



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

2015 (Annual Edition)



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 (NWT), Nunavut and Yukon continued to trend downwards for a second consecutive year in 2015. The number of people employed in the territories dropped 0.4% to 54,000 on a year-over-year basis. This decrease resulted entirely from a decline in full-time employment (-600), partially offset by a gain in part-time work (+300).

Year-over-year, Nunavut is the only territory that saw a yearly employment increase, up 3.3% between 2014 and 2015. In fact, both goods-producing and services-producing sectors posted job gains over the year. Meanwhile, the number of people working decreased in both Northwest Territories and Yukon, down 0.9% and 2% respectively. These declines are not surprising, as a pullback in mineral commodity prices over the past three years has impacted both territories' economy and employment.

Unfortunately, this slow economic growth may continue over the next two years. The Conference Board of Canada forecasts gross domestic product (GDP) in the North will grow by a mere 1.6% in 2016.<sup>1</sup> Nonetheless, the territories' medium-term employment trend is expected to remain positive, as new private and public infrastructure projects get underway across the North.

#### Unemployment

The unemployment rate for the combined territories increased 1.4 percentage points to 9.5% in 2015. In fact, all three territories saw their annual unemployment rates increased considerably over the year. Nunavut posted the most significant increase, with the unemployment rate up 2.1 percentage points to 15.9%.

Compared to 2014, the unemployment rate for youth (aged 15-24 years) in the territories increased four percentage points to 20.5%. The unemployment rate for young men reached 22.2%, 2.2 percentage points higher than one year earlier, while the unemployment rate for young women also increased 6.1 percentage points to 18.6%. Nunavut continues to see the highest youth unemployment rate across the country, with the unemployment rate for young men sitting at 43%.

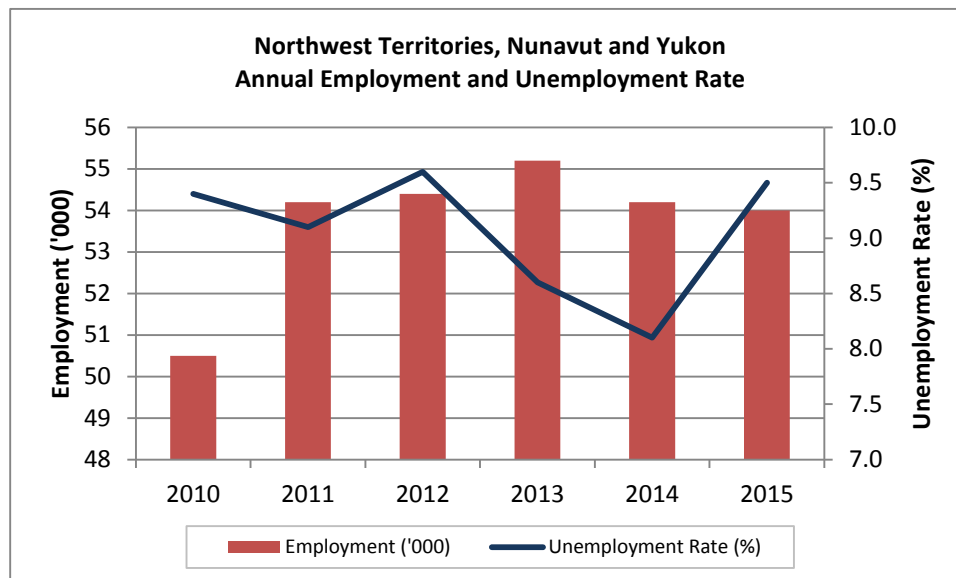
### Northwest Territories, Nunavut and Yukon\* Annual Labour Force Statistics

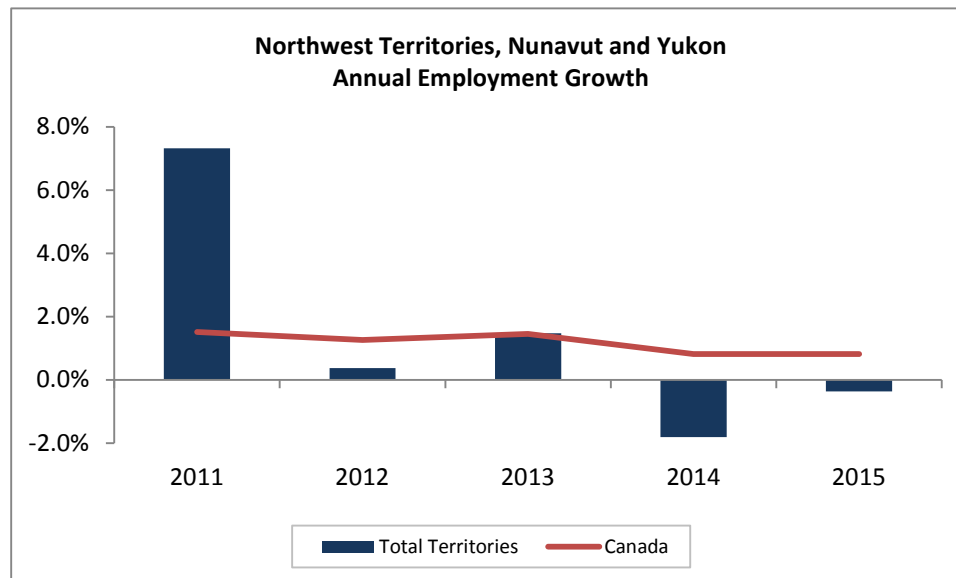
Seasonally Unadjusted Annual Data	2015	2014	2013	2014 to 2015		2013 to 2014	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	83.9	83.3	82.7	0.6	0.7	0.6	0.7
<b>Labour Force ('000)</b>	59.7	59.1	60.3	0.6	1.0	-1.2	-2.0
<b>Employment ('000)</b>	54.0	54.2	55.2	-0.2	-0.4	-1.0	-1.8
Full-Time ('000)	47.3	47.9	48.8	-0.6	-1.3	-0.9	-1.8
Part-Time ('000)	6.7	6.4	6.4	0.3	4.7	0.0	0.0
<b>Unemployment ('000)</b>	5.7	4.8	5.2	0.9	18.8	-0.4	-7.7
<b>Unemployment Rate (%)</b>	9.5	8.1	8.6	1.4	-	-0.5	-
<b>Participation Rate (%)</b>	71.2	70.9	72.9	0.3	-	-2.0	-
<b>Employment Rate (%)</b>	64.4	65.1	66.7	-0.7	-	-1.6	-

\*Estimates for the three territories combined

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey





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

Seasonally Unadjusted Data	2015	2014	2013	2014 to 2015	2013 to 2014
				(% points)	(% points)
<b>Total</b>	9.5	8.1	8.6	1.4	-0.5
<b>25 years and over</b>	7.7	6.7	7.2	1.0	-0.5
Men - 25 years and over	9.4	8.3	9.0	1.1	-0.7
Women - 25 years and over	5.7	5.0	5.3	0.7	-0.3
<b>15 to 24 years</b>	20.5	16.5	16.5	4.0	0.0
Men - 15 to 24 years	22.2	20.0	19.1	2.2	0.9
Women - 15 to 24 years	18.6	12.5	13.6	6.1	-1.1

\*Estimates for the three territories combined

Source: Statistics Canada Labour Force Survey

## EMPLOYMENT BY INDUSTRY

Overall, 8,300 people were employed in the goods-producing sector in 2015, up 5.1% from the previous year. Nearly all industries within the sector experienced employment gains, except for manufacturing (-100). In fact, mining and construction, the territories' two key industries, posted employment gains of 4.0% and 2.4% respectively. Employment gains in the construction industry were largely driven by a number of new private and public infrastructure projects, which got underway across the territories over the year.

Looking forward, the goods-producing sector will likely see some growth in the medium-term, driven by major mining and construction projects scheduled to begin in the next few years. Moreover, funding from all levels of government will help to support growth in the construction industry provide improvement to infrastructure, such as roads, community facilities, hospitals and airports.

BuildForce Canada estimated that the number of tradespeople required in the territories will exceed 6,000 people over the next two years.<sup>2</sup> Although new workers are expected to be drawn locally, individuals from other regions will likely be needed due to the small labour pool in the North.

The services-producing sector saw year-over-year employment losses in 2015, with the number employed decreasing by 700 positions – all of which were in Northwest Territories and Yukon. Notable declines were in trade (-11.1%), professional, scientific and technical services (-10%), and public administration (-4.1%).

Despite these negative figures, the outlook for the sector should improve in the medium-term as new construction and mining projects create employment opportunities for the transportation and warehousing and the professional scientific and technical services industries. Public administration, which accounts for a large share of employment in the territories (21%), should also experience better growth as the need for government services increases.

Tourism should also create plenty of job opportunities for the territories, as all three territorial governments have increased their funding for tourism initiatives. For example, the Government of Northwest Territories doubled its marketing budget to nearly \$2.4 million last year.<sup>3</sup> These investments are expected to have long-term benefits for transportation, retail, and accommodation and food services. Indeed, employment in accommodation and food services increased more than 7% in 2015 compared to the previous year.

## Northwest Territories, Nunavut and Yukon\* Annual Labour Force Statistics

Seasonally Unadjusted Employment Data ('000)	2015	2014	2013	2014 to 2015		2013 to 2014	
				Number	%	Number	%
<b>Total employed</b>	54.0	54.2	55.2	-0.2	-0.4	-1.0	-1.8
<b>Goods-producing sector</b>	8.3	7.9	8.3	0.4	5.1	-0.4	-4.8
Agriculture	0.2	0.0	0.0	0.2	-	0.0	-
Forestry, fishing, mining, oil and gas	2.6	2.5	2.7	0.1	4.0	-0.2	-7.4
Utilities	0.7	0.7	0.4	0.0	0.0	0.3	75.0
Construction	4.3	4.2	4.4	0.1	2.4	-0.2	-4.5
Manufacturing	0.2	0.3	0.5	-0.1	-33.3	-0.2	-40.0
<b>Services-producing sector</b>	45.6	46.3	46.9	-0.7	-1.5	-0.6	-1.3
Trade	5.6	6.3	6.5	-0.7	-11.1	-0.2	-3.1
Transportation and warehousing	2.8	2.9	3.7	-0.1	-3.4	-0.8	-21.6
Finance, insurance, real estate and leasing	2.4	2.5	2.3	-0.1	-4.0	0.2	8.7
Professional, scientific and technical services	2.7	3.0	2.3	-0.3	-10.0	0.7	30.4
Business, building and other support services	1.5	1.4	1.7	0.1	7.1	-0.3	-17.6
Educational services	5.3	4.8	4.9	0.5	10.4	-0.1	-2.0
Health care and social assistance	6.4	6.1	5.9	0.3	4.9	0.2	3.4
Information, culture and recreation	2.5	2.5	2.3	0.0	0.0	0.2	8.7
Accommodation and food services	2.9	2.7	2.8	0.2	7.4	-0.1	-3.6
Other services	1.9	1.8	1.5	0.1	5.6	0.3	20.0
Public administration	11.8	12.3	12.8	-0.5	-4.1	-0.5	-3.9

\* Estimates for the three territories combined

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

## REGIONAL ANALYSIS

## Yukon

Year-over-year, the number employed in Yukon dropped 2.0% (-400) to 19,400 between 2014 and 2015, while the unemployment rate increased two percentage points to 6.3%. Both the goods-producing and the services-producing sectors posted employment declines, decreasing 3.5% and 2.2% respectively.

These declines are largely due to ongoing challenges in the territory's mining industry over the past few years, including production and employment cutbacks at the Capstone Mining's Minto copper mine and the shutdown of Yukon Zinc's Wolverine Mine in 2015. The number of workers employed in forestry, fishing, mining, oil and gas declined by almost 9% on the year. Meanwhile, employment in mining-related industries such as transportation and warehousing also dropped over 20% on an annual basis.

Looking to the future, the territory should experience some growth in construction and service-based industries in the next few years. Projects such as the new Whistle Bend Continuing facility in Whitehorse, the Dempster

Highway fibre optic cable installation project, the Whitehorse General Hospital expansion project, and the new detox centre in Whitehorse will create employment opportunities in the territory over the next two years.

### **Northwest Territories**

In 2015, 21,900 people were employed in the Northwest Territories, a decline of 0.9% compared to the previous year. Job losses resulted entirely from a decrease in the services-producing sector (-2.3%), with trade, and professional, scientific and technical services seeing the largest declines at 19.1% and 12.8% respectively.

Moving forward, the outlook for the Northwest Territories' economy is weak in the short-term, as both Cantung Mine and the Snap Lake diamond mine were shut down last year, due to ongoing weakness in metal and mineral (diamond) prices. Moreover, a number of mining exploration companies have decided to postpone development plans, and some have even terminated all operations in the territory in 2015. Exploration-related investment in the NWT dropped to \$93 million in 2015, down nearly 9% compared to the previous year.

In spite of limited economic and employment growth in 2015, the territory's outlook should improve in the medium-term, as a number of public and private projects will provide some support for construction and related industries. These projects include the new pellet mill project near the hamlet of Enterprise, the Gahcho Kue diamond mine, the Staton Territorial Hospital renewal project, and the female correctional facility in Fort Smith.

### **Nunavut**

The number of people employed in Nunavut reached 12,700 in 2015, an increase of 400 compared to a year earlier. The territory's goods-producing sector saw a notable increase of 16.3%, while employment in the services-producing sector also rose by 0.9%. Several industries posted significant gains, including health care and social assistance (+24.1%), construction (+22.2%), and educational services (+11.5%).

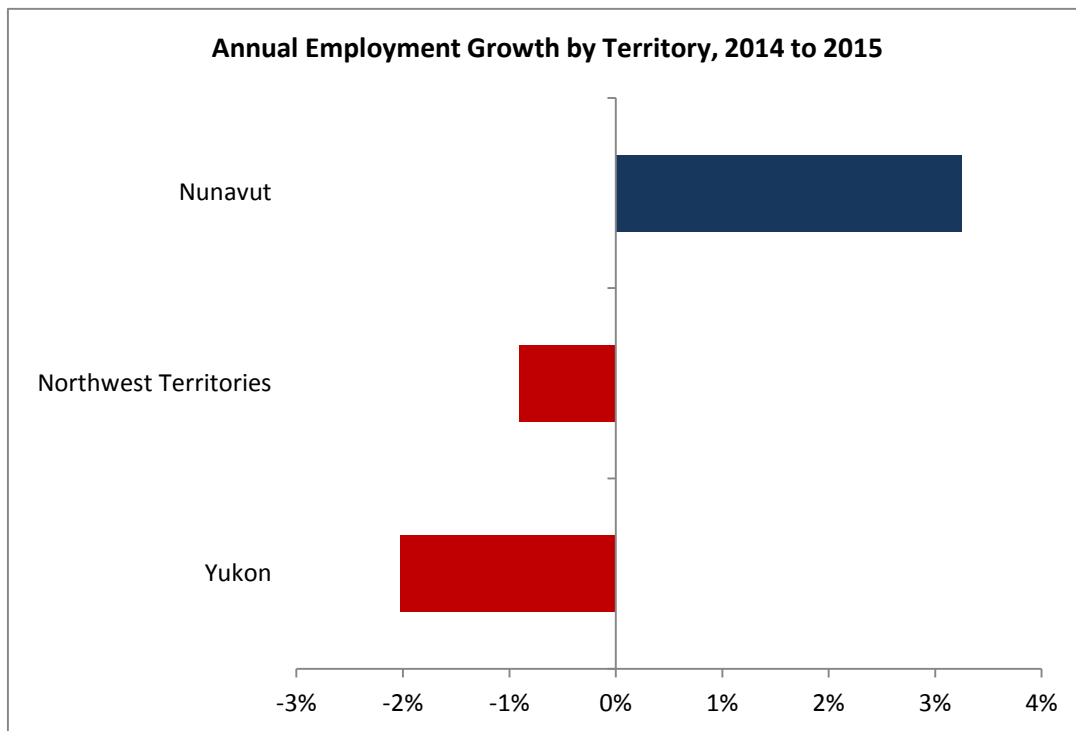
Nunavut's economic performance is expected to remain positive in the short-term, as work continues on the \$300 million Iqaluit Airport and the \$142 million Canadian High Arctic Research Station. Meanwhile, future projects such as the new \$84 million deepwater port in Iqaluit and the Meliadine gold mine development are expected to create jobs in the medium-term.

Furthermore, Nunavut is projected to experience an upsurge in mining exploration in 2016 due to a significant increase of spending in precious metals. For example, BHP Billiton recently signed a \$40 million joint-venture agreement with a junior exploration company to help develop the Storm Copper mine on Somerset Island. With several exploration projects in the territory advancing to various stages this year, the mining exploration industry should remain strong in the near-term.

**Annual Labour Force Statistics by Territory**

Seasonally Unadjusted Employment Data ('000)	2015	2014	2013	2014 to 2015		2013 to 2014	
				Number	%	Number	%
<b>Total territories</b>	54.0	54.2	55.2	-0.2	-0.4	-1.0	-1.8
<b>Yukon</b>	19.4	19.8	19.3	-0.4	-2.0	0.5	2.6
<b>Northwest Territories</b>	21.9	22.1	23.2	-0.2	-0.9	-1.1	-4.7
<b>Nunavut</b>	12.7	12.3	12.7	0.4	3.3	-0.4	-3.1

\*Estimates for the three territories combined  
 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](http://www.statcan.gc.ca)

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<sup>1</sup> Conference Board of Canada (CBOC) Territorial Outlook: Economic Forecast Summer 2015

<sup>2</sup> BuildForce Canada, Construction trades outlook for major projects in Canada's territories, 2016-2025.

<sup>3</sup> Government of Northwest Territories, David Ramsay - NWT Tourism 2014/2015 Marketing Plan.  
<http://www.itl.gov.nt.ca/news/david-ramsay-%E2%80%93-nwt-tourism-20142015-marketing-plan>