



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

January 2016



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 increased 1.1% in January 2016 compared to the month prior. This change reflects increases both in the number of people working full-time (+200) and in the number of people working part-time (+400). Both Nunavut and Northwest Territories recorded increased employment on the month, while Yukon experienced a marginal decline.

On a year-over-year basis, employment levels in the combined territories advanced 1.7%, meaning 900 more people were employed in January 2016 than the previous month. Indeed, the number of people working increased in both Nunavut and Northwest Territories, up 5.7% and 2.3% respectively. Yukon was the only territory to see a decline in employment between January 2015 and January 2016, with the number of people working down by 2.1%.

#### Unemployment

The unemployment rate for the combined territories dropped 0.3 percentage points to 10.3% in January 2016. However, all three territories saw an increase year-over-year in the unemployment rate. Nunavut continues to have one of the highest unemployment rates throughout the North (16.2%), well above the national rate of 7.2% as of January 2016.

The youth unemployment rate for the three territories was 17.9% in January, a decrease of 3.3 percentage points from December 2015. While still high compared to other regions, this marks an improvement from January last year, when the unemployment rate for those 15 to 24 years of age was 19%. In fact, the unemployment rate for young men dropped 1.7 percentage points to 21.4% year-over-year, while the unemployment rate for young women also decreased 0.7 percentage points to 14.3%.

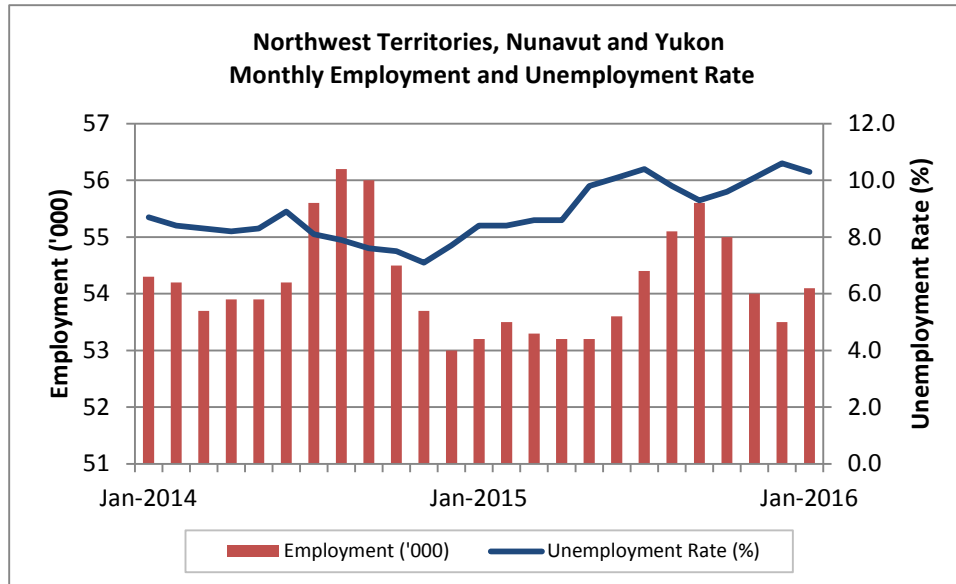
**Northwest Territories, Nunavut and Yukon\* Monthly Labour Force Statistics**

Seasonally Unadjusted Data	January 2016	December 2015	January 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	84.3	84.3	83.5	0.0	0.0	0.8	1.0
<b>Labour Force ('000)</b>	60.3	59.7	58.1	0.6	1.0	2.2	3.8
<b>Employment ('000)</b>	54.1	53.5	53.2	0.6	1.1	0.9	1.7
Full-Time ('000)	46.4	46.2	46.8	0.2	0.4	-0.4	-0.9
Part-Time ('000)	7.7	7.3	6.4	0.4	5.5	1.3	20.3
<b>Unemployment ('000)</b>	6.2	6.3	4.9	-0.1	-1.6	1.3	26.5
<b>Unemployment Rate (%)</b>	10.3	10.6	8.4	-0.3	-	1.9	-
<b>Participation Rate (%)</b>	71.5	70.8	69.6	0.7	-	1.9	-
<b>Employment Rate (%)</b>	64.2	63.5	63.7	0.7	-	0.5	-

\* 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	January 2016	December 2015	January 2015	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
<b>Total</b>	10.3	10.6	8.4	-0.3	1.9
<b>25 years and over</b>	9.1	8.8	6.8	0.3	2.3
Men - 25 years and over	12.3	12.1	8.4	0.2	3.9
Women - 25 years and over	5.6	5.3	5.0	0.3	0.6
<b>15 to 24 years</b>	17.9	21.2	19.0	-3.3	-1.1
Men - 15 to 24 years	21.4	23.3	23.1	-1.9	-1.7
Women - 15 to 24 years	14.3	19.0	15.0	-4.7	-0.7

\* Combined data - three month moving average

Source: Statistics Canada Labour Force Survey

## EMPLOYMENT BY INDUSTRY

In January, there were 7,900 workers employed in the goods-producing sector, slightly fewer (-400) than in the previous month. This setback is primarily attributed to a loss of employment in mining and construction, which posted employment decreases of 3.4% and 13.6% respectively. Nonetheless, it should be noted that the monthly declines occurring in these two industries are related to seasonal construction during winter months and consistent with previous years.

Despite the monthly decline, the goods-producing sector saw employment rise by 3.9% (+300) year-over-year. The largest contributor to this increase was the forestry, fishing, mining, quarrying, oil and gas industry, which grew 27.3%, gaining 600 jobs. This upward trend will likely continue as a result of major mining and public infrastructure projects across the territories. BuildForce estimated that about six major construction projects are either underway or scheduled to start this spring and summer. All of these projects are mining related, except for the Inuvik to Tuktoyaktuk Highway project. These projects are expected to create about 1,200 jobs in the territories during the next few years.<sup>1</sup>

The service-producing sector gained ground in January, with employment reaching 46,200, an increase of 2.2% over the previous month. Growth in the services sector was seen in several large industry groups, including, transportation and warehousing, information, culture and creation, and public administration.

Year-over-year, the number of people employed in the services-producing sector increased by 1.3% (+600). Notable employment gains on the period were in accommodation and food services (+36%), professional, scientific and technical services (+8%), and transportation and warehousing (+7.7%). Both Nunavut and Northwest Territories posted employment gains in the services sector, with Nunavut making the most headway, up 7.3% on the year.

Looking forward, the outlook for this sector should remain positive as new mining development projects get underway over the next few years. In addition, tourism should also generate plenty of employment opportunities for the North, as all three territorial governments have increased their funding to support new

<sup>1</sup> BuildForce Canada, Construction trades outlook for major projects in Canada's territories, 2016-2025.

tourism initiatives. These new incentives are expected to provide spin-off benefits for the accommodation and food industry, transportation suppliers and tour operations through the territories.

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

Seasonally Unadjusted Data	January 2016	December 2015	January 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	54.0	53.5	53.2	0.5	0.9	0.8	1.5
<b>Goods-producing sector</b>	7.9	8.3	7.6	-0.4	-4.8	0.3	3.9
Agriculture	0.0	0.0	0.0	0.0	-	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.8	2.9	2.2	-0.1	-3.4	0.6	27.3
Utilities	0.8	0.5	0.9	0.3	60.0	-0.1	-11.1
Construction	3.8	4.4	4.0	-0.6	-13.6	-0.2	-5.0
Manufacturing	0.2	0.2	0.4	0.0	0.0	-0.2	-50.0
<b>Services-producing sector</b>	46.2	45.2	45.6	1.0	2.2	0.6	1.3
Trade	6.0	5.9	6.1	0.1	1.7	-0.1	-1.6
Transportation and warehousing	2.8	2.5	2.6	0.3	12.0	0.2	7.7
Finance, insurance, real estate and leasing	1.9	2.0	2.4	-0.1	-5.0	-0.5	-20.8
Professional, scientific and technical services	2.7	2.8	2.5	-0.1	-3.6	0.2	8.0
Business, building and other support services	1.5	1.4	1.4	0.1	7.1	0.1	7.1
Educational services	5.8	5.6	5.6	0.2	3.6	0.2	3.6
Health care and social assistance	6.0	6.2	6.3	-0.2	-3.2	-0.3	-4.8
Information, culture and recreation	2.4	2.1	2.8	0.3	14.3	-0.4	-14.3
Accommodation and food services	3.4	3.6	2.5	-0.2	-5.6	0.9	36.0
Other services	2.2	2.0	1.7	0.2	10.0	0.5	29.4
Public administration	11.5	11.0	11.5	0.5	4.5	0.0	0.0

\* Combined data — three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

## REGIONAL ANALYSIS

### Yukon

On a monthly basis, Yukon employment dropped 0.5% to 18,900 in January. The decline can be entirely attributed to a decrease in the goods-producing sector which saw employment down 6.9% this month. Year-over-year, the territory's unemployment rate increased 1.0 percentage points, while employment decreased 2.1%.

This decline is largely attributed to ongoing difficulty in the territory's mining industry, which saw production and employment cutbacks at the Capstone Mining's Minto copper mine and the shutdown of Yukon Zinc's Wolverine Mine over the past year. Moreover, mining exploration expenditures in Yukon also dropped to \$108 million in

2015.<sup>2</sup> This decline represents a 68% decrease from peak spending in 2011, when exploration expenditures reached \$331.7 million.<sup>3</sup> Until commodity prices recover, growth in mineral production and exploration are also expected to remain minimal in 2016.

Nevertheless, Yukon's economic outlook should improve in the medium-term, as major construction projects are slated to begin in the next few years. These include construction of the Victoria Gold's Eagle Gold Project, the new Whistle Bend continuing facility in Whitehorse, the Whitehorse General Hospital expansion project, and the Dempster Highway fibre optic cable installation project.

### **Northwest Territories**

The number employed in the Northwest Territories increased for the second consecutive month in January, up 1.8% to 22,100 month-over-month. On a yearly basis, employment also increased by 2.3% (+500). In fact, both the goods-producing and the services-producing sector posted employment gains over the year, up 11.1% and 0.6% respectively. However, this positive trend may not continue this year due to the recent closures of the Cantung Mine and Snap Lake diamond mine. These closures are expected to have a noticeable impact on employment prospects for those in mining-related industries.

Moving forward, the territory's economic outlook is anticipated to improve in the medium-term, as a number of public and private mining and construction projects will keep the construction industry busy over the next few years. These projects include the Gahcho Kue diamond mine, the new \$20 million pellet mill project, the Staton Territorial Hospital renewal project and the new female correctional facility in Fort Smith should help create jobs in the territory.

### **Nunavut**

The number of people employed in Nunavut reached 13,000 in January, an increase of 200 compared to the previous month. Job growth is entirely due to gains in the services-producing sector, which increased 2.6% or 300 positions.

Year-over-year, Nunavut also posted the largest annual employment increase among the three territories, up 5.7% (+700) on the year. Employment gains were also mainly concentrated in the services sector, with employment in trade and business, building and other support services increasing significantly over the year, up 36.4% and 66.7% respectively.

Looking to the future, the territory's outlook is expected to be more promising than that of its two territorial counterparts in the short-term. Indeed, the construction industry will be busy thanks to a number of private and public construction projects, including the recently approved \$84 million deepwater port in Iqaluit, Baffin Correctional Centre expansion project, the Canadian High Arctic Research Station project and the Nanisivik Naval Facility near Arctic Bay.

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<sup>2</sup> Natural Resources Canada, Exploration Plus Deposit Appraisal Expenditures, September 2015.

<sup>3</sup> Ibid

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

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	January 2016 ('000)	January 2015 ('000)	Yearly Variation (%)	January 2016 (%)	January 2015 (%)	Yearly Variation (% points)
<b>Territories*</b>	54.1	53.2	1.7	10.3	8.4	1.9
Northwest Territories	22.1	21.6	2.3	9.4	7.7	1.7
Nunavut	13.0	12.3	5.7	16.2	12.5	3.7
Yukon	18.9	19.3	-2.1	6.9	6.3	0.6

\* 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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