



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

November 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

The combined employment of Yukon, Northwest Territories and Nunavut trended down for a fourth consecutive month in November. The number of people employed in the Territories dropped 1.2% to 56,600 on a month-over-month basis. Declining employment is not entirely unexpected though, as the northern economy typically contracts during the winter months.

On an annual basis, the number of people employed is up both in Nunavut (+1.4%) and in Yukon (+2.9%), while employment in Northwest Territories declined over the past year (-3.7%).

Unemployment

The unemployment rate for the combined Territories increased 0.7 percentage points to 8.3% from October to November. Year-over-year, Yukon was the only territory to see its unemployment rate improve, falling 0.1 percentage points to 4.0%. By contrast, Nunavut's unemployment rate climbed 0.3 percentage points to 13.4%, while the unemployment rate in Northwest Territories increased considerably – up 2.2 percentage points to 8.7%.

The youth (15 to 24 years) unemployment rate for the combined Territories was 17.8% in November, an increase of 2.2 percentage points from the same time last year. The unemployment rate for young men increased significantly on a yearly basis, jumping 7.1 percentage points to 25.0%, while the unemployment rate for young women decreased 1.1 percentage points to 12.1%.

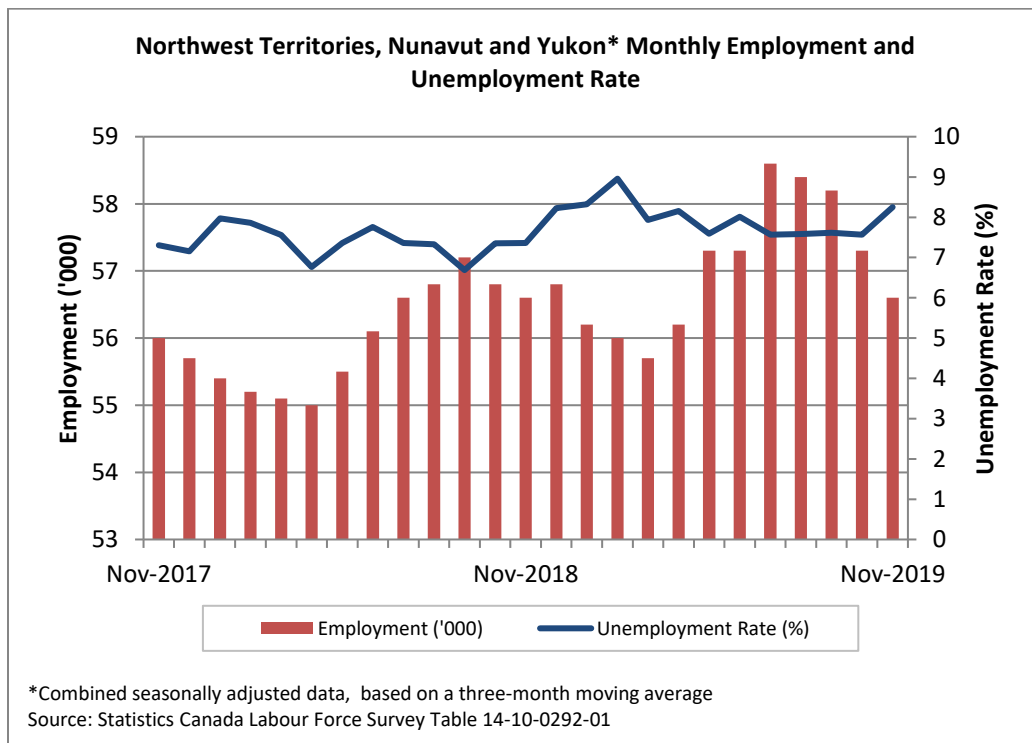
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Adjusted Data	November 2019	October 2019	November 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	88.5	88.4	87.4	0.1	0.1	1.1	1.3
Labour Force ('000)	61.8	62.1	61.1	-0.3	-0.5	0.7	1.1
Employment ('000)	56.6	57.3	56.6	-0.7	-1.2	0.0	0.0
Unemployment ('000)	5.1	4.7	4.5	0.4	8.5	0.6	13.3
Unemployment Rate (%)	8.3	7.6	7.4	0.7	-	0.9	-
Participation Rate (%)	69.8	70.2	69.9	-0.4	-	-0.1	-
Employment Rate (%)	64.0	64.8	64.8	-0.8	-	-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)



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

Seasonally Unadjusted Data	November 2019 (%)	November 2018 (%)	Yearly Variation (% points)
Total	8.2	7.2	1.0
25 years and over	6.9	6.0	0.9
Men - 25 years and over	7.9	6.8	1.1
Women - 25 years and over	5.8	5.1	0.7
15 to 24 years	17.8	15.6	2.2
Men - 15 to 24 years	25.0	17.9	7.1
Women - 15 to 24 years	12.1	13.2	-1.1

**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 unchanged over the year as employment losses in the resource extraction industry (forestry, fishing, mining, quarrying, oil and gas) were offset by gains in the utilities, construction, and manufacturing industries.

In the short-term, employment in the goods-producing sector is expected to benefit both from public and private construction projects. For instance, the Government of Nunavut has pledged \$9.6 million in funding to build new fire halls in Arctic Bay and Kugaaruk. Both of these construction projects are expected to be complete by summer 2021.¹

Meanwhile, the Yukon government recently released a near-final design of the \$12 million Alaska Highway upgrade project near the Erik Nielsen Whitehorse International Airport. Once approved by the Yukon Environmental and Socio-economic Assessment Board, construction on the project could start as early as next summer and be completed by 2022.² The project is expected to increase traffic flow efficiency near the airport area and also help to reduce greenhouse gas emissions.³

On a yearly basis, the number of people employed in the services-producing sector fell 1.2% (-600). The largest declines were in health care and social assistance; information, culture and recreation; and accommodation and food services.

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. The Northwest Territories tourism industry, for example, continues to exceed expectations laid out in the territorial government's Tourism 2020 strategic plan. Over 120,000 people visited the territory in the 2018/2019 tourism season, spending more than \$210 million on local attractions and amenities. This increase in visitor spending means that the industry has reached the government's original growth goal two years early. Within the industry, aurora viewing and hunting and fishing experiences remain key attractions as evidenced by double-digit annual growth both in visitation and spending in those areas.⁴

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

Seasonally Unadjusted Data ('000)	November 2019	November 2018	Yearly Variation	
			Number	%
Total employed, all industries	56.1	56.8	-0.7	-1.2
Goods-producing sector	8.4	8.4	0.0	0.0
Agriculture	0.0	0.0	0.0	--
Forestry, fishing, mining, quarrying, oil and gas	2.3	2.8	-0.5	-17.9
Utilities	0.9	0.8	0.1	12.5
Construction	4.4	4.1	0.3	7.3
Manufacturing	0.6	0.5	0.1	20.0
Services-producing sector	47.8	48.4	-0.6	-1.2
Trade	6.6	6.6	0.0	0.0
Transportation and warehousing	3.2	3.4	-0.2	-5.9
Finance, insurance, real estate and leasing	2.4	2.2	0.2	9.1
Professional, scientific and technical services	2.4	1.9	0.5	26.3
Business, building and other support services	1.0	1.4	-0.4	-28.6
Educational services	5.3	4.7	0.6	12.8
Health care and social assistance	7.7	8.6	-0.9	-10.5
Information, culture and recreation	2.4	2.9	-0.5	-17.2
Accommodation and food services	2.3	2.8	-0.5	-17.9
Other services	1.7	2.0	-0.3	-15.0
Public administration	12.7	12.0	0.7	5.8

*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 2.9% (+600) to 21,500 on a yearly basis, with all gains occurring in the services-producing sector. Looking ahead, Yukon's mining industry should see steady growth in employment over the next two years as two major mines – the Minto copper and gold mine⁵ and the Brewery Creek gold mine – recently recommenced mining operations.⁶

In addition, Alexco Resource Corp. is currently waiting for the Yukon Water Board to approve a new water licence for two deposits at its Keno Hill silver mine. If approved, the company could restart mining and milling of ore from the old Bellekeno deposit and the new Birmingham deposit next year. In 2013, Alexco suspended mining operations at Bellekeno due to low prices and a global oversupply of silver.⁷ The Keno Hill silver deposits have an estimated total sustaining capital cost of \$76.5 million and a mine life of about eight years. Exploration is also underway at three other deposits within the Keno Hills Silver District.⁸

Northwest Territories

In November, there were 20,900 people employed in the Northwest Territories, down 3.7% (-800) compared to the same time last year. Both the goods-producing and services-producing sectors saw declining employment over the year.

In the short-term, the territory's services-producing sector should see some growth as more funding from all levels of government for information, culture and recreation initiatives will help to create employment opportunities. For instance, the Northwest Territories government recently signed an agreement with the K'asho Got'jne Dene and Métis to collaboratively establish and manage the new Ts'udé Niljné Tueyata protected area near Fort Good Hope. The territorial government already received \$6.2 million in federal funding for community-led stewardship and Indigenous programs that will help to develop and monitor the 10,000-square kilometre site. There will be training and employment opportunities for local residents to work in maintaining trails, building cabins, and monitoring the area.⁹ New job opportunities are important for Fort Good Hope's residents, as the region has a relatively high unemployment rate; 22.9% at the time of the 2016 Census.¹⁰

Nunavut

The number of people employed in Nunavut is up 1.4% (+200) on a year-over-year basis. Job gains are due entirely to growth in the services-producing sector, with the most significant increases in the trade and public administration industries.

Nunavut's economy is expected to be strong over the short-term as major mining and construction projects get underway across the territory. Projects include the \$540 million Back River gold mine development;¹¹ four green energy and wastewater treatment facility improvement projects across the territory;¹² and construction of the new \$74 million Qikiqtani Correctional Healing Centre. The territorial government recently announced that the percentage of Inuit employed for the construction of the Qikiqtani Correctional Healing Centre has reached 24%. Under the contract between the Nunavut government and the building contractor, Pilitak Enterprises Ltd., 20% of jobs during construction are to be filled by Inuit people.¹³ The correctional centre is anticipated to be complete by 2022.¹⁴

Moreover, Iqaluit should see positive growth in building activities over the next year as construction is expected to begin on six new major developments including two new hotels, three residential buildings, and a church with two staff residential buildings. The City approved the construction of 92 residential units this year – almost three times more units permitted compared to 2018. According to the City's general plan, Iqaluit will need 105 new housing units each year to keep up with a growing population.¹⁵

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

Seasonally Adjusted Data	Employment			Unemployment Rate		
	November 2019 ('000)	November 2018 ('000)	Yearly Variation (%)	November 2019 (%)	November 2018 (%)	Yearly Variation (% points)
Territories*	56.6	56.6	0.0	8.3	7.4	0.9
Northwest Territories	20.9	21.7	-3.7	8.7	6.5	2.2
Nunavut	14.2	14.0	1.4	13.4	13.1	0.3
Yukon	21.5	20.9	2.9	4.0	4.1	-0.1

*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 Nunavut News Online, New fire halls going up in arctic bay, Kugaaruk, November 22, 2019. <https://nunavutnews.com/nunavut-news/new-fire-halls-going-up-in-arctic-bay-kugaaruk/>

² CBC News, Near-final design of Alaska Highway upgrades near Whitehorse airport displayed, November 13, 2019. <https://www.cbc.ca/news/canada/north/whitehorse-airport-alaska-highway-upgrades-design-1.5358347>

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⁶ North of 60 Mining News, Brewery Creek Mine restart accelerates, October 31, 2019. <https://www.miningnewsnorth.com/story/2019/11/01/northern-neighbors/brewery-creek-mine-restart-accelerates/6052.html>

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⁸ Alexco Resource Corp., NI 43-101 Technical Report Prefeasibility Study of the Keno Hill Silver District Project, Yukon Territory, Canada, March 28, 2019.

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¹² Nunatsiaq News, Ottawa comes up with nearly \$19 million for Nunavut infrastructure, May 22, 2019.

<https://nunatsiaq.com/stories/article/ottawa-comes-up-with-nearly-19-million-for-nunavut-infrastructure/>

¹³ 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-igaluit-jail/>

¹⁴ NNSL News, Ministers tout gains in Inuit hiring, October 21, 2019. <https://nnsi.com/nunavut-news/ministers-tout-gains-in-inuit-hiring/>

¹⁵ Nunatsiaq News, Building boom underway in Iqaluit, November 19, 2019. <https://nunatsiaq.com/stories/article/building-boom-underway-in-igaluit/>