



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

January 2018



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 trended downward for a second consecutive month in January. The number of people employed in the Territories dropped 0.9% to 54,900 on a month-over-month basis, which can be attributed to decreases both in full-time and in part-time employment. Falling employment in January is not uncommon though, as the northern economy typically contracts during the winter months.

Employment in the Territories is essentially flat (+200) on a year-over-year basis, with gains occurring entirely in full-time positions. The number of people employed is down slightly both in Northwest Territories and Nunavut, by 0.9% and 0.7% respectively. Meanwhile, Yukon was the only territory to see an increase in employment over the past year (+2.5%).

#### Unemployment

The unemployment rate for the combined Territories rose 0.8 percentage points to 8.0% in January. On an annual basis, Yukon was the only territory to see its unemployment rate fall, down 1.9 percentage points to 3.3%. By contrast, Nunavut's unemployment rate increased 1.3 percentage points to 13.8%, while the unemployment rate in Northwest Territories increased considerably over the year, up 1.7 percentage points to 8.7% – the highest rate since January 2016.

For the combined Territories, the unemployment rate for youth (15 to 24 years) was 15.8% on the month, up 1.5 percentage points from December 2017. On a year-over-year basis, the unemployment rate for this age

group dropped 1.1 percentage points. The unemployment rate for young men fell 2.7 percentage points to 18.9%, while the unemployment rate for young women (12.8%) was unchanged over the year. Nunavut continues to have the highest youth unemployment rate in the country, with its unemployment rate for young men currently at 31.7%.

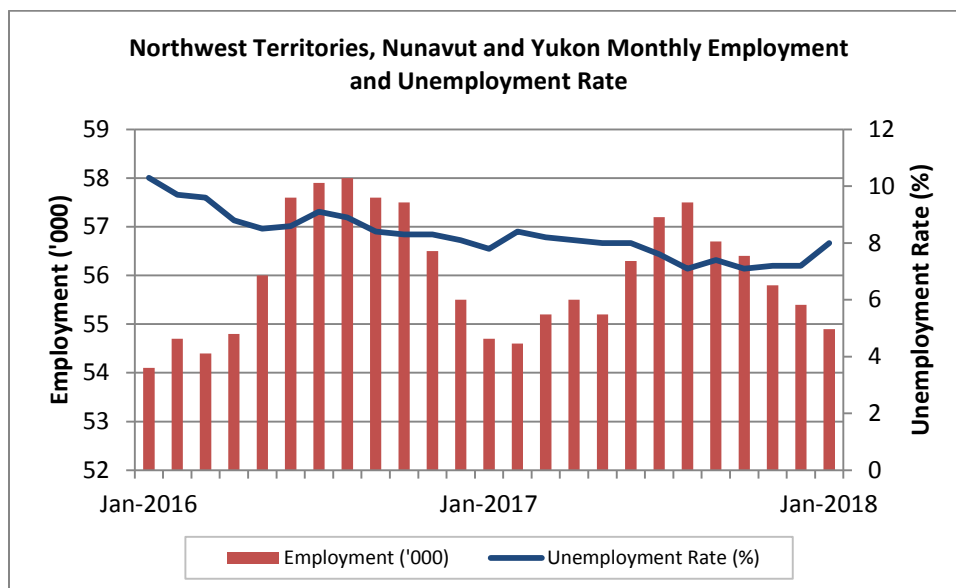
**Northwest Territories, Nunavut and Yukon\* Monthly Labour Force Statistics**

Seasonally Unadjusted Data	January 2018	December 2017	January 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	86.1	86.0	85.0	0.1	0.1	1.1	1.3
<b>Labour Force ('000)</b>	59.8	59.6	59.3	0.2	0.3	0.5	0.8
<b>Employment ('000)</b>	54.9	55.4	54.7	-0.5	-0.9	0.2	0.4
Full-Time ('000)	46.7	46.9	46.1	-0.2	-0.4	0.6	1.3
Part-Time ('000)	8.3	8.4	8.5	-0.1	-1.2	-0.2	-2.4
<b>Unemployment ('000)</b>	4.8	4.3	4.6	0.5	11.6	0.2	4.3
<b>Unemployment Rate (%)</b>	8.0	7.2	7.8	0.8	-	0.2	-
<b>Participation Rate (%)</b>	69.5	69.3	69.8	0.2	-	-0.3	-
<b>Employment Rate (%)</b>	63.8	64.4	64.4	-0.6	-	-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	January 2018	December 2017	January 2017	Monthly Variation	Yearly Variation
	(%)	(%)	(%)	(% points)	(% points)
<b>Total</b>	8.0	7.2	7.8	0.8	0.2
<b>25 years and over</b>	6.9	6.0	6.4	0.9	0.5
Men - 25 years and over	9.3	7.1	8.3	2.2	1.0
Women - 25 years and over	4.4	4.8	4.4	-0.4	0.0
<b>15 to 24 years</b>	15.8	14.3	16.9	1.5	-1.1
Men - 15 to 24 years	18.9	17.5	21.6	1.4	-2.7
Women - 15 to 24 years	12.8	13.5	12.8	-0.7	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**

The number of people employed in the goods-producing sector was unchanged from the previous month. On an annual basis, employment in the goods-producing sector was up 200, or 2.9%. Employment losses in construction were offset by gains in utilities.

Moving forward, the goods-producing sector should continue to see steady growth over the medium-term 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 4,000 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.

There were 47,700 people employed in the services-producing sector in January, slightly fewer than in December 2017 (-0.8%). Employment gains in health care and social assistance (+400) were offset by losses in the trade industry (-400).

Employment in the services-producing sector was essentially flat on a year-over-year basis, up just 0.2% (+100). Falling employment in professional, scientific and technical services (-600); business, building and other support services (-300); and public administration (-200) were offset by growing employment in trade (+600); health care and social assistance (+600); and information, culture and recreation (+400).

Positive employment growth in the services-sector is likely to continue moving forward as major construction projects get underway across the three territories. These projects are expected to have a positive impact for construction-related industries such as transportation and warehousing, trade and professional, scientific and technical services. These projects include the \$1.2 billion Meliadine gold mine development in Nunavut, the \$12.8 million Allain St-Cyr Francophone school expansion in Yellowknife, and Yukon College's Ayamdigut Campus renewal project.

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

Seasonally Unadjusted Data	January 2018	December 2017	January 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	54.9	55.3	54.7	-0.4	-0.7	0.2	0.4
<b>Goods-producing sector</b>	7.2	7.2	7.0	0.0	0.0	0.2	2.9
Agriculture	0.0	0.0	0.0	0.0	-	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.3	2.2	2.3	0.1	4.5	0.0	0.0
Utilities	0.9	0.8	0.7	0.1	12.5	0.2	28.6
Construction	3.6	3.6	3.8	0.0	0.0	-0.2	-5.3
Manufacturing	0.0	0.0	0.2	0.0	-	-0.2	-100.0
<b>Services-producing sector</b>	47.7	48.1	47.6	-0.4	-0.8	0.1	0.2
Trade	6.4	6.8	5.8	-0.4	-5.9	0.6	10.3
Transportation and warehousing	3.3	3.3	3.3	0.0	0.0	0.0	0.0
Finance, insurance, real estate and leasing	2.2	2.3	2.2	-0.1	-4.3	0.0	0.0
Professional, scientific and technical services	2.1	2.0	2.7	0.1	5.0	-0.6	-22.2
Business, building and other support services	1.2	1.3	1.5	-0.1	-7.7	-0.3	-20.0
Educational services	5.7	5.6	5.8	0.1	1.8	-0.1	-1.7
Health care and social assistance	7.6	7.2	7.0	0.4	5.6	0.6	8.6
Information, culture and recreation	2.6	2.7	2.2	-0.1	-3.7	0.4	18.2
Accommodation and food services	3.4	3.3	3.4	0.1	3.0	0.0	0.0
Other services	1.7	1.7	1.9	0.0	0.0	-0.2	-10.5
Public administration	11.8	11.8	12.0	0.0	0.0	-0.2	-1.7

\*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

## REGIONAL ANALYSIS

## Yukon

Employment in Yukon was unchanged on a monthly basis, but is up 500 over the year. In fact, Yukon was the only territory to see an uptick in employment over the year, due to employment gains both in the goods-producing (+100) and services-producing sectors (+300).

Moving forward, territorial employment is expected to advance over the short-term as major infrastructure projects are slated to begin across the Yukon. For example, the federal and territorial governments have pledged \$15 million in funding under the Small Communities Fund to improve Dawson City's water system.<sup>2</sup> This investment will be used to construct a new water distribution pumphouse and upgrade water treatment equipment in Dawson. Construction of these enhancement projects is slated to start this spring.<sup>3</sup>

In addition, a group of developers plan to construct a new \$12 million, eight-storey condominium development in downtown Whitehorse. The Mah's Point 2 will be the tallest residential building in the territory, featuring 40

condo units and commercial spaces.<sup>4</sup> Construction of the building could start as early as this summer and is slated for completion by the fall of 2019.

### **Northwest Territories**

In January, there were 20,900 people employed in Northwest Territories, slightly fewer (-100) than in the previous month. On a yearly basis, employment in the territory fell 0.9% (-200). Job losses over the past year are due entirely to falling employment in the goods-producing sector, with the forestry, fishing, mining, oil and gas industry (-200) seeing the largest declines.

The territory's economic fortunes should improve over the medium-term though as a number of public and private projects will provide support for construction and mining related industries. These projects include the \$300 million Stanton Territorial renewal project, the \$40 million TerraX Mineral's Yellowknife City Gold exploration project and construction of the \$35 million women's unit at the Fort Smith Correctional Complex.

Furthermore, the federal and territorial governments have pledged \$96 million in new funding to support infrastructure projects throughout the territory.<sup>5</sup> The majority of this investment will go towards upgrading community roads, while the the balance will be used to support a new youth centre in Colville Lake, a cold storage garage in Trout Lake and a new sewage vacuum truck for Wrigley. These initiatives are expected to help create jobs, enhance the health and well-being of local residents and improve access roads for communities and businesses.

### **Nunavut**

Nunavut employment fell 2.2% to 13,300 on a monthly basis, due entirely to losses in the services-producing sector. Meanwhile, employment in Nunavut was relatively flat on a year-over-year basis (-100).

Despite recent job losses, the short-term outlook for Nunavut's economy is optimistic as work on several major projects progresses. Projects such as Sabina Gold and Silver Corp.'s Back River mine development, the \$130 million Nanisivik Naval Facility, and the \$400 million Qikiqtani Inuit Association and Qikiqtaaluk Corp. residential and commercial development in Iqaluit should provide support for the construction-related industries.

Moreover, TMAC Resources Inc. recently submitted its final environmental impact statement and water licence applications to the Nunavut Impact Review Board and Nunavut Water Board to expand its Hope Bay gold project.<sup>6</sup> Located in the Kitikmeot region, Hope Bay contains three gold deposits: Doris, Madrid and Boston. The Doris North mine already started production last May and TMAC hopes that construction of the two proposed mines could begin next year. TMAC estimates that about 300 jobs will be created during the construction phase and 800 jobs during operation at the Madrid and Boston sites, with a lifespan projected to 2032.<sup>7</sup>

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

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	January 2018 ('000)	January 2017 ('000)	Yearly Variation (%)	January 2018 (%)	January 2017 (%)	Yearly Variation (% points)
<b>Territories*</b>	54.9	54.7	0.4	8.0	7.8	0.2
Northwest Territories	20.9	21.1	-0.9	8.7	7.0	1.7
Nunavut	13.3	13.4	-0.7	13.8	12.5	1.3
Yukon	20.7	20.2	2.5	3.3	5.2	-1.9

\*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, Canada's Territories – 2018 Construction trades outlook for major projects, 2018. <http://www.buildforce.ca/en/products/canadas-territories-2018-construction-trades-outlook-major-projects>

<sup>2</sup> Government of Yukon, New investment will provide clean and reliable drinking water for Dawson residents, Feb. 2, 2018. <http://www.gov.yk.ca/news/18-019.html>

<sup>3</sup> Ibid

<sup>4</sup> CBC News, Developers plan for tallest building in Yukon, Jan. 19, 2018 <http://www.cbc.ca/news/canada/north/mahs-point-building-whitehorse-tall-building-1.4495442>

<sup>5</sup> CBC News, Feds, territory announce \$96M to upgrade N.W.T. highways, roads and ditches, Jan. 12, 2018. <http://www.cbc.ca/news/canada/north/infrastructure-funding-2018-96-million-nwt-1.4483962>

<sup>6</sup> Nunatsiaq Online News, TMAC enters final review process for two new Nunavut gold mines, Jan. 19, 2019. [http://www.nunatsiaqonline.ca/stories/article/65674western\\_nunavuts\\_tmac\\_enters\\_final\\_review\\_for\\_two\\_new\\_gold\\_mines/](http://www.nunatsiaqonline.ca/stories/article/65674western_nunavuts_tmac_enters_final_review_for_two_new_gold_mines/)

<sup>7</sup> Ibid