



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

November 2015



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 Northwest Territories, Nunavut and Yukon continued to trend downwards for a second consecutive month in November. Employment fell 1.8% to 54,000 between October 2015 and November 2015. This change reflects declines both in the number of people working full-time (-900) and in the number of people working part-time (-100). Such employment drops are common in November, as the northern economy contracts during winter months.

Year-over-year, Yukon was the only territory to see increases in employment due to job gains in both goods and services-producing sectors. By contrast, the number of people working in Northwest Territories dropped 1.4% (-300), while employment levels in Nunavut remained unchanged on an annual basis. Overall, between November 2014 and November 2015, employment in the territories increases 0.6%, representing a year-over-year increase of 300 in the number employed.

Unemployment

The unemployment rate for the combined territories rose for a second consecutive month, increasing to 10.1% in November. All three territories saw their unemployment rates increase year-over-year. Nunavut posted the most significant increase, with the unemployment rate surged 6.0 percentage points to 18.1%. The territory continues to have one of the highest unemployment rates in Canada, almost 11.0 percentage points higher than the national average (7.1%) as of November 2015.

The unemployment rate for youth (aged 15-24 years) in the territories increased 0.3 percentage points to 21.8% on the month. Year-over-year, the unemployment for this group increased a notable 4.2 percentage points. In fact, the unemployment rate for young women reached 23.8%, 9.1 percentage points higher than one year earlier. By contrast, the unemployment rate for young men reached 20% this month, 2.5 percentage points

lower than in November 2014. At 44.4% this month, Nunavut’s unemployment rate among for youth remains the highest in Canada.

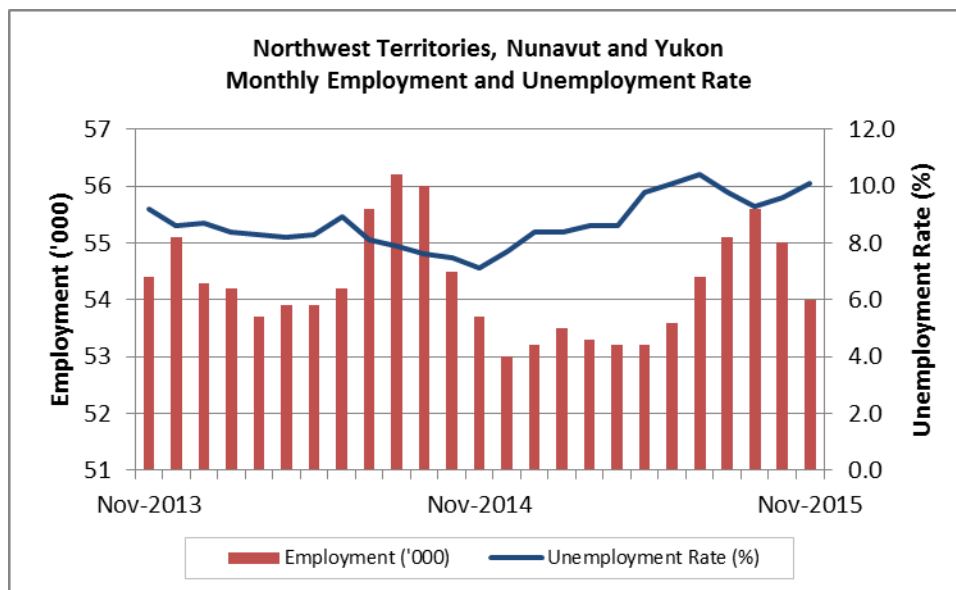
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Unadjusted Data	November 2015	October 2015	November 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	84.3	84.3	83.6	0.0	0.0	0.7	0.8
Labour Force ('000)	60.1	60.7	57.8	-0.6	-1.0	2.3	4.0
Employment ('000)	54.0	55.0	53.7	-1.0	-1.8	0.3	0.6
Full-Time ('000)	47.2	48.1	47.7	-0.9	-1.9	-0.5	-1.0
Part-Time ('000)	6.8	6.9	6.0	-0.1	-1.4	0.8	13.3
Unemployment ('000)	6.1	5.8	4.1	0.3	5.2	2.0	48.8
Unemployment Rate (%)	10.1	9.6	7.1	0.5	-	3.0	-
Participation Rate (%)	71.3	72.0	69.1	-0.7	-	2.2	-
Employment Rate (%)	64.1	65.2	64.2	-1.1	-	-0.1	-

* Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey



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

Seasonally Unadjusted Data	November 2015	October 2015	November 2014	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	10.1	9.6	7.1	0.5	3.0
25 years and over	8.2	7.4	5.6	0.8	2.6
Men - 25 years and over	11.2	8.2	6.5	3.0	4.7
Women - 25 years and over	4.9	6.5	4.6	-1.6	0.3
15 to 24 years	21.8	21.5	17.6	0.3	4.2
Men - 15 to 24 years	20.0	20.8	22.5	-0.8	-2.5
Women - 15 to 24 years	23.8	20.0	14.7	3.8	9.1

* Combined data - three month moving average

Source: Statistics Canada Labour Force Survey

EMPLOYMENT BY INDUSTRY

In November, there were 500 fewer people working in the territories' **goods-producing sector** compared to the previous month. Nearly all industries within the sector experienced employment declines, except for manufacturing. The recent monthly declines in construction employments are consistent with previous years, and related to seasonal contraction during winter month.

Despite the monthly decline, the goods-producing sector saw employment rise by 3.5% year-over-year. The largest contributor to this increase was the construction industry, which grew 6.8% over the year. This upward trend is expected to continue as large-scale development projects and increasing government investments in public infrastructure provide abundant job opportunities for the sector.

The **services-producing sector** also lost ground in November, with employment decreasing by 1.3% to 45,200 month-over-month. The largest declines occurred in public administration (-500) and information, culture and recreation (-300).

Year-over-year, the number of workers employed in the services-producing sector remained unchanged, with public administration and finance, insurance, real estate and leasing seeing the largest declines at 8.5% (-1,000) and 16% (-400) respectively. However, employment in accommodation and food services was able to offset some of these losses, gaining an additional 1,200 positions between November 2014 and November 2015.

Tourism is expected to generate plenty of employment opportunities for the Territories over the next few years, as all three territorial governments have increased their funding to support new tourism initiatives. These new incentives are expected to provide spin-off benefits for the accommodation and food industry, as well as the retail and transportation industries.

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

Seasonally Unadjusted Data	November 2015	October 2015	November 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	54.0	55.0	53.7	-1.0	-1.8	0.3	0.6
Goods-producing sector	8.8	9.3	8.5	-0.5	-5.4	0.3	3.5
Agriculture	0.2	0.2	0.0	0.0	0.0	0.2	-
Forestry, fishing, mining, quarrying, oil and gas	2.9	3.0	2.8	-0.1	-3.3	0.1	3.6
Utilities	0.6	0.7	0.8	-0.1	-14.3	-0.2	-25.0
Construction	4.7	4.8	4.4	-0.1	-2.1	0.3	6.8
Manufacturing	0.4	0.0	0.2	0.4	-	0.2	100.0
Services-producing sector	45.2	45.8	45.2	-0.6	-1.3	0.0	0.0
Trade	5.7	5.9	5.7	-0.2	-3.4	0.0	0.0
Transportation and warehousing	2.6	2.8	2.5	-0.2	-7.1	0.1	4.0
Finance, insurance, real estate and leasing	2.1	2.1	2.5	0.0	0.0	-0.4	-16.0
Professional, scientific and technical services	2.8	2.8	3.1	0.0	0.0	-0.3	-9.7
Business, building and other support services	1.3	1.5	1.4	-0.2	-13.3	-0.1	-7.1
Educational services	5.5	5.0	5.2	0.5	10.0	0.3	5.8
Health care and social assistance	6.5	6.6	6.2	-0.1	-1.5	0.3	4.8
Information, culture and recreation	2.2	2.5	2.5	-0.3	-12.0	-0.3	-12.0
Accommodation and food services	3.8	3.2	2.6	0.6	18.8	1.2	46.2
Other services	1.9	2.0	1.5	-0.1	-5.0	0.4	26.7
Public administration	10.8	11.3	11.8	-0.5	-4.4	-1.0	-8.5

* Combined data — three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

REGIONAL ANALYSIS**Yukon**

The number employed in Yukon dropped 1% to 20,000 in November, while the unemployment rate remained unchanged. The territory continues to have one of the lowest unemployment rates in Canada, almost 2.8 percentage points lower than the national average (7.1%), as of November 2015.

Year-over-year, Yukon is the only territory to record an increase in employment. Both the goods and services-producing sectors posted increases on the year, up 10.3% and 1.8% respectively. Several industries experienced notable gains: construction (+500), health care and social assistance (+500), and accommodation and food services (+700).

Looking to the future, the territory should experience some growth in construction and service-based industries in the medium-term. Projects such as the \$32 million Dempster Highway fibre optic cable installation project, the

Whitehorse General Hospital expansion project, and the new detox centre in Whitehorse should create employment opportunities in the territory over the next few years.

Northwest Territories

In November, 21,500 people were employed in the Northwest Territories, a decline of 1.8% (-400) compared to the previous month. On a year-over-year basis, the number of people employed in the territory was also down 1.4%. Job losses resulted entirely from a decrease in the services-producing sector (-2.3%), with finance, insurance, real estate and leasing, and professional, scientific and technical services seeing the largest declines at 27.3% and 25% respectively.

Moving forward, the outlook for the Northwest Territories' economy is weak in the short-term, as both the Cantung Mine and the Snap Lake diamond mine were shut down this year, due to ongoing weakness in metal and mineral (diamond) prices. These closures will have a noticeable impact on employment prospects for those in mining-related industries. The territory's economic growth is forecasted to be the weakest of all three territories, with 2% decline in gross domestic product (GDP) this year.¹

Nunavut

Employment in Nunavut also dropped 3.1% to 12,500 in November compared to the month prior. Year-over-year, employment in the territory remained virtually unchanged between November 2014 and November 2015. Employment loss in the goods-producing sector was offset by gains in the services-producing sector.

The territory's short-term outlook is expected to be more promising than that of its two territorial counterparts. The construction industry will be busy thanks to a number of private and public construction projects, including the Baffin Correctional Centre expansion project, the expansion of Iqaluit International Airport, and the Canadian High Arctic Research Station.

Furthermore, Nunavut is projected to experience an upsurge in mining exploration this year due to a significant increase of spending in precious metals. Exploration expenditures in the territory are forecast to reach \$202.5 million in 2015, up 28 percent from 2014.² With several exploration projects in the territory advancing to various stages in 2016, the mining exploration industry should remain strong in the near-term.

¹ Conference Board of Canada (CBOC) Territorial Outlook: Economic Forecast Summer 2015

² Natural Resources Canada, Exploration Plus Deposit Appraisal Expenditures, by Province and Territory, 2010-2015.

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

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	November 2015 ('000)	November 2014 ('000)	Yearly Variation (%)	November 2015 (%)	November 2014 (%)	Yearly Variation (% points)
Territories*	54.0	53.7	0.6	10.1	7.1	3.0
Northwest Territories	21.5	21.8	-1.4	10.4	7.3	3.1
Nunavut	12.5	12.5	0.0	18.1	12.1	6.0
Yukon	20.0	19.4	3.1	4.3	3.5	0.8

* Combined data — three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

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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