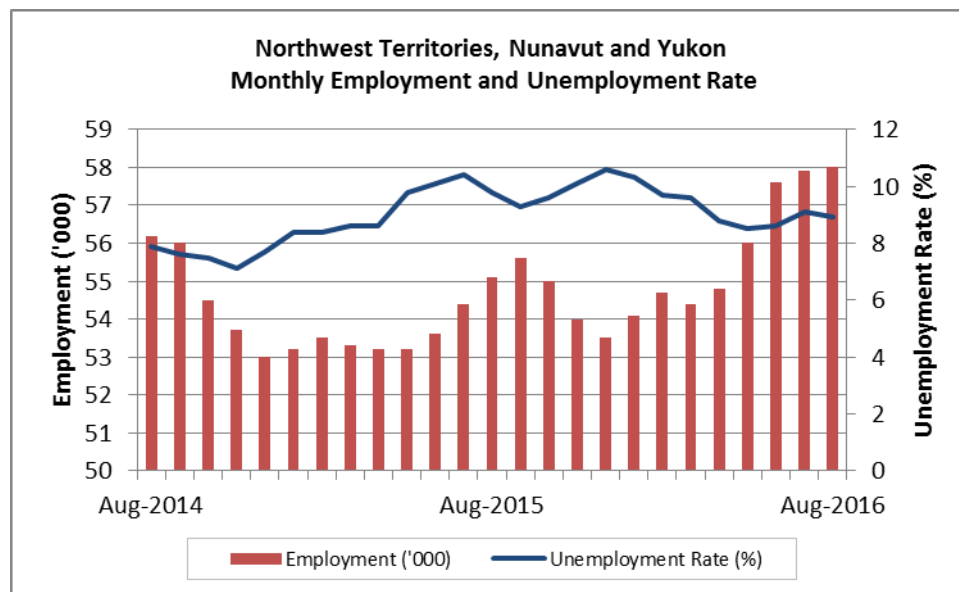
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Unadjusted Data	August 2016	July 2016	August 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	85.3	85.2	84.0	0.1	0.1	1.3	1.5
Labour Force ('000)	63.7	63.7	61.1	0.0	0.0	2.6	4.3
Employment ('000)	58.0	57.9	55.1	0.1	0.2	2.9	5.3
Full-Time ('000)	51.0	50.2	48.7	0.8	1.6	2.3	4.7
Part-Time ('000)	6.9	7.7	6.4	-0.8	-10.4	0.5	7.8
Unemployment ('000)	5.7	5.8	6.0	-0.1	-1.7	-0.3	-5.0
Unemployment Rate (%)	8.9	9.1	9.8	-0.2	-	-0.9	-
Participation Rate (%)	74.7	74.8	72.7	-0.1	-	2.0	-
Employment Rate (%)	68.0	68.0	65.6	0.0	-	2.4	-

*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey



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

Seasonally Unadjusted Data	August 2016 (%)	July 2016 (%)	August 2015 (%)	Monthly Variation	Yearly Variation
				(% points)	(% points)
Total	8.9	9.1	9.8	-0.2	-0.9
25 years and over	7.1	7.3	7.7	-0.2	-0.6
Men - 25 years and over	8.8	9.6	7.9	-0.8	0.9
Women - 25 years and over	5.2	4.8	7.4	0.4	-2.2
15 to 24 years	18.6	18.1	20.6	0.5	-2.0
Men - 15 to 24 years	22.6	22.2	18.9	0.4	3.7
Women - 15 to 24 years	14.3	13.5	22.4	0.8	-8.1

*Combined data - three month moving average

Source: Statistics Canada Labour Force Survey

EMPLOYMENT BY INDUSTRY

Employment in the goods-producing sector was up 700 in August, representing an increase of 8.4% from July. In fact, employment is up across all industries within the goods-producing sector this month, with mining and construction posting strong employment gains of 4.0% and 15.0% respectively. Employment growth in the construction industry is largely being driven by a number of private and public infrastructure projects that got underway this summer across the three territories.

Year-over-year, employment in the goods-producing sector remains unchanged. Employment losses in the mining industry (-16.1%) have been offset by gains in the construction and utilities industries.

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. Funding from all levels of government for infrastructure projects such as roads, water treatment facilities, schools and hospitals will help to support growth in the construction industry.

Labour market results were less encouraging for the services-producing sector in August, with sector employment decreasing by 1.0% to 49,000 month-over-month. The largest declines occurred in educational services (-400), trade (-200), professional, scientific and technical services (-200), and accommodation and food services (-200).

Despite these monthly declines, employment in the sector is up 6.5% or 3,000 positions year-over-year. The largest employment gains since last August are in public administration (+1,200), trade (+800), and accommodation and food services (+600).

Moving forward, the services sector should continue to see steady growth in 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 funding to support new tourism initiatives and facilities. For example, the federal government and the Government of Yukon recently pledged \$3 million in funding apiece for an expansion to the MacBride Museum of Yukon History in Whitehorse. These investments are expected to help bring in more visitors each year to the North and to provide spin-off benefits for many services industries.

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

Seasonally Unadjusted Data	August 2016	July 2016	August 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	58.0	57.9	55.1	0.1	0.2	2.9	5.3
Goods-producing sector	9.0	8.3	9.0	0.7	8.4	0.0	0.0
Agriculture	0.3	0.3	0.2	0.0	0.0	0.1	50.0
Forestry, fishing, mining, quarrying, oil and gas	2.6	2.5	3.1	0.1	4.0	-0.5	-16.1
Utilities	1.1	1.0	1.0	0.1	10.0	0.1	10.0
Construction	4.6	4.0	4.3	0.6	15.0	0.3	7.0
Manufacturing	0.2	0.2	0.2	0.0	0.0	0.0	0.0
Services-producing sector	49.0	49.5	46.0	-0.5	-1.0	3.0	6.5
Trade	6.4	6.6	5.6	-0.2	-3.0	0.8	14.3
Transportation and warehousing	3.3	3.4	2.9	-0.1	-2.9	0.4	13.8
Finance, insurance, real estate and leasing	2.5	2.6	2.5	-0.1	-3.8	0.0	0.0
Professional, scientific and technical services	2.6	2.8	2.9	-0.2	-7.1	-0.3	-10.3
Business, building and other support services	1.1	1.2	1.5	-0.1	-8.3	-0.4	-26.7
Educational services	5.0	5.4	4.6	-0.4	-7.4	0.4	8.7
Health care and social assistance	6.8	6.7	6.2	0.1	1.5	0.6	9.7
Information, culture and recreation	2.5	2.2	2.9	0.3	13.6	-0.4	-13.8
Accommodation and food services	3.4	3.6	2.8	-0.2	-5.6	0.6	21.4
Other services	2.5	2.2	1.9	0.3	13.6	0.6	31.6
Public administration	13.0	13.0	11.8	0.0	0.0	1.2	10.2

*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

REGIONAL ANALYSIS**Yukon**

Yukon employment dropped 0.5% to 20,900 in August, while its unemployment rate increased 1.3 percentage points to 7.1%. Losses on the month were due entirely to declining employment in the territory's services-producing sector (-1.7%).

Year-over-year, employment in the territory was up 5.6% (+1,100). Employment advanced considerably in several key industries including construction (+35.3%), trade (+23.8%), and accommodation and food services (+18.8%). The Government of Yukon is forecasting employment to continue trending upwards this year, while the territory's gross domestic product (GDP) is anticipated to increase by 2.8%.¹

Looking forward, the territory is expected to see employment growth in construction over the next few years. Construction projects such as the Robert Campbell Highway and Alaska Highway expansion, the MacBride

Museum of Yukon History expansion, and 17 new infrastructure projects throughout ten Yukon communities should generate employment opportunities for the territory.

Northwest Territories

The number employed in Northwest Territories increased for the second consecutive month in August, up 1.3% to 23,400. On a yearly basis, employment in the territory increased by 4.0% (+900). Job growth is due entirely to gains in the services-producing sector (+8.4%), with employment in public administration increasing by 22.4% (+1,100) over the year.

Despite these positive employment gains, the territory's economic outlook is expected to be weak in the short-term because of ongoing challenges in the mining industry. For example, both Cantung Mine and Snap lake diamond mine were shut down last year due to weakening commodity prices. All told, employment in the mining industry was down 19% in August compared to levels a year ago.

In the medium-term, projects such as the Stanton Territorial Hospital renewal project, the Don Stewart Recreation Centre development project, and 13 new infrastructure improvement projects throughout the territory should provide some support for construction-related industries. In addition, 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 companies.

Nunavut

In August, there were 13,700 people employed in Nunavut, slightly fewer (-100) than in the previous month. Year-over-year, Nunavut posted the largest annual employment growth among the three territories (+7.0%). The territory's services-producing sector saw a notable increase of 7.2%, while employment in the goods-producing sector is up 5.9% compared to a year ago. Nearly all industries added jobs over the year, notwithstanding marginal losses in professional, scientific and technical services and health care and social assistance.

Nunavut's short-term economic performance is expected to be better than its two territorial counterparts. Activity is expected to be brisk in the construction industry thanks to a number of private and public construction projects, including a new mixed-use development of commercial and residential buildings in downtown Iqaluit. This development includes a hotel and conference centre, a heritage museum, a new emergency services centre, 150 residential units, and retail spaces. Construction work on the hotel and conference centre will begin next summer, with the entire project expected to take up to ten years to complete.²

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

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	August 2016 ('000)	August 2015 ('000)	Yearly Variation (%)	August 2016 (%)	August 2015 (%)	Yearly Variation (% points)
Territories*	58.0	55.1	5.3	8.9	9.8	-0.9
Northwest Territories	23.4	22.5	4.0	7.5	8.2	-0.7
Nunavut	13.7	12.8	7.0	13.9	18.1	-4.2
Yukon	20.9	19.8	5.6	7.1	5.7	1.4

*Combined data - 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.

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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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¹ Government of Yukon, Business and Economic Research Branch, Yukon Economic Outlook, May 2016.
<http://economics.gov.yk.ca/>

² Qikiqtaaluk Business Development Corporation website, Inuit Owned Land Development – Iqaluit
<http://www.qcorp.ca/en/our-projects/inuit-owned-land-development-iqaluit>