



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

April 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 Northwest Territories (NWT), Nunavut and Yukon increased 0.5% in April, meaning 300 more people were employed than in the previous month. All employment gains were in full-time positions (+700), while part-time employment was down 400 from March. Employment levels in Nunavut and Northwest Territories were higher on the month, while employment in Yukon declined slightly.

Year over year, employment in the Territories is up 700 (+1.3%), with gains occurring entirely in services-producing industries. However, Yukon was the only territory to have positive employment growth over the year, with the number of people employed increasing by 10.1%. Employment decreased in Northwest Territories (-4.0%) and in Nunavut (-1.5%) during the same period.

Unemployment

The unemployment rate for the combined Territories decreased for a second consecutive month, dropping to 8.1% in April. Year over year, the unemployment rate decreased both in Northwest Territories and Yukon, while Nunavut's unemployment rate increased 1.5 percentage points to 16.9%. Nunavut continues to have one of the highest unemployment rates in Canada – over 10.0 percentage points higher than the national average of 6.5%.

The youth (15 to 24 years) unemployment rate for the combined Territories was 16.7% in April, representing a decrease of 1.6 percentage points from the previous month. On a year over year basis, the unemployment rate for this age group is down 1.8 percentage points. The unemployment rate for young men fell 2.9 percentage

points to 22.7%, while the unemployment rate for young women decreased 1.9 percentage points to 10.0% over the year. Nunavut also continues to have the highest youth unemployment rate across the country, with its unemployment for young men sitting at 39.1%.

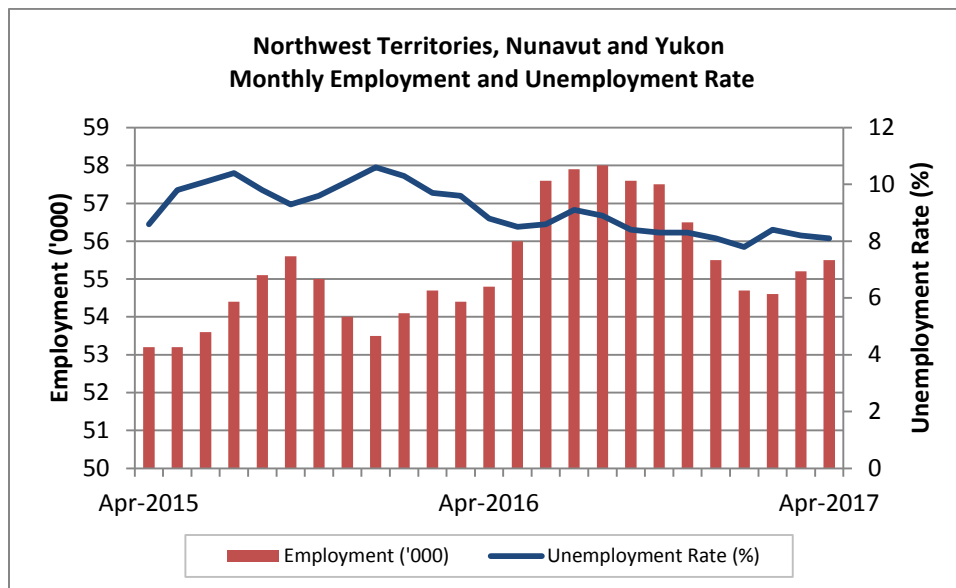
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Unadjusted Data	April 2017	March 2017	April 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	85.1	85.1	84.7	0.0	0.0	0.4	0.5
Labour Force ('000)	60.3	60.1	60.0	0.2	0.3	0.3	0.5
Employment ('000)	55.5	55.2	54.8	0.3	0.5	0.7	1.3
Full-Time ('000)	47.1	46.4	47.2	0.7	1.5	-0.1	-0.2
Part-Time ('000)	8.4	8.8	7.5	-0.4	-4.5	0.9	12.0
Unemployment ('000)	4.9	4.9	5.3	0.0	0.0	-0.4	-7.5
Unemployment Rate (%)	8.1	8.2	8.8	-0.1	-	-0.7	-
Participation Rate (%)	70.9	70.6	70.8	0.3	-	0.1	-
Employment Rate (%)	65.2	64.9	64.7	0.3	-	0.5	-

*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	April 2017 (%)	March 2017 (%)	April 2016 (%)	Monthly Variation	Yearly Variation
				(% points)	(% points)
Total	8.1	8.2	8.8	-0.1	-0.7
25 years and over	6.7	6.6	7.3	0.1	-0.6
Men - 25 years and over	8.2	8.2	9.6	0.0	-1.4
Women - 25 years and over	4.8	4.8	4.9	0.0	-0.1
15 to 24 years	16.7	18.3	18.5	-1.6	-1.8
Men - 15 to 24 years	22.7	24.4	25.6	-1.7	-2.9
Women - 15 to 24 years	10.0	11.9	11.9	-1.9	-1.9

*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 7,000 people employed in the goods-producing sector in April, slightly fewer than in March (-100). Employment gains in the construction industry were offset by losses in the mining industry. Nonetheless, employment prospects for the goods-sector should improve in the coming months with several construction projects expected to start over the summer. Projects include Yukon College's Ayamdigut Campus renewal project; the \$20 million all-season road from Norman Wells to Canyon Creek in NWT; and the Qikiqtani Correctional Healing Centre in Nunavut.

On an annual basis, employment in the goods-producing sector is down 12.5%, meaning 1,000 fewer people were employed in April compared to the same time last year. Employment declined in all industries within the sector during the past year. The utilities and construction industries posted the most significant employment losses, with employment down 37.5% and 11.6%, respectively.

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 the next few years. Funding from all levels of government for infrastructure projects such as roads, water treatment facilities, hospitals and airports will also help to support growth in the construction industry.

Meanwhile, employment climbed higher in the services-producing sector in April – increasing 0.6% to 48,500 on a monthly basis. Employment growth in the services-sector was driven by gains in several large industry groups including accommodation and food services (+400); public administration (+200); and trade (+200).

On a year over year basis, employment in the services-producing sector is up 3.4% or 1,600 positions. The largest employment gains were in trade (+1,300); transportation and warehousing (+800); and accommodation and food services (+400). Looking ahead, the outlook for the services-producing sector remains positive. With major construction and mining exploration projects underway across the three territories, the transportation and warehousing industry, as well as the trade industry, are expected to see growth over the next two years.

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

Seasonally Unadjusted Data	April 2017	March 2017	April 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	55.5	55.3	54.7	0.2	0.4	0.8	1.5
Goods-producing sector	7.0	7.1	8.0	-0.1	-1.4	-1.0	-12.5
Agriculture	0.0	0.0	0.0	0.0	-	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.2	2.3	2.2	-0.1	-4.3	0.0	0.0
Utilities	0.5	0.5	0.8	0.0	0.0	-0.3	-37.5
Construction	3.8	3.7	4.3	0.1	2.7	-0.5	-11.6
Manufacturing	0.2	0.2	0.2	0.0	0.0	0.0	0.0
Services-producing sector	48.5	48.2	46.9	0.3	0.6	1.6	3.4
Trade	6.2	6.0	4.9	0.2	3.3	1.3	26.5
Transportation and warehousing	3.6	3.6	2.8	0.0	0.0	0.8	28.6
Finance, insurance, real estate and leasing	2.2	2.2	2.0	0.0	0.0	0.2	10.0
Professional, scientific and technical services	2.4	2.6	2.5	-0.2	-7.7	-0.1	-4.0
Business, building and other support services	1.0	1.1	1.1	-0.1	-9.1	-0.1	-9.1
Educational services	5.6	5.8	6.0	-0.2	-3.4	-0.4	-6.7
Health care and social assistance	6.9	6.9	7.5	0.0	0.0	-0.6	-8.0
Information, culture and recreation	2.3	2.2	2.1	0.1	4.5	0.2	9.5
Accommodation and food services	4.0	3.6	3.6	0.4	11.1	0.4	11.1
Other services	1.9	1.8	2.1	0.1	5.6	-0.2	-9.5
Public administration	12.4	12.2	12.2	0.2	1.6	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

Yukon employment fell 0.5% to 20,800 in April. Losses on the month were due entirely to declining employment in the territory's goods-producing sector (-3.8%). Despite this monthly decline, employment is still up 10.1% (+1,900) on an annual basis. Job gains over the past year are due to growth in the services-producing sector (+11.6%), with trade; transportation and warehousing; and information, culture and recreation seeing the largest increases.

Employment growth in the territory's mining and construction industries is expected to remain positive over the next few years as work on several projects progresses. For example, Capstone Mining Corp. recently announced that its only active mine – Minto Mine – will remain in production until 2020.¹ Previously, the company had stated that operations at the mine would cease by mid-2017. The mine is considered to be a business of great importance to Yukon's labour force, employing over 300 people, with almost half of these workers belonging to the local First Nation.

Moreover, the City of Whitehorse plans to construct a new \$45 million municipal operations building, as well as a new \$9.2 million transit storage facility in Whitehorse.² These two projects will keep the construction industry busy over the next two years, in addition to current building projects in Whitehorse. Projects already underway or nearing completion include the Whitehorse General Hospital expansion, the new F.H. Collins School and the Salvation Army shelter.

Northwest Territories

The number of people employed in Northwest Territories increased for the second consecutive month in April, increasing 0.9% to 21,600. However, employment in the territory is down 4.0% (-900) on a year over year basis. Both the goods-producing and services-producing sectors posted declines over the year, down 12.8% and 2.7% respectively.

The territory's economic fortunes should improve over the short-term though, as a number of public and private projects will provide some support for construction and related industries. These projects include the Stanton Hospital renewal project, the \$154 million Pine Point zinc mine redevelopment project and the Mike Zubko Inuvik Airport Terminal replacement project.

Furthermore, the federal government has pledged an additional \$36 million in funding over the next 10 years to build more affordable housing in the NWT.³ According to the NWT Housing Corporation, there are about 850 households currently on the waitlist for public housing in the territory. It is estimated that it will take over 10 years for housing supply to meet demand.⁴

Nunavut

The number of people employed in Nunavut reached 13,100 in April, an increase of 100 compared to the previous month. Year over year, employment in the territory decreased 1.5% (-200). These losses resulted entirely from falling employment in the goods-producing sector (-26.7%), with significant declines in utilities and construction.

Moving forward, the outlook for Nunavut's mining industry is positive. Within the next four years, the territory will see the start of production at Baffinland's Mary River iron mine and at the new TMAC Resources Inc.'s Hope Bay gold mine.⁵ In addition, Agnico Eagle Mines Ltd. plans to invest US\$1.2 billion to construct the Meliadine and Amaruq gold mines in the Kivalliq region.⁶ These two projects alone are expected to result in significant economic gains for the territory, including \$500 million a year of spending on goods and services and \$2.5 million per year in property taxes for the Government of Nunavut. Both mines are also anticipated to create up to 2,000 construction and operational jobs between 2017 and 2030.⁷

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

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	April 2017 ('000)	April 2016 ('000)	Yearly Variation (%)	April 2017 (%)	April 2016 (%)	Yearly Variation (% points)
Territories*	55.5	54.8	1.3	8.1	8.8	-0.7
Northwest Territories	21.6	22.5	-4.0	5.3	6.6	-1.3
Nunavut	13.1	13.3	-1.5	16.9	15.4	1.5
Yukon	20.8	18.9	10.1	4.6	5.9	-1.3

*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 CBC News, Minto Mine's Life Extension Welcome News in Yukon, April 27, 2017.

<http://www.cbc.ca/news/canada/north/yukon-minto-mine-extension-pelly-construction-1.4088981>

² Yukon News, Whitehorse Mulls \$9.2 million Transit add-on to Operations Building, April 19, 2017.

<http://www.yukon-news.com/news/whitehorse-mulls-9.2-million-transit-add-on-to-operations-building/>

³ CBC News, Federal Budget Promises \$300M for Northern Housing, March 22, 2017.

<http://www.cbc.ca/news/canada/north/federal-budget-2017-north-1.4036741>

⁴ CBC News North, N.W.T. Gov't Underestimates Homelessness in Smaller Communities, says Fort Providence group, July 11, 2016.

<http://www.cbc.ca/news/canada/north/fort-providence-homeless-housing-1.3670616>

⁵ CBC News, Future of Nunavut's Mining Sector Looks 'Golden', Symposium Hears, April 06, 2017.

<http://www.cbc.ca/news/canada/north/nunavut-mining-symposium-golden-future-1.4057842>

⁶ Nunatsiaq Online, Agnico Eagle Presses the Start Button on Two New Nunavut Mines, February 16, 2017.

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

⁷ Ibid