



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

December 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

The combined employment of Yukon, Northwest Territories (NWT) and Nunavut fell 2.3% during the fourth quarter of 2017. This decrease is not entirely unexpected though and likely reflects an annual drop in seasonal employment between October and December. On a quarterly basis, full-time employment is down 2,500, while the number of people working part-time increased 15.1% (+1,100).

On a year-over-year basis, employment in the Territories was relatively flat, down 0.2% (-100). The number of people employed increased in Yukon (+2.5%) and in Nunavut (+0.7%). Northwest Territories was the only territory to see declining employment over the past year, with the number of people employed falling by 3.7%.

Looking forward, the medium-term employment trend is positive for the Territories, as new private and public infrastructure projects get underway across the North.

#### Unemployment

The unemployment rate for the combined Territories continued to trend downward in the fourth quarter, falling to 7.2% – the lowest it has been since the first quarter of 2009. On a yearly basis, the unemployment rate decreased both in Yukon and Nunavut, while Northwest Territories' unemployment rate increased slightly, up 0.3 percentage points to 7.1%.

Compared to the third quarter of 2017, the unemployment rate for youth (15 to 24 years) in the Territories decreased 0.1 percentage points to 14.3%. On a year-over-year basis, the unemployment rate for this age

group decreased 0.7 percentage points. The unemployment rate for young men dropped 2.5 percentage points to 17.5% over the year, while the unemployment rate for young women increased 3.5 percentage points to 13.5%.

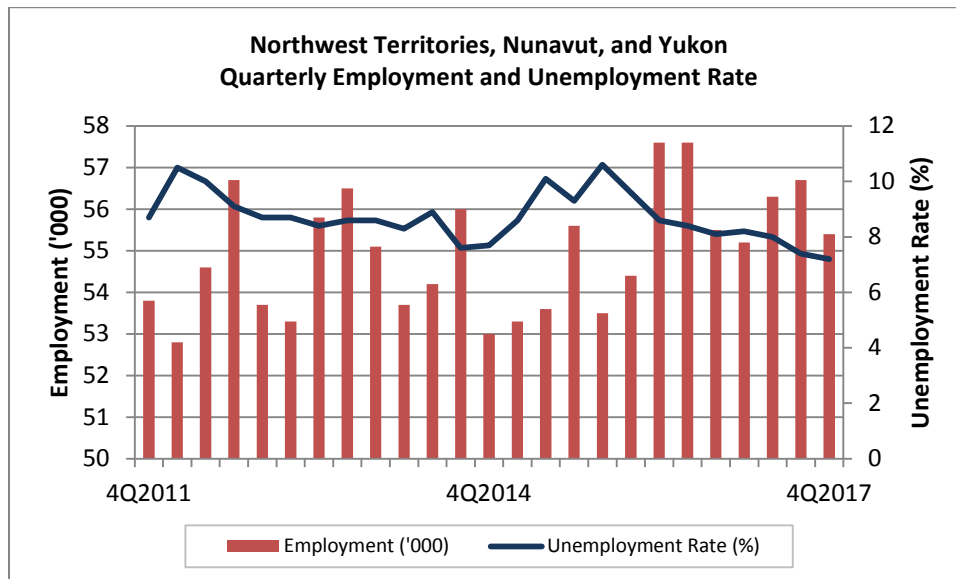
**Northwest Territories, Nunavut, Yukon\* Quarterly Labour Force Statistics**

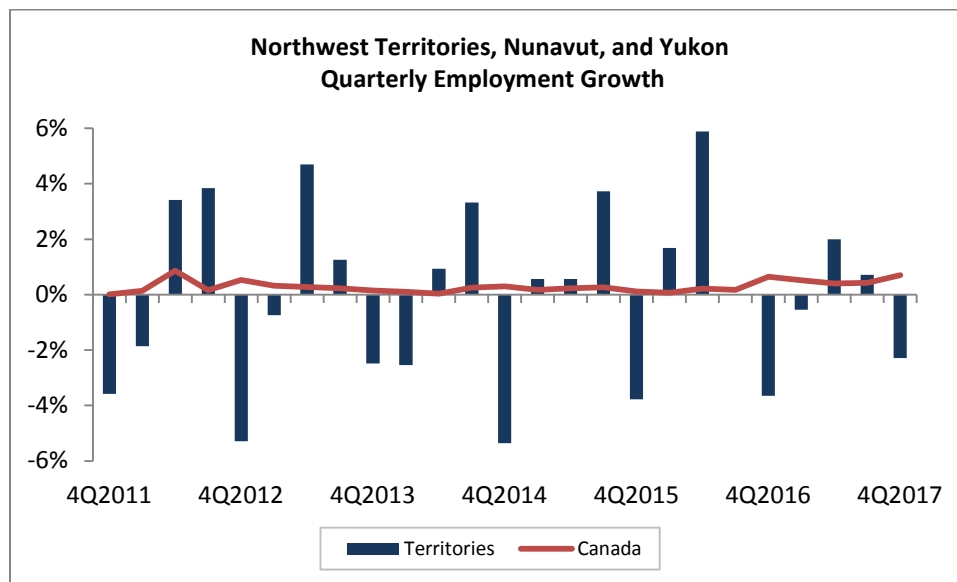
Seasonally unadjusted quarterly data	4th Quarter 2017	3rd Quarter 2017	4th Quarter 2016	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	86.0	85.6	85.0	0.4	0.5	1.0	1.2
<b>Labour Force ('000)</b>	59.6	61.2	60.4	-1.6	-2.6	-0.8	-1.3
<b>Employment ('000)</b>	55.4	56.7	55.5	-1.3	-2.3	-0.1	-0.2
Full-Time ('000)	46.9	49.4	47.4	-2.5	-5.1	-0.5	-1.1
Part-Time ('000)	8.4	7.3	8.1	1.1	15.1	0.3	3.7
<b>Unemployment ('000)</b>	4.3	4.5	4.9	-0.2	-4.4	-0.6	-12.2
<b>Unemployment Rate (%)</b>	7.2	7.4	8.1	-0.2	-	-0.9	-
<b>Participation Rate (%)</b>	69.3	71.5	71.1	-2.2	-	-1.8	-
<b>Employment Rate (%)</b>	64.4	66.2	65.3	-1.8	-	-0.9	-

\* 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	4th Quarter 2017 (%)	3rd Quarter 2017 (%)	4th Quarter 2016 (%)	Quarterly Variation	Yearly Variation
				(% points)	(% points)
<b>Total</b>	7.2	7.4	8.1	-0.2	-0.9
<b>25 years and over</b>	6.0	6.1	7.1	-0.1	-1.1
Men - 25 years and over	7.1	7.2	8.6	-0.1	-1.5
Women - 25 years and over	4.8	4.9	5.1	-0.1	-0.3
<b>15 to 24 years</b>	14.3	14.4	15.0	-0.1	-0.7
Men - 15 to 24 years	17.5	14.0	20.0	3.5	-2.5
Women - 15 to 24 years	13.5	14.6	10.0	-1.1	3.5

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

## EMPLOYMENT BY INDUSTRY

Employment in the goods-producing sector stood at 7,200 in the fourth quarter of 2017, down 7.7% compared to the previous quarter. This set back is due to employment losses in construction (-300) and forestry, fishing, mining, quarrying, oil and gas (-500).

On an annual basis, the number of people employed in the goods-producing sector fell 4.0% (-300). Almost all industries within the sector suffered employment losses over the year, with the exception of utilities. The largest declines occurred in construction (-300) and manufacturing (-300).

The goods-producing sector is expected to see growth over the medium-term though, driven by major private and public construction projects scheduled to begin over the next few years. Moreover, increased funding from all levels of government in the three territories for more skills and employment training programs will help to

support growth in the construction and mining industries. For example, the Qikiqtani Inuit Association is launching the four-year Qikiqtani Skills and Training for Employment Partnership program, with a goal to train 360 Inuit people in the mining sector across the Qikiqtani region in Nunavut.<sup>1</sup> The \$19 million employment initiative is funded by the Government of Canada, the Government of Nunavut, Kakivak Association and Baffinland Iron Mines Corporation. The program will focus on areas such as work readiness, mining essentials, heavy equipment operating and trades apprenticeships.<sup>2</sup>

The services-producing sector also lost ground in the fourth quarter, with employment decreasing 1.8% to 48,100 on a quarterly basis. The largest declines were in public administration (-1,300) and accommodation and food services (-400).

The number of people employed in the sector is unchanged on a yearly basis though. Employment gains in trade (900) were offset by losses in professional, scientific and technical services (-600) and public administration (-500).

Looking ahead, the services sector is expected to see some growth over the next two years as new infrastructure and mining developments create employment opportunities in industries such as transportation; trade; and professional, scientific and technical services. Several upcoming projects, including the \$85 million deep sea port project in Iqaluit, the \$45 million municipal operations building in Whitehorse, and the \$40 million TerraX Mineral's Yellowknife City Gold project are anticipated to create plenty of job opportunities for the North.

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

Seasonally Unadjusted Data ('000)	4th Quarter	3rd Quarter	4th Quarter	Quarterly Variation		Yearly Variation	
	2017	2017	2016	Number	%	Number	%
<b>Total employed, all industries</b>	55.3	56.7	55.5	-1.4	-2.5	-0.2	-0.4
<b>Goods-producing sector</b>	7.2	7.8	7.5	-0.6	-7.7	-0.3	-4.0
Agriculture	0.0	0.0	0.0	0.0	-	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.2	2.7	2.4	-0.5	-18.5	-0.2	-8.3
Utilities	0.8	0.6	0.6	0.2	33.3	0.2	33.3
Construction	3.6	3.9	3.9	-0.3	-7.7	-0.3	-7.7
Manufacturing	0.0	0.0	0.3	0.0	-	-0.3	-100.0
<b>Services-producing sector</b>	48.1	49.0	48.1	-0.9	-1.8	0.0	0.0
Trade	6.8	7.0	5.9	-0.2	-2.9	0.9	15.3
Transportation and warehousing	3.3	3.3	3.3	0.0	0.0	0.0	0.0
Finance, insurance, real estate and leasing	2.3	2.2	2.5	0.1	4.5	-0.2	-8.0
Professional, scientific and technical services	2.0	2.2	2.6	-0.2	-9.1	-0.6	-23.1
Business, building and other support services	1.3	1.2	1.2	0.1	8.3	0.1	8.3
Educational services	5.6	4.5	5.9	1.1	24.4	-0.3	-5.1
Health care and social assistance	7.2	7.2	7.0	0.0	0.0	0.2	2.9
Information, culture and recreation	2.7	2.7	2.3	0.0	0.0	0.4	17.4
Accommodation and food services	3.3	3.7	3.3	-0.4	-10.8	0.0	0.0
Other services	1.7	1.9	1.9	-0.2	-10.5	-0.2	-10.5
Public administration	11.8	13.1	12.3	-1.3	-9.9	-0.5	-4.1

\* 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 dropped 4.2% to 20,700 in the fourth quarter of 2017. Losses on the quarter were due to declining employment in the territory's services-producing sector (-1,000).

Despite this quarterly decline, employment is still up 2.5% (+500) on an annual basis. All employment gains over the past year are due to growth in the services-producing sector (+3.4%). Public administration posted the largest gains, with the number of people working in the industry increasing by 600 (+18.8%).

In the medium-term, projects such as the Kluane Lake wind turbines project, Victoria Gold's \$220 million Eagle mine development and the \$360 million Yukon Resource Gateway Project should generate a number of job opportunities for the territory.

Moreover, Yukon's tourism industry should continue to see strong growth in the short-term. Indeed, winter tourism grew substantially over the past few years, as international overnight visitations and international border crossings both increased 21% between 2013 and 2017.<sup>3</sup> The federal and territorial governments have earmarked a total of \$1.8 million in funding this year for the "Yukon Now" marketing campaign. This initiative is expected to have a positive impact on tourism activity in the territory.<sup>4</sup> In addition, the territorial government launched the Yukon Visitor Exit Survey at the end of 2017. Results from the survey are expected to help stakeholders in the tourism industry develop training programs and marketing strategies.<sup>5</sup>

### Northwest Territories

Employment in the Northwest Territories fell 3.2% to 21,000 in the fourth quarter. Both the goods-producing and services-producing sectors suffered employment losses on the quarter, decreasing 16.2% and 0.6% respectively.

Year-over-year, employment in the territory is down 3.7% (-800). These losses resulted entirely from falling employment in the services-producing sector (-4.3%), with significant declines in public administration (-800) and educational services (-400).

Despite these recent job losses, the outlook for Northwest Territories' economy is optimistic over the medium-term. Projects such as the \$12.8 million Allain St-Cyr School expansion, the \$35 million women's unit at the Fort Smith Correctional Complex and the \$154 million Pine Point zinc mine redevelopment should create employment opportunities for local residents and companies during construction.

Meanwhile, a recent feasibility study by Canadian Zinc Corporation indicates that production at its Prairie Creek Mine could begin by August 2020.<sup>6</sup> The study suggests that the \$280 million project could advance to the construction stage once it has secured all the necessary permits and finances.<sup>7</sup> The proposed development, which includes constructing a new all-season road, is expected to have a substantial impact on the NWT economy over its 15-year lifespan. Just over 200 jobs would be created during construction and an additional 330 direct full-time positions once the facility is fully operational.<sup>8</sup>

## Nunavut

Employment in Nunavut increased 1.5% to 13,600 on a quarterly basis, due entirely to gains in the services-producing sector (+200). Year-over-year employment in Nunavut was essentially flat (+100), with gains in the services-producing sector offsetting losses in the goods-producing sector.

Nunavut's medium-term economic outlook remains optimistic as work continues on a number of developments including the \$142 million Canadian High Arctic Research station, the \$130 million Nanisivik Naval Facility near the Arctic Bay and TMAC Resources Inc.'s Hope Bay Gold mine development.

In addition, the Qikiqtani Inuit Association and Qikiqtaaluk Corp. have signed a lease agreement to develop a 40-acre parcel of Inuit-owned land in Iqaluit.<sup>9</sup> The development will include a hotel and conference centre, a heritage centre, an emergency services building, residential units and retail spaces. Construction work on the hotel and conference centre is anticipated to begin later this year. The entire project is expected to cost approximately \$400 million and will take about ten years to complete.<sup>10</sup>

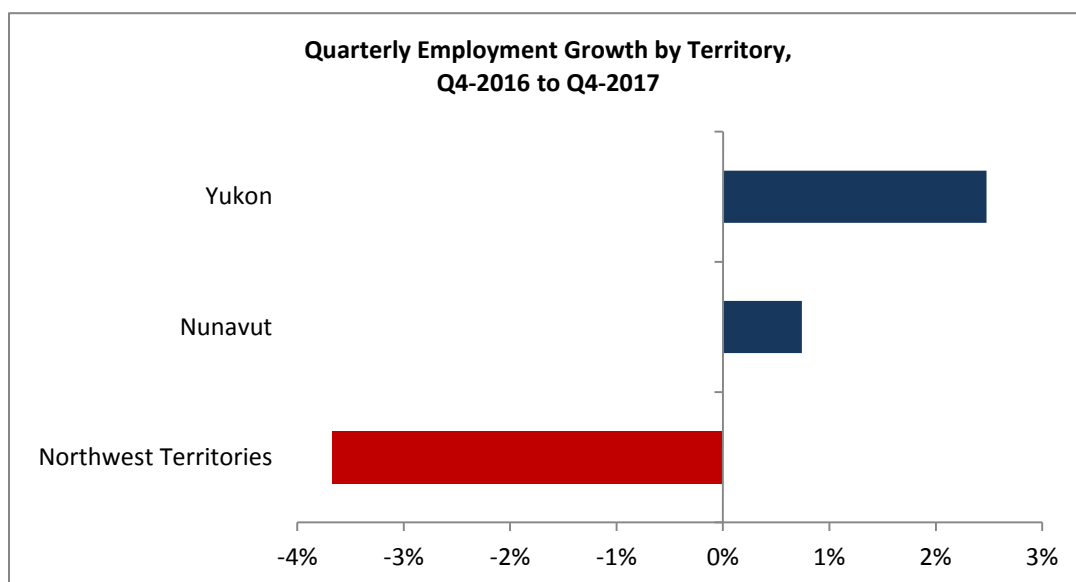
### Quarterly Labour Force Statistics, by Territory

Seasonally unadjusted data	Employment			Unemployment Rate		
	4th Quarter 2017 ('000)	4th Quarter 2016 ('000)	Yearly Variation (%)	4th Quarter 2017 (%)	4th Quarter 2016 (%)	Yearly Variation (% points)
<b>Total territories*</b>	55.4	55.5	-0.2	7.2	8.1	-0.9
Yukon	20.7	20.2	2.5	3.7	5.2	-1.5
Northwest Territories	21.0	21.8	-3.7	7.1	6.8	0.3
Nunavut	13.6	13.5	0.7	12.1	14.0	-1.9

\* 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.

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**For information on the Labour Force Survey,** please visit the Statistics Canada Web site at: [www.statcan.gc.ca](http://www.statcan.gc.ca)

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<sup>1</sup> Qikiqtani Inuit Association (QIA) News, QIA announce \$19 million Inuit Training Project, Nov.14, 2017  
<http://qia.ca/qia-announces-19-million-inuit-training-project/>

<sup>2</sup> Ibid

<sup>3</sup> Government of Yukon, Yukon Winter Tourism Summit sparks discussion about enhanced winter tourism, Dec. 11, 2017  
<http://www.gov.yk.ca/news/17-265.html>

<sup>4</sup> Tourism Industry Association of the Yukon, TIA Yukon Declares 2017 A “Tourism Boom” in the Yukon, 2018 Optimistic, Dec. 4, 2017.  
<http://tiayukon.com/wp-content/uploads/2017/12/NR-TIA-YUKON-DECLARES-20-17-A-%E2%80%98TOURISM-BOOM%E2%80%99-IN-THE-YUKON-2018-OPTIMISTIC-December-4-2017.pdf>

<sup>5</sup> Government of Yukon, Survey of visitors to Yukon begins year-long tourism research project, Nov. 1, 2017  
<http://www.gov.yk.ca/news/17-233.html>

<sup>6</sup> Canadian Zinc, Canadian Zinc aims for 2020 production at Prairie Creek, Oct. 4, 2017  
[http://www.canadianzinc.com/images/media\\_articles/2017/CZN\\_NorthernMiner\\_Oct42017.pdf](http://www.canadianzinc.com/images/media_articles/2017/CZN_NorthernMiner_Oct42017.pdf)

<sup>7</sup> CBC News, Canadian Zinc hopes to start production at Prairie Creek mine in 2020, Dec. 1, 2017  
<http://www.cbc.ca/news/canada/north/canadian-zinc-hopes-to-start-production-at-prairie-creek-mine-in-2020-1.4427635>

<sup>8</sup> Ibid

<sup>9</sup> Nunatsiaq Online, Inuit orgs launch big Iqaluit development plan, Nov. 28, 2017  
[http://www.nunatsiaqonline.ca/stories/article/65674inuit\\_orgs\\_launch\\_big\\_iqaluit\\_development\\_plan/](http://www.nunatsiaqonline.ca/stories/article/65674inuit_orgs_launch_big_iqaluit_development_plan/)

<sup>10</sup> Ibid