



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

November 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 November. The number of people employed in the Territories dropped 0.5% to 56,500 on a month-over-month basis. Declining employment is not entirely unexpected though, as the northern economy typically contracts during the winter months.

On a yearly basis, employment in the Territories is up 600 (+1.1%), with all gains occurring in the goods-producing sector. Both the Northwest Territories (+300) and Nunavut (+500) posted employment gains, while employment in Yukon is down 200 over the year.

#### Unemployment

The unemployment rate for the combined Territories was essentially flat on a monthly basis, up 0.1 percentage points to 7.4% from October. Year-over-year, Northwest Territories was the only territory to see its unemployment rate improve, albeit slightly, down 0.1 percentage points to 6.5%. By contrast, Nunavut's unemployment rate increased 0.4 percentage points to 13.1%, while the unemployment rate in Yukon was unchanged over the year.

For the combined Territories, the unemployment rate for youth (15 to 24 years) was 15.6% in November, up 1.7 percentage points from November 2017. The unemployment rate for young men reached 17.9% in November, 3.9 percentage points higher than a year earlier. Meanwhile, the unemployment rate for young women fell 0.7 percentage points to 13.2% over the same period.

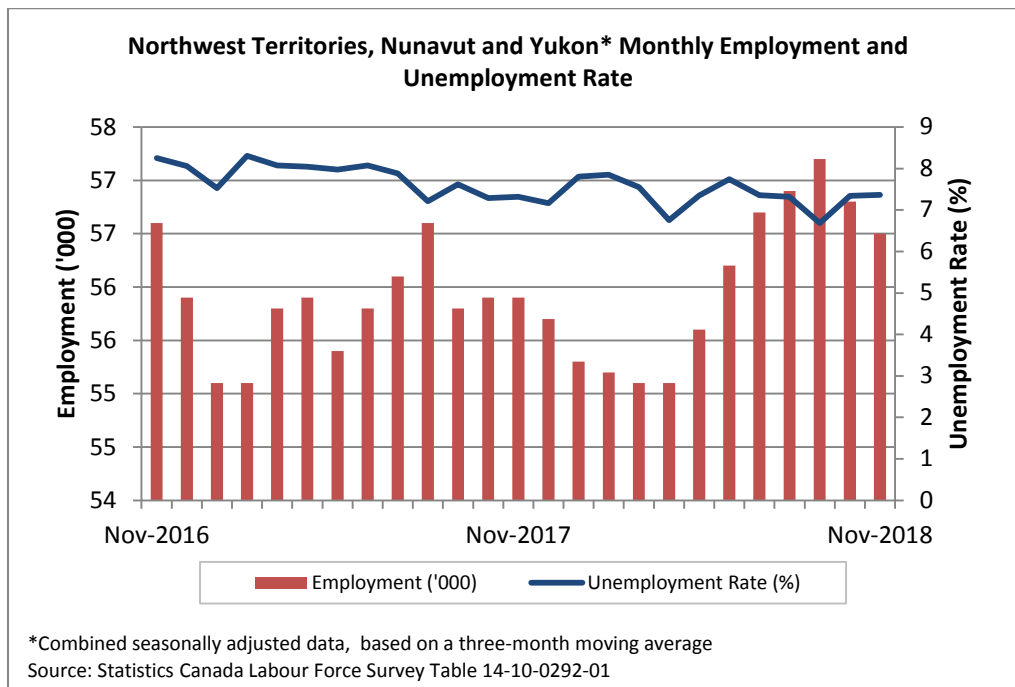
**Northwest Territories, Nunavut and Yukon\* Monthly Labour Force Statistics**

Seasonally Adjusted Data	November 2018	October 2018	November 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	87.4	87.3	85.8	0.1	0.1	1.6	1.9
Labour Force ('000)	61.1	61.3	60.1	-0.2	-0.3	1.0	1.7
Employment ('000)	56.5	56.8	55.9	-0.3	-0.5	0.6	1.1
Unemployment ('000)	4.5	4.5	4.4	0.0	0.0	0.1	2.3
Unemployment Rate (%)	7.4	7.3	7.3	0.1	-	0.1	-
Participation Rate (%)	69.9	70.2	70.0	-0.3	-	-0.1	-
Employment Rate (%)	64.6	65.1	65.2	-0.5	-	-0.6	-

\*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey Table 14-10-0292-01 (formerly CANSIM 282-0100)



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

Seasonally Unadjusted Data	November 2018 (%)	November 2017 (%)	Yearly Variation (% points)
<b>Total</b>	7.2	7.2	0.0
<b>25 years and over</b>	6.0	6.1	-0.1
Men - 25 years and over	6.8	7.7	-0.9
Women - 25 years and over	5.1	4.8	0.3
<b>15 to 24 years</b>	15.6	13.9	1.7
Men - 15 to 24 years	17.9	14.0	3.9
Women - 15 to 24 years	13.2	13.9	-0.7

*\*Combined data - three month moving average*

*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – ESDC custom table*

## EMPLOYMENT BY INDUSTRY

Employment in the goods-producing sector increased significantly on a yearly basis, up 18.1% (+1,300). In fact, employment is up across all industries within the sector between November 2017 and November 2018, with mining (+700) and construction (+400) posting the strongest employment gains. Employment growth in these industries is being driven by several mining exploration and public infrastructure projects that got underway across the three territories over the past year.

Moving forward, positive employment growth in the goods-producing sector is likely to continue as major mining and construction projects are scheduled to begin in the North over the next few years. Moreover, funding from all levels of government for infrastructure projects such as roads, schools, hydroelectric facilities and airports will help to support growth in the construction industry.

For instance, the federal government recently announced a call for funding proposals for projects that look to improve the transportation system across the three territories under the National Trade Corridors Fund. The initiative, which will see \$2 billion invested over 11 years into Canadian trade infrastructure, will dedicate \$400 million to projects that strengthen northern airports, all-season roads, bridges, and ports. These infrastructure projects are expected to help strengthen the Territories' economy and communities by creating training and job opportunities for northern residents.<sup>1</sup>

On a year-over-year basis, employment in the services-producing sector is down 0.8%, with 400 fewer people employed in this sector compared to the same time last year. The largest declines were in accommodation and food services, educational services and trade.

Despite these losses, the services-sector should see some improvement over the medium-term as the tourism industry is anticipated to create more job opportunities for the Territories over the next few years. For example, the federal government, in partnership with Arctic Co-operatives, is providing more than \$5 million for hotels, retail outlets and tourism upgrades in the Kivalliq region in Nunavut.<sup>2</sup>

The Government of NWT recently announced that a record 112,530 people made the trek to the territory during the 2017/2018 fiscal year, bringing in \$203.4 million in spending. In the previous year, the territory saw 108,480 visitors with a total spending of \$201.4 million. One big attraction is the viewing of the aurora borealis, for which tourism was up 17% this fiscal year and contributed \$55 million to the territorial economy. NWT is on-track to reach its target of increasing tourism industry revenue to \$207 million annually by 2021.<sup>3</sup> 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	November 2018	November 2017	Yearly Variation	
			Number	%
<b>Total employed, all industries</b>	56.7	55.9	0.8	1.4
<b>Goods-producing sector</b>	8.5	7.2	1.3	18.1
Agriculture	0.0	0.0	0.0	--
Forestry, fishing, mining, quarrying, oil and gas	2.8	2.1	0.7	33.3
Utilities	0.9	0.8	0.1	12.5
Construction	4.2	3.8	0.4	10.5
Manufacturing	0.5	0.2	0.3	150.0
<b>Services-producing sector</b>	48.2	48.6	-0.4	-0.8
Trade	6.5	7.1	-0.6	-8.5
Transportation and warehousing	3.3	3.3	0.0	0.0
Finance, insurance, real estate and leasing	2.1	2.2	-0.1	-4.5
Professional, scientific and technical services	1.9	2.1	-0.2	-9.5
Business, building and other support services	1.3	1.4	-0.1	-7.1
Educational services	4.7	5.4	-0.7	-13.0
Health care and social assistance	8.7	7.3	1.4	19.2
Information, culture and recreation	2.9	2.6	0.3	11.5
Accommodation and food services	2.8	3.5	-0.7	-20.0
Other services	2.0	1.7	0.3	17.6
Public administration	11.9	12.2	-0.3	-2.5

\*Combined data - three month moving average

Note: Totals may not add due to rounding

## REGIONAL ANALYSIS

### Yukon

On a year-over-year basis, Yukon was the only territory to see declining employment over the past year, with the number of people employed falling 1.0%. In the medium-term, Yukon's economy should see stronger growth than almost any other province or territory, as three new mines are projected to come online over the next few years; Victoria Gold Corp's \$370 million Eagle Gold Project, the \$320 million Coffee Gold Project and the \$2.45 billion Casino gold mine project are expected to boost employment in mining-related industries.<sup>4</sup>

In addition, Yukon currently ranks fourth in Canada for projected spending on mineral exploration and deposit evaluation.<sup>5</sup> According to Natural Resources Canada, spending for mineral exploration and deposit evaluations in Yukon is projected to reach \$249.4 million in 2018, up 48% from last year. With several mining exploration projects advancing to various stages, the territory's mining industry should remain strong over the next five years.<sup>6</sup>

### Northwest Territories

Employment in Northwest Territories was unchanged on a monthly basis, but is up 300 over the year. Annual employment gains were mainly concentrated in the services-producing sector, with the largest increase occurring in information, culture and recreation and business.

According to the Conference Board of Canada's latest forecast, Northwest Territories' economic outlook is projected to be grim over the short-term. This discouraging forecast is due to a maturing diamond industry and no new mines coming online over the next few years. Growth in the territory's mining industry is expected to be flat until Canadian Zinc's Prairie Creek mine opens in late 2022. Consequently, employment growth in many mining-related industries such as construction, trade and transportation will be adversely affected over the next three years.<sup>7</sup>

In an effort to support employment growth in NWT, the federal and territorial governments are providing funding for new public infrastructure projects that will help to generate more employment opportunities for local residents across the territory. Funding includes \$140 million to preserve social and community housing in the territory;<sup>8</sup> \$40 million for the Inuvik Wind Generation project;<sup>9</sup> and \$24.6 million to upgrade and repair infrastructure at the Snare Forks hydroelectric facility.<sup>10</sup>

### Nunavut

Year-over-year, the number of people employed in Nunavut is up 3.7% (+500). Indeed, both the goods-producing and services-producing sectors posted increases over the year, with health care and social assistance and forestry, fishing, mining, oil and gas seeing the most significant increases.

Nunavut's economy is expected to be strong over the short-term as construction work continues at the Meliadine, Amaruq and Back River mines. Public and private projects such as the \$400 million Qikiqtani Inuit Association and Qikiqtaaluk Corp. residential and commercial development in Iqaluit,<sup>11</sup> the \$10 million

infrastructure upgrade at the Canadian Forces Station Alert facility<sup>12</sup>, and the \$8 million Tundra Buddies Day Care centre in Iqaluit<sup>13</sup> should also provide support for construction-related industries.

Moreover, the federal government has pledged \$34 million in funding over five years for jobs and skills training for workers in Nunavut – an increase of more than \$4 million compared to previous funding levels.<sup>14</sup> About 1,000 more workers could potentially benefit from this additional investment. The training is administered through Workforce Development Agreements and Labour Market Development Agreements.

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

Seasonally Adjusted Data	Employment			Unemployment Rate		
	November 2018 ('000)	November 2017 ('000)	Yearly Variation (%)	November 2018 (%)	November 2017 (%)	Yearly Variation (% points)
<b>Territories*</b>	56.5	55.9	1.1	7.4	7.3	0.1
<b>Northwest Territories</b>	21.7	21.4	1.4	6.5	6.6	-0.1
<b>Nunavut</b>	14.0	13.5	3.7	13.1	12.7	0.4
<b>Yukon</b>	20.8	21.0	-1.0	4.1	4.1	0.0

\*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey Table 14-10-0292-01 (formerly CANSIM 282-0100)

**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](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](http://www.statcan.gc.ca)

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<sup>1</sup> CBC News, Government to pledge \$400 million for transport projects in Canada's North, November 18, 2018.  
<https://www.cbc.ca/news/politics/government-ottawa-north-infrastructure-von-scheel-1.4910890>

<sup>2</sup> CBC News, Kivalliq hotels, tourist attraction to receive major investments, November 14, 2018.  
<https://www.cbc.ca/news/canada/north/cannor-kivalliq-hotels-funding-1.4906147>

<sup>3</sup> Government of Northwest Territories, 2017/2018 Tourism Numbers Breaks Records – Again, November 1, 2018,  
<https://www.gov.nt.ca/en/newsroom/20172018-tourism-numbers-breaks-records-again>

<sup>4</sup> Conference Board of Canada, Territorial Outlook Economic Forecast, Autumn 2018, November 15, 2018.  
<https://www.conferenceboard.ca/e-library/abstract.aspx?did=9954>

<sup>5</sup> Government of Yukon, Yukon ranked one of Canada's top mineral exploration jurisdictions, November 15, 2018.  
<https://yukon.ca/en/news/yukon-ranked-one-canadas-top-mineral-exploration-jurisdictions>

<sup>6</sup> Natural Resources Canada, Table 27 – Exploration Plus Deposit Appraisal Expenditures, by Province and Territory, 2014-2017, Annual and 2018 Revised Spending Intentions, October 12, 2018.  
<http://sead.nrcan.gc.ca/expl-expl/ExploTable.aspx?FileT=272017&Lang=en>

<sup>7</sup> Conference Board of Canada, Territorial Outlook Economic Forecast, Autumn 2018, November 15, 2018.  
<https://www.conferenceboard.ca/e-library/abstract.aspx?did=9954>

<sup>8</sup> CBC News, Protect, renew and expand: Federal NWT gov'ts inject \$140M into territorial housing, November 15, 2018.  
<https://www.cbc.ca/news/canada/north/federal-territorial-housing-announcement-1.4907258>

<sup>9</sup> CBC News, Inuvik receives \$40M for wind turbine project, November 13, 2018.  
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<sup>10</sup> CBC News, \$24.6M announced for upgrades to NWT's Snare hydroelectric facility, November 14, 2018.  
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<sup>11</sup> 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>

<sup>12</sup> CBC News, Northern defence upgrades part of plan to protect Canada's Arctic, Sajjan says, August 20, 2018.  
<https://www.cbc.ca/news/canada/north/defence-minister-arctic-policy-alert-visit-1.4790509>

<sup>13</sup> 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>

<sup>14</sup> Daily Commercials News, Feds increase support for Nunavut worker training, December 7, 2018.  
<https://canada.constructconnect.com/dcn/news/labour/2018/12/feds-increase-support-nunavut-worker-training>