



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

December 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 fell slightly in the fourth quarter of 2018, down 0.9% compared to the previous quarter. This decrease is not entirely unexpected though, and likely reflects an annual drop in seasonal employment between October and December.

Despite this fourth quarter decline, employment in the combined Territories is up 1.8% (+1,000) on a year-over-year basis. In fact, employment in all three territories increased during the past year. The number of people employed is up considerably in Nunavut (+3.7%), while employment in Northwest Territories (+1.4%) and Yukon (+0.9%) advanced more moderately.

#### Unemployment

On a quarterly basis, the Territories' unemployment rate increased 1.5 percentage points to 8.2%. Year-over-year, the unemployment rate is up across all three territories. Nunavut posted the most significant increase over the year, seeing its unemployment rate increase 3.0 percentage points to 15.1%. Meanwhile, the unemployment rate is up slightly both in Northwest Territories and Yukon, reaching 7.4% and 4.0% respectively.

Compared to the fourth quarter of 2017, the unemployment rate for youth (15 to 24 years) in the Territories increased 6.0 percentage points to 20.3%. The unemployment rate for young men increased 7.5 percentage points to 25.0%, while the unemployment rate for young women went up 4.0 percentage points to 17.5%. Nunavut continues to have the highest youth unemployment rate in the North at nearly 29%.

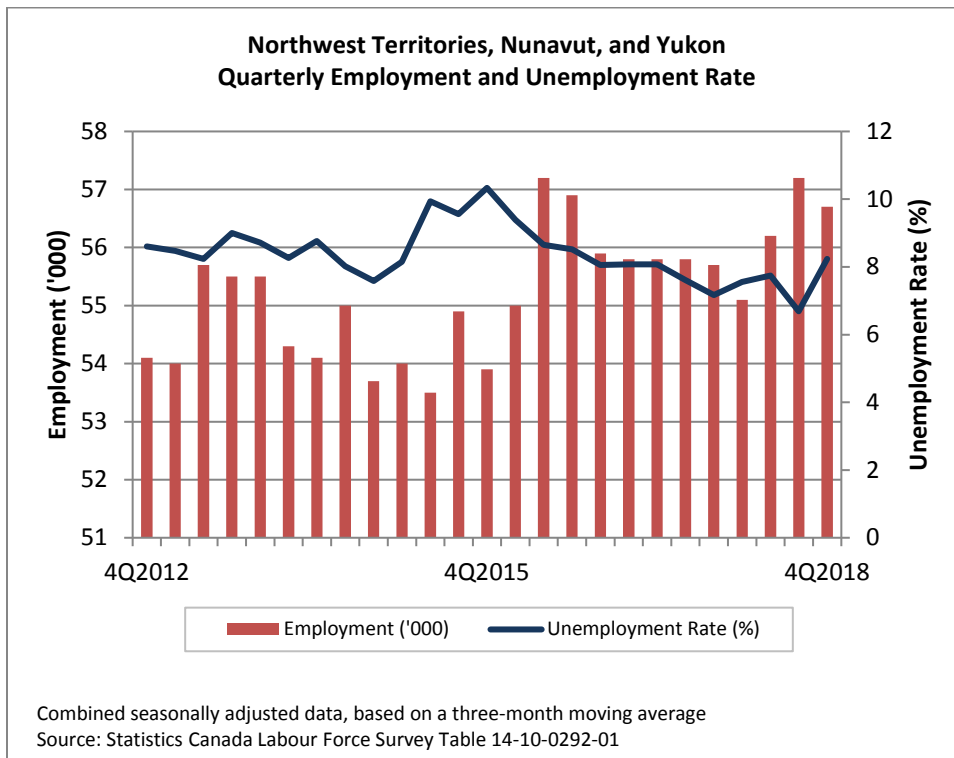
**Northwest Territories, Nunavut, Yukon\* Quarterly Labour Force Statistics**

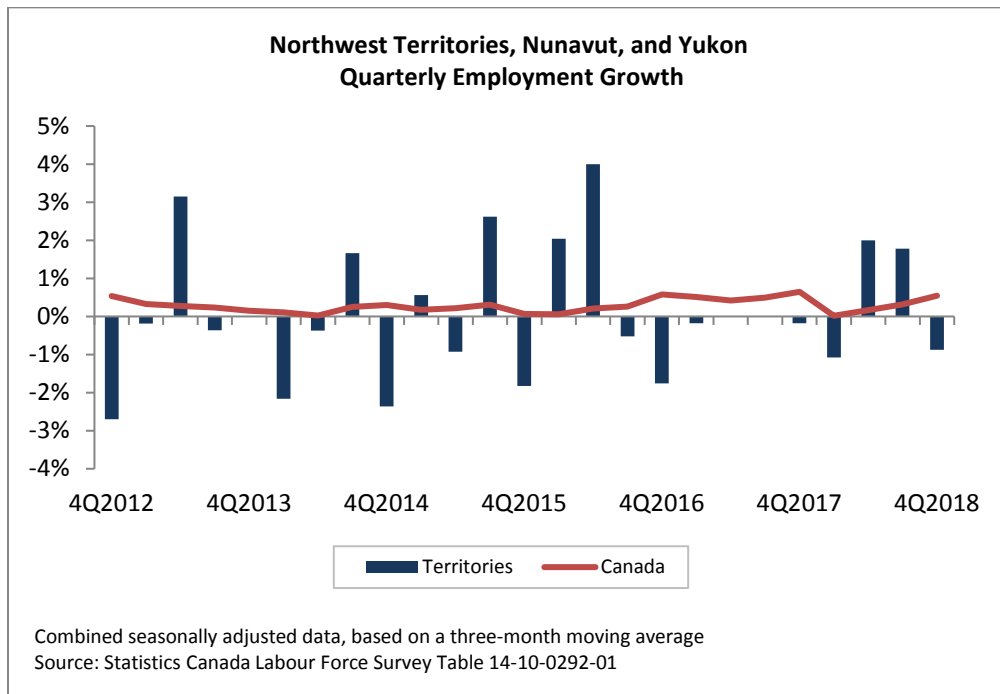
Seasonally adjusted data	4th Quarter 2018	3rd Quarter 2018	4th Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	87.4	87.2	86.0	0.2	0.2	1.4	1.6
Labour Force ('000)	61.9	61.3	60.0	0.6	1.0	1.9	3.2
Employment ('000)	56.7	57.2	55.7	-0.5	-0.9	1.0	1.8
Unemployment ('000)	5.1	4.1	4.3	1.0	24.4	0.8	18.6
Unemployment Rate (%)	8.2	6.7	7.2	1.5	-	1.0	-
Participation Rate (%)	70.8	70.3	69.8	0.5	-	1.0	-
Employment Rate (%)	64.9	65.6	64.8	-0.7	-	0.1	-

\* Combined data based on monthly three-month moving averages

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\* Quarterly Unemployment Rates by Gender and Age

Seasonally unadjusted data	4th Quarter 2018 (%)	4th Quarter 2017 (%)	Yearly Variation (% points)
<b>Total</b>	8.3	7.2	1.1
<b>25 years and over</b>	6.5	6.0	0.5
Men - 25 years and over	7.8	7.1	0.7
Women - 25 years and over	5.1	4.8	0.3
<b>15 to 24 years</b>	20.3	14.3	6.0
Men - 15 to 24 years	25.0	17.5	7.5
Women - 15 to 24 years	17.5	13.5	4.0

\*Combined data based on a three month moving average  
Source: Statistics Canada Labour Force Survey – ESDC custom table

## EMPLOYMENT BY INDUSTRY

There were 8,100 people employed in the goods-producing sector in the fourth quarter of 2018, up 12.5% (+900) compared to a year ago. Indeed, all industries within the sector added jobs during the quarter, with mining (+300) and construction (+400) posting strong employment gains. Employment growth in these industries is largely being driven by a number of mining development and public infrastructure projects that began across the North over the past year.

In the short- and medium-term, employment in the goods-producing sector is expected to benefit both from public and private construction projects. For instance, the Federal and Yukon governments recently awarded a \$29 million contract to Whitehorse-based company – Ketz Construction – to build a French First Language Secondary School and community spaces in Whitehorse. Construction is set to begin in the spring of 2019 and should be completed by early 2021.<sup>1</sup> The project is expected to generate employment opportunities for local residents and companies during construction.

Meanwhile, employment in the services-producing sector was relatively flat on a year-over-year basis (+0.2%). Employment losses in educational services (-800) and accommodation and food services (-400) were offset by gains in health care and social assistance (+1,100) and public administration (+400).

Looking forward, the outlook for the services-producing sector is optimistic over the short-term. With major infrastructure projects underway across the three territories, the transportation and warehousing industry, as well as the trade industry (wholesale/retail), are expected to see some growth over the next few years. Several upcoming construction projects including the \$40 million Inuvik Wind Generation project in Northwest Territories,<sup>2</sup> the new Cornerstone Housing project in Whitehorse<sup>3</sup> and the federal government's \$12 million investment to retrofit 1000 public housing units in Nunavut<sup>4</sup> are anticipated to keep the construction industry busy across the three territories. Overall, this activity will have an indirect yet positive impact on the services-sector.

In addition, the Government of Northwest Territories recently pledged \$9.12 million in new funding to the Arctic Energy Alliance for enhancing their programs and services to help reduce greenhouse gas emissions and lower energy costs for residents. This new funding will also be used for projects such as retrofitting and upgrading public housing across NWT. These initiatives should result in more energy efficiency-related jobs in the North.<sup>5</sup>

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

Seasonally Unadjusted Data ('000)	4th Quarter 2018	4th Quarter 2017	Yearly Variation	
			Number	%
<b>Total employed, all industries</b>	56.4	55.3	1.1	2.0
<b>Goods-producing sector</b>	8.1	7.2	0.9	12.5
Agriculture	0.0	0.0	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.5	2.2	0.3	13.6
Utilities	1.0	0.8	0.2	25.0
Construction	4.0	3.6	0.4	11.1
Manufacturing	0.5	0.0	0.5	-
<b>Services-producing sector</b>	48.2	48.1	0.1	0.2
Trade	6.6	6.8	-0.2	-2.9
Transportation and warehousing	3.3	3.3	0.0	0.0
Finance, insurance, real estate and leasing	2.1	2.3	-0.2	-8.7
Professional, scientific and technical services	1.9	2.0	-0.1	-5.0
Business, building and other support services	1.2	1.3	-0.1	-7.7
Educational services	4.8	5.6	-0.8	-14.3
Health care and social assistance	8.3	7.2	1.1	15.3
Information, culture and recreation	2.9	2.7	0.2	7.4
Accommodation and food services	2.9	3.3	-0.4	-12.1
Other services	2.0	1.7	0.3	17.6
Public administration	12.2	11.8	0.4	3.4

\* Combined data based on a three-month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – ESDC custom table

**REGIONAL ANALYSIS****Yukon**

The number of people employed in Yukon reached 21,300 in the fourth quarter of 2018, an increase of 200 compared to the same time last year. Employment losses in the services-producing sector were offset by gains in the goods-producing sector.

Positive employment growth in Yukon's goods-producing sector is likely to continue moving forward as large-scale mining developments will help to support employment growth in the territory. These projects include the \$320 million Coffee Gold Project and Victoria Gold Corp's \$370 million Eagle Gold Project. Both projects are expected to create plenty of construction and mining-related jobs for the territory over the next five years.<sup>6</sup>

Western Copper and Gold Corporation recently announced they are pushing their project back another year to study the best methods for dealing with mine waste for their proposed Casino gold mine. The company states that construction on the mine could start in three years, employing up to 1,000 people during the construction

phase. If the project moves forward, the Casino mine would be the largest mine ever constructed in Yukon, and one of the world's largest open-pit gold, copper, silver and molybdenum mines.<sup>7</sup>

In addition, Yukon's tourism sector is anticipated to remain strong over the medium-term. The Yukon First Nations Culture and Tourism Association recently signed a Memorandum of Understanding with the territorial government, who are all pledging to help increase Indigenous tourism in Yukon by 50% over the next decade. Increasing tourism will provide spin-off benefits for the territory's accommodation, food services and retail industries.<sup>8</sup>

### **Northwest Territories**

On a year-over-year basis, employment in the Northwest Territories was up 1.4% (+300). Job growth is due entirely to gains in the services-producing sector, with information, culture and recreation and other services seeing the largest increases.

In the medium-term, Prairie Creek's \$280 million zinc mine development, the \$40 million TerraX Mineral's Yellowknife City Gold exploration project<sup>9</sup>, and the \$19.5 million double-hulled barges construction project in NWT<sup>10</sup> should help to support growth in the mining and construction industries.

The federal and territorial governments also signed a bilateral agreement in November to invest \$140 million under the National Housing Strategy (NHS) to protect, renew and expand social and community housing in the NWT. The 10-year agreement is expected to start April 1, 2019. This new funding is in addition to the \$150 million in previously planned federal housing investment through the Social Housing Agreement (SHA). These investments will help to create construction jobs for local residents and provide opportunities for local trades' apprentices.<sup>11</sup>

### **Nunavut**

Employment in Nunavut increased 3.7% (+500) on an annual basis, with both the goods-producing and services-producing sectors posting employment gains over the year.

Several mega mining and construction projects are slated to begin in Nunavut over the next few years. Projects such as the \$400 million Back River gold mine development and the \$1.2 billion Meliadine and Amaruq gold mines in the Kivalliq region should help to boost employment both in the goods-producing and services-producing sectors over the next five years.<sup>12</sup>

Meanwhile, Nunastar Properties Inc. recently acquired the former RCMP lot in Iqaluit and plans to incorporate it with another parcel of land to build the proposed Astro Hill Place development. The project includes the construction of a new four-storey building with 4,000 square-feet of retail and office space, as well as 32 residential units. In addition to the new building, Nunastar also plans to redevelop the old CBC building located beside the RCMP lot into more retail and office space. Pending receipt of development permits from the city, construction will begin in the spring and could be complete by early 2020. These projects will help to create employment and business opportunities for residents in Iqaluit.<sup>13</sup>

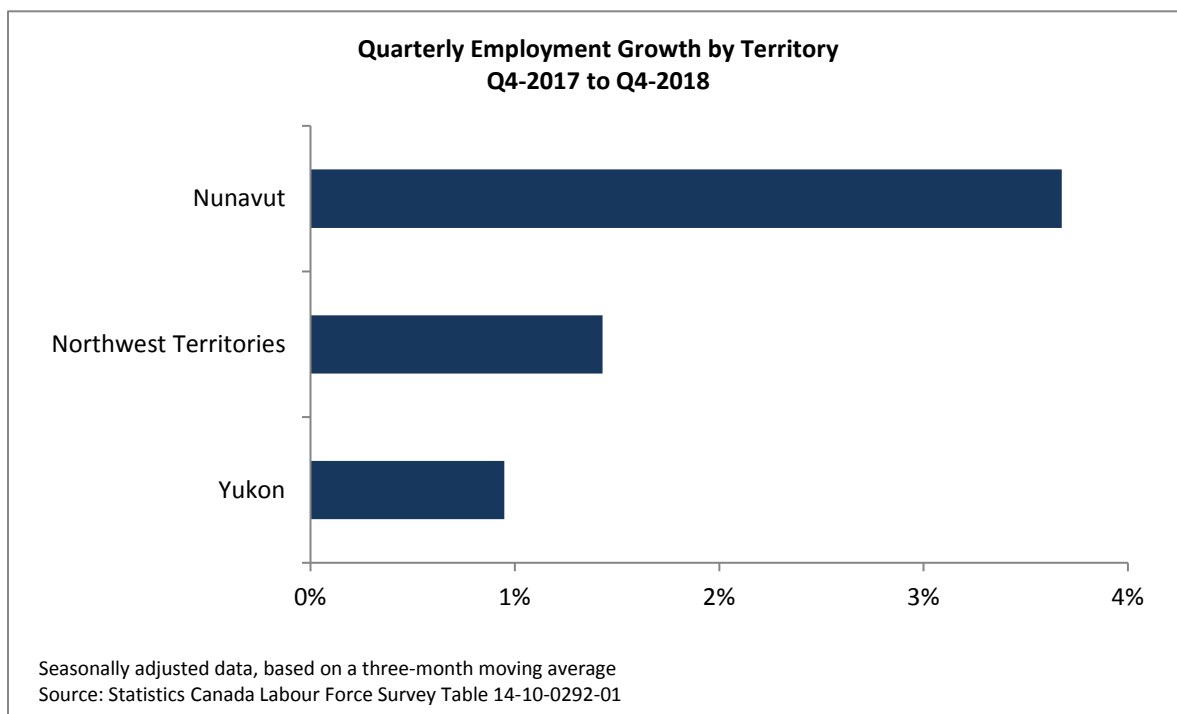
**Quarterly Labour Force Statistics by Territory**

Seasonally adjusted data	Employment			Unemployment Rate		
	4th Quarter 2018 ('000)	4th Quarter 2017 ('000)	Yearly Variation (%)	4th Quarter 2018 (%)	4th Quarter 2017 (%)	Yearly Variation (% points)
<b>Total territories*</b>	56.7	55.7	1.8	8.2	7.2	1.0
Yukon	21.3	21.1	0.9	4.0	3.7	0.3
Northwest Territories	21.3	21.0	1.4	7.4	7.1	0.3
Nunavut	14.1	13.6	3.7	15.1	12.1	3.0

\* Combined data based on a 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.

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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> Government of Yukon, French First Language Secondary School design-build contract awarded, December 11, 2018.

<https://yukon.ca/en/news/french-first-language-secondary-school-design-build-contract-awarded>

<sup>2</sup> CBC News, Inuvik receives, \$40 million for wind turbine project, November 13, 2018.

<https://www.cbc.ca/news/canada/north/inuvik-wind-turbines-funding-1.4903494>

<sup>3</sup> Yukon News, Cornerstone Housing project receives additions \$1.15 million from Yukon government, December 20, 2018.

<https://www.yukon-news.com/news/cornerstone-housing-project-receives-additions-1-15m-from-yukon-government/>

<sup>4</sup> Nunatsiaq News, Nunavut receives federal funds to retrofit 1,000 public housing units, September 13, 2018.

[https://nunatsiaq.com/stories/article/65674feds\\_earmark\\_12m\\_for\\_housing\\_heating\\_in\\_two\\_nunavut\\_communities/](https://nunatsiaq.com/stories/article/65674feds_earmark_12m_for_housing_heating_in_two_nunavut_communities/)

<sup>5</sup> Government of Northwest Territories, Government of the Northwest Territories offers enhanced programs with increased funding to Arctic Energy Alliance, November 22, 2018.

<https://www.gov.nt.ca/en/newsroom/government-northwest-territories-offers-enhanced-programs-increased-funding-arctic-energy>

<sup>6</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>7</sup> CBC News, Yukon's massive Casino mine project pushed back a year, December 19, 2018.

<https://www.cbc.ca/news/canada/north/yukon-casino-mine-delay-tailings-1.4952602>

<sup>8</sup> CBC News, Yukon Indigenous tourism should grow responsibly, say advocates, December 13, 2018.

<https://www.cbc.ca/news/canada/north/yukon-indigenous-tourism-conference-carcross-1.4944910>

<sup>9</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>10</sup> Government of Northwest Territories, Marine Training Centre Opening, Hay River, October 16, 2018.

<https://www.gov.nt.ca/en/newsroom/marine-training-centre-opening-hay-river>



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<sup>11</sup> CBC News, Protect, renew and expand: Federal, N.W.T. gov'ts inject \$140M into territorial housing, November 15, 2018.

<https://www.cbc.ca/news/canada/north/federal-territorial-housing-announcement-1.4907258>

<sup>12</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>13</sup> CBC News, Nunastar gets Iqaluit's old RCMP lot in settlement, plans for Astro Hill development, December 13, 2018.

<https://www.cbc.ca/news/canada/north/astro-hill-development-rcmp-lot-1.4943584>