



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

November 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 continued to trend downward for a third consecutive month in November. The number of people employed in the Territories dropped 1.7% to 56,500 on a month over month basis, which can be attributed entirely to a decrease in number of people working full-time (-1,900). This employment decline is not entirely unexpected though, as the northern economy typically contracts during the winter months.

On a year over year basis, employment in the Territories is up 2,500 (+4.6%), with gains occurring entirely in services-producing industries. Since November 2015, the number of people working increased considerably in Nunavut (+9.6%), while employment in Yukon (+3.5%) and Northwest Territories (+2.8%) advanced at a more moderate pace.

Unemployment

The unemployment rate for the combined Territories was unchanged on a monthly basis in November. Year over year, the unemployment rate decreased both in Nunavut and Northwest Territories, falling to 15.1% and 6.8% respectively. Meanwhile, Yukon's unemployment rate increased 0.7 percentage points to 5.0% during the same period.

For the combined Territories, the unemployment rate for youth (15 to 24 years) was 15.5% on the month, a decrease of 0.2 percentage points from October. On a year over year basis, the unemployment rate for this age group dropped 6.3 percentage points. The unemployment rate for young men was down 1.4 percentage points

to 18.6%, while the unemployment rate for young women decreased 11.3 percentage points to 12.5% over the year.

Nunavut continues to have the highest youth unemployment rate across the North at nearly 23% in November. Nonetheless, this marks a significant improvement when compared to the territory’s youth unemployment rate in November 2015, when it stood at a remarkable 37%.

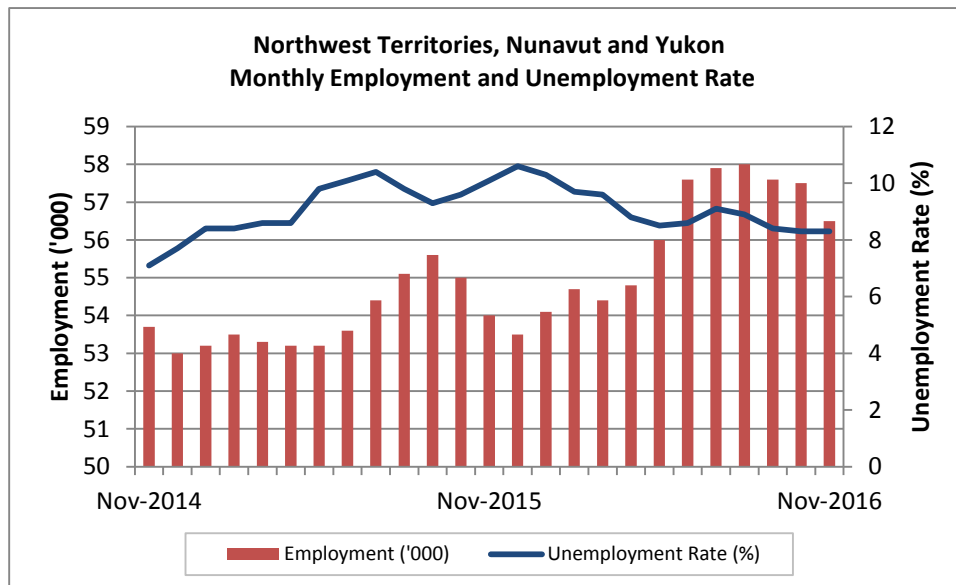
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Unadjusted Data	November 2016	October 2016	November 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	85.1	85.2	84.3	-0.1	-0.1	0.8	0.9
Labour Force ('000)	61.6	62.7	60.1	-1.1	-1.8	1.5	2.5
Employment ('000)	56.5	57.5	54.0	-1.0	-1.7	2.5	4.6
Full-Time ('000)	48.6	50.5	47.2	-1.9	-3.8	1.4	3.0
Part-Time ('000)	7.9	7.1	6.8	0.8	11.3	1.1	16.2
Unemployment ('000)	5.1	5.2	6.1	-0.1	-1.9	-1.0	-16.4
Unemployment Rate (%)	8.3	8.3	10.1	0.0	-	-1.8	-
Participation Rate (%)	72.4	73.6	71.3	-1.2	-	1.1	-
Employment Rate (%)	66.4	67.5	64.1	-1.1	-	2.3	-

*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 2016	October 2016	November 2015	Monthly Variation	Yearly Variation
	(%)	(%)	(%)	(% points)	(% points)
Total	8.3	8.3	10.1	0.0	-1.8
25 years and over	7.1	7.1	8.2	0.0	-1.1
Men - 25 years and over	8.4	8.2	11.2	0.2	-2.8
Women - 25 years and over	5.8	5.8	4.9	0.0	0.9
15 to 24 years	15.5	15.7	21.8	-0.2	-6.3
Men - 15 to 24 years	18.6	17.0	20.0	1.6	-1.4
Women - 15 to 24 years	12.5	14.3	23.8	-1.8	-11.3

*Combined data - three month moving average

Source: Statistics Canada Labour Force Survey

EMPLOYMENT BY INDUSTRY

Employment in the goods-producing sector fell for a third consecutive month in November, decreasing by 9.3% from October. This setback is due to employment losses in utilities (-200) and forestry, fishing, mining, quarrying, oil and gas (-700).

On an annual basis, employment in the goods-producing sector is down 11.4%, meaning 1,000 fewer people were employed in November compared to the same time last year. All industries within the sector experienced employment declines over the year. In fact, mining and construction, the Territories' two major industries, posted significant employment losses of 13.8% and 12.8% respectively.

Over the medium-term, the goods-producing sector is expected to see some growth, as a number of mining and construction projects are scheduled to begin the next few years. Funding from all levels of government for infrastructure projects such as roads, water treatment facilities, hospitals and airports will help to support growth in the construction industry.

The services-producing sector also lost ground in November, with employment decreasing by 0.6% to 48,600 on a monthly basis. The largest declines occurred in health care and social assistance (-300) and finance, insurance, real estate and leasing (-100).

Despite these monthly declines, employment in the sector is up 7.5% or 3,400 positions year over year. The largest employment gains were in public administration (+2,000), health care and social assistance (+500) and finance, insurance, real estate and leasing (+500).

Moving forward, the outlook for the services-producing sector remains positive. With major construction projects underway across the three territories, the transportation and warehousing industry, as well as the trade industry, are expected to see increased growth over the next two years. Several upcoming construction projects including a new \$30 million training facility at the Nunavut Arctic College's Iqaluit campus, a new multi-purpose recreational centre in NWT, and the Whitehorse General Hospital expansion project are expected to create a significant number of job opportunities across the North.

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

Seasonally Unadjusted Data	November 2016	October 2016	November 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	56.5	57.6	54.0	-1.1	-1.9	2.5	4.6
Goods-producing sector	7.8	8.6	8.8	-0.8	-9.3	-1.0	-11.4
Agriculture	0.0	0.0	0.2	0.0	-	-0.2	-100.0
Forestry, fishing, mining, quarrying, oil and gas	2.5	2.5	2.9	0.0	0.0	-0.4	-13.8
Utilities	0.6	0.8	0.6	-0.2	-25.0	0.0	0.0
Construction	4.1	4.8	4.7	-0.7	-14.6	-0.6	-12.8
Manufacturing	0.2	0.2	0.4	0.0	0.0	-0.2	-50.0
Services-producing sector	48.6	48.9	45.2	-0.3	-0.6	3.4	7.5
Trade	6.1	6.0	5.7	0.1	1.7	0.4	7.0
Transportation and warehousing	3.0	3.0	2.6	0.0	0.0	0.4	15.4
Finance, insurance, real estate and leasing	2.6	2.7	2.1	-0.1	-3.7	0.5	23.8
Professional, scientific and technical services	2.5	2.5	2.8	0.0	0.0	-0.3	-10.7
Business, building and other support services	1.2	1.1	1.3	0.1	9.1	-0.1	-7.7
Educational services	5.6	5.6	5.5	0.0	0.0	0.1	1.8
Health care and social assistance	7.0	7.3	6.5	-0.3	-4.1	0.5	7.7
Information, culture and recreation	2.5	2.5	2.2	0.0	0.0	0.3	13.6
Accommodation and food services	3.4	3.1	3.8	0.3	9.7	-0.4	-10.5
Other services	2.1	2.1	1.9	0.0	0.0	0.2	10.5
Public administration	12.8	12.8	10.8	0.0	0.0	2.0	18.5

*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

REGIONAL ANALYSIS

Yukon

Yukon employment dropped 2.4% to 20,700 in November. Both the goods-producing and services-producing sectors suffered employment losses on a monthly basis, decreasing 3.2% and 2.2% respectively.

Year over year, the number of people employed increased 3.5% (+700). Job gains over the past year are due entirely to growth in the services-producing sector (+5.4%), with information, culture and recreation and other services seeing the largest increases.

Looking forward, economic growth for Yukon is forecasted to be the weakest among three territories next year as the territory's only active mine, the Minto mine, is scheduled to shut down in mid-2017. Consequently, the territory's economy and employment are expected to decrease next year, contracting by 11.7% and 1.6% respectively, according to the Conference Board of Canada.¹

Northwest Territories

The number of people employed in Northwest Territories decreased for the third consecutive month in November, down 2.6% to 22,100. On a yearly basis, employment in the territory is up 2.8% (+600). Job growth is due entirely to gains in the services-producing sector (+9.3%), with employment in public administration increasing by 31% (+1,300) over the year.

In the medium-term, projects such as the Stanton Territorial Hospital renewal project, the \$17 million Kò Gocho Centre development project and 13 new infrastructure improvement projects throughout the territory should provide some support for construction-related industries.

In addition, tourism is anticipated to create more job opportunities for the territory, with all levels of government and the private sector planning to invest an estimated \$15.7 million into the tourism industry over the next five years. This funding is also expected to provide spin-off benefits for the accommodation and food services industry, as well as for the retail and transportation industries.

Nunavut

Employment in Nunavut was unchanged on a monthly basis in November, but is up 9.6% over the year. In fact, Nunavut was the only territory to see an uptick in employment over the past year, due to job gains both in the goods-producing (+300) and services-producing sectors (+900).

Nunavut's economic performance should remain positive over the next few years as work continues on the \$300 million Iqaluit Airport and the \$142 million Canadian High Arctic Research Station. In addition, the federal and Nunavut governments have pledged \$80 million in funding over the next two years to build affordable housing across the territory. The territorial government, through the Nunavut Housing Corporation, is responsible for overseeing the construction of about 190 new units across 15 communities in Nunavut between now and 2018. This project is expected to create plenty of employment and subcontracting opportunities for local residents and businesses during construction.

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

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	November 2016 ('000)	November 2015 ('000)	Yearly Variation (%)	November 2016 (%)	November 2015 (%)	Yearly Variation (% points)
Territories*	56.5	54.0	4.6	8.3	10.1	-1.8
Northwest Territories	22.1	21.5	2.8	6.8	10.4	-3.6
Nunavut	13.7	12.5	9.6	15.1	18.1	-3.0
Yukon	20.7	20.0	3.5	5.0	4.3	0.7

*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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¹ Conference Board of Canada (CBOC) Territorial Outlook: Economic Forecast Summer 2016.