



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

October 2017



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

As of October 2017, there were 56,400 people working in Northwest Territories (NWT), Nunavut and Yukon, a slight decrease of 0.5% (-300) from September. This drop can be attributed entirely to a decrease in the number of people working full-time in the North. Employment levels in Nunavut and Yukon were lower on the month, while employment in Yukon increased slightly.

Year-over-year, employment in the Territories fell 1.9%, representing a decrease of 1,100 in the number employed. This decrease resulted entirely from a decline in full-time employment (-1,800), partially offset by a gain in part-time work (+600). The number of people employed is down considerably both in Northwest Territories and in Nunavut, by 4.0% and 3.6% respectively. Yukon is the only territory to see an increase in employment over the year due to growth in its services-producing sector.

Unemployment

The unemployment rate for the combined Territories dropped 0.3 percentage points to 7.1% in October. On an annual basis, all three Territories saw the unemployment rate decreased over the year, with Yukon posting the most significant decrease (-1.7 percentage points). At 3.2%, Yukon continues to have one of the lowest unemployment rates in the country, well below the national rate of 6.3%.

The youth (15 to 24 years) unemployment rate for the combined Territories was 14.3% in October, a decrease of 0.1 percentage points from September. Year-over-year, the unemployment rate for this age group is down

1.4 percentage points. The unemployment rate for young men fell 1.8 percentage points to 15.2%, while the unemployment rate for young women increased 1.5 percentage points to 15.8% over the year.

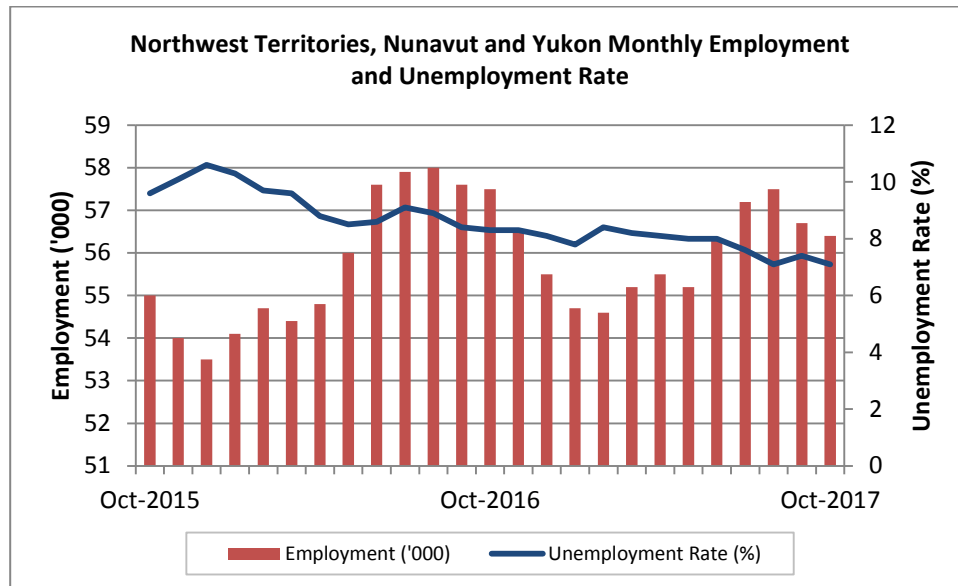
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Unadjusted Data	October 2017	September 2017	October 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	85.7	85.6	85.2	0.1	0.1	0.5	0.6
Labour Force ('000)	60.7	61.2	62.7	-0.5	-0.8	-2.0	-3.2
Employment ('000)	56.4	56.7	57.5	-0.3	-0.5	-1.1	-1.9
Full-Time ('000)	48.7	49.4	50.5	-0.7	-1.4	-1.8	-3.6
Part-Time ('000)	7.7	7.3	7.1	0.4	5.5	0.6	8.5
Unemployment ('000)	4.3	4.5	5.2	-0.2	-4.4	-0.9	-17.3
Unemployment Rate (%)	7.1	7.4	8.3	-0.3	-	-1.2	-
Participation Rate (%)	70.8	71.5	73.6	-0.7	-	-2.8	-
Employment Rate (%)	65.8	66.2	67.5	-0.4	-	-1.7	-

*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	October 2017 (%)	September 2017 (%)	October 2016 (%)	Monthly Variation (% points)	Yearly Variation (% points)
	Total	7.1	7.4	8.3	-0.3
25 years and over	5.9	6.1	7.1	-0.2	-1.2
Men - 25 years and over	6.6	7.2	8.2	-0.6	-1.6
Women - 25 years and over	5.2	4.9	5.8	0.3	-0.6
15 to 24 years	14.3	14.4	15.7	-0.1	-1.4
Men - 15 to 24 years	15.2	14.0	17.0	1.2	-1.8
Women - 15 to 24 years	15.8	14.6	14.3	1.2	1.5

*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

EMPLOYMENT BY INDUSTRY

There were 7,600 people employed in the goods-producing sector in October, slightly fewer than in September (-200). This setback can be mainly attributed to employment losses in the mining industry.

On a year-over-year basis, employment in the good-producing sector decreased 11.6%, meaning 1,000 fewer people were employed in October compared to the same time last year. All industries within the sector suffered employment losses over the year, with the construction industry posting the most significant decline (-700).

Moving forward, 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 North over the next few years. Moreover, funding from all levels of government for infrastructure projects such as roads, water treatment plants, hospitals and marine facilities will also help to support growth in the construction industry.

The services-producing sector also lost ground in October, with employment decreasing 0.4% to 48,800 on a monthly basis. Public administration posted the largest declines (-500), while employment in trade fell 400. Employment in the services-sector is also down year-over-year (-100). The largest declines were in educational services (-400) and other services (-400).

Despite these losses, the outlook for the services-sector is positive over the medium-term. Industries such as health care and social services should see some growth in the next few years. For example, the federal government has earmarked a total of \$28.4 million over four years to improve the health care system in the Northwest Territories.¹

Moreover, the Governments of Canada, Northwest Territories and Tlicho have pledged a combined total of \$24.9 million in research funding aimed to support patient-oriented research in the NWT.² The investment, which will be dispersed over 5 years, will help to establish a new Strategy for Patient-Oriented Research (SPOR) program and a new Support for People and Patient-Oriented Research and Trails (SUPPORT) unit.

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

Seasonally Unadjusted Data	October 2017	September 2017	October 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	56.3	56.7	57.6	-0.4	-0.7	-1.3	-2.3
Goods-producing sector	7.6	7.8	8.6	-0.2	-2.6	-1.0	-11.6
Agriculture	0.0	0.0	0.0	0.0	-	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.3	2.7	2.5	-0.4	-14.8	-0.2	-8.0
Utilities	0.8	0.6	0.8	0.2	33.3	0.0	0.0
Construction	4.1	3.9	4.8	0.2	5.1	-0.7	-14.6
Manufacturing	0.2	0.0	0.2	0.2	-	0.0	0.0
Services-producing sector	48.8	49.0	48.9	-0.2	-0.4	-0.1	-0.2
Trade	6.6	7.0	6.0	-0.4	-5.7	0.6	10.0
Transportation and warehousing	3.3	3.3	3.0	0.0	0.0	0.3	10.0
Finance, insurance, real estate and leasing	2.5	2.2	2.7	0.3	13.6	-0.2	-7.4
Professional, scientific and technical services	2.3	2.2	2.5	0.1	4.5	-0.2	-8.0
Business, building and other support services	1.4	1.2	1.1	0.2	16.7	0.3	27.3
Educational services	5.2	4.5	5.6	0.7	15.6	-0.4	-7.1
Health care and social assistance	7.2	7.2	7.3	0.0	0.0	-0.1	-1.4
Information, culture and recreation	2.5	2.7	2.5	-0.2	-7.4	0.0	0.0
Accommodation and food services	3.6	3.7	3.1	-0.1	-2.7	0.5	16.1
Other services	1.7	1.9	2.1	-0.2	-10.5	-0.4	-19.0
Public administration	12.6	13.1	12.8	-0.5	-3.8	-0.2	-1.6

*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

REGIONAL ANALYSIS

Yukon

On a monthly basis, Yukon employment dropped 1.4% to 21,300 in October. Losses on the month were entirely due to declining employment in the territory's services-producing sector (-400). Despite the monthly decline, Yukon was the only territory to record an increase in employment over the year, up 0.5%. Employment losses in territory's goods-producing sector (-400) were offset by gains in the services-producing sector (+500).

Moving forward, territorial employment is expected to advance over the medium-term as major mining and infrastructure projects are slated to begin across the Yukon. These projects include a new multi-million dollar aquaponics farm facility in Carcross, the Kluane Lake wind turbines development project and the \$220 million Victoria Gold's Eagle mine.

In addition, the Federal Government and Yukon Government have pledged a combined total of \$360 million to the Yukon Resource Gateway Project, which aims to improve road access from the Dawson Range in central

Yukon to the Nahanni Range Road in Southeastern Yukon. Work will commence once the project passes all the environmental and socio-economic reviews and will run until the 2024-25 fiscal year.

Northwest Territories

The number of people employed in Northwest Territories reached 21,800 in October, an increase of 100 compare to the previous month. Year-over-year employment in the territory decreased 4.0% (-900). These losses resulted entirely from falling employment in the services-producing sector (-3.7%), with significant declines in educational services (-400) and public administration (-300).

Employment growth in the territory's construction and mining industries is expected to be positive over the next few years. Projects such as the \$154 million Pine Point zinc mine redevelopment, the \$40 million TerraX Minerals' Yellowknife City Gold exploration project and the \$35 million women's unit at the Fort Smith Correctional Complex should create plenty of employment opportunities for local residents and companies during the construction phase.

Furthermore, according to a preliminary economic assessment, an underground mining expansion could extend the life of the Ekati diamond mine by seven more years until 2042.³ If the Fox Deep expansion proceeds, the project will cost \$628 million to develop and US\$1.6 billion to operate. The development could represent a boon for NWT's mining industry, given the impending closure of the Diavik Diamond Mine in 2025. About 1,800 staff and contractors work at the Ekati site, half of whom are indigenous people.⁴

Nunavut

In October, there were 13,200 people employed in Nunavut, slightly fewer (-200) than in the previous month. On a yearly basis, employment in the territory dropped 3.6% (-500). Employment gains in the territory's services-producing sector (+9.0%) were offset by losses in the goods-producing sector (-30.0%).

Looking ahead, Nunavut's economic outlook is positive in the short-term as a number of private and public construction projects are scheduled to begin in the next two years. For example, the Nunavut Impact Review Board (NIRB) has approved the construction of an \$85 million deep sea port project in Iqaluit. The new port is expected to provide 25 communities on the Nunavut coast with 24-hour access to sealift carriers, facilitating delivery of dry cargo and fuel.⁵ Construction of the new port is slated to begin next summer, with plans for it to be operational by 2021.

Moreover, the Kitikmeot Inuit Association and Sabina Gold and Silver Corp. have signed a comprehensive agreement for Sabina's Back River mine.⁶ The agreement includes provisions for training, employment, business opportunities and direct economic benefits. Sabina Gold expects the \$400 million Black River mine to have an 11-year production lifespan, and employ up to 800 workers once operational.⁷ Preliminary on-site work could begin as early as March 2018, with construction moving into full swing around the fall.

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

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	October 2017 ('000)	October 2016 ('000)	Yearly Variation (%)	October 2017 (%)	October 2016 (%)	Yearly Variation (% points)
Territories*	56.4	57.5	-1.9	7.1	8.3	-1.2
Northwest Territories	21.8	22.7	-4.0	6.4	7.0	-0.6
Nunavut	13.2	13.7	-3.6	13.7	14.9	-1.2
Yukon	21.3	21.2	0.5	3.2	4.9	-1.7

*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 My Yellowknife Now, Health System Innovation Coming to the Northwest Territories, October 13, 2017. <https://www.myyellowknifenow.com/26339/health-system-innovation-coming-northwest-territories/>

² Government of Northwest Territories, Government of Canada and the Northwest Territories Announce Significant Investments to Improve Health Care for Patients in the Northwest Territories, July 19, 2017. <http://www.gov.nt.ca/newsroom/news/government-canada-and-northwest-territories-announce-significant-investments-improve>

³ CBC News, Underground expansion could extend Ekati mine life by 7 years, says new report, Sept. 12, 2017. <http://www.cbc.ca/news/canada/north/ekati-underground-expansion-extend-mine-life-7-years-1.4280097>

⁴ Dominion Diamond Mines website, Interested in a career at Canada's first diamond Mine. 2017. <https://www.ddmines.com/careers/>

⁵ CBC News, No environmental review needed for Iqaluit port, says Nunavut board, October 3, 2017. <http://www.cbc.ca/news/canada/north/iqaluit-port-nirb-screening-review-1.4320269>

⁶ Nunatsiaq Online, Nunavut Inuit org, Sabina reach deal on proposed gold mine, October 19, 2017. http://www.nunatsiaqonline.ca/stories/article/65674western_nunavut_inuit_org_reaches_agreement_with_sabina_on_new_gold_mine/

⁷ CBC News, Once-rejected gold mine in Kitikmeot gets go-ahead from Nunavut review board, July 1, 2017.
<http://www.cbc.ca/news/canada/north/back-river-gold-mine-sabina-nirb-1.4212558>