



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

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

After two consecutive years of declines, the combined employment of Northwest Territories (NWT), Nunavut and Yukon rose significantly in 2016, up 4.3% to 56,300 compared to a year ago. In fact, both full-time (+3.0%) and part-time (+13.4%) employment in the Territories increased for the first time since 2010.

On an annual basis, employment in all three Territories increased during the year. The number of people employed increased considerably both in Nunavut (+6.3%) and in Yukon (+4.1%), while employment in Northwest Territories advanced at a more moderate level (+2.7%).

Moving forward, the medium-term employment outlook for the territories remains positive, as a number of new private and public infrastructure projects get underway across the North. New mineral exploration and extraction projects will also help to boost employment both in the goods-producing and services-producing sectors over the next few years.

Unemployment

The unemployment rate for the combined Territories dropped 0.9 percentage points to 8.6% in 2016. All three Territories saw their annual unemployment rates decline over the year. Nunavut posted the most significant decrease, with its unemployment rate falling 1.0 percentage point to 14.9%.

Meanwhile, the unemployment rate for youth (15 to 24 years) in the Territories decreased 3.5 percentage points to 17.0% in 2016. The unemployment rate for young men was down 1.7 percentage points to 20.5%, while the unemployment rate for young women decreased 4.6 percentage points to 14.0% over the year.

Nunavut continues to have the highest youth unemployment rate across the North at nearly 22.9%. Nonetheless, this marks a significant improvement when compared to the territory’s youth unemployment rate in 2015, when it stood at a remarkable 31.0%.

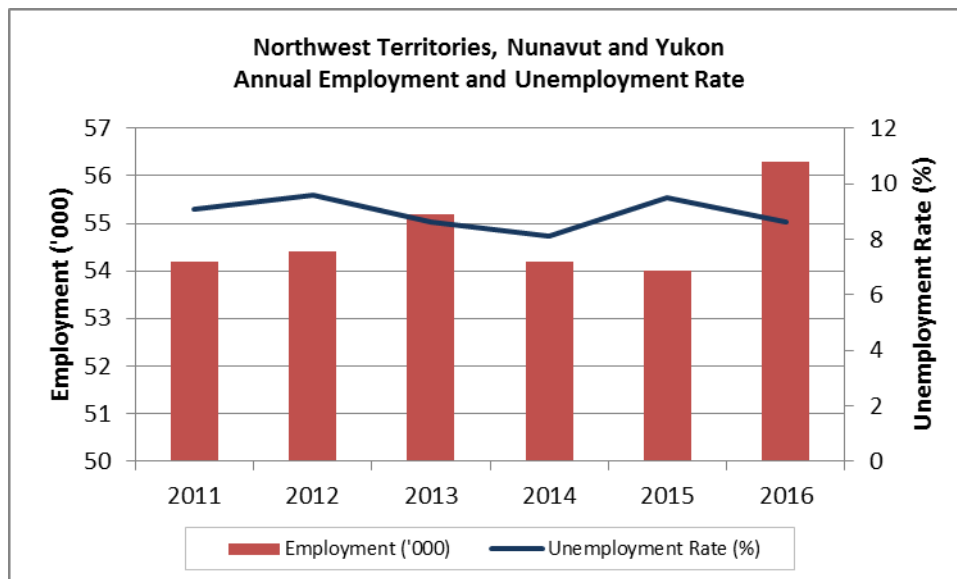
Northwest Territories, Nunavut and Yukon* Annual Labour Force Statistics

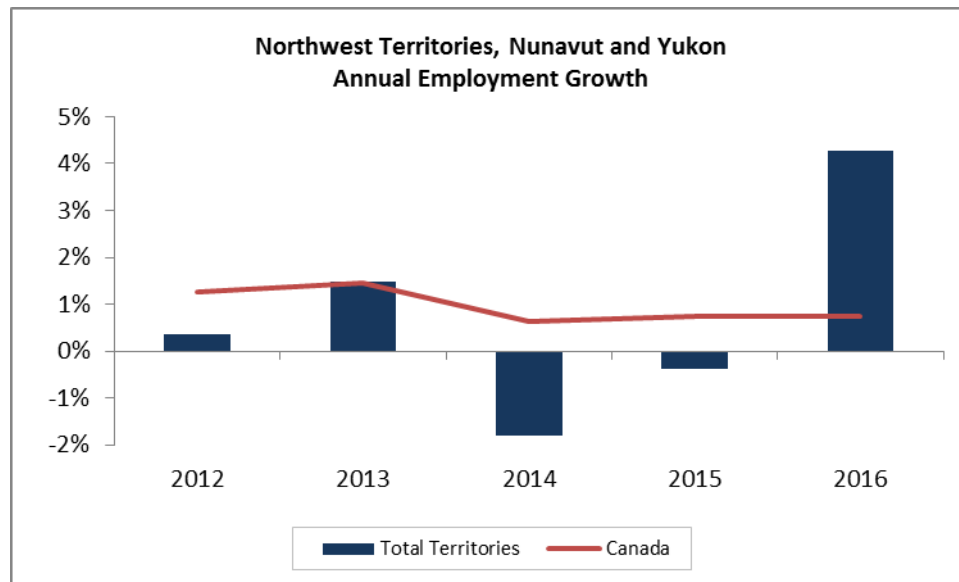
Seasonally Unadjusted Annual Data	2016	2015	2014	2015 to 2016		2014 to 2015	
				Number	%	Number	%
Population 15 + ('000)	85.0	83.9	83.3	1.1	1.3	0.6	0.7
Labour Force ('000)	61.6	59.7	59.1	1.9	3.2	0.6	1.0
Employment ('000)	56.3	54.0	54.2	2.3	4.3	-0.2	-0.4
Full-Time ('000)	48.7	47.3	47.9	1.4	3.0	-0.6	-1.3
Part-Time ('000)	7.6	6.7	6.4	0.9	13.4	0.3	4.7
Unemployment ('000)	5.3	5.7	4.8	-0.4	-7.0	0.9	18.8
Unemployment Rate (%)	8.6	9.5	8.1	-0.9	-	1.4	-
Participation Rate (%)	72.5	71.2	70.9	1.3	-	0.3	-
Employment Rate (%)	66.2	64.4	65.1	1.8	-	-0.7	-

*Estimates for the three territories combined

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - NORTH01AN.ivt





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

Seasonally Unadjusted Data	2016	2015	2014	2015 to 2016	2014 to 2015
				(% points)	(% points)
Total	8.6	9.5	8.1	-0.9	1.4
25 years and over	7.2	7.7	6.7	-0.5	1.0
Men - 25 years and over	9.1	9.4	8.3	-0.3	1.1
Women - 25 years and over	5.1	5.7	5.0	-0.6	0.7
15 to 24 years	17.0	20.5	16.5	-3.5	4.0
Men - 15 to 24 years	20.5	22.2	20.0	-1.7	2.2
Women - 15 to 24 years	14.0	18.6	12.5	-4.6	6.1

*Estimates for the three territories combined

Source: Statistics Canada Labour Force Survey - NORTH01AN.ivt

EMPLOYMENT BY INDUSTRY

There were 8,000 people employed in the goods-producing sector in 2016, slightly fewer than the previous year (-300). This decline can be attributed to employment losses in agriculture, mining and construction. These decreases are not surprising, as a pullback in commodity prices over the past three years are having a negative impact on economic growth in the North.

The goods-producing sector is expected to see some growth over the medium-term as a number of mining and construction projects are scheduled to begin in 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. BuildForce Canada estimates that the number of tradespeople required in the Territories will exceed 2,700 people over the next few years.¹ Although new workers are expected to be drawn locally, individuals from other regions will likely be needed due to the small pool of available labour in the North.

Employment in the services-producing sector was up 2,600 in 2016, representing an increase of 5.7% from the year prior. The largest employment gains were in public administration, with the number of people employed in this industry increasing by 900 (+7.6%). Meanwhile, employment is also up in health care and social assistance (+600) and in transportation and warehousing (+400).

Moving forward, the services-producing sector should continue to see steady employment growth, as major construction projects get underway across the three territories. These projects are expected to provide spin-off benefits for construction-related industries such as transportation and warehousing, trade and professional, scientific and technical services. Several upcoming projects including the \$76 million Qikiqtani Correctional Healing Centre in Iqaluit, a new all-season road from Norman Wells to Canyon Creek in Northwest Territories, and the Whitehorse General Hospital expansion project are expected to create a significant number of job opportunities across the North.

Northwest Territories, Nunavut and Yukon* Annual Labour Force Statistics

Seasonally Unadjusted Employment Data ('000)	2016	2015	2014	2015 to 2016		2014 to 2015	
				Number	%	Number	%
Total employed	56.2	54.0	54.2	2.2	4.1	-0.2	-0.4
Goods-producing sector	8.0	8.3	7.9	-0.3	-3.6	0.4	5.1
Agriculture	0.0	0.2	0.0	-0.2	-100.0	0.2	-
Forestry, fishing, mining, oil and gas	2.3	2.6	2.5	-0.3	-11.5	0.1	4.0
Utilities	0.8	0.7	0.7	0.1	14.3	0.0	0.0
Construction	4.2	4.3	4.2	-0.1	-2.3	0.1	2.4
Manufacturing	0.2	0.2	0.3	0.0	0.0	-0.1	-33.3
Services-producing sector	48.2	45.6	46.3	2.6	5.7	-0.7	-1.5
Trade	5.9	5.6	6.3	0.3	5.4	-0.7	-11.1
Transportation and warehousing	3.2	2.8	2.9	0.4	14.3	-0.1	-3.4
Finance, insurance, real estate and leasing	2.3	2.4	2.5	-0.1	-4.2	-0.1	-4.0
Professional, scientific and technical services	2.5	2.7	3.0	-0.2	-7.4	-0.3	-10.0
Business, building and other support services	1.2	1.5	1.4	-0.3	-20.0	0.1	7.1
Educational services	5.7	5.3	4.8	0.4	7.5	0.5	10.4
Health care and social assistance	7.0	6.4	6.1	0.6	9.4	0.3	4.9
Information, culture and recreation	2.2	2.5	2.5	-0.3	-12.0	0.0	0.0
Accommodation and food services	3.3	2.9	2.7	0.4	13.8	0.2	7.4
Other services	2.1	1.9	1.8	0.2	10.5	0.1	5.6
Public administration	12.7	11.8	12.3	0.9	7.6	-0.5	-4.1

* Estimates for the three territories combined

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - Tab12an.ivt, nwt12an.ivt, NUT12an.ivt

REGIONAL ANALYSIS

Yukon

The number of people employed in Yukon reached 20,200 in 2016, an increase of 800 compared to a year earlier. Job gains over the past year are due entirely to growth in the services-producing sector (+4.8%), with accommodation and food services and health care and social assistance seeing the largest increases.

Moving forward, the territory should see employment growth in construction-related industries, as a number of public infrastructure projects are either underway or scheduled to start this year. These projects include the City of Whitehorse operations building project, the Robert Campbell Highway and Alaska Highway expansion, and the Whistle Bend affordable housing development.

In addition, two major mining development projects are slated to start in Yukon next year, including the \$370 million Victoria Gold's Eagle Gold Project² and the \$317 million Goldcorp Inc.'s Coffee Gold Project.³ These projects are expected to create plenty of employment opportunities for local residents and companies during the construction phase.

Northwest Territories

On a yearly basis, employment in Northwest Territories was up 2.7% (+600). 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 500. Several industries experienced large percentage swings in employment over the past year, most notably public administration (+19.1%).

In the medium-term, projects such as the Stanton Territorial Hospital renewal project, the \$17 million Kò Gocho Centre development project and 13 new infrastructure improvement projects throughout the territory should provide some support for construction-related industries.

Moreover, TerraX Minerals recently announced plans to invest \$40 million over three years for its Yellowknife City Gold exploration project.⁴ The project is expected to create employment and subcontracting opportunities for local people and businesses in the territory. TerraX will also provide special training to Indigenous people in the region to become geo-technicians, field hands and core cutters over the next few years.⁵

Nunavut

Employment in Nunavut advanced for a second consecutive year, with the number of employed rising 800 (+6.3%) between 2015 and 2016. Employment in the goods-producing sector is up 14.3%, while employment in the services-producing sector rose by 6.3%. Several industries posted significant gains, including mining (+33.3%), transportation and warehousing (+33.3%), and other services (+66.7%).

Nunavut's economy is expected to perform well over the next few years. Construction projects such as a new long-term elder care centre in Iqaluit, the Jericho Mine remediation project and TMAC Resources Inc.'s Doris North Gold Mine project will generate many job opportunities for the territory.

In addition, Vancouver-based Peregrine Diamonds Ltd. has announced plans to spend about \$17 million to conduct core drilling and prefeasibility studies at its Chidliak project this year.⁶ The company is optimistic that construction of the mine could start as early as mid-2019, with production starting in 2021. The \$435 million project is expected to create between 275 and 325 jobs during its 10-year lifespan.⁷

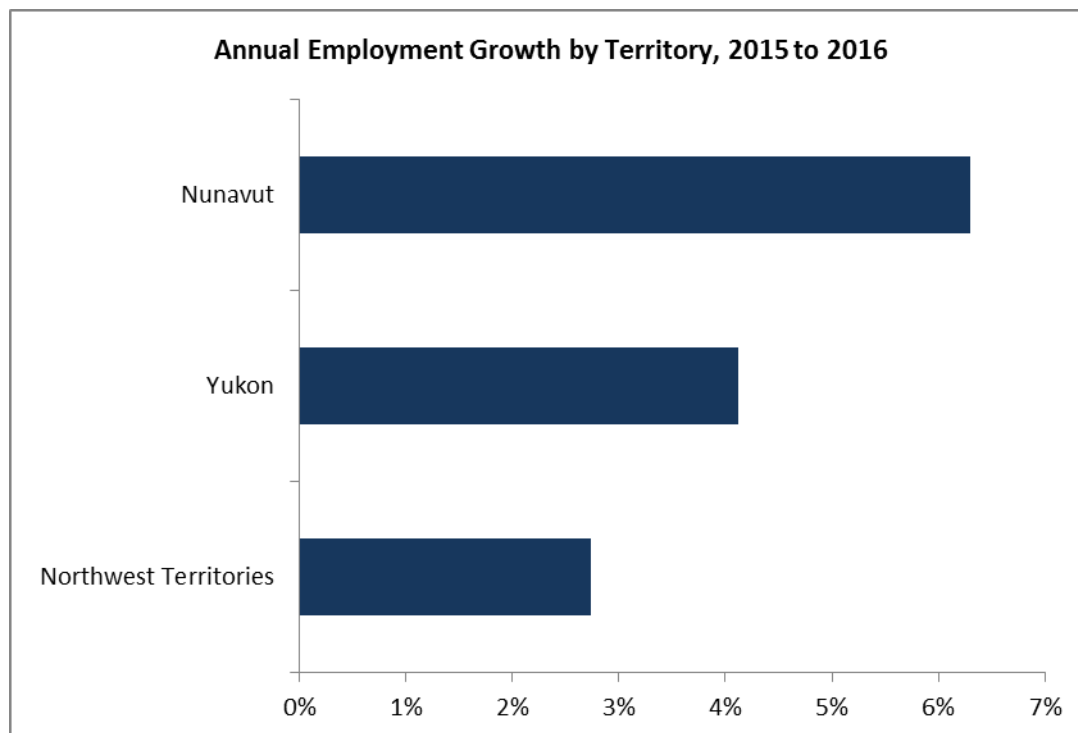
Annual Labour Force Statistics by Territory

Seasonally Unadjusted Employment Data ('000)	2016	2015	2014	2015 to 2016		2014 to 2015	
				Number	%	Number	%
Total territories	56.3	54.0	54.2	2.3	4.3	-0.2	-0.4
Yukon	20.2	19.4	19.8	0.8	4.1	-0.4	-2.0
Northwest Territories	22.5	21.9	22.1	0.6	2.7	-0.2	-0.9
Nunavut	13.5	12.7	12.3	0.8	6.3	0.4	3.3

*Estimates for the three territories combined

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - NORTH01AN.iwt



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 Western and Territories Region, LMI Directorate 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 BuildForce Canada, Construction and Maintenance Looking Forward Highlights Reports, 2017.

http://www.buildforce.ca/en/system/files/products/2017-MB-Constr_Maint-Looking-Forward.pdf

² Whitehorse Daily Star, Eagle Gold Project Production Eyed for 2018, June 24,

2016. <http://www.whitehorsestar.com/News/eagle-gold-project-production-eyed-for-2018>

³ CBC News, Goldcorp Closes Deal to Buy Kaminak Gold Corporation, July 21, 2016.

<http://www.cbc.ca/news/canada/north/goldcorp-kaminak-purchase-closes-coffee-project-1.3688123>

⁴ My YellowKnife Now, TerraX to Spend \$40M on YK City Gold Project over 3 Years, Feb. 22, 2017.

<http://www.myyellowknifenow.com/21093/terrax-to-spend-40m-on-yk-city-gold-project-over-3-years/>

⁵ Ibid

⁶ Mining.com, Northern Canadian Diamond Miner Ready for New Exploration, Nov. 25, 2016

<http://www.mining.com/northern-canadian-diamond-miner-ready-for-new-exploration/>

⁷ Nunatsiaq Online, Nunavut Diamond Project Near Iqaluit Prepares for Next Exploration Phase, Nov. 25, 2016.

http://www.nunatsiaqonline.ca/stories/article/65674nunavut_diamond_mine_near_iqaluit_prepares_for_next_exploration_phase/