



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

July 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 58,600 people employed in Yukon, Northwest Territories (NWT) and Nunavut as of July 2019, representing an increase of 2.3% (+1,300) from June. Employment levels in all three territories are higher on the month, with Northwest Territories seeing the most significant increase.

On a year-over-year basis, employment in the Territories is up 3.5% (+2,000). In fact, employment in all three territories increased over the year. The number of people employed is up considerably in Yukon (+3.3%) and in Nunavut (+5.1%), while employment in the Northwest Territories advanced more moderately (+2.8%).

Unemployment

The unemployment rate for the combined Territories decreased in July, falling 0.4 percentage points to 7.6%. On an annual basis, the unemployment rate fell both in Northwest Territories and in Nunavut, declining to 7.1% and 14.5%, respectively. Meanwhile, Yukon's unemployment rate increased 0.8 percentage points to 3.1%.

The unemployment rate for youth (15 to 24 years) was 14.6% in July, a decrease of 1.1 percentage points from the same time last year. The unemployment rate for young men reached 18.0% in July, 0.2 percentage points higher than a year earlier. Meanwhile, the unemployment rate for young women fell 2.7 percentage points to reach 10.9% over the same period.

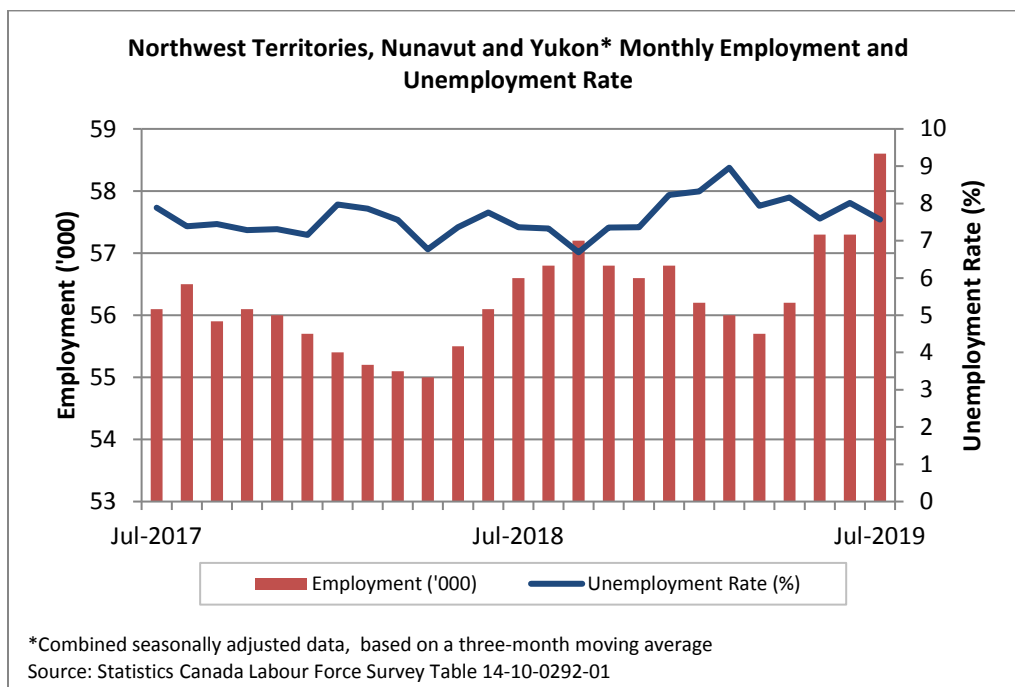
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Adjusted Data	July 2019	June 2019	July 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	88.2	88.1	86.9	0.1	0.1	1.3	1.5
Labour Force ('000)	63.4	62.4	61.1	1.0	1.6	2.3	3.8
Employment ('000)	58.6	57.3	56.6	1.3	2.3	2.0	3.5
Unemployment ('000)	4.8	5.0	4.5	-0.2	-4.0	0.3	6.7
Unemployment Rate (%)	7.6	8.0	7.4	-0.4	-	0.2	-
Participation Rate (%)	71.9	70.8	70.3	1.1	-	1.6	-
Employment Rate (%)	66.4	65.0	65.1	1.4	-	1.3	-

*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	July 2019 (%)	July 2018 (%)	Yearly Variation (% points)
Total	7.3	7.3	0.0
25 years and over	6.0	6.0	0.0
Men - 25 years and over	7.0	7.6	-0.6
Women - 25 years and over	5.0	4.0	1.0
15 to 24 years	14.6	15.7	-1.1
Men - 15 to 24 years	18.0	17.8	0.2
Women - 15 to 24 years	10.9	13.6	-2.7

**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 was up 700 in July, an increase of 7.8% from the same time last year. Falling employment in mining was offset by growth in the utilities, construction and manufacturing industries over the year.

Positive employment growth in the goods-producing sector is likely to continue moving forward as a number of new private and public construction projects get underway across the North. New mineral exploration and extraction projects will also help to boost employment in the goods-producing sector over the next few years.

In addition, new funding from the federal and territorial governments will help to encourage more mineral exploration activity in the North. For instance, the Northwest Territories government recently pledged \$1 million in funding through the Mining Incentive Program (MIP) to support 19 projects that promote and enhance mineral prospecting and exploration activities in the territory. Exploration companies can use the funding to locate, explore and develop mineral projects to an advanced stage. Over the last four years, the MIP has provided grassroots prospectors approximately \$3 million to develop their mineral exploration projects. In return, program recipients have invested an additional \$14.7 million in their projects across NWT.¹

Employment also climbed higher in the services-producing sector – increasing 2.9% (+1,400) to 49,900 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.

Looking ahead, the services-producing sector should continue to see steady growth over the short-term. Funding from all levels of government for infrastructure projects such as roads, water treatment facilities, community facilities and airports will help generate new employment opportunities. For example, the federal and Yukon governments are providing \$157 million in funding over the next eight years to improve the North Klondike Highway that connects Whitehorse to Dawson City. The territorial government states that better transportation

infrastructure will help support the flow of goods and services between remote communities, as well as encourage tourism and mining activities. The project is scheduled to start next year and be completed by 2027.²

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

Seasonally Unadjusted Data	July 2019	July 2018	Yearly Variation	
			Number	%
Total employed, all industries	59.6	57.5	2.1	3.7
Goods-producing sector	9.7	9.0	0.7	7.8
Agriculture	0.2	0.0	0.2	--
Forestry, fishing, mining, quarrying, oil and gas	3.1	3.2	-0.1	-3.1
Utilities	1.0	0.9	0.1	11.1
Construction	4.6	4.5	0.1	2.2
Manufacturing	0.7	0.2	0.5	250.0
Services-producing sector	49.9	48.5	1.4	2.9
Trade	7.8	6.3	1.5	23.8
Transportation and warehousing	3.5	2.9	0.6	20.7
Finance, insurance, real estate and leasing	2.0	2.2	-0.2	-9.1
Professional, scientific and technical services	1.8	2.1	-0.3	-14.3
Business, building and other support services	1.1	1.6	-0.5	-31.3
Educational services	4.8	4.8	0.0	0.0
Health care and social assistance	8.5	8.2	0.3	3.7
Information, culture and recreation	2.7	3.3	-0.6	-18.2
Accommodation and food services	2.6	2.9	-0.3	-10.3
Other services	1.5	1.5	0.0	0.0
Public administration	13.1	12.8	0.3	2.3

*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

The number of people employed in Yukon increased 3.3% (+700) to 22,000 on a yearly basis. Both the goods-producing and services-producing sectors saw increasing employment over the year, with the manufacturing, trade, and professional, scientific and technical services industries posting the most significant gains.

Yukon's economy should see strong growth over the next few years as three new mines are expected to come online. Victoria Gold Corp.'s \$370 million Eagle Gold Project, the \$320 million Coffee Gold Project, and the \$2.45 billion Casino gold mine project will provide a boost to employment in mining-related industries.³

Moreover, Vancouver-based Golden Predator Mining Corporation recently received final approval from both the Yukon government and the Tr'ondëk Hwëch'in First Nation to restart mining operations at its Brewery Creek gold mine. The mine – located 55 km east of Dawson City – was closed in 2002 when gold prices fell below US\$300 per ounce. Golden Predator expects the mine to have a 10-year production lifespan and employ up to 100 workers when fully operational. The company is accelerating exploration and drilling work this summer and production could start in 18 months. In 2012, the Tr'ondëk Hwëch'in signed an socio-economic agreement with Golden Predator to increase training and employment opportunities for their residents. The company anticipates that about half of the staff working at the mine site will be from Tr'ondëk Hwëch'in.⁴

Northwest Territories

The number of people employed in the Northwest Territories reached 22,300 in July, an increase of 600 positions compared to a year earlier. Both the goods-producing and services-producing sectors posted employment increases over the year.

There are a number of private and public construction projects scheduled to begin across the NWT over the next few years. Construction developments include the \$14 million community centre in Old Crow,⁵ the \$22 million Inuvik Mike Zubko Airport improvement project⁶, and Sakku Investments Corporation's \$75 million wind farm project near Rankin Inlet.⁷

In addition, Avalon Advanced Materials announced in June that it has finalized an agreement with Australian-based Cheetah Resources to develop rare earth elements on the Nechalacho project at Thor Lake – 100 km southeast of Yellowknife. Cheetah will pay \$5 million to acquire ownership of the near-surface resources for a small-scale mining operation. Avalon is managing this summer's work program, employing local labour for confirmation of rare earth resources at the site and testing new technology that will help process minerals. The development plan is to process deposits of rare earth elements – neodymium and praseodymium – essential to the magnets used in electric motors. Blasting and millwork could start later this summer with production beginning as early as 2020.⁸

Nunavut

Year-over-year, the number of people employed in Nunavut is up 5.1% (+700). Trade, transportation and warehousing, and public administration saw the most significant increases.

Several mega mining and construction projects are slated to begin in Nunavut in the near-term. Projects such as the Amaruq gold mine near Meadowbank, the Back River gold mine development,⁹ and the new \$74 million Qikiqtani Correctional Healing Centre are expected to create job opportunities for residents across the territory.¹⁰

Also, the federal government recently announced the completion of the Tallurutiup Imanga National Marine Conservation Area and the creation of the Tuvaijuittuq Marine Protected Area off the northwest coast of Nunavut's Ellesmere Island. The two protected areas, which cover more than 427,000 square km, will further the federal government's efforts to protect over 10% of Canada's marine areas by 2020. The federal government has pledged \$55 million for Inuit training and employment initiatives aimed at supporting the development of both

conservation areas. In addition, another \$190 million over seven years will go towards the construction of new small-craft harbours, food-processing facilities, and an Inuit training centre across five communities on Baffin Island.¹¹

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

Seasonally Adjusted Data	Employment			Unemployment Rate		
	July 2019 ('000)	July 2018 ('000)	Yearly Variation (%)	July 2019 (%)	July 2018 (%)	Yearly Variation (% points)
Territories*	58.6	56.6	3.5	7.6	7.4	0.2
Northwest Territories	22.3	21.7	2.8	7.1	7.3	-0.2
Nunavut	14.3	13.6	5.1	14.5	14.7	-0.2
Yukon	22.0	21.3	3.3	3.1	2.3	0.8

*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 My Yellowknife Now, GNWT invests \$1 million in mineral exploration, July 15, 2019.

<https://www.myyellowknifenow.com/41410/gnwt-invests-1-million-in-mineral-exploration/>

² Government of Canada News Release, Government of Canada invests in transportation infrastructure for North Klondike Highway in the Yukon, July 24, 2019. <https://www.canada.ca/en/transport-canada/news/2019/07/government-of-canada-invests-in-transportation-infrastructure-for-the-north-klondike-highway-in-the-yukon.html>

³ Conference Board of Canada, Territorial Outlook Economic Forecast: Summer 2019, July 9, 2019. <https://www.conferenceboard.ca/e-Library/abstract.aspx?did=10321>

⁴ Yukon News, Golden Predator sets sights on reopening Brewery Creek mine, July 3, 2019.

<https://www.yukon-news.com/news/golden-predator-sets-sights-on-reopening-brewery-creek-mine/>

⁵ Whitehorse Daily Star, Community centre planned for Old Crow, May 21, 2019.

<https://www.whitehorsestar.com/News/community-centre-planned-for-old-crow>

⁶ CBC News, Inuvik's airport gets \$22M for runway renovations from Ottawa, N.W.T. gov't, June 28, 2019.

<https://www.cbc.ca/news/canada/north/inuvik-airport-gets-federal-funding-1.5194966>

⁷ Nunavut News Online, Sakku signs on for Agnico wind farm, May 31, 2019. <https://nunavutnews.com/kivalliq-news/sakku-signs-on-for-agnico-wind-farm/>

⁸ Mining.com News, Avalon and Cheetah to start working on rare earth project, June 25, 2019.

<https://www.mining.com/avalon-and-cheetah-to-start-working-on-rare-earths-project/>

⁹ Conference Board of Canada, Territorial Outlook Economic Forecast: Summer 2019, July 9, 2019.

<https://www.conferenceboard.ca/e-Library/abstract.aspx?did=10321>

¹⁰ Nunatsiaq News, Nunavut government awards contract for construction of Iqaluit jail, March 11, 2019.

<https://nunatsiaq.com/stories/article/nunavut-government-awards-contract-for-construction-of-iqaluit-jail/>

¹¹ CBC News, With marine conservation area comes \$55M for Inuit communities, PM announces, August 2,

2019. <https://www.cbc.ca/news/canada/north/trudeau-iiba-tallarutiup-imanga-1.5234149>