



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon



2017 (Annual Edition)

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

On an annual basis, the combined employment of Northwest Territories (NWT), Nunavut and Yukon declined slightly in 2017 (-0.7%). This decrease resulted from a decline in full-time employment (-900) and was partially offset by a gain in part-time work (+400).

In 2017, employment was down in Northwest Territories (-5.3%) and Nunavut (-0.7%). This decline stemmed from lower mineral commodity production prompted by lower demand on global markets. The Yukon was the only territory to see an increase in employment over the year (+5.0%) due to strong growth in its services-producing sector.

Medium-term employment may increase in the Territories, with new private and public infrastructure projects get underway across the North. New mineral exploration and extraction projects will also help to boost employment both in the goods-producing and services-producing sector over the next few years.

Unemployment

In 2017, the unemployment rate for the combined territories dropped to its lowest rate in nine years. The rate decreased from 8.6% in 2016 to 7.8% in 2017. The unemployment rate decreased both in Northwest Territories and Nunavut, falling to 6.6% and 14.6% respectively. Meanwhile, Yukon posted the lowest unemployment rate throughout the North (3.6%), well below the national rate of 6.3%.

The youth (15 to 24 years) unemployment rate for the combined Territories was 15.3% in 2017, representing a decrease of 1.7 percentage points from 2016. In fact, the unemployment rate for youth in Yukon dropped significantly over the year, down 7.9 percentage points to 6.9%. By contrast, the unemployment rate for this age group in Northwest Territories increased 2.0 percentage points to 17.2%, while the rate in Nunavut increased 2.2 percentage points to 25.1%.

For the combined Territories, the unemployment rate for young men dropped 2.3 percentage points to 18.2% over 2017, while the unemployment rate for young women decreased 1.8 percentage points to 12.2%. By far the most striking figure is the unemployment rate for young men in Nunavut, which reached 29.9% in 2017.

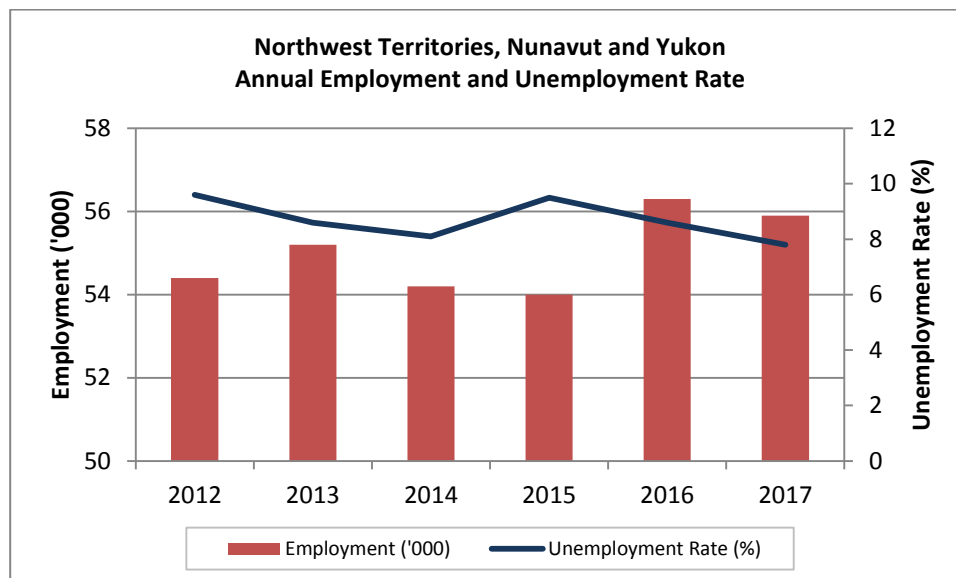
Northwest Territories, Nunavut and Yukon* Annual Labour Force Statistics

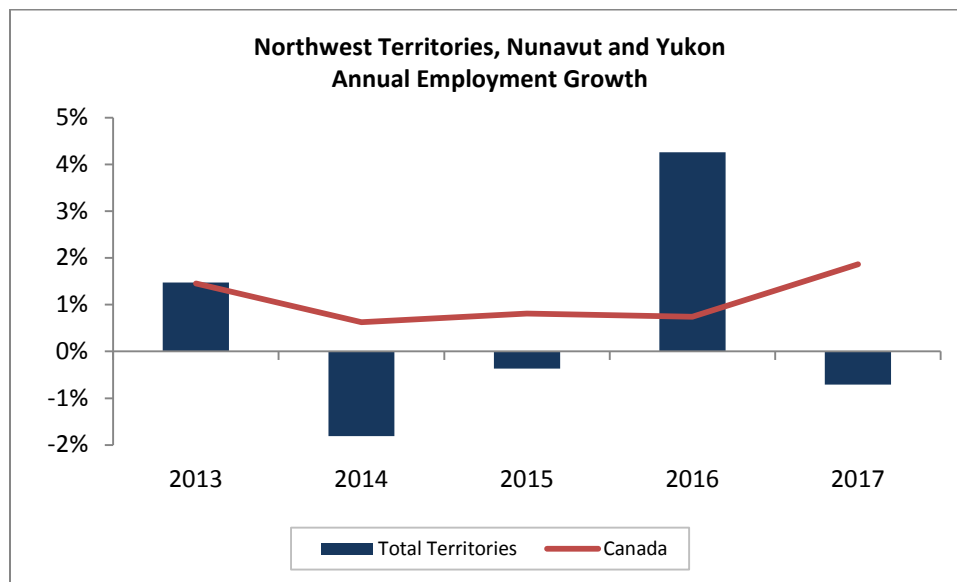
Seasonally Unadjusted Annual Data	2017	2016	2015	2016 to 2017		2015 to 2016	
				Number	%	Number	%
Population 15 + ('000)	85.5	85.0	83.9	0.5	0.6	1.1	1.3
Labour Force ('000)	60.5	61.6	59.7	-1.1	-1.8	1.9	3.2
Employment ('000)	55.9	56.3	54.0	-0.4	-0.7	2.3	4.3
Full-Time ('000)	47.8	48.7	47.3	-0.9	-1.8	1.4	3.0
Part-Time ('000)	8.0	7.6	6.7	0.4	5.3	0.9	13.4
Unemployment ('000)	4.7	5.3	5.7	-0.6	-11.3	-0.4	-7.0
Unemployment Rate (%)	7.8	8.6	9.5	-0.8	-	-0.9	-
Participation Rate (%)	70.8	72.5	71.2	-1.7	-	1.3	-
Employment Rate (%)	65.4	66.2	64.4	-0.8	-	1.8	-

*Estimates for the three territories combined

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - NORTH01AN.ivt





**Northwest Territories, Nunavut and Yukon*
Annual Unemployment Rates, by Gender and Age**

Seasonally Unadjusted Data	2017	2016	2015	2016 to 2017	2015 to 2016
				(% points)	(% points)
Total	7.8	8.6	9.5	-0.8	-0.9
25 years and over	6.3	7.2	7.7	-0.9	-0.5
Men - 25 years and over	7.7	9.1	9.4	-1.4	-0.3
Women - 25 years and over	4.8	5.1	5.7	-0.3	-0.6
15 to 24 years	15.3	17.0	20.5	-1.7	-3.5
Men - 15 to 24 years	18.2	20.5	22.2	-2.3	-1.7
Women - 15 to 24 years	12.2	14.0	18.6	-1.8	-4.6

*Estimates for the three territories combined

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - NORTH01AN.ivt

EMPLOYMENT BY INDUSTRY

In 2017, employment in the goods-producing sector stood at 7,500, down 6.3% from 2016. Employment gains in forestry, fishing, mining, oil and gas (+100) were offset by losses in the construction industry (-300).

Nevertheless, the goods-producing sector's outlook may improve in the medium-term, driven by major mining and construction projects scheduled to begin in the next few years.¹ Moreover, funding from all levels of government will also help to support growth in the construction industry provide improvement to infrastructure, such as roads, schools, hospitals and airports.^{2 3}

BuildForce Canada estimates that the number of tradespeople required in the Territories will exceed 4,000 people over the next few years.⁴ 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.

Meanwhile, employment in the services-producing sector was relatively flat on an annual basis, up just 0.6% (+300). There was falling employment in educational services (-400), professional, scientific and technical services (-300) and public administration (-300). However, this was offset by growing employment in trade (+600), information, culture and recreation (+400), and accommodation and food services (+300).

The services-producing sector should see some growth over the next few years. Projects such as the \$220 million Victoria Gold Eagle mine development in Yukon and the \$154 million Pine Point zinc mine redevelopment in Northwest Territories will increase the need for employees. Moreover, the \$130 million Nanisivik Naval Facility in Nunavut which serves as a docking and refueling station for the Royal Canadian Navy and Canadian Coast Guard ships is also expected to create job opportunities for local residents.⁵

Also the Territories' tourism sector is anticipated to remain strong as a low Canadian dollar continues to attract more U.S. and international visitors.^{6 7} All three territorial governments reported steady growth in visitation and tourist expenditures over the past few years.^{8 9} Increasing tourism is expected to increase consumption of the Territories' accommodation, food services and retail industries.

Northwest Territories, Nunavut and Yukon* Annual Labour Force Statistics

Seasonally Unadjusted Employment Data ('000)	2017	2016	2015	2016 to 2017		2015 to 2016	
				Number	%	Number	%
Total employed	55.9	56.2	54.0	-0.3	-0.5	2.2	4.1
Goods-producing sector	7.5	8.0	8.3	-0.5	-6.3	-0.3	-3.6
Agriculture	0.0	0.0	0.2	0.0	-	-0.2	-100.0
Forestry, fishing, mining, oil and gas	2.4	2.3	2.6	0.1	4.3	-0.3	-11.5
Utilities	0.8	0.8	0.7	0.0	0.0	0.1	14.3
Construction	3.9	4.2	4.3	-0.3	-7.1	-0.1	-2.3
Manufacturing	0.2	0.2	0.2	0.0	0.0	0.0	0.0
Services-producing sector	48.5	48.2	45.6	0.3	0.6	2.6	5.7
Trade	6.5	5.9	5.6	0.6	10.2	0.3	5.4
Transportation and warehousing	3.3	3.2	2.8	0.1	3.1	0.4	14.3
Finance, insurance, real estate and leasing	2.3	2.3	2.4	0.0	0.0	-0.1	-4.2
Professional, scientific and technical services	2.2	2.5	2.7	-0.3	-12.0	-0.2	-7.4
Business, building and other support services	1.1	1.2	1.5	-0.1	-8.3	-0.3	-20.0
Educational services	5.3	5.7	5.3	-0.4	-7.0	0.4	7.5
Health care and social assistance	7.1	7.0	6.4	0.1	1.4	0.6	9.4
Information, culture and recreation	2.6	2.2	2.5	0.4	18.2	-0.3	-12.0
Accommodation and food services	3.6	3.3	2.9	0.3	9.1	0.4	13.8
Other services	1.8	2.1	1.9	-0.3	-14.3	0.2	10.5
Public administration	12.4	12.7	11.8	-0.3	-2.4	0.9	7.6

* Estimates for the three territories combined

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - Tab12an.ivt, nwt12an.ivt, NUt12an.ivt

REGIONAL ANALYSIS

Yukon

Yukon was the only territory to see annual employment gains in 2017 (+1,000). Employment growth was limited to the services-producing sector. Most industries within the services sector posted employment gains on the year, with trade (+500) and information, culture and recreation (+300) seeing the largest increases.

Over the next few years, projects such as the \$40 million City of Whitehorse operations building project, the \$317 million Goldcorp Inc. Coffee Gold mine development and the \$360 million Yukon Resource Gateway Project will generate a number of jobs and subcontracting opportunities for local residents and businesses.

Moreover, the City of Whitehorse has approved rezoning for a parcel of land that will allow development of Phase 5 of the Whistle Bend affordable housing subdivision.¹⁰ This project will ease the territory's acute housing shortage and create employment need in the construction sector.¹¹ Once built, the new development will have 310 units, housing approximately 745 residents.¹² According to the Yukon Housing Corporation, the number of people waiting for social housing in Yukon has more than doubled – from 105 in 2016 to 217 in 2017.¹³

Northwest Territories

In 2017, 21,300 people were employed in Northwest Territories, a decline of 5.3% compared to the year prior. Both the goods-producing sector (-2.8%) and the services-producing sector (-5.3%) saw employment decline over the year. Employment opportunities were limited in the construction-related industries over the year due to completion of the Territories' largest diamond mine, the Gahcho Kue mine in 2016,¹⁴ and the winding down of government investment in some large public infrastructure projects such as the \$300 million Tuktoyaktuk highway.¹⁵

In the medium-term, projects such as the \$300 million Stanton Territorial Hospital renewal project, the \$40 million TerraX Mineral's Yellowknife City Gold project and the \$35 million expansion at the Fort Smith Correctional Complex should provide some support for construction-related industries.

Furthermore, the Government of Canada has awarded a two-year \$32 million construction management services contract to U.S.-based Parson Inc. for overseeing the remediation of the Giant Mine site near Yellowknife.¹⁶ The total cost to clean up the mine may go up to \$1 billion and will take approximately 10 years to finish.¹⁷ The project is expected to provide significant training and employment for NWT residents and will also enhance business opportunities for local companies specializing in transportation, engineering, and hazardous material handling.

Nunavut

Employment in Nunavut dropped a 0.7% from 13,500 in 2016 to 13,400 in 2017. Employment gains in the territory's service-producing sector (+200) were offset by losses in the goods-producing sector (-300).

Within the next few years, the territory will see the start of production at the TMAC Resources Inc., Hope Bay gold mine, and the \$400 million Sabina's Back River gold mine, which will help to boost employment in mining-related industries.

In addition, the Government of Nunavut plans to provide a total of \$85 million in funding to construct a new deep sea port and expand the small-craft harbour in Iqaluit.¹⁸ 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.

The territorial government also pledged funding for other marine infrastructure in 2017 such as a small craft harbour in Pond Inlet. The Pond Inlet project, set to cost a total of \$41.2 million, will include a large fixed wharf, a sealift ramp and a laydown area.¹⁹ Construction of the three marine projects will begin in the summer of 2018, with plans for it to be operational by 2021.²⁰

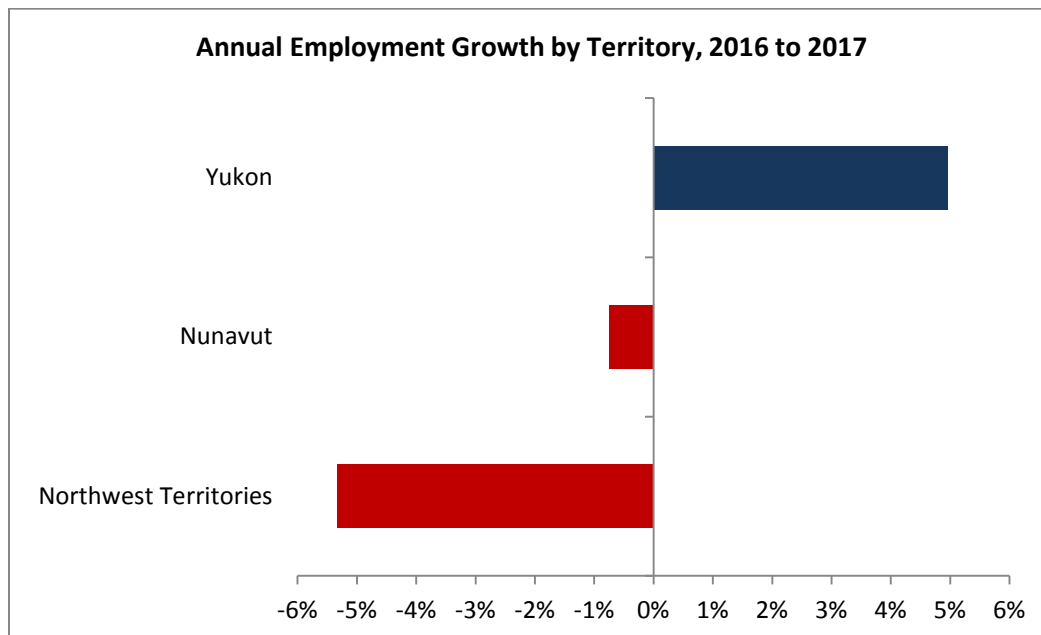
Annual Labour Force Statistics by Territory

Seasonally Unadjusted Employment Data ('000)	2017	2016	2015	2016 to 2017		2015 to 2016	
				Number	%	Number	%
Total territories	55.9	56.3	54.0	-0.4	-0.7	2.3	4.3
Yukon	21.2	20.2	19.4	1.0	5.0	0.8	4.1
Northwest Territories	21.3	22.5	21.9	-1.2	-5.3	0.6	2.7
Nunavut	13.4	13.5	12.7	-0.1	-0.7	0.8	6.3

*Estimates for the three territories combined

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - NORTH01AN.ivt



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.

Prepared by: Labour Market Information (LMI) Directorate, Service Canada, Northwest Territories, Nunavut and Yukon

For further information, please contact the LMI team at: http://www.esdc.gc.ca/cqi-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi

For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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¹ BuildForce Canada, Canada's Territories – 2018 Construction trades outlook for major projects, 2018.
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