



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

July 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 Northwest Territories (NWT), Nunavut and Yukon trended upward for a third consecutive month in July. The number of people employed in the Territories increased 1,100 to 57,400 on a monthly basis. In fact, employment in all three territories increased considerably over the month, with Northwest Territories and Yukon each posting gains of close to 500, while Nunavut recorded an increase of about 300.

On a year-over-year basis, employment in the Territories is up 200 (+0.3%) with all gains occurring in the goods-producing sector. However, Northwest Territories was the only territory to have positive employment growth over the year, with the number of people employed increasing by 1.9%. Employment levels in Nunavut were unchanged on a yearly basis, while Yukon experienced a small decrease of 0.5%.

Unemployment

The unemployment rate for the combined Territories decreased in July, dropping 0.2 percentage points to 7.3%. On an annual basis, Northwest Territories' unemployment rate climbed 0.7 percentage points to 7.2%. By contrast, Nunavut's unemployment rate dropped 0.6 percentage points to 14.7%, while the unemployment rate in Yukon fell significantly over the year, down 1.3 percentage points to 2.2%.

For the combined Territories, the unemployment rate for youth (15 to 24 years) was 15.7% on the month, up 1.2 percentage points from June. On a year-over-year basis, the unemployment rate for this age group increased 1.0 percentage points. The unemployment rate for young men increased 0.8 percentage points to

17.8%, while the unemployment rate for young women increased 1.1 percentage points to 13.6% over the year.

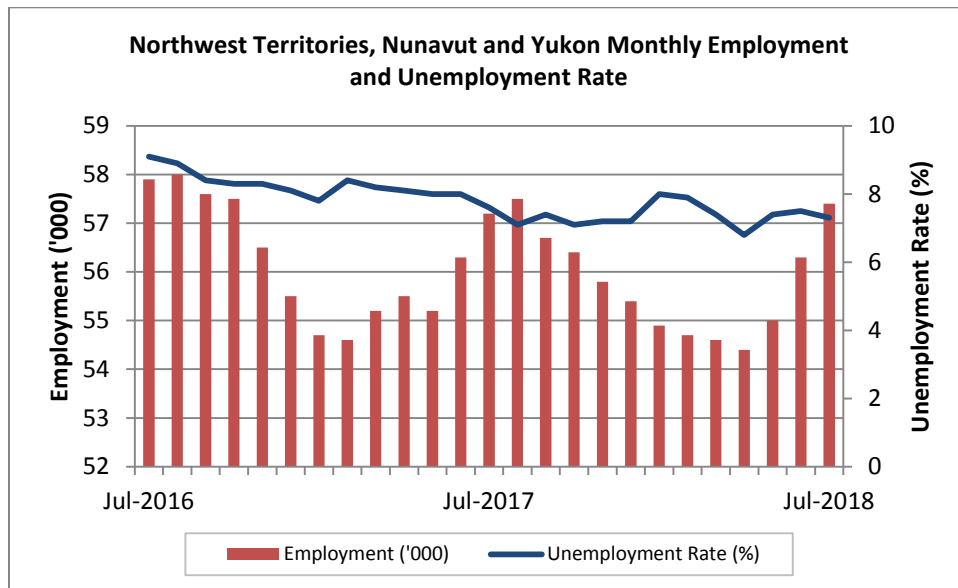
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Unadjusted Data	July 2018	June 2018	July 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	86.9	86.7	85.4	0.2	0.2	1.5	1.8
Labour Force ('000)	62.0	61.0	61.9	1.0	1.6	0.1	0.2
Employment ('000)	57.4	56.3	57.2	1.1	2.0	0.2	0.3
Full-Time ('000)	49.8	48.7	49.6	1.1	2.3	0.2	0.4
Part-Time ('000)	7.7	7.6	7.6	0.1	1.3	0.1	1.3
Unemployment ('000)	4.5	4.6	4.7	-0.1	-2.2	-0.2	-4.3
Unemployment Rate (%)	7.3	7.5	7.6	-0.2	-	-0.3	-
Participation Rate (%)	71.3	70.4	72.5	0.9	-	-1.2	-
Employment Rate (%)	66.1	64.9	67.0	1.2	-	-0.9	-

*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	July 2018 (%)	June 2018 (%)	July 2017 (%)	Monthly Variation (% points)	Yearly Variation (% points)
Total	7.3	7.5	7.6	-0.2	-0.3
25 years and over	6.0	6.5	6.3	-0.5	-0.3
Men - 25 years and over	7.6	8.4	7.7	-0.8	-0.1
Women - 25 years and over	4.0	4.3	4.8	-0.3	-0.8
15 to 24 years	15.7	14.5	14.7	1.2	1.0
Men - 15 to 24 years	17.8	17.1	17.0	0.7	0.8
Women - 15 to 24 years	13.6	12.2	12.5	1.4	1.1

*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 increased considerably on a monthly basis, up 13.9% (+1,100). The largest employment gains were in mining and construction, up 10.3% and 21.6% respectively. Employment growth in these industries is being driven by several mining exploration and public infrastructure projects that got underway across the three territories this summer.

Year-over-year, employment in the goods-producing sector is up 11.1%. Nearly all industries within the sector posted employment gains on the year, with mining (+500) and utilities (+400) seeing the largest increases.

Moving forward, the goods-producing sector should continue to see steady growth in the medium-term as large-scale development projects and investment in public infrastructure will help to generate new employment opportunities across the North. For instance, the federal government and the City of Iqaluit have pledged a total of \$35 million in funding to improve Iqaluit's waste management system. The funding will be used for construction of a new landfill and a recycling and eco-centre.¹

There were 48,500 people employed in the services-producing sector in July, slightly higher than in June (+100). Falling employment in trade (-200) and educational services (-200) were offset by growing employment in public administration (+300) and finance, insurance, real estate and leasing (+200). On a yearly basis though, employment in the services-producing sector is down 1.0% (-500). The largest declines were in accommodation and food services (-800) and trade (-700).

Despite these losses, the services-sector should see some improvement in the medium-term as the tourism industry is expected to create more job opportunities for the Territories over the next few years. According to the Government of Yukon, the tourism industry in Yukon has been thriving over the last few years. In fact, the territory had a record-breaking year for tourism last year, with the number of international border crossing visitors up 4.0% from 2016.² Tourism industry revenues in the territory are also higher, increasing 7.5% from 2016 to 2017.

And recently, Air Canada announced it will offer twice daily direct flights between Yellowknife and Vancouver starting this September due to an increasing number of travelers from Asia.³ A growing number of visitors and increased interest in the North are expected to provide spin-off benefits for the Territories' accommodation and food services industry, as well as for the retail and transportation industries.

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

Seasonally Unadjusted Data	July 2018	June 2018	July 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	57.5	56.2	57.2	1.3	2.3	0.3	0.5
Goods-producing sector	9.0	7.9	8.1	1.1	13.9	0.9	11.1
Agriculture	0.0	0.0	0.0	0.0	-	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	3.2	2.9	2.7	0.3	10.3	0.5	18.5
Utilities	0.9	0.9	0.5	0.0	0.0	0.4	80.0
Construction	4.5	3.7	4.2	0.8	21.6	0.3	7.1
Manufacturing	0.2	0.2	0.2	0.0	0.0	0.0	0.0
Services-producing sector	48.5	48.4	49.0	0.1	0.2	-0.5	-1.0
Trade	6.3	6.5	7.0	-0.2	-3.1	-0.7	-10.0
Transportation and warehousing	2.9	2.9	3.2	0.0	0.0	-0.3	-9.4
Finance, insurance, real estate and leasing	2.2	2.0	2.2	0.2	10.0	0.0	0.0
Professional, scientific and technical services	2.1	2.1	2.4	0.0	0.0	-0.3	-12.5
Business, building and other support services	1.6	1.4	1.0	0.2	14.3	0.6	60.0
Educational services	4.8	5.0	5.0	-0.2	-4.0	-0.2	-4.0
Health care and social assistance	8.2	8.3	7.2	-0.1	-1.2	1.0	13.9
Information, culture and recreation	3.3	3.3	2.6	0.0	0.0	0.7	26.9
Accommodation and food services	2.9	2.8	3.7	0.1	3.6	-0.8	-21.6
Other services	1.5	1.4	1.8	0.1	7.1	-0.3	-16.7
Public administration	12.8	12.5	12.8	0.3	2.4	0.0	0.0

*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 reached 22,000 in July, an increase of 500 compared to the previous month. Job growth is entirely due to gains in the goods-producing sector, increasing 14.7% over the month. Year-over-year, employment in Yukon was essentially flat (-100), with gains in the territory's goods-producing sector offsetting losses in the services-producing sector.

In the short-term, the territory's services-producing sector should see some growth as more funding from all levels of government on health care initiatives will help to create employment opportunities. For example, the federal and Yukon governments recently signed two agreements totalling more than \$30 million in funding to support health care services across the territory.⁴ Under one deal, the territory will receive \$5.2 million over

five years to support home care, mental health, and addictions services. And the other agreement will allow the territory to put \$25.6 million over four years towards enhancing medical travel services and upgrading the current health information system.

Meanwhile, construction on the \$146 million Whistle Bend continuing care facility in Whitehorse is nearing completion and is slated to open in October of this year.⁵ The 150-bed extended care centre will provide 24-hour support for seniors and local residents who are no longer able to live on their own. The territorial government estimates that the new facility will require 250 employees, with 150 expected to be new hires and the rest coming from Macaulay Lodge or other continuing-care facilities in the territory.

Northwest Territories

The number of people employed in Northwest Territories increased for the third consecutive month in July, up 2.3% to 21,900. On an annual basis, employment in the territory is up 1.9% (+400). Employment gains were mainly concentrated in the services-producing sector, with employment in health care and social assistance and information, culture and recreation seeing the largest increases over the year.

Nonetheless, the territory's economic and employment outlooks are projected to be weak over the short-term according to the Conference Board of Canada.⁶ This less encouraging forecast is due mainly to declines in diamond production at the Gahcho Kué and Divaik mines starting this year, with no new mines coming online over the next two years. Growth in NWT's mining sector will be flat until Canadian Zinc's Prairie Creek mine opens in late 2020.

In an effort to support employment growth in NWT, the federal and territorial governments are providing \$46 million in funding over the next six years to the Labour Market Transfer Agreement aimed at pre-employment and training readiness for 1,300 residents in the territory.⁷ The funding is expected to help employers identify suitable candidates for employment and provide individuals with access to skills upgrading programs. Furthermore, the territorial government also announced an investment of over \$6.9 million under its Skills Partnership Fund (SPF) intended to help 508 under or unemployed Indigenous individuals to gain skills and training for long-term employment in the Tłı̄cho region.⁸

Nunavut

The number of people employed in Nunavut grew by about 300 in July, reaching 13,600. Both the goods-producing and services-producing sectors posted employment increases on the month, up 6.7% and 1.7% respectively. Year-over-year, employment in the territory remained unchanged.

Looking ahead, the short-term outlook for Nunavut's economy is optimistic as construction work continues at the Meliadine, Amaruq and Back River mines. Public and private construction projects such as Qikiqtaaluk Corporation's \$50 million hotel in Iqaluit⁹, Qulliq Energy Corporation's new \$31.4 million power plant in Kugluktuk¹⁰ and the new \$8 million Tundra Buddies Day Care centre in Iqaluit¹¹ should provide a boost to employment in the territory's construction industry.

Additionally, the Government of Nunavut recently announced the creation of a new Department of Human Resources that will focus on the recruitment and training of more Inuit to work in the territorial government.¹²

The new department is anticipated to help connect Inuit employment planning with other human resource functions such as staff recruitment and retention, training, and workplace wellness. According to the Nunavut government, 84% of the territory's population is Inuit; however, Inuit representation in Nunavut's public administration workforce is only 50%, both at the territorial and federal levels.¹³

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

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	July 2018 ('000)	July 2017 ('000)	Yearly Variation (%)	July 2018 (%)	July 2017 (%)	Yearly Variation (% points)
Territories*	57.4	57.2	0.3	7.3	7.6	-0.3
Northwest Territories	21.9	21.5	1.9	7.2	6.5	0.7
Nunavut	13.6	13.6	0.0	14.7	15.3	-0.6
Yukon	22.0	22.1	-0.5	2.2	3.5	-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 Government of Nunavut, Iqaluit residents to benefit from improved waste management system, July 20, 2018. <https://www.gov.nu.ca/community-and-government-services/news/iqaluit-residents-benefit-improved-waste-management-system>

² CBC News, New hotel and condo will bring 57 more rooms to Whitehorse, July 20, 2018. <https://www.cbc.ca/news/canada/north/construction-new-hotel-whitehorse-1.4753746>

³ CBC News, Air Canada offering year-round non-stop flights between Yellowknife and Vancouver, August 08, 2018. <https://www.cbc.ca/news/canada/north/air-canada-flights-yellowknife-vancouver-1.4777860>

⁴ Government of Canada, Government of Canada invests \$30 million to support health care services in Yukon, July 25, 2018.

<https://www.canada.ca/en/health-canada/news/2018/07/government-of-canada-invests-30-million-to-support-health-care-services-in-yukon.html>

⁵ Yukon News, Construction nearly finished at Whitehorse’s Whistle Bend continuing care facility, June 27, 2018.

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⁶ Conference Board of Canada, Territorial Outlook Economic Forecast, Spring 2018.

<http://www.conferenceboard.ca/e-library/abstract.aspx?did=9566>

⁷ Cabin Radio, Federal government increases funding for NWT job training, June 28, 2018.

<https://cabinradio.ca/7590/news/economy/federal-government-increases-funding-for-nwt-job-training/>

⁸ My Yellowknife Now, MP Mcleod announces over \$6.9M in skills training for Tłı̄cho

<https://www.myyellowknifenow.com/30531/mp-mcleod-announces-over-6-9-m-in-skills-training-for-tli%CC%A8cho%CC%A8/>

⁹ CBC News, New hotel in Iqaluit to break ground this month, May 07, 2018.

<https://www.cbc.ca/news/canada/north/qikiqtaaluk-hotel-partial-go-ahead-1.4648370>

¹⁰ Qulliq Engery Corporation, QEC receives approval to build new Kugluktuk power plant, March 16, 2018.

<https://www.qec.nu.ca/qec-receives-approval-build-new-kugluktuk-power-plant>

¹¹ CBC News, Federal gov’t awards Kudlik Construction \$8M contract to build Iqaluit daycare, July 11, 2018.

<https://www.cbc.ca/news/canada/north/kudlik-construction-awarded-daycare-contract-1.4741549>

¹² Nunatsiaq, Inuit employment, staff retention a focus for Nunavut’s new HR department, July 13, 2018.

<http://nunatsiaq.com/stories/article/65674inuit-employment-staff-retention-a-focus-for-nunavuts-new-hr-department/>

¹³ Nunatsiaq News, Inuit students see new opportunity to prepare for public-service careers, July 16, 2018.

<http://nunatsiaq.com/stories/article/65674opportunity-for-inuit-students-to-prepare-for-public-service-careers/>