



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

February 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

There were 54,600 people working in Northwest Territories (NWT), Nunavut and Yukon as of February 2017, representing a slight decrease of 0.2% (-100) from January. This drop can be attributed entirely to a decline in the number of people working full-time. Employment levels in Northwest Territories were unchanged this month, while the number of people employed in Nunavut dropped 2.2%. Yukon was the only territory that saw a monthly increase, with employment up 1.0%.

The story is very much the same year over year, with employment essentially flat since last February (-100). The number of people employed decreased in Northwest Territories (-5.4%) and in Nunavut (-0.8%). Yukon was the only territory to see an increase in employment levels, with gains both in its goods-producing and services-producing sectors.

#### Unemployment

The unemployment rate for the combined Territories rose 0.6 percentage points to 8.4% in February. On an annual basis, the unemployment rate decreased both in Northwest Territories and Yukon, falling to 7.0% and 4.7% respectively. Meanwhile, Nunavut's unemployment rate increased 0.3 percentage points to 15.4% during the same period. Nunavut continues to have one of the highest unemployment rates in Canada – nearly 9.0 percentage points higher than the national average of 6.6%.

For the combined Territories, the unemployment rate for youth (15 to 24 years) was 17.5% on the month, up 0.6 percentage points from January. On a year over year basis, the unemployment rate for this age group

dropped a full percentage point. The unemployment rate for young men was down 2.5 percentage points to 23.1%, while the unemployment rate for young women was unchanged over the year, remaining at 12.2%.

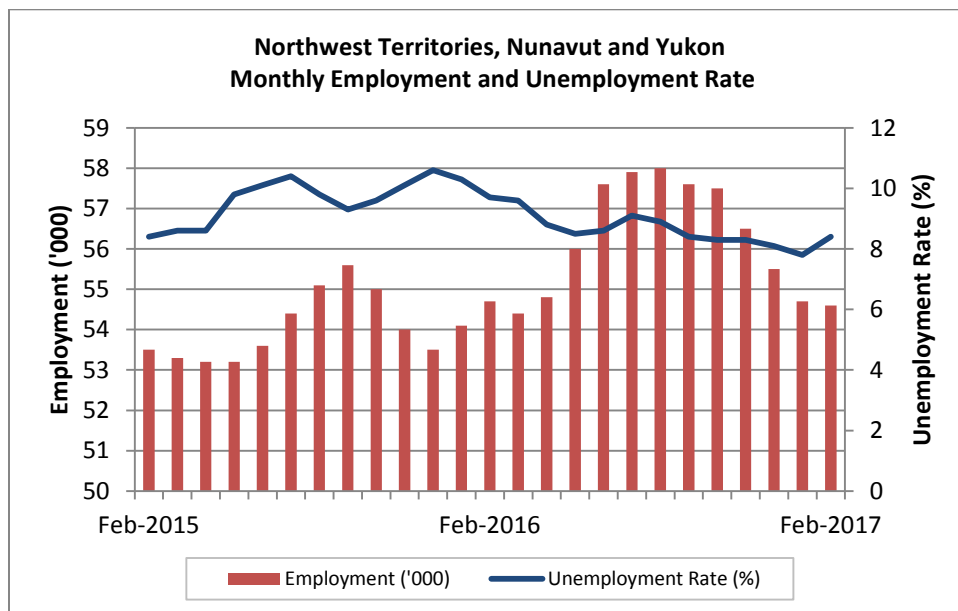
**Northwest Territories, Nunavut and Yukon\* Monthly Labour Force Statistics**

Seasonally Unadjusted Data	February 2017	January 2017	February 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	85.0	85.0	84.4	0.0	0.0	0.6	0.7
<b>Labour Force ('000)</b>	59.7	59.3	60.6	0.4	0.7	-0.9	-1.5
<b>Employment ('000)</b>	54.6	54.7	54.7	-0.1	-0.2	-0.1	-0.2
Full-Time ('000)	45.8	46.1	47.0	-0.3	-0.7	-1.2	-2.6
Part-Time ('000)	8.9	8.5	7.7	0.4	4.7	1.2	15.6
<b>Unemployment ('000)</b>	5.0	4.6	5.9	0.4	8.7	-0.9	-15.3
<b>Unemployment Rate (%)</b>	8.4	7.8	9.7	0.6	-	-1.3	-
<b>Participation Rate (%)</b>	70.2	69.8	71.8	0.4	-	-1.6	-
<b>Employment Rate (%)</b>	64.2	64.4	64.8	-0.2	-	-0.6	-

\*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	February 2017 (%)	January 2017 (%)	February 2016 (%)	Monthly Variation	Yearly Variation
				(% points)	(% points)
<b>Total</b>	8.4	7.8	9.7	0.6	-1.3
<b>25 years and over</b>	7.0	6.4	8.4	0.6	-1.4
Men - 25 years and over	9.1	8.3	11.4	0.8	-2.3
Women - 25 years and over	4.8	4.4	5.2	0.4	-0.4
<b>15 to 24 years</b>	17.5	16.9	18.5	0.6	-1.0
Men - 15 to 24 years	23.1	21.6	25.6	1.5	-2.5
Women - 15 to 24 years	12.2	12.8	12.2	-0.6	0.0

\*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

## EMPLOYMENT BY INDUSTRY

Employment in the goods-producing sector fell for a fifth consecutive month in February, decreasing 1.4% from January. Employment was down across all industries within the goods-producing sector this month, including a notable decline in the utilities industry.

Year over year, employment in the goods-producing sector decreased 10.4%; 800 fewer people were employed in February compared to the same time last year. Resource extraction (forestry, fishing, mining, quarrying, oil and gas) and Construction – two of the Territories' most important industries – posted significant employment losses of 16.0% and 7.5% respectively. These declines are not surprising though, as a pullback in commodity prices over the past three years has negatively impacted employment in the Territories.

Moving forward, the goods-producing sector should see some growth over the next two years, as large-scale development projects and investment in public infrastructure will help to generate new employment opportunities. BuildForce Canada estimates that the number of tradespeople required in the Territories will exceed 2,700 people over the next few years.<sup>1</sup> 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.

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

Seasonally Unadjusted Data	February 2017	January 2017	February 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	54.6	54.7	54.6	-0.1	-0.2	0.0	0.0
<b>Goods-producing sector</b>	6.9	7.0	7.7	-0.1	-1.4	-0.8	-10.4
Agriculture	0.0	0.0	0.0	0.0	-	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.1	2.3	2.5	-0.2	-8.7	-0.4	-16.0
Utilities	0.5	0.7	0.8	-0.2	-28.6	-0.3	-37.5
Construction	3.7	3.8	4.0	-0.1	-2.6	-0.3	-7.5
Manufacturing	0.2	0.2	0.0	0.0	0.0	0.2	-
<b>Services-producing sector</b>	47.8	47.6	46.9	0.2	0.4	0.9	1.9
Trade	5.6	5.8	5.9	-0.2	-3.4	-0.3	-5.1
Transportation and warehousing	3.6	3.3	2.8	0.3	9.1	0.8	28.6
Finance, insurance, real estate and leasing	2.1	2.2	1.8	-0.1	-4.5	0.3	16.7
Professional, scientific and technical services	2.6	2.7	2.6	-0.1	-3.7	0.0	0.0
Business, building and other support services	1.3	1.5	1.5	-0.2	-13.3	-0.2	-13.3
Educational services	5.7	5.8	6.3	-0.1	-1.7	-0.6	-9.5
Health care and social assistance	6.8	7.0	6.7	-0.2	-2.9	0.1	1.5
Information, culture and recreation	2.3	2.2	2.0	0.1	4.5	0.3	15.0
Accommodation and food services	3.6	3.4	3.3	0.2	5.9	0.3	9.1
Other services	1.8	1.9	2.0	-0.1	-5.3	-0.2	-10.0
Public administration	12.2	12.0	11.8	0.2	1.7	0.4	3.4

\*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

Meanwhile, employment climbed higher in the services-producing sector in February – increasing 0.4% to 47,800 on a monthly basis. Employment growth in the services sector was driven by gains in several large industry groups including transportation and warehousing; accommodation and food services; and public administration.

On a year over year basis, employment in the services-producing sector is up 1.9% or 900 positions. The largest employment gains were in transportation and warehousing (+800), public administration (+400) and finance, insurance, real estate and leasing (+300).

Positive employment growth in the services-producing sector is expected to continue moving forward as the need for government services, social assistance and medical care increases. This is especially the case for Nunavut, where the population is growing faster than any other region in Canada according to the recently released 2016 Census. The territory's population grew by a whopping 12.7% to 35,944 people from 2011 to 2016.<sup>2</sup>

## REGIONAL ANALYSIS

### Yukon

The number of people employed in Yukon grew by 200 in February, reaching 20,400. Monthly gains can be attributed entirely to increasing employment in the services-producing sector (+2.3%).

On an annual basis, employment in Yukon increased 6.8% (+1,300), while the unemployment rate dropped considerably, down 2.1 percentage points to 4.7%. Both the goods-producing and services-producing sectors posted employment gains on the year, up 4.2% and 7.2% respectively. There were notable employment gains in several industries including trade (+500); information, culture and recreation (+500); and finance, insurance real estate and leasing (+300).

Looking ahead, the territory should see employment growth in construction and service-based industries over the medium-term. Construction projects such as the Robert Campbell Highway and Alaska Highway expansion, the Whitehorse and the Whistle Bend affordable housing development, and Goldcorp Inc.'s Coffee Gold Project will generate employment opportunities for the territory over the next few years.

### Northwest Territories

Employment in Northwest Territories was unchanged in February compared to the previous month. Year over year, employment in the territory is down 5.4% (-1,000). Both the goods-producing and services-producing sectors posted declines over the year, down 25.0% and 1.1% respectively.

In the medium-term, projects such as the Stanton Territorial Hospital renewal project, the \$20 million all-season road from Norman Wells to Canyon Creek and the recently approved \$15 million affordable housing development project in the Inuvialuit Settlement Region (ISR) 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.<sup>3</sup> 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.<sup>4</sup>

## Nunavut

On a monthly basis, employment in Nunavut fell 2.2% to 13,100, due entirely to losses in the services-producing sector. Meanwhile, employment in Nunavut is essentially flat on a year over year basis (-100). Employment gains in the territory's goods-producing sector were offset by losses in the services-producing sector.

Nunavut's short-term economic performance is expected to be positive as a number of private and public construction projects are scheduled to begin in the next two years. Projects include the \$76 million Qikigtani Correctional Healing Centre, the \$10.5 million Jericho Mine remediation project and TMAC Resources Inc.'s Doris North Gold Mine project.

In addition, Vancouver-based Peregrine Diamonds Ltd. plans to spend about \$17 million to conduct core drilling and prefeasibility studies at its Chidliak project this year.<sup>5</sup> The company is optimistic that construction of a 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.<sup>6</sup>

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

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	February 2017 ('000)	February 2016 ('000)	Yearly Variation (%)	February 2017 (%)	February 2016 (%)	Yearly Variation (% points)
<b>Territories*</b>	54.6	54.7	-0.2	8.4	9.7	-1.3
Northwest Territories	21.1	22.3	-5.4	7.0	8.6	-1.6
Nunavut	13.1	13.2	-0.8	15.4	15.1	0.3
Yukon	20.4	19.1	6.8	4.7	6.8	-2.1

\*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](http://www.statcan.gc.ca)

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<sup>1</sup> 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](http://www.buildforce.ca/en/system/files/products/2017-MB-Constr_Maint-Looking-Forward.pdf)

<sup>2</sup> Statistics Canada, Census Profile Nunavut, Census 2016.  
<https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/Page.cfm?Lang=E&Geo1=PR&Code1=62&Geo2=PR&Code2=62&Data=Count&SearchText=Nunavut&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=62>

<sup>3</sup> 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/>

<sup>4</sup> Ibid

<sup>5</sup> 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/>

<sup>6</sup> 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/](http://www.nunatsiaqonline.ca/stories/article/65674nunavut_diamond_mine_near_iqaluit_prepares_for_next_exploration_phase/)