



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

April 2019



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

There were 56,200 people employed in Yukon, Northwest Territories (NWT) and Nunavut as of April 2019, representing an increase of 0.9% (+500) from March. Employment levels in all three territories are higher on the month, with Yukon and Northwest Territories each posting gains of 200, while Nunavut saw an increase of 100.

On a year-over-year basis, employment in the Territories advanced 2.2% (+1,200). Both the Northwest Territories (+500) and Nunavut (+800) posted significant gains, while Yukon saw a slight decrease (-100) over the year.

Unemployment

The unemployment rate for the combined Territories increased 0.3 percentage points to 8.2% from March to April. Year-over year, Northwest Territories was the only territory to see its unemployment rate improve, falling 0.6 percentage points to 7.4%. By contrast, Nunavut's unemployment rate climbed 2.1 percentage points to 13.9%, while the unemployment rate in Yukon increased considerably – up 2.6 percentage points to 4.9%.

The youth (15 to 24 years) unemployment rate for the combined Territories was 17.8% in April; an increase of 2.7 percentage points from the same time last year. The unemployment rate for young men increased significantly on a yearly basis, up 5.4 percentage points to 24.3%, while the unemployment rate for young women was unchanged over the year.

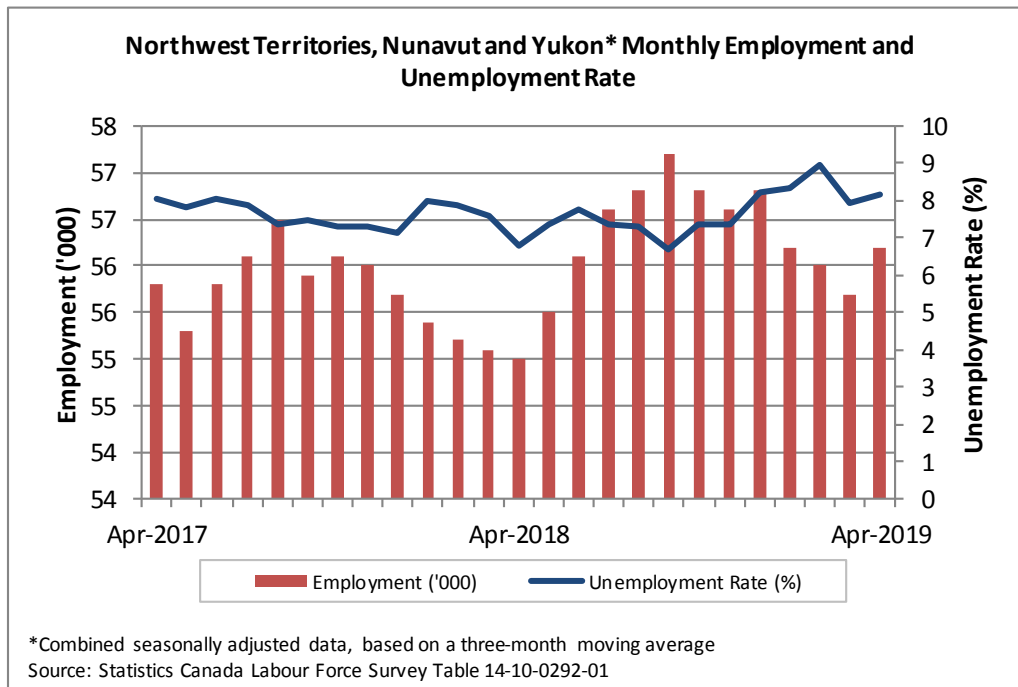
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Adjusted Data	April 2019	March 2019	April 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	88.0	87.9	86.3	0.1	0.1	1.7	2.0
Labour Force ('000)	61.3	60.5	59.1	0.8	1.3	2.2	3.7
Employment ('000)	56.2	55.7	55.0	0.5	0.9	1.2	2.2
Unemployment ('000)	5.0	4.8	4.0	0.2	4.2	1.0	25.0
Unemployment Rate (%)	8.2	7.9	6.8	0.3	-	1.4	-
Participation Rate (%)	69.7	68.8	68.5	0.9	-	1.2	-
Employment Rate (%)	63.9	63.4	63.7	0.5	-	0.2	-

*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	April 2019 (%)	April 2018 (%)	Yearly Variation (% points)
Total	8.4	6.8	1.6
25 years and over	7.1	5.7	1.4
Men - 25 years and over	9.2	7.2	2.0
Women - 25 years and over	4.7	4.0	0.7
15 to 24 years	17.8	15.1	2.7
Men - 15 to 24 years	24.3	18.9	5.4
Women - 15 to 24 years	11.1	11.1	0.0

*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 considerably on a yearly basis, up 16.2% (+1,100). In fact, employment was up across all industries within the sector compared to year-ago levels. Mining and construction – the Territories’ two key industries – posted strong year-over-year employment growth of 12.0% and 6.5% respectively. 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.

Positive employment growth in the goods-producing sector is likely to continue moving forward as a number of major construction projects and mining developments are slated to begin across the North over the next few years. Projects such as the Prairie Creek zinc mine development in Northwest Territories, the new \$74 million Qikiqtani Correctional Healing Centre in Iqaluit, and Victoria Gold’s \$487 million Eagle Gold mine in Yukon will create plenty of jobs and provide opportunities for local trades’ apprentices.¹

Employment also climbed higher in the services-producing sector – increasing 0.8% (+400) to 47,900 on an annual basis. Employment growth in the services-sector was driven by gains in several large industry groups including trade, transportation and warehousing, and health care and social assistance.

The employment outlook for the services-producing sector is positive over the short-term as funding from all levels of government for health care and education initiatives will help to support growth. For example, the federal government is contributing \$13 million over five years to the Dechinta Centre for Research and Learning in the Northwest Territories to support the development of indigenous land-based education in the Dehcho region.²

Meanwhile, the Territories’ tourism industry is anticipated to remain strong over the medium-term. The industry continues to receive new funding from all levels of governments to help attract visitors to the North. For instance, the federal government recently announced a joint funding investment of \$2.65 million to support growth of Yukon’s tourism sector. Half of this funding will be used to design a new 80-room hotel in downtown Whitehorse.³ In addition, the federal government has pledged \$2 million over two years to conduct market

research on tourists, expand French language tourism, and develop new online tools to attract visitors to the Northwest Territories.⁴ Moreover, the Government of Nunavut recently signed a new agreement with the Association of Arctic Expedition Cruise Operators and the Indigenous Tourism Association of Canada that aims to increase training and Inuit employment opportunities in the cruise ship industry.⁵

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

Seasonally Unadjusted Data	April 2019	April 2018	Yearly Variation	
			Number	%
Total employed, all industries	55.7	54.3	1.4	2.6
Goods-producing sector	7.9	6.8	1.1	16.2
Agriculture	0.0	0.0	0.0	--
Forestry, fishing, mining, quarrying, oil and gas	2.8	2.5	0.3	12.0
Utilities	1.1	0.9	0.2	22.2
Construction	3.3	3.1	0.2	6.5
Manufacturing	0.4	0.2	0.2	100.0
Services-producing sector	47.9	47.5	0.4	0.8
Trade	6.9	6.1	0.8	13.1
Transportation and warehousing	3.4	2.7	0.7	25.9
Finance, insurance, real estate and leasing	2.3	2.0	0.3	15.0
Professional, scientific and technical services	2.3	1.9	0.4	21.1
Business, building and other support services	1.0	1.3	-0.3	-23.1
Educational services	4.7	5.2	-0.5	-9.6
Health care and social assistance	8.3	7.8	0.5	6.4
Information, culture and recreation	2.6	3.3	-0.7	-21.2
Accommodation and food services	2.7	3.3	-0.6	-18.2
Other services	1.6	1.7	-0.1	-5.9
Public administration	11.9	12.6	-0.7	-5.6

*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - ESDC custom table

REGIONAL ANALYSIS

Yukon

Employment in Yukon was relatively flat on a year-over-year basis, down just 0.5% (-100). The territory's economic fortunes should improve in the short-term, as more funding from all levels of government for public infrastructure will create employment opportunities in construction-related industries. For example, Whitehorse City Council recently unveiled a joint funding investment of \$23 million for three new infrastructure projects. These projects include renovation and expansion of a city service building, heating system upgrades at city hall, and repaving city roads.⁶

In addition, construction will begin soon on the new \$79 million fibre optic line to be built along the Dempster Highway connecting Dawson City to Inuvik in the Northwest Territories. The 777-km line will close the 4,000-km long Canada North Fibre Loop and provide more consistent service to 70 communities across all three territories and northern British Columbia.⁷ The improved service will enable access to distance education, new business opportunities, credit card services and online job searches. The federal government is covering 75% of the cost of the project, while the Government of Yukon will own the line and Northwestel will operate and maintain the line at no cost under a 20-year lease agreement. The project is expected to take three years to complete and will create about 600 jobs during construction.⁸

Northwest Territories

The number of people employed in the Northwest Territories reached 21,300 in April, an increase of 500 compared to a year earlier. Both the goods-producing and services-producing sectors posted gains in employment over the year.

There are a number of private and public construction projects scheduled to begin in Northwest Territories over the next two years. These construction developments include the Taltson hydroelectric plant expansion project near Fort Smith,⁹ a new \$9.8 million diesel power plant in Sachs Harbour¹⁰, and the \$40 million Inuvik Wind Generation project.¹¹

Meanwhile, the federal government plans to spend about \$600 million in contract work for the Giant Mine Remediation Project. The Giant Mine Oversight Board estimates that remediation work could generate up to 450 jobs and about \$70 million in economic potential each year for the territory. The project is also expected to provide business opportunities for local companies specializing in transportation, engineering, and hazardous material handling. The Giant Mine site is considered one of the most contaminated in the country, and remediation work is required to prevent the release of toxic substances into groundwater around the mine.¹²

Nunavut

Employment in Nunavut increased 6.2% (+800) on an annual basis, with both the goods-producing and services-producing sectors posting employment gains over the year. Several industries posted significant gains, including mining, health care and social assistance, and transportation and warehousing.

According to the Bank of Canada, Nunavut will see strong economic growth over the next four years due to a boom in the mining industry.¹³ Overall investment in the mining sector is forecast to reach about \$1.4 billion this year and to grow by approximately half a billion each year over the next few years. Production at the new Meliadine gold mine and its satellite Amaruq deposit are the main contributors to this projected growth. The territorial government expects output from the mining sector will be the largest contributor to the territory's economy this year, surpassing government spending for the first time. In the past, government spending made up nearly half of Nunavut's economy; however, this spending has dropped considerably over the last few years and currently sits at around 35%.¹⁴

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

Seasonally Adjusted Data	Employment			Unemployment Rate		
	April 2019 (‘000)	April 2018 (‘000)	Yearly Variation (%)	April 2019 (%)	April 2018 (%)	Yearly Variation (% points)
Territories*	56.2	55.0	2.2	8.2	6.8	1.4
Northwest Territories	21.3	20.8	2.4	7.4	8.0	-0.6
Nunavut	13.6	12.8	6.2	13.9	11.8	2.1
Yukon	21.3	21.4	-0.5	4.9	2.3	2.6

*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)

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 Victoria Gold Corp., Victoria Gold: Eagle Mine Construction Update, Dublin Gulch, Yukon, February 25, 2019. <https://www.vitgoldcorp.com/news/victoria-gold-eagle-mine-construction-update-dublin-gulch-yukon/>

² CBC News, Dechinta ‘bush university’ eyes expansion with 5 years of federal funding, March 28, 2019. <https://www.cbc.ca/news/canada/north/dechinta-federal-funding-1.5074493>

³ CBC News, Yukon tourism, First Nations, geoscience get \$8.3M funding boost, April 18, 2019. <https://www.cbc.ca/news/canada/north/yukon-federal-funding-tourism-geoscience-1.5104732>

⁴ CBC News, NWT Tourism, film industry, language programming get \$2.7M boost, April 17, 2019. <https://www.cbc.ca/news/canada/north/yellowknife-tourism-industry-language-funding-1.5102615>

⁵ Government of Nunavut, GN signs MOU with international cruise operators’ association, April 16, 2019. <https://www.gov.nu.ca/economic-development-and-transportation/news/gn-signs-mou-international-cruise-operators-association>

⁶ Whitehorse DailyStar, Officials unveil \$23M for road, city works, April 15, 2019. <https://www.whitehorsestar.com/News/officials-unveil-23-m-for-road-city-works>

⁷ Government of Yukon, Dempster Fibre Project, 2019.

https://yukon.ca/sites/yukon.ca/files/ecdev/ecdev-dempster-fibre-fact-sheet_0.pdf

⁸ Yukon News, Yukon chooses Dempster fibre line route, June 22, 2018.

<https://www.yukon-news.com/news/yukon-chooses-dempster-fibre-line-route/>

⁹ CBC News, Federal, N.W.T. gov'ts investing \$1.2M for proposed Taltson expansion, January 23, 2019.

<https://www.cbc.ca/news/canada/north/investment-taltson-hydroelectricity-1.4990400>

¹⁰ CBC News, Sachs Harbour to get new diesel power plant, March 4, 2019.

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¹¹ CBC News, Inuvik receives \$40M for wind turbine project, November 13, 2018.

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

¹² CBC News, Yellowknives Dene do not want to be overlooked as Giant Mine cleanup ramps up, May 02, 2019.

<https://www.cbc.ca/news/canada/north/giant-mine-remediation-economic-development-1.5119579>

¹³ Nunavut News Online, Nunavut's economy will see very high growth in coming years, says GN economist, April 6, 2019.

<https://nunavutnews.com/nunavut-news/nunavuts-economy-will-see-very-high-growth-in-coming-years-says-gn-economist/>

¹⁴ Nunatsiaq News, Nunavut's future looks bright, says territorial government economist, April 4, 2019.

<https://nunatsiaq.com/stories/article/nunavuts-economic-prospects-look-bright-economist-says/>