



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

December 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 fell during the fourth quarter of 2015. This decrease is not unexpected and reflects an annual drop in seasonal employment between October and December. On a quarterly basis, employment dropped by 3.8% to 53,500, due to decreased full-time employment (-2,800). Meanwhile the number of people working part-time increased by 10.6% (+700).

Despite the fourth-quarter decline, employment in the combined territories increased 0.9% on a year-over-year basis. In fact, both Northwest Territories and Nunavut posted gains in employment, while the Yukon experienced marginal decrease of 1.0% on the year.

Looking forward, the territories' long-term employment trend is expected to remain positive, as a number of new private and public infrastructure projects get underway across the North.

Unemployment

On a quarterly basis, the unemployment rate for the territories increased to 10.6%, up 1.3 percentage points from the third quarter of 2015. All three territories saw an increase in the unemployment rate in the fourth quarter of this year compared to a year prior. Nunavut posted the most significant increase, with the unemployment rate up 4.3 percentage points to 17.2%.

Compared to the third quarter this year, the unemployment rate for youth (aged 15-24 years) in the territories increased 2.2 percentage points to 21.2%. On a year-over-year basis, the unemployment rate for this age group also increased 3.0 percentage points. The unemployment rate for young men reached 23.3%, 0.2 percentage points higher than one year earlier, while the unemployment rate for young women increased 5.8 percentage

points to 19%. Nunavut continues to see the highest youth unemployment rate across the country, with the unemployment rate for young men sitting at nearly 44%.

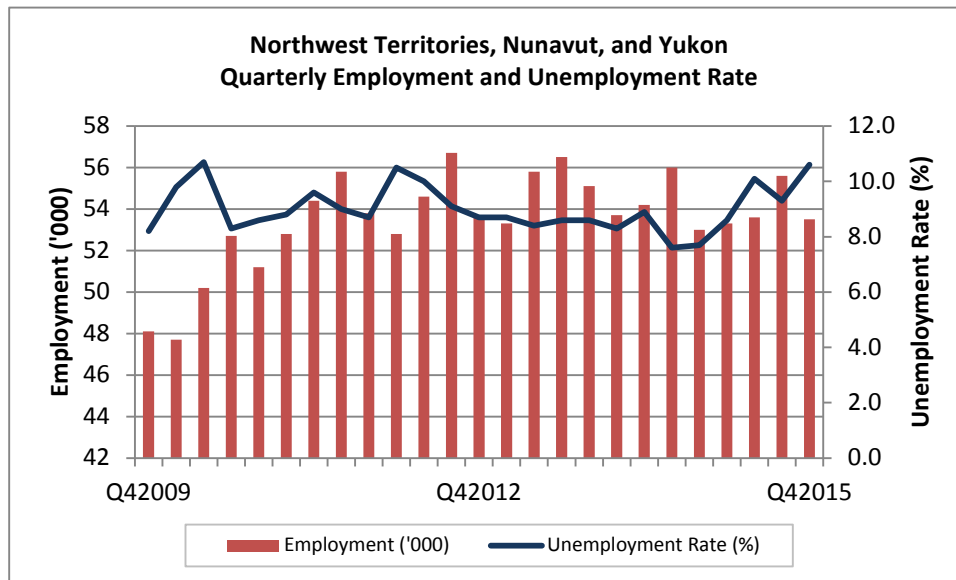
Northwest Territories, Nunavut, Yukon* Quarterly Labour Force Statistics

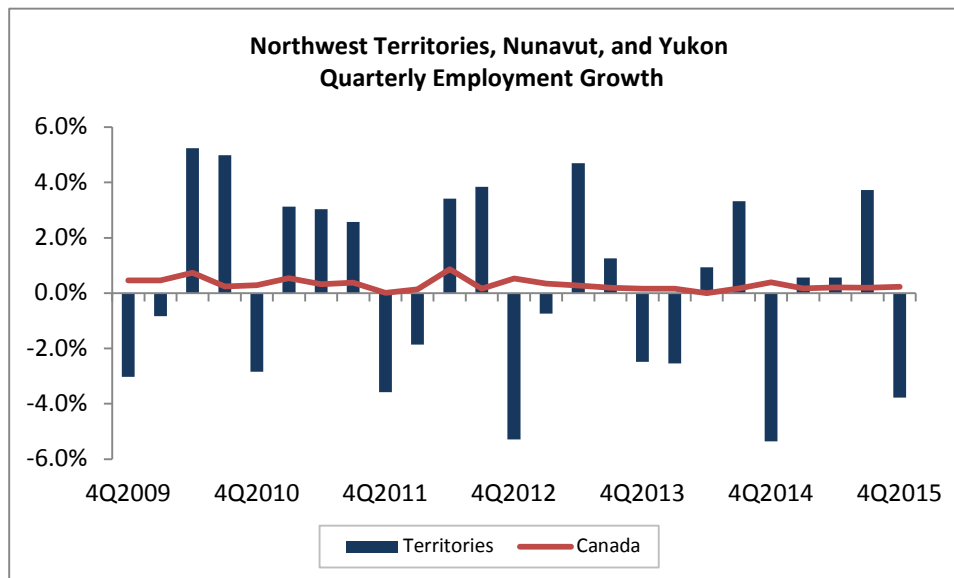
Seasonally unadjusted quarterly data	4th Quarter 2015	3rd Quarter 2015	4th Quarter 2014	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	84.3	84.2	83.6	0.1	0.1	0.7	0.8
Labour Force ('000)	59.7	61.3	57.5	-1.6	-2.6	2.2	3.8
Employment ('000)	53.5	55.6	53.0	-2.1	-3.8	0.5	0.9
Full-Time ('000)	46.2	49.0	47.0	-2.8	-5.7	-0.8	-1.7
Part-Time ('000)	7.3	6.6	6.0	0.7	10.6	1.3	21.7
Unemployment ('000)	6.3	5.7	4.4	0.6	10.5	1.9	43.2
Unemployment Rate (%)	10.6	9.3	7.7	1.3	-	2.9	-
Participation Rate (%)	70.8	72.8	68.8	-2.0	-	2.0	-
Employment Rate (%)	63.5	66.0	63.4	-2.5	-	0.1	-

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

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey





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

Seasonally unadjusted data	4th Quarter 2015	3rd Quarter 2015	4th Quarter 2014	Quarterly Variation (% points)	Yearly Variation (% points)
Total	10.6	9.3	7.7	1.3	2.9
25 years and over	8.8	7.2	6.0	1.6	2.8
Men - 25 years and over	12.1	7.5	7.7	4.6	4.4
Women - 25 years and over	5.3	6.9	4.2	-1.6	1.1
15 to 24 years	21.2	19.0	18.2	2.2	3.0
Men - 15 to 24 years	23.3	17.3	23.1	6.0	0.2
Women - 15 to 24 years	19.0	20.8	13.2	-1.8	5.8

**Combined data — based on a three month moving average
Source: Statistics Canada Labour Force Survey*

EMPLOYMENT BY INDUSTRY

In the fourth quarter, employment in the goods-producing sector fell 9.8% to 8,300 on a quarterly basis. Nearly all industries within the sector experienced employment declines. Again, the decline is due in part to the regular seasonal labour force contraction experienced in the north this time of year.

In spite of this quarter's decline, the goods-producing sector saw employment rise 3.8% year-over-year. In fact, mining and construction, the territories' two key industries, posted employment gains of 16% and 4.8% respectively. Employment gains in the construction industry were largely driven by a number of new private and public infrastructure projects, which got underway this summer across the North.

Moving forward, the goods-producing sector should see some growth in 2016. Funding from all levels of government will help to support growth in the construction industry and provide improvements to infrastructure, such as roads, community facilities, hospitals and airports. The gross domestic product (GDP) in the combined territories is expected to grow 1.6% in 2016, according to the Conference Board of Canada.¹

The services-producing sector experienced employment losses compared to the previous quarter, the number employed dropped considerably, down 2.4% or 1,100 positions. The largest declines occurred in public administration (-600), information, culture and recreation (-600), and transportation and warehousing (-600).

Year-over-year, goods-producing employment rose 0.2%, representing an increase of 100 positions. Although employment in public administration dropped 5.2% (-600) over the year, employment increases in accommodation and food services (+900) were able to offset the decline. The medium-term trend for this sector is expected to remain positive. Public administration, which accounts for a large share of employment in the territories (21%), should experience better growth as the need for government services increases.

In addition, as new infrastructure and mining developments get underway, employment in industries such as transportation, trade and professional, scientific and technical services are expected to see some signs of improvement over the next few years.

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

Seasonally Unadjusted Data ('000)	4th Quarter 2015	3rd Quarter 2015	4th Quarter 2014	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	53.5	55.6	53.0	-2.1	-3.8	0.5	0.9
Goods-producing sector	8.3	9.2	8.0	-0.9	-9.8	0.3	3.8
Agriculture	0.0	0.2	0.0	-0.2	-100.0	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.9	3.1	2.5	-0.2	-6.5	0.4	16.0
Utilities	0.5	0.7	0.9	-0.2	-28.6	-0.4	-44.4
Construction	4.4	4.7	4.2	-0.3	-6.4	0.2	4.8
Manufacturing	0.2	0.2	0.4	0.0	0.0	-0.2	-50.0
Services-producing sector	45.2	46.3	45.1	-1.1	-2.4	0.1	0.2
Trade	5.9	5.8	5.9	0.1	1.7	0.0	0.0
Transportation and warehousing	2.5	3.1	2.5	-0.6	-19.4	0.0	0.0
Finance, insurance, real estate and leasing	2.0	2.4	2.2	-0.4	-16.7	-0.2	-9.1
Professional, scientific and technical services	2.8	2.9	2.9	-0.1	-3.4	-0.1	-3.4
Business, building and other support services	1.4	1.5	1.3	-0.1	-6.7	0.1	7.7
Educational services	5.6	4.8	5.2	0.8	16.7	0.4	7.7
Health care and social assistance	6.2	6.6	6.3	-0.4	-6.1	-0.1	-1.6
Information, culture and recreation	2.1	2.7	2.7	-0.6	-22.2	-0.6	-22.2
Accommodation and food services	3.6	3.0	2.7	0.6	20.0	0.9	33.3
Other services	2.0	2.0	1.5	0.0	0.0	0.5	33.3
Public administration	11.0	11.6	11.6	-0.6	-5.2	-0.6	-5.2

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

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

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

REGIONAL ANALYSIS

Yukon

On a quarterly basis, Yukon employment dropped 7.3% to 19,000, in the fourth quarter of 2015, while the unemployment rate increased 1.7 percentage points to 5.9%. On a year-over-year basis, the number employed in the territory fell 1% (-200). Losses resulted entirely from a decline in the services-producing sector (-2.4%). In fact, employment in information, culture and recreation dropped over 46% (-600) on the year, while employment in trade also fell 13.6% (-300).

Nevertheless, Yukon's economy is expected to see some growth in 2016, as major construction projects begin, including the newly-approved, \$158 million Whistle Bend continuing facility in Whitehorse, the new Dempster Highway fibre optic cable installation project, and the Whitehorse General Hospital expansion project.

Furthermore, the Government of Yukon has pledged \$1.4 million in funding to support 62 projects that will promote and enhance mineral prospecting and exploration activities in the territory. It is expected that these funding recipients will contribute an additional \$4 million in private sector investment from their exploration activities next year.

Northwest Territories

The number employed in the Northwest Territories decreased by 500 to 21,700 on a quarterly basis. However, employment in the territory was up 0.5% year-over-year. Employment results were mixed between the two sectors with the goods-producing sector seeing gains, while employment in the services-producing sector saw declines. Several industries experience large percentage swings in employment, notably accommodation and food services increased 40%, while health care and social assistance employment fell 17.4%.

According to the Conference Board, the territory's economic growth is the weakest of all three territories in the short-term. Indeed, the Cantung Mine and Snap Like diamond mine closures will almost surely have a negative impact on many local businesses that supply goods and services to the mine and its employees. Transportation, which delivers fuel, equipment and building materials to the mine, will likely be the most affected industry. The territory's GDP is forecast to increase by only 1.7% in 2016.²

Nunavut

Employment in Nunavut dropped a mere 0.8% to 12,800 in the fourth quarter of 2015. The decline is entirely due to employment losses in the goods-producing sector (-100). Year-over-year, the number of workers employed increased 4.9% over the fourth quarter of 2014. The territory's services-producing sector saw a notable increase of 6.5% (+700), while employment in the services-producing sector dropped 7.1% (-100).

² Conference Board of Canada (CBOC) Territorial Outlook: Economic Forecast Summer 2015

Moving forward, the territory’s economy is expected to grow steadily in the short-term. Construction projects such as the Iqaluit International Airport expansion project, the Canadian High Arctic Research Station project, and the Baffin Correctional Centre expansion project will create plenty of job opportunities for the territory.

In addition, the federal government has agreed to pay a \$255.5 million settlement that will provide Nunavut Inuit with more education and job training programs over the next few years. These programs are expected to help local Inuit to increase their chances to obtain employment within the territory.

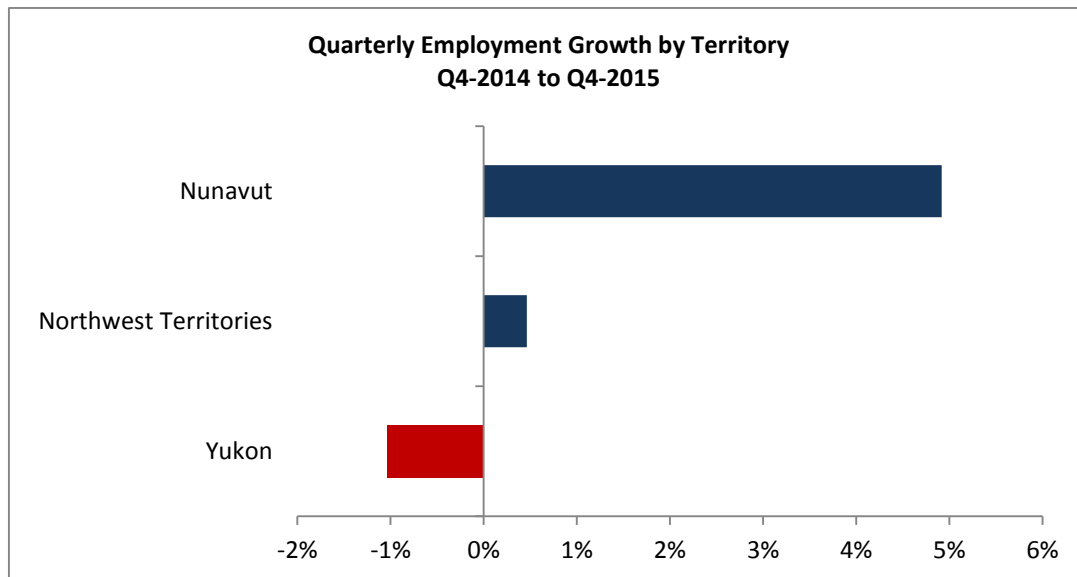
Quarterly Labour Force Statistics, by Territory

Seasonally unadjusted data	Employment			Unemployment Rate		
	4th Quarter 2015 ('000)	4th Quarter 2014 ('000)	Yearly Variation (%)	4th Quarter 2015 (%)	4th Quarter 2014 (%)	Yearly Variation (% points)
Total territories*	53.5	53.0	0.9	10.6	7.7	2.9
Yukon	19.0	19.2	-1.0	5.9	4.5	1.4
Northwest Territories	21.7	21.6	0.5	10.0	7.3	2.7
Nunavut	12.8	12.2	4.9	17.2	12.9	4.3

* Combined data — 3 month moving average seasonally unadjusted data

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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