



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

May 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, Nunavut and Yukon trended upwards for a second consecutive month in May. In fact, the number of people employed in the Territories increased by 2.2% to 56,000, with gains occurring in both full-time (+1.5%) and part-time (+9.3%) employment.

On a year-over-year basis, employment in the Territories increased by 2,800 (+5.3%), and gains occurred entirely in the services-producing industries. Year-over-year, the number of people working increased considerably in both Nunavut (+9.7%) and Northwest Territories (+6.0%), while in Yukon, employment growth advanced at a more moderate level (+1.6%).

#### Unemployment

The unemployment rate for the Territories continued to follow a downward trend, dropping to 8.5% in May. Year-over-year, all three territories saw their unemployment rate decrease over the year, with Yukon posting the most significant decrease (-2.8 percentage points). In fact at 5.3%, Yukon continues to have one of the lowest unemployment rates in the country, well below the national rate of 6.9%.

The youth unemployment rate for the three territories was 18% in May, a decrease of 0.5 percentage points from April 2016. While still high compared to other regions, this marks an improvement from May of last year, when the unemployment rate for those 15 to 24 years of age was 23.2%. In fact the unemployment rate for young men dropped by 8.8 percentage points to 20.5% year-over-year, while the unemployment rate for young women also decreased by 3.8 percentage points to 13.3%.

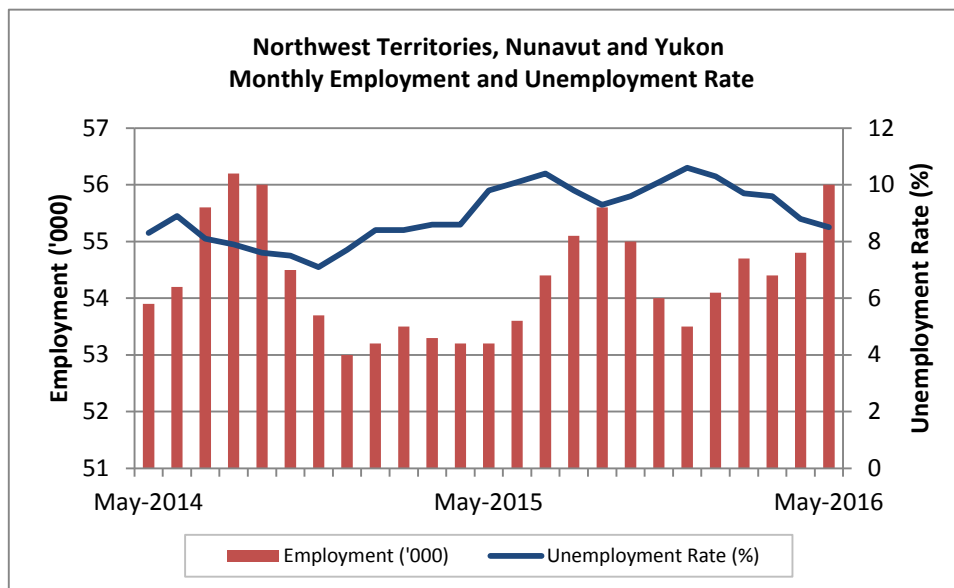
## Northwest Territories, Nunavut and Yukon\* Monthly Labour Force Statistics

Seasonally Unadjusted Data	May 2016	April 2016	May 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	84.9	84.7	83.5	0.2	0.2	1.4	1.7
<b>Labour Force ('000)</b>	61.2	60.0	58.9	1.2	2.0	2.3	3.9
<b>Employment ('000)</b>	56.0	54.8	53.2	1.2	2.2	2.8	5.3
Full-Time ('000)	47.9	47.2	46.6	0.7	1.5	1.3	2.8
Part-Time ('000)	8.2	7.5	6.6	0.7	9.3	1.6	24.2
<b>Unemployment ('000)</b>	5.2	5.3	5.8	-0.1	-1.9	-0.6	-10.3
<b>Unemployment Rate (%)</b>	8.5	8.8	9.8	-0.3	-	-1.3	-
<b>Participation Rate (%)</b>	72.1	70.8	70.5	1.3	-	1.6	-
<b>Employment Rate (%)</b>	66.0	64.7	63.7	1.3	-	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	May 2016 (%)	April 2016 (%)	May 2015 (%)	Monthly Variation	Yearly Variation
				(% points)	(% points)
<b>Total</b>	8.5	8.8	9.8	-0.3	-1.3
<b>25 years and over</b>	6.9	7.3	7.5	-0.4	-0.6
Men - 25 years and over	9.2	9.6	9.8	-0.4	-0.6
Women - 25 years and over	4.4	4.9	5.4	-0.5	-1.0
<b>15 to 24 years</b>	18.0	18.5	23.2	-0.5	-5.2
Men - 15 to 24 years	20.5	25.6	29.3	-5.1	-8.8
Women - 15 to 24 years	13.3	11.9	17.1	1.4	-3.8

\* Combined data - three month moving average

Source: Statistics Canada Labour Force Survey

## EMPLOYMENT BY INDUSTRY

In May, there were 7,700 workers employed in the goods-producing sector, slightly fewer (-300) than the previous month. This setback can be mainly attributed to employment losses in the construction industry. Nonetheless, the outlook should improve in the coming months, as more construction projects are expected to start in the summer.

Year-over-year, the story is similar, with employment decreasing by 2.5%. Employment gains in the mining industry were offset by losses in the construction and manufacturing industries. Moving forward, the goods-producing sector should see some growth in 2016 and 2017, as large-scale development projects and public infrastructure investments will create economic opportunities.

Employment growth in the Territories in May was concentrated in the services-producing sector, which posted gains of 2.8% (+1,300) over April. In fact, almost all industries within the sector gained jobs this month, with the exception of health care and social assistance and other services. The largest contributor to this increase was the trade industry, which grew by 10.2% (+500) in May compared to the previous month.

On a year-over-year basis, the number of workers employed in the services-producing sector also increased considerably (+2,900). Notable employment gains during this period occurred in health and social assistance (+900), accommodation and food services (+800), and public administration (+400).

Looking to the future, the services sector should continue to see steady growth over the medium-term. Tourism is expected to generate plenty of employment opportunities in the North 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 services industry, as well as for the retail and transportation industries.

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

Seasonally Unadjusted Data	May 2016	April 2016	May 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	56.0	54.7	53.2	1.3	2.4	2.8	5.3
<b>Goods-producing sector</b>	7.7	8.0	7.9	-0.3	-3.8	-0.2	-2.5
Agriculture	0.0	0.0	0.0	0.0	-	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.5	2.2	2.2	0.3	13.6	0.3	13.6
Utilities	0.8	0.8	0.8	0.0	0.0	0.0	0.0
Construction	3.9	4.3	4.1	-0.4	-9.3	-0.2	-4.9
Manufacturing	0.4	0.2	0.7	0.2	100.0	-0.3	-42.9
<b>Services-producing sector</b>	48.2	46.9	45.3	1.3	2.8	2.9	6.4
Trade	5.4	4.9	5.7	0.5	10.2	-0.3	-5.3
Transportation and warehousing	3.2	2.8	2.9	0.4	14.3	0.3	10.3
Finance, insurance, real estate and leasing	2.0	2.0	2.4	0.0	0.0	-0.4	-16.7
Professional, scientific and technical services	2.8	2.5	2.7	0.3	12.0	0.1	3.7
Business, building and other support services	1.2	1.1	1.3	0.1	9.1	-0.1	-7.7
Educational services	6.0	6.0	5.3	0.0	0.0	0.7	13.2
Health care and social assistance	7.2	7.5	6.3	-0.3	-4.0	0.9	14.3
Information, culture and recreation	2.2	2.1	2.3	0.1	4.8	-0.1	-4.3
Accommodation and food services	3.6	3.6	2.8	0.0	0.0	0.8	28.6
Other services	2.0	2.1	1.5	-0.1	-4.8	0.5	33.3
Public administration	12.6	12.2	12.2	0.4	3.3	0.4	3.3

\* Combined data — three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

## REGIONAL ANALYSIS

## Yukon

Driven in large part by gains in part-time employment, the number of employed persons in Yukon grew by 600 in May, reaching 19,500. On a yearly basis, the territory's unemployment rate dropped substantially, falling by 2.8 percentage points to 5.3% over the year.

Looking forward, Yukon should experience some economic growth this year, largely due to mineral production from the Minto mine. The Government of Yukon predicted that real gross domestic product (GDP) is forecasted to grow by 2.8% in 2016.<sup>1</sup> However, this positive growth might be short-lived, as the ongoing slowdown in global commodity prices continues to impact the territory's mining sector. In fact, the territory's only active mine, the Minto mine, is scheduled to temporarily shut down early next year. Consequently, the territory's GDP is anticipated to contract by as much as 5.7% in 2017.<sup>2</sup>

## Northwest Territories

Employment in Northwest Territories continues to expand, with May marking the sixth consecutive month of job gains. Indeed, 22,900 people were employed in the territory in May, an increase of 400 from April. Year-over-year, employment in the territory is up by 6.0% (+1,300). Annual gains were mainly concentrated in the services-producing sector, with employment in public administration increasing by 12.5% (+600) over the year.

Despite these positive figures, the outlook for the territory's economy is expected to be weak in the short-term, as both the Cantung Mine and Snap Lake diamond mine were shut down last year due to ongoing weakness in commodity prices. In fact, employment in the mining industry remained flat in May compared to the previous year. The territory's economic growth is forecasted to be the weakest of all three territories, with GDP projected to increase a modest 0.7% in 2016.<sup>3</sup>

## Nunavut

The number of people employed in Nunavut increased by 2.3% to 13,600 from April. On a year-over-year basis, the number of people working in the territory also increased significantly, up 9.7% (+1,200). In fact, the territory's services-producing sector saw a notable increase of 10.1%, while employment in the goods-producing sector also rose by 6.7% in May compared to last year. Job gains were evenly distributed across all industries, while job losses were concentrated in manufacturing, education services and public administration.

The territory's economic performance is expected to remain positive in the next few years, as development of the Iqaluit Airport, the Meliadine gold mine development, the Canadian High Arctic Research Station project and the new deep water port in Iqaluit proceeds. The Conference Board forecasts that the territory's GDP will rise by 1.2% in 2016 and 3.7% in 2017.<sup>4</sup>

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

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	May 2016 ('000)	May 2015 ('000)	Yearly Variation (%)	May 2016 (%)	May 2015 (%)	Yearly Variation (% points)
<b>Territories*</b>	56.0	53.2	5.3	8.5	9.8	-1.3
Northwest Territories	22.9	21.6	6.0	6.9	8.1	-1.2
Nunavut	13.6	12.4	9.7	14.5	14.9	-0.4
Yukon	19.5	19.2	1.6	5.3	8.1	-2.8

\* 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](http://www.statcan.gc.ca)

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<sup>1</sup> Government of Yukon, Business and Economic Research Branch, Yukon Economic Outlook, May 2016.  
<http://economics.gov.yk.ca/>

<sup>2</sup> Ibid

<sup>3</sup> Conference Board of Canada (CBOC) Territorial Outlook: Economic Forecast Winter 2016.

<sup>4</sup> Ibid