



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

August 2017



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 0.5% in August, meaning 300 more people were employed than in the previous month. All employment gains were in full-time (+800), while part-time employment was down 500 from July. Employment levels in Nunavut were unchanged this month, while the number of people employed in Yukon dropped slightly by 0.5%. Northwest Territories was the only territory that saw a monthly increase, with employment up 2.3%.

Year-over-year, Yukon was the only territory to see increases in employment (+5.3%) due to significant job gains in the services-producing sector. Meanwhile, the number of people working decreased in both Northwest Territories and Nunavut, down 6.0% and 0.7% respectively. Overall, between August 2016 and August 2017, employment in the Territories decreased 0.9%, representing an annual decline of 500 in the number employed.

#### Unemployment

The unemployment rate for the combined Territories decreased for a second consecutive month, dropping to 7.1% in August. On an annual basis, Nunavut was the only territory to record an increase in its unemployment rate, up 1.7 percentage points to 15.6%. By contrast, Northwest Territories' unemployment rate dropped 1.5 percentage points to 6.0%, while the unemployment rate in Yukon fell significantly over the year, down 4.9 percentage points to 2.2% — the lowest rate on record.

For the combined Territories, the unemployment rate for youth (15 to 24 years) was 15.2% on the month, up 0.5 percentage points from July. On a year-over-year basis, the unemployment rate for this age group dropped

3.4 percentage points. The unemployment rate for young men fell 5.3 percentage points to 17.3%, while the unemployment rate for young women decreased 1.5 percentage points to 12.8% over the year.

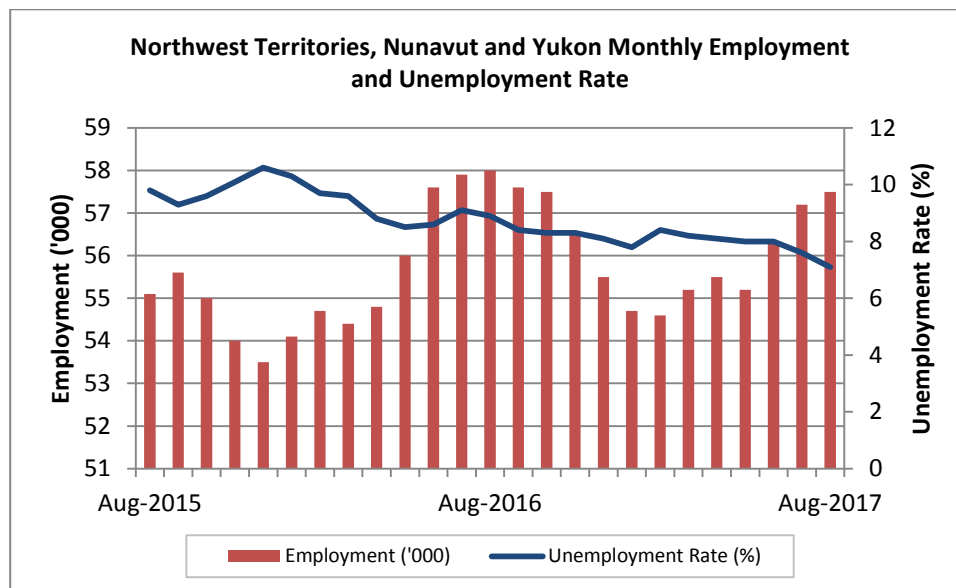
**Northwest Territories, Nunavut and Yukon\* Monthly Labour Force Statistics**

Seasonally Unadjusted Data	August 2017	July 2017	August 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	85.5	85.4	85.3	0.1	0.1	0.2	0.2
<b>Labour Force ('000)</b>	61.9	61.9	63.7	0.0	0.0	-1.8	-2.8
<b>Employment ('000)</b>	57.5	57.2	58.0	0.3	0.5	-0.5	-0.9
Full-Time ('000)	50.4	49.6	51.0	0.8	1.6	-0.6	-1.2
Part-Time ('000)	7.1	7.6	6.9	-0.5	-6.6	0.2	2.9
<b>Unemployment ('000)</b>	4.4	4.7	5.7	-0.3	-6.4	-1.3	-22.8
<b>Unemployment Rate (%)</b>	7.1	7.6	8.9	-0.5	-	-1.8	-
<b>Participation Rate (%)</b>	72.4	72.5	74.7	-0.1	-	-2.3	-
<b>Employment Rate (%)</b>	67.3	67.0	68.0	0.3	-	-0.7	-

\*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	August 2017 (%)	July 2017 (%)	August 2016 (%)	Monthly Variation	Yearly Variation
				(% points)	(% points)
<b>Total</b>	7.1	7.6	8.9	-0.5	-1.8
<b>25 years and over</b>	5.6	6.3	7.1	-0.7	-1.5
Men - 25 years and over	6.2	7.7	8.8	-1.5	-2.6
Women - 25 years and over	4.9	4.8	5.2	0.1	-0.3
<b>15 to 24 years</b>	15.2	14.7	18.6	0.5	-3.4
Men - 15 to 24 years	17.3	17.0	22.6	0.3	-5.3
Women - 15 to 24 years	12.8	12.5	14.3	0.3	-1.5

\*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

**EMPLOYMENT BY INDUSTRY**

Employment in the goods-producing sector was up 400 in August, representing an increase of 4.9% from July. Nearly all industries within the sector experienced employment gains, except for manufacturing. In fact, mining and construction, the Territories' two key industries, posted employment gains of 11.1% and 2.4% respectively.

On an annual basis, the number of people working in the goods-producing sector dropped 4.9% (-500). Almost all industries within the sector suffered employment losses over the year, with the utilities industry posting the most significant decline (-600).

Moving forward, the goods-producing sector should see some growth over the next two years, as large-scale development projects and public infrastructure investments will help to generate new employment opportunities. These projects include the Meliadine gold mine development in Nunavut, the new Fort Smith female correctional facility in NWT and the Whitehorse General Hospital expansion project.

The number of people in the services-producing sector remained unchanged from the previous month. Falling employment in trade over the month was offset by growing employment in public administration (+300). Year-over-year, employment level in the services sector was unchanged compared to the previous year.

Looking ahead, the outlook for the services-producing sector is positive in the medium-term. Industries such as health care and social services should see some growth in the next few years. For example, the federal and Northwest Territories governments have earmarked a total of \$24 million<sup>1</sup> over 10 years to improve the territory's health care system.<sup>2</sup>

Meanwhile, the Nunavut government also dedicated an additional \$54 million in funding over the next four years from the new Territorial Health Investment Fund (THIF) to enhance the territory's medical care system and staff training programs.<sup>3</sup> The THIF is in addition to funding already provided to the territory through the Canada Health Transfer agreement.

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

Seasonally Unadjusted Data	August 2017	July 2017	August 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	57.6	57.2	58.0	0.4	0.7	-0.4	-0.7
<b>Goods-producing sector</b>	8.5	8.1	9.0	0.4	4.9	-0.5	-5.6
Agriculture	0.0	0.0	0.3	0.0	-	-0.3	-100.0
Forestry, fishing, mining, quarrying, oil and gas	3.0	2.7	2.6	0.3	11.1	0.4	15.4
Utilities	0.5	0.5	1.1	0.0	0.0	-0.6	-54.5
Construction	4.3	4.2	4.6	0.1	2.4	-0.3	-6.5
Manufacturing	0.0	0.2	0.2	-0.2	-100.0	-0.2	-100.0
<b>Services-producing sector</b>	49.0	49.0	49.0	0.0	0.0	0.0	0.0
Trade	6.8	7.0	6.4	-0.2	-2.9	0.4	6.2
Transportation and warehousing	3.3	3.2	3.3	0.1	3.1	0.0	0.0
Finance, insurance, real estate and leasing	2.2	2.2	2.5	0.0	0.0	-0.3	-12.0
Professional, scientific and technical services	2.3	2.4	2.6	-0.1	-4.2	-0.3	-11.5
Business, building and other support services	1.1	1.0	1.1	0.1	10.0	0.0	0.0
Educational services	4.6	5.0	5.0	-0.4	-8.0	-0.4	-8.0
Health care and social assistance	7.3	7.2	6.8	0.1	1.4	0.5	7.4
Information, culture and recreation	2.6	2.6	2.5	0.0	0.0	0.1	4.0
Accommodation and food services	3.7	3.7	3.4	0.0	0.0	0.3	8.8
Other services	1.9	1.8	2.5	0.1	5.6	-0.6	-24.0
Public administration	13.1	12.8	13.0	0.3	2.3	0.1	0.8

\*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 fell 0.5% to 22,000 in August. Losses on the month were due entirely due to declining employment in the territory's services-producing sector (-100). Despite this marginal monthly decline, employment is up 5.3% (+1,100) on an annual basis. Job gains over the past year are due to growth in the services-producing sector (+6.7%), with trade; information, culture and recreation; and public administration seeing the largest increases.

Employment growth in the territory's construction and mining industries is expected to be positive over the next few years as work on several major projects progresses. For example, construction has just begun on the \$220 million Victoria Gold's Eagle mine. The project is anticipated to create about 300 jobs during the 18-month construction phase and approximately 400 full-time mining positions over the mine's 10-year lifespan.<sup>4</sup>

Moreover, the federal and Yukon governments have pledged a combined total of \$360 million to improve road access from the Dawson Range in central Yukon to the Nahanni Range Road in Southeastern Yukon.<sup>5</sup> Funding

for the Yukon Resource Gateway Project will help to upgrade over 650 kilometres of road and build or replace a number of bridges, culverts and stream crossings. These upgrades will also improve accessibility to potential mining sites and to help reduce exploration and development costs for mining companies. Work will commence once the project passes all the environmental and socio-economic reviews and will run until the 2024-25 fiscal year.<sup>6</sup>

### **Northwest Territories**

The number of people employed in Northwest Territories grew by 500 in August, reaching 22,000. Both goods-producing and services-producing sectors posted increases over the month, up 5.0% and 1.7% respectively. Year-over-year, employment in the territory is down 6.0% (-1,400). Employment results were mixed between the two sectors with goods-producing sector seeing gains (+2.4%), while employment in the services-producing sector declined (-7.8%).

The territory's economic fortunes should improve over the short-term though, as a number of public and private projects will provide support for construction and related industries. These projects include the Stanton Territorial Hospital renewal project, the \$154 million Pine Point zinc mine redevelopment and the new \$25 million Skywatch Lodge near Dettah.

In addition, the \$40 million TerraX Mineral's Yellowknife City Gold exploration project is expected to create employment and subcontracting opportunities for local residents and businesses in the territory.<sup>7</sup> TerraX states that the company will provide special training to Indigenous people in the region to become geo-technicians, field hands and core cutters over the next three years.

### **Nunavut**

Employment in Nunavut was unchanged on a monthly basis in August, but is down 0.7% year-over-year. Employment gains in the territory's services-producing sector (+300) were offset by losses in the goods-producing sector (-500) over the year.

Moving forward, Nunavut's short-term economic outlook is optimistic as a number of private and public construction projects are either underway or scheduled to start next year. These projects include the \$81 million Kugaardjuq School redevelopment project, the \$34 million new high school in Cape Dorset and the Nanisivik Naval Facility (NNF) located near the Arctic bay. The \$130 million NNF – the first permanent naval facility in the Arctic – will operate as a docking and refueling station for the Royal Canadian Navy and Canadian Coast Guard ships once completed.<sup>8</sup> The entire project is scheduled for completion by next summer and the facility will become operational in the fall of 2018.

Furthermore, TMAC Resources Inc.'s Hope Bay gold mine located in the Kitikmeot region is expected to create a number of job opportunities for the territory. The entire Hope Bay project contains three gold deposits: Doris, Madrid and Boston. Production has already begun at the Doris North site, while the other two deposits are expected to enter operation in 2022.<sup>9</sup> TMAC anticipates that approximately 350 employees, including contractors, will be required annually during construction of the Hope Bay Phase 2 project between 2017 and 2022.<sup>10</sup>

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

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	August 2017 ('000)	August 2016 ('000)	Yearly Variation (%)	August 2017 (%)	August 2016 (%)	Yearly Variation (% points)
<b>Territories*</b>	57.5	58.0	-0.9	7.1	8.9	-1.8
Northwest Territories	22.0	23.4	-6.0	6.0	7.5	-1.5
Nunavut	13.6	13.7	-0.7	15.6	13.9	1.7
Yukon	22.0	20.9	5.3	2.2	7.1	-4.9

\*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 Northwest Territories, Government of Canada and NWT Announce Significant Investments to Improve Health Care for Patients in the Northwest Territories, July 19, 2017  
<http://www.gov.nt.ca/newsroom/news/government-canada-and-northwest-territories-announce-significant-investments-improve>

<sup>2</sup> My Yellowknife Now, Federal and territorial governments funding medical research, July 20, 2017  
<http://www.myyellowknifefnow.com/25111/federal-territorial-governments-funding-medical-research/>

<sup>3</sup> CBC News, Federal budget promises \$300M for Northern Housing, Mar. 22, 2017.  
<http://www.cbc.ca/news/canada/north/federal-budget-2017-north-1.4036741>

<sup>4</sup> Whitehorse Daily Star, Eagle Gold Project production eyed for 2018, June 24, 2016.  
<http://www.whitehorsestar.com/News/eagle-gold-project-production-eyed-for-2018>

<sup>5</sup> CBC News North, Ottawa, Yukon pledge \$360M for new roads to resource development in territory, Sept. 2, 2017.  
<http://www.cbc.ca/news/canada/north/justin-trudeau-whitehorse-announcement-1.4273401>

<sup>6</sup> Ibid

<sup>7</sup> My Yellowknife Now, TerraX to spend \$40M on YK City Gold Project over 3 years, Feb 22, 2017.

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<http://www.myyellowknifenow.com/21093/terrax-to-spend-40m-on-yk-city-gold-project-over-3-years/>

<sup>8</sup> CBC News North, Nanisivik naval refueling facility in Nunavut on track and on budget for fall 2018 opening, July 10, 2017.  
<http://www.cbc.ca/news/canada/north/nanisivik-arctic-bay-naval-refueling-2018-1.4195662>

<sup>9</sup> CBC News North, Nunavut's Hope Bay mine celebrates commercial production with Inuit landowners, June 7, 2017.  
<http://www.cbc.ca/news/canada/north/hope-bay-in-production-1.4148964>

<sup>10</sup> Nunatsiaq Online, TMAC moves ahead on big western Nunavut gold project, Jan. 20, 2017.  
[http://www.nunatsiaqonline.ca/stories/article/65674pics\\_coming\\_tmac\\_moves\\_ahead\\_with\\_big\\_western\\_nunavut\\_gold\\_project/](http://www.nunatsiaqonline.ca/stories/article/65674pics_coming_tmac_moves_ahead_with_big_western_nunavut_gold_project/)