



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

September 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

Employment levels in the combined Territories were unchanged in the third quarter of 2016, as full-time job gains were offset by losses in part-time employment. Year-over-year, employment across the North is up 2,000 (+3.6%), with gains occurring entirely in services-producing industries. On an annual basis, the number of people employed increased considerably both in Nunavut (+6.2%) and in Northwest Territories (+3.2%), while in Yukon, employment advanced at a more moderate level (+2.4%).

Looking forward, the medium-term employment trend is positive for the Territories, as a number of new mining and public infrastructure projects commence across the north. Major construction projects such as the Ekati Jay diamond mine expansion in Northwest Territories, the Hope Bay gold mine development in Nunavut and the Robert Campbell Highway expansion project in Yukon should create abundant job opportunities for the Territories over the next few years.

Unemployment

On a quarterly basis, the unemployment rate for the Territories fell to 8.4%, down 0.2 percentage points from the second quarter of 2016. Year-over-year, the unemployment rate decreased both in Nunavut and in Northwest Territories, while Yukon's unemployment rate increased 1.6 percentage points to 5.8%.

The youth (15 to 24 years) unemployment rate in the Territories was 16.8% in the third quarter, a decrease of 0.4 percentage points from the second quarter of 2016. On a year-over-year basis, the unemployment rate for this age group declined 2.2 percentage points.

Compared to the third quarter of 2015, the unemployment rate for young women was down 5.2 percentage points to 15.6%, while the unemployment rate for young men increased 0.7 percentage points to 18% over the same period. By far the most striking figure is the unemployment rate for young men in Nunavut, which reached 28% this quarter.

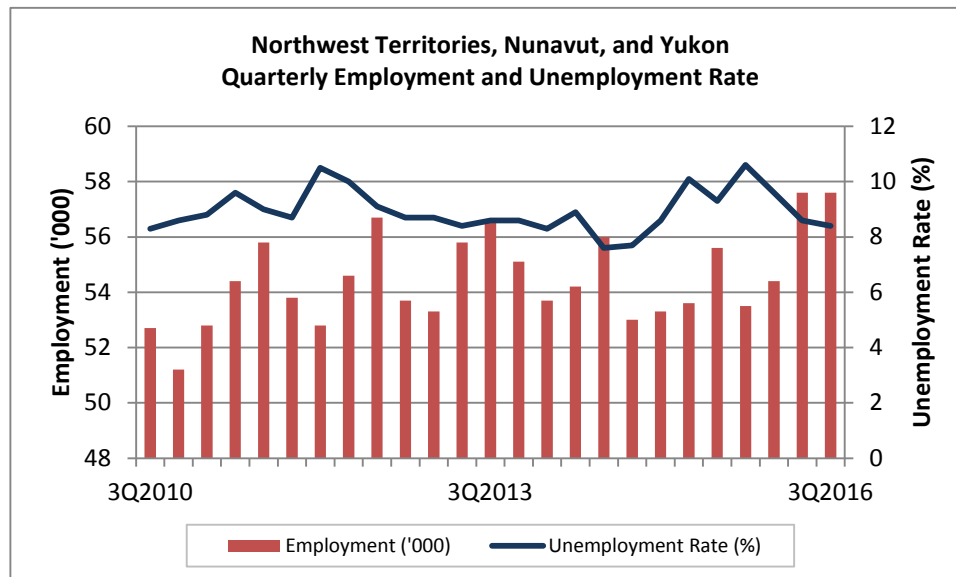
Northwest Territories, Nunavut, Yukon* Quarterly Labour Force Statistics

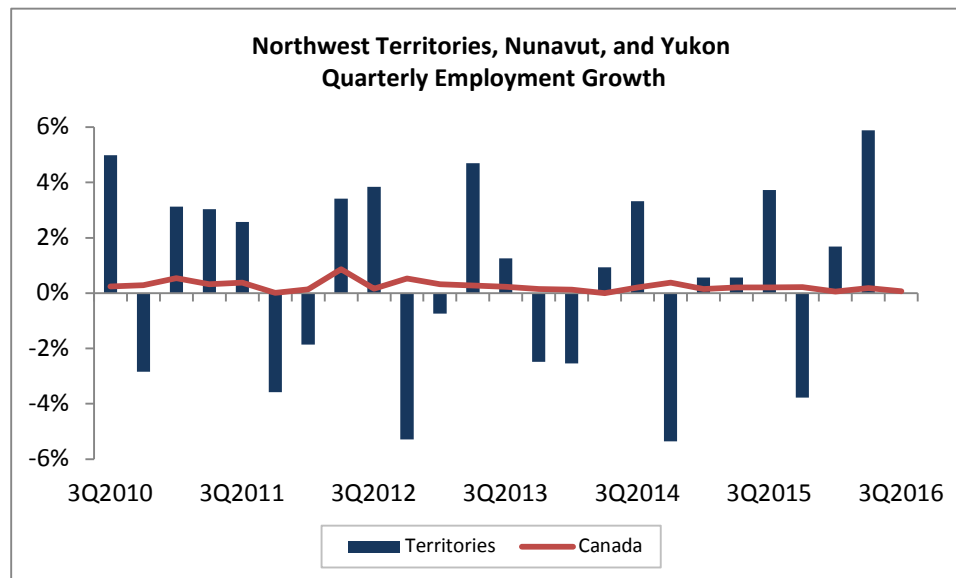
Seasonally unadjusted quarterly data	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly Variation		Yearly Variation	
	2016	2016	2015	Number	%	Number	%
Population 15 + ('000)	85.3	85.0	84.2	0.3	0.4	1.1	1.3
Labour Force ('000)	62.9	63.0	61.3	-0.1	-0.2	1.6	2.6
Employment ('000)	57.6	57.6	55.6	0.0	0.0	2.0	3.6
Full-Time ('000)	51.0	49.4	49.0	1.6	3.2	2.0	4.1
Part-Time ('000)	6.7	8.2	6.6	-1.5	-18.3	0.1	1.5
Unemployment ('000)	5.3	5.4	5.7	-0.1	-1.9	-0.4	-7.0
Unemployment Rate (%)	8.4	8.6	9.3	-0.2	-	-0.9	-
Participation Rate (%)	73.7	74.1	72.8	-0.4	-	0.9	-
Employment Rate (%)	67.5	67.8	66.0	-0.3	-	1.5	-

* 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	3rd Quarter 2016 (%)	2nd Quarter 2016 (%)	3rd Quarter 2015 (%)	Quarterly Variation (% points)	Yearly Variation (% points)
Total	8.4	8.6	9.3	-0.2	-0.9
25 years and over	6.7	7.0	7.2	-0.3	-0.5
Men - 25 years and over	8.2	9.1	7.5	-0.9	0.7
Women - 25 years and over	5.2	4.7	6.9	0.5	-1.7
15 to 24 years	16.8	17.2	19.0	-0.4	-2.2
Men - 15 to 24 years	18.0	22.0	17.3	-4.0	0.7
Women - 15 to 24 years	15.6	12.2	20.8	3.4	-5.2

*Combined data — based on a three month moving average

Source: Statistics Canada Labour Force Survey

EMPLOYMENT BY INDUSTRY

Employment in the goods-producing sector was up 300 in the third quarter of 2016, an increase of 3.6% from the previous quarter. Nearly all industries within the sector experienced employment declines during the quarter, except for construction (+14.3%).

On an annual basis, the number of people working in the goods-producing sector dropped 5.4% (-500). Employment gains in construction were offset by losses in the mining industry (-22.6% year-over-year). This decline is not surprising, as several mining companies either halted development or reduced production amid falling commodity prices last year.

In the medium-term, the goods-producing sector is expected to see some growth, driven by major mining and construction projects scheduled to begin in the next few years. Moreover, funding from all levels of government for infrastructure projects such as roads, hospitals, water treatment facilities and airports will help to support growth in the construction industry.

The services-producing sector experienced employment losses in the third quarter, with employment falling by 400 to 48,900. Despite this modest quarterly decline, employment in the sector is up 5.6% (+2,600) year-over-year. The largest employment gains were in public administration, with the number of people employed increasing by 1,800 (+15.5%). Meanwhile, employment in health care and social assistance is up 7.6%.

Looking ahead, the services sector is expected to see steady growth over the next few years, as new infrastructure and mining developments create employment opportunities in industries such as transportation; trade; and professional, scientific and technical services. Moreover, public administration, which accounts for a large share of employment in the Territories (23%), should continue to see growth in the medium-term as the need for government services increases.

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

Seasonally Unadjusted Data ('000)	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly Variation		Yearly Variation	
	2016	2016	2015	Number	%	Number	%
Total employed, all industries	57.6	57.5	55.6	0.1	0.2	2.0	3.6
Goods-producing sector	8.7	8.4	9.2	0.3	3.6	-0.5	-5.4
Agriculture	0.0	0.2	0.2	-0.2	-100.0	-0.2	-100.0
Forestry, fishing, mining, quarrying, oil and gas	2.4	2.5	3.1	-0.1	-4.0	-0.7	-22.6
Utilities	0.9	1.0	0.7	-0.1	-10.0	0.2	28.6
Construction	4.8	4.2	4.7	0.6	14.3	0.1	2.1
Manufacturing	0.2	0.2	0.2	0.0	0.0	0.0	0.0
Services-producing sector	48.9	49.3	46.3	-0.4	-0.8	2.6	5.6
Trade	6.1	6.2	5.8	-0.1	-1.6	0.3	5.2
Transportation and warehousing	3.2	3.1	3.1	0.1	3.2	0.1	3.2
Finance, insurance, real estate and leasing	2.6	2.3	2.4	0.3	13.0	0.2	8.3
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	1.0	1.2	1.5	-0.2	-16.7	-0.5	-33.3
Educational services	4.9	6.0	4.8	-1.1	-18.3	0.1	2.1
Health care and social assistance	7.1	6.9	6.6	0.2	2.9	0.5	7.6
Information, culture and recreation	2.4	2.3	2.7	0.1	4.3	-0.3	-11.1
Accommodation and food services	3.3	3.7	3.0	-0.4	-10.8	0.3	10.0
Other services	2.3	1.9	2.0	0.4	21.1	0.3	15.0
Public administration	13.4	12.8	11.6	0.6	4.7	1.8	15.5

* 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 increased by 1.4% to 21,000 on a quarterly basis. Gains can be entirely attributed to increasing employment in the services-producing sector.

On a year-over-year basis, the number of workers employed increased 2.4% (+500). Employment losses in the goods-producing sector (-100) were offset by gains in the services-producing sector (+600). Notable employment gains during the past year were in finance, insurance, real estate and leasing (+42.9%), trade (+20.0%) and educational services (+13.3%).

Looking forward, the territory is expected to see employment growth in construction over the next few years. In fact, construction projects such as the Kaminak Gold Corporation's Coffee gold project, the MacBride Museum of Yukon History expansion, and 17 new infrastructure projects throughout ten Yukon communities should create plenty of employment opportunities for local residents and companies during construction.

Northwest Territories

Employment in Northwest Territories was unchanged in the third quarter of 2016 compared to the previous quarter. However, employment in the territory is up 3.2% year-over-year. Annual gains were mainly concentrated in the services-producing sector, with employment in public administration increasing 9.7% (+1,300) over the year.

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.

Moreover, Dominion Diamond Corporation announced this summer they are proceeding to develop their \$647 million Jay Project located near the Ekati diamond mine.¹ Construction of an all-season access road from the pit to the shoreline of Lac du Sauvage is expected to begin next year. The company intends to start construction of the Jay pit in 2018, with production scheduled to begin in 2022. This project is anticipated to create plenty of job opportunities for local residents and businesses over the next few years.

Nunavut

Employment in Nunavut fell 1.4% in the third quarter of 2016. Employment losses were primarily in the services-producing sector. The number of workers employed in the business, building and other support services declined 40%, while employment in finance, insurance, real estate and leasing is down 14.3% on a quarterly basis.

Year-over-year, Nunavut posted the largest annual employment growth among the three territories (+6.2%). Employment is up both in the goods-producing sector and the services-producing sector, with gains mainly concentrated in public administration, construction and transportation and warehousing.

Nunavut's short-term economic performance is expected to be better than its two territorial counterparts. Construction activity is anticipated to pick up as projects such as the Iqaluit Airport expansion, the Canadian High

Arctic Research Station project and the TMAC Resources Inc.'s Hope Bay gold mine will create many job opportunities for the territory. In fact, TMAC Resources anticipates that approximately 350 employees, including contractors, will be required annually for the construction and operational phases of the Hope Bay project between 2016 and 2022.²

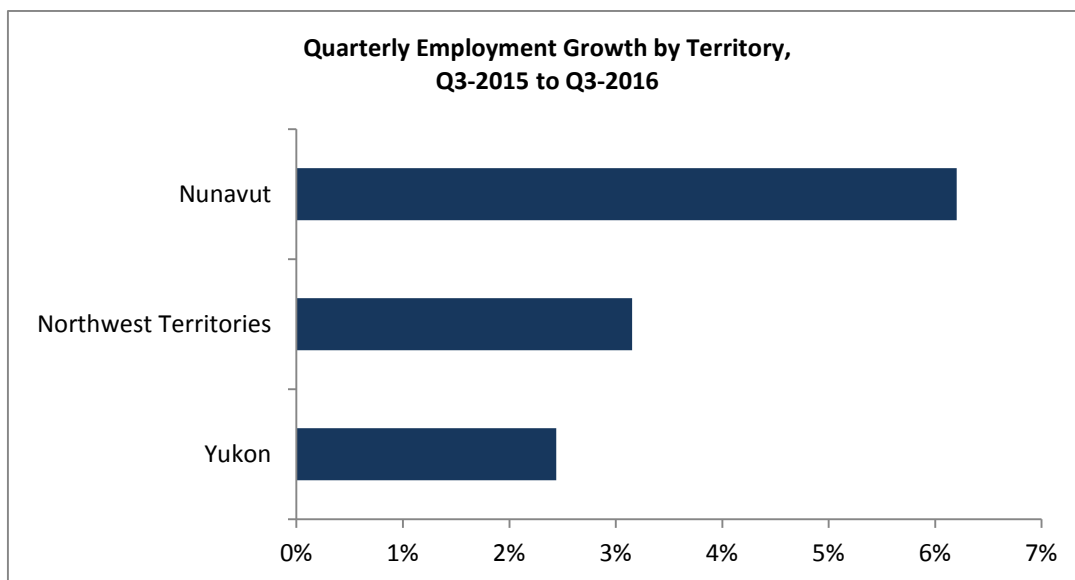
Quarterly Labour Force Statistics, by Territory

Seasonally unadjusted data	Employment			Unemployment Rate		
	3rd Quarter 2016 ('000)	3rd Quarter 2015 ('000)	Yearly Variation (%)	3rd Quarter 2016 (%)	3rd Quarter 2015 (%)	Yearly Variation (% points)
Total territories*	57.6	55.6	3.6	8.4	9.3	-0.9
Yukon	21.0	20.5	2.4	5.8	4.2	1.6
Northwest Territories	22.9	22.2	3.2	6.5	8.6	-2.1
Nunavut	13.7	12.9	6.2	14.5	17.2	-2.7

* 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

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¹ Dominion Diamond Corporation News Release, Dominion Diamond Corporation to proceed with Jay Project Based on Positive Feasibility Study Results and Provided Updated Life-of-Mine Plan, July 06, 2016.

<http://www.ddcorp.ca/investors/news-single?id=2182188>

² 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>