



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

May 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 May 2017, there were 55,200 people working in Northwest Territories (NWT), Nunavut and Yukon, a slight decrease of 0.5% (-300) from April. This drop can be attributed entirely to a decrease in the number of people working part-time in the North. Northwest Territories was the only territory to record month over month employment losses in May (-500).

On an annual basis, employment across the Territories fell 1.4% (-800), with declines occurring in full-time and part-time positions. The number of people working is down significantly both in Nunavut and Northwest Territories, by 2.9% and 7.9% respectively. Yukon was the only territory to see an increase in employment between May 2016 and May 2017 (+7.7%).

Unemployment

The unemployment rate for the combined Territories decreased for a third consecutive month, dropping to 8.0% in May. On an annual basis, the unemployment rate decreased both in Northwest Territories and in Yukon, falling to 6.3% and 4.6% respectively. Meanwhile, Nunavut's unemployment rate increased 1.1 percentage points to 15.6% during the same period. Nunavut continues to have one of the highest unemployment rates in Canada – 9.0 percentage points higher than the national average of 6.6%.

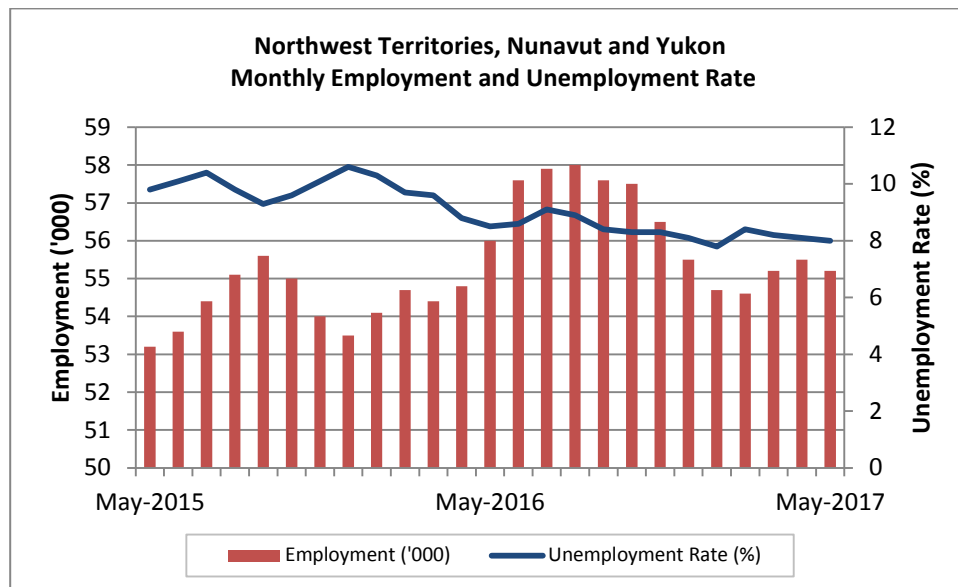
The unemployment rate for youth (15 to 24 years) for the combined Territories was 15.5% in May, a decrease of 1.2 percentage points from April. On a year over year basis, the unemployment rate for this age group is down 2.5 percentage points.

The unemployment rate for young men reached 21.4% in May, 0.9 percentage points higher than a year earlier. Meanwhile, the unemployment rate for young women fell significantly over the year, down 3.8 percentage points to 9.5%.

Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Unadjusted Data	May 2017	April 2017	May 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	85.2	85.1	84.9	0.1	0.1	0.3	0.4
Labour Force ('000)	60.0	60.3	61.2	-0.3	-0.5	-1.2	-2.0
Employment ('000)	55.2	55.5	56.0	-0.3	-0.5	-0.8	-1.4
Full-Time ('000)	47.3	47.1	47.9	0.2	0.4	-0.6	-1.3
Part-Time ('000)	7.9	8.4	8.2	-0.5	-6.0	-0.3	-3.7
Unemployment ('000)	4.8	4.9	5.2	-0.1	-2.0	-0.4	-7.7
Unemployment Rate (%)	8.0	8.1	8.5	-0.1	-	-0.5	-
Participation Rate (%)	70.4	70.9	72.1	-0.5	-	-1.7	-
Employment Rate (%)	64.8	65.2	66.0	-0.4	-	-1.2	-

*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	May 2017 (%)	April 2017 (%)	May 2016 (%)	Monthly Variation	Yearly Variation
				(% points)	(% points)
Total	8.0	8.1	8.5	-0.1	-0.5
25 years and over	6.8	6.7	6.9	0.1	-0.1
Men - 25 years and over	8.6	8.2	9.2	0.4	-0.6
Women - 25 years and over	4.5	4.8	4.4	-0.3	0.1
15 to 24 years	15.5	16.7	18.0	-1.2	-2.5
Men - 15 to 24 years	21.4	22.7	20.5	-1.3	0.9
Women - 15 to 24 years	9.5	10.0	13.3	-0.5	-3.8

*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

EMPLOYMENT BY INDUSTRY

Employment climbed higher in the goods-producing sector in May – increasing 1.4% to 7,100 on a monthly basis. The largest employment gains were in utilities and construction. This upward trend is expected to continue, particularly in the construction industry, as many building projects are scheduled to start in the summer months. These projects include the \$12.8 million Allain St-Cyr Francophone school expansion project in Yellowknife; Yukon College’s Ayamdigut Campus renewal project; and work on the Qikiqtani Correctional Healing Centre in Nunavut.

Year over year, the number of people employed in the goods-producing sector fell 7.8% (-600). All industries within the sector suffered employment losses over the year, with the mining industry posting the most significant decline (-300).

Moving forward, major mining and construction projects scheduled to begin this year and next should help to maintain employment levels in the Territories. In addition, new mining incentive funding from the federal and territorial governments this year will help to encourage more mineral exploration activity in the North. For example, the Yukon government has pledged \$1.6 million in funding for 59 mineral exploration projects through the Yukon Mineral Exploration Program – representing a 14.0% increase over last year.¹

The services-producing sector lost ground in May, with employment decreasing 1.0% to 48,000 on a monthly basis. The largest declines occurred in accommodation and food services (-400) and public administration (-400).

Employment in the services-sector is also down year over year (-200). Public administration posted the largest declines (-600), while employment in the professional, scientific and technical services industry fell 400 on the year.

Looking ahead, the outlook for the services-producing sector is positive. With major construction and mining exploration projects underway across the three territories, the transportation and warehousing industry, as well as the professional, scientific and technical services sub-sector, are expected to see growth over the next two years.

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

Seasonally Unadjusted Data	May 2017	April 2017	May 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	55.3	55.5	56.0	-0.2	-0.4	-0.7	-1.3
Goods-producing sector	7.1	7.0	7.7	0.1	1.4	-0.6	-7.8
Agriculture	0.0	0.0	0.0	0.0	-	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.2	2.2	2.5	0.0	0.0	-0.3	-12.0
Utilities	0.6	0.5	0.8	0.1	20.0	-0.2	-25.0
Construction	3.9	3.8	3.9	0.1	2.6	0.0	0.0
Manufacturing	0.2	0.2	0.4	0.0	0.0	-0.2	-50.0
Services-producing sector	48.0	48.5	48.2	-0.5	-1.0	-0.2	-0.4
Trade	6.4	6.2	5.4	0.2	3.2	1.0	18.5
Transportation and warehousing	3.5	3.6	3.2	-0.1	-2.8	0.3	9.4
Finance, insurance, real estate and leasing	2.4	2.2	2.0	0.2	9.1	0.4	20.0
Professional, scientific and technical services	2.4	2.4	2.8	0.0	0.0	-0.4	-14.3
Business, building and other support services	1.1	1.0	1.2	0.1	10.0	-0.1	-8.3
Educational services	5.8	5.6	6.0	0.2	3.6	-0.2	-3.3
Health care and social assistance	6.9	6.9	7.2	0.0	0.0	-0.3	-4.2
Information, culture and recreation	2.2	2.3	2.2	-0.1	-4.3	0.0	0.0
Accommodation and food services	3.6	4.0	3.6	-0.4	-10.0	0.0	0.0
Other services	1.8	1.9	2.0	-0.1	-5.3	-0.2	-10.0
Public administration	12.0	12.4	12.6	-0.4	-3.2	-0.6	-4.8

*Combined data - 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 grew by 200 in May, reaching 21,000. Monthly gains can be attributed entirely to increased employment in the goods-producing sector (+8.0%). On a yearly basis, employment in Yukon is up 7.7% (+1,500). Job gains over the past year are due to growth in the services-producing sector (+8.9%), with trade and transportation and warehousing seeing the largest increases.

Positive employment growth in Yukon's services-producing sector is likely to continue moving forward as the need for government services, medical care, social assistance and education increases. In fact, the Government of Yukon is planning to add about 201 full-time equivalent positions to the public service in 2017-18. The Department of Education will account for 136 of these new full-time equivalent positions.²

The territory should also see employment growth in the mining and construction industries in the short-term. Construction projects such as the \$45 million municipal operations building in Whitehorse, a new multi-million dollar aquaponics farm facility in Carcross, and Goldcorp Inc.'s Coffee Gold project will create plenty of job opportunities in the territory over the next few years.

Northwest Territories

Employment in Northwest Territories fell 2.3% to 21,100 in May, while its unemployment rate increased a full percentage point to 6.3%. On a year over year basis, the number of people employed in the territory is down 7.9% (-1,800). Job losses are due entirely to falling employment in the services-producing sector, with public administration (-500) and information, culture and recreation (-300) seeing the largest declines.

Despite recent job losses, the outlook for Northwest Territories' economy is much more positive in the short-term as the world's largest diamond mine – the Gahcho Kue mine – comes into full production this year. Moreover, major construction projects such as the \$154 million Pine Point zinc mine redevelopment project, the new \$25 million Skywatch Lodge in Dettah and a new \$10.6 million heavy equipment operator's training facility at the Aurora College campus should provide support for construction-related industries. The Conference Board of Canada predicts that the territory's gross domestic product (GDP) will rise by 12.2% in 2017 – the highest growth rate among the three territories.³

Nunavut

On a monthly basis, Nunavut employment rose slightly (+100) to 13,200 in May. Employment losses in the goods-producing sector were offset by gains in the services-producing sector. On an annual basis, employment in the territory dropped 2.9% (-400).

Moving forward, Nunavut's short-term economic outlook is positive as a number of private and public construction projects are scheduled to begin in the next two years. Projects include the \$20 million Nunavut Arctic College expansion, the \$81 million Kugaardjuq School redevelopment project and Agnico Eagle Mines Ltd.'s Meliadine and Amaruq gold mine development projects. These two mining 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 2030.⁴

In addition, the federal and Nunavut governments recently pledged \$230 million in funding to improve water infrastructure across 19 communities in the territory.⁵ These projects are expected to create employment opportunities for local residents during construction. Work on several of these enhancement projects has already begun, with the rest getting underway over the next two years.

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

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	May 2017 ('000)	May 2016 ('000)	Yearly Variation (%)	May 2017 (%)	May 2016 (%)	Yearly Variation (% points)
Territories*	55.2	56.0	-1.4	8.0	8.5	-0.5
Northwest Territories	21.1	22.9	-7.9	6.3	6.9	-0.6
Nunavut	13.2	13.6	-2.9	15.6	14.5	1.1
Yukon	21.0	19.5	7.7	4.6	5.3	-0.7

*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 CBC News, Yukon gives \$1.6M to mineral exploration projects, May 19, 2017.

<http://www.cbc.ca/news/canada/north/yukon-mineral-exploration-funding-placer-mining-1.4122819>

² Whitehorse Daily Star, The premier needs to learn to live within his means': YP, May 10, 2017.

<http://www.whitehorsestar.com/News/the-premier-needs-to-learn-to-live-within-his-means-yp>

³ Conference Board of Canada, Territorial Outlook 2017: Optimism in the Air, May 24, 2017

⁴ 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/

⁵ CBC News, \$230M on the way to improve drinking water, wastewater treatment in Nunavut, May 3, 2017.

<http://www.cbc.ca/news/canada/north/230-million-funding-nunavut-drinking-water-infrastructure-1.4098112>