



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

October 2018



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

There were 56,800 people working in Northwest Territories (NWT), Nunavut and Yukon as of October 2018, representing a decrease of 0.7% (-400) from September. Employment levels in Yukon were unchanged this month, while the number of people employed in Northwest Territories dropped 2.7%. Nunavut was the only territory that saw a monthly increase, with employment up 1.4%.

On a year-over-year basis, employment in the Territories advanced 1.6% (+900), with all gains occurring in the goods-producing sector. The number of people employed increased in Nunavut (+6.1%) and in Yukon (+1.0%), while Northwest Territories was the only territory to see declining employment over the past year (-0.5%).

#### Unemployment

The unemployment rate for the combined Territories increased in October, up 0.6 percentage points to 7.3% from September. On an annual basis, the unemployment rate decreased in Northwest Territories and Nunavut, falling to 6.1% and 13.4% respectively. Meanwhile, Yukon's unemployment rate increased 0.4 percentage points to 4.1%.

Year-over-year, the unemployment rate for youth (15 to 24 years) was 13.8% in October, representing a decrease of 0.5 percentage points from the same time last year. The unemployment rate for young men reached 16.3% in October, 1.1 percentage points higher than a year earlier. Meanwhile, the unemployment rate for young women fell significantly over the year, down 5.0 percentage points to 10.8%.

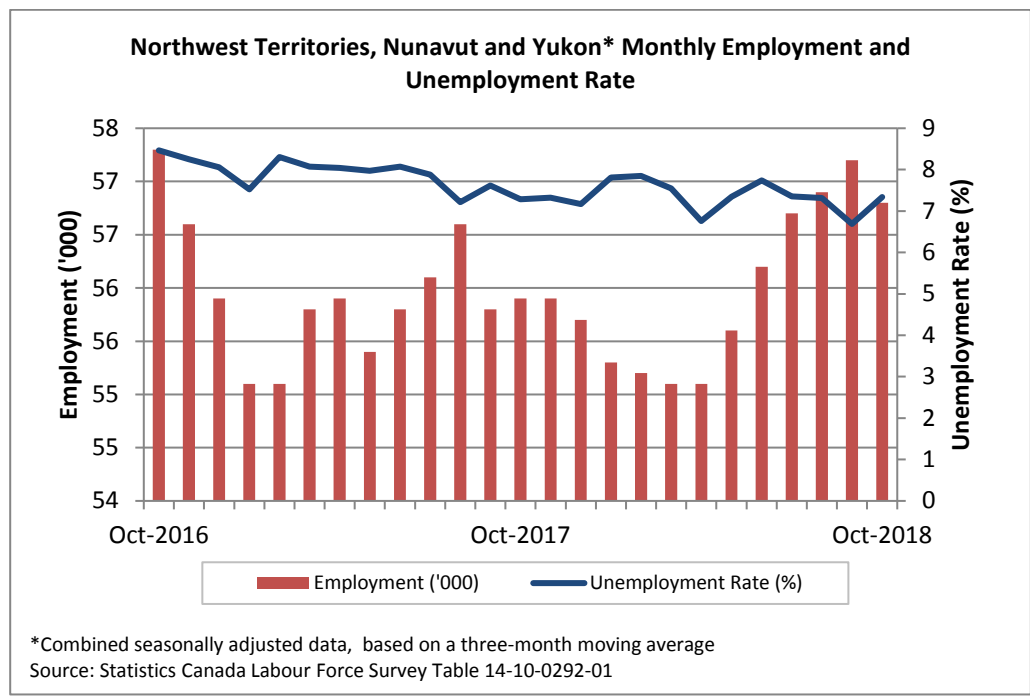
**Northwest Territories, Nunavut and Yukon\* Monthly Labour Force Statistics**

Seasonally Adjusted Data	October 2018	September 2018	October 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	87.3	87.2	85.8	0.1	0.1	1.5	1.7
Labour Force ('000)	61.3	61.3	60.4	0.0	0.0	0.9	1.5
Employment ('000)	56.8	57.2	55.9	-0.4	-0.7	0.9	1.6
Unemployment ('000)	4.5	4.1	4.4	0.4	9.8	0.1	2.3
Unemployment Rate (%)	7.3	6.7	7.3	0.6	-	0.0	-
Participation Rate (%)	70.2	70.3	70.4	-0.1	-	-0.2	-
Employment Rate (%)	65.1	65.6	65.2	-0.5	-	-0.1	-

\*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey Table 14-10-0292-01 (formerly CANSIM 282-0100)



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

Seasonally Unadjusted Data	October 2018 (%)	October 2017 (%)	Yearly Variation (% points)
<b>Total</b>	7.2	7.1	0.1
<b>25 years and over</b>	6.2	5.9	0.3
Men - 25 years and over	7.5	6.6	0.9
Women - 25 years and over	4.7	5.2	-0.5
<b>15 to 24 years</b>	13.8	14.3	-0.5
Men - 15 to 24 years	16.3	15.2	1.1
Women - 15 to 24 years	10.8	15.8	-5.0

*\*Combined data - three month moving average*

*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – ESDC custom table*

## EMPLOYMENT BY INDUSTRY

There were 8,500 people employed in the goods-producing sector in October, up 11.8% (+900) compared to a year ago. Employment losses in construction (-100) were offset by growing employment in utilities (+100), manufacturing (+300) and mining (+600). Employment gains in the mining industry were largely due to a number of mining exploration and development projects currently underway across the North.

Looking ahead, major mining projects scheduled to begin over the next two years will help to boost employment in the Territories' goods-producing sector. Projects such as the Victoria Gold Eagle mine development in Yukon, the Prairie Creek zinc mine development in Northwest Territories and Nunavut's Meliadine gold mine development will create jobs for local residents and provide opportunities for local trades' apprentices.<sup>1</sup>

On a yearly basis, the number of people employed in the services-producing sector dropped 0.4% (-200). The largest declines were in accommodation and food services, professional, scientific and technical services and educational services.

Despite these losses, the outlook for the services-producing sector is positive over the short-term. With major infrastructure projects underway across the three territories, the transportation and warehousing industry, as well as the trade industry, are expected to see some growth over the next few years. Several upcoming projects including a \$12 million fish processing plant in the town of Hay River,<sup>2</sup> a new RCMP detachment building in Carcross<sup>3</sup> and five new North West Company's convenience stores throughout Nunavut<sup>4</sup> are anticipated to keep the construction industry busy across the North.

In addition, more funding from all levels of government for climate change research initiatives and greenhouse gas reduction projects will help to support growth in the professional, scientific and technical services industry. For instance, the federal and Yukon governments are granting \$2.3 million for two climate change adaptation research projects to help address impacts of climate change on northern highways and infrastructure.<sup>5</sup>

Moreover, the federal government is also providing \$23 million over the next four years for initiatives aimed at reducing greenhouse gases in the Northwest Territories. The funding will be used for projects such as retrofitting public housing, upgrading three boats owned by the territorial government, and reforestation in the NWT. The creation of all these initiatives should result in more energy efficiency-related jobs in the North.<sup>6</sup>

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

Seasonally Unadjusted Data	October 2018	October 2017	Yearly Variation	
			Number	%
<b>Total employed, all industries</b>	57.1	56.3	0.8	1.4
<b>Goods-producing sector</b>	8.5	7.6	0.9	11.8
Agriculture	0.0	0.0	0.0	--
Forestry, fishing, mining, quarrying, oil and gas	2.9	2.3	0.6	26.1
Utilities	0.9	0.8	0.1	12.5
Construction	4.0	4.1	-0.1	-2.4
Manufacturing	0.5	0.2	0.3	150.0
<b>Services-producing sector</b>	48.6	48.8	-0.2	-0.4
Trade	6.6	6.6	0.0	0.0
Transportation and warehousing	3.3	3.3	0.0	0.0
Finance, insurance, real estate and leasing	2.2	2.5	-0.3	-12.0
Professional, scientific and technical services	1.8	2.3	-0.5	-21.7
Business, building and other support services	1.3	1.4	-0.1	-7.1
Educational services	4.8	5.2	-0.4	-7.7
Health care and social assistance	8.5	7.2	1.3	18.1
Information, culture and recreation	2.8	2.5	0.3	12.0
Accommodation and food services	2.8	3.6	-0.8	-22.2
Other services	1.9	1.7	0.2	11.8
Public administration	12.7	12.6	0.1	0.8

\*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - ESDC custom table

## REGIONAL ANALYSIS

### Yukon

The number of people employed in Yukon increased 1.0% to 21,100 on a yearly basis. Job gains are due entirely to growth in the goods-producing sector, as nearly every industry within the sector saw rising employment over the year.

The territory's mining industry should see minimal growth in the short-term though. Capstone Mining Corp. recently announced it will cease operations at its Minto Mine due to the failed sale of the mine to Pembridge Resources. Around 200 workers and contractors are to be laid off before year-end due to the shutdown. A

dozen workers will be retained to oversee the mine's care and maintenance.<sup>7</sup> Based on figures from a 2013 Capstone report, about a third of Minto Mine's workforce are Yukon residents.<sup>8</sup>

Despite this setback, Yukon's employment outlook is positive over the medium-term. Mining projects such as Victoria's Gold Corp's \$370 million Eagle Gold Project and the \$320 million Coffee Gold Project should provide abundant mining-related job opportunities for the territory once they enter into production.<sup>9</sup>

### **Northwest Territories**

Employment in Northwest Territories was essentially flat on an annual basis, down 0.5% (-100). These losses resulted entirely from falling employment in the goods-producing sector.

Nonetheless, the territory's economic fortunes are expected to improve in the short-term. Imperial Oil recently announced it has restarted production at its Norman Wells operations following the re-opening of Enbridge Inc.'s Line 21 pipeline that runs from Norman Wells to northern Alberta. Imperial Oil has hired over 100 workers and contractors to restart operations.<sup>10</sup> Enbridge originally closed the pipeline in December 2016 after concerns arose over slope instability near a crossing of the Mackenzie River. The closure of the pipeline led Imperial Oil to stop production at its Norman Wells operation in February 2017.<sup>11</sup>

Meanwhile, the federal government has pledged \$19.5 million in funding to construct four double-hulled barges that will deliver fuel to 16 marine-serviced communities in the NWT. The new double-hulled barges are expected to help mitigate risks to the environment due to spilling and provide safer marine operations on Great Slave Lake and the Mackenzie River. The recent investment also includes the construction of new floating docks and an extension of a concrete marginal wharf in Hay River, both of which could be completed by 2020. According to the territorial government, many remote communities rely on marine re-supply operations to deliver up to 95 percent of their goods.<sup>12</sup>

### **Nunavut**

The number of people employed in Nunavut reached 14,000 in October 2018, an increase of 800 compared to a year earlier. Both the goods-producing and services-producing sectors posted increases in employment over the year.

Positive employment growth in both sectors is likely to continue moving forward due to large-scale mining and construction projects in the territory. Construction projects include the Meliadine gold mine development,<sup>13</sup> Qikiqtaaluk Corporation's \$50 million hotel in Iqaluit<sup>14</sup> and Qulliq Energy Corporation's new \$31.4 million power plant in Kugluktuk.<sup>15</sup>

Meanwhile, Baffinland Iron Mines Corporation received federal government approval for increasing iron ore production at its Mary River operation in October. As part of the agreement, Baffinland will provide \$10 million to construct a new training centre in Pond Inlet and will invest up to \$2.25 million per year to train Inuit in the surrounding communities.<sup>16</sup>

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

Seasonally Adjusted Data	Employment			Unemployment Rate		
	October 2018 ('000)	October 2017 ('000)	Yearly Variation (%)	October 2018 (%)	October 2017 (%)	Yearly Variation (% points)
<b>Territories*</b>	56.8	55.9	1.6	7.3	7.3	0.0
<b>Northwest Territories</b>	21.7	21.8	-0.5	6.1	6.4	-0.3
<b>Nunavut</b>	14.0	13.2	6.1	13.4	13.7	-0.3
<b>Yukon</b>	21.1	20.9	1.0	4.1	3.7	0.4

\*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey Table 14-10-0292-01 (formerly CANSIM 282-0100)

**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, Territorial Outlook Economic Forecast, Spring 2018.  
<http://www.conferenceboard.ca/e-library/abstract.aspx?did=9566>

<sup>2</sup> CBC News, Hay River's fish plant in desperate need of repairs, says manager, August 14, 2018.  
<https://www.cbc.ca/news/canada/north/hay-river-fish-plant-repairs-1.4784210>

<sup>3</sup> CBC News, Carcross to get new RCMP detachment, other stations to be renovated, September 25, 2018.  
<https://www.cbc.ca/news/canada/north/rcmp-station-new-carcross-1.4838343>

<sup>4</sup> Nunavut News, North West Company adds five convenience stores in Nunavut; purchases pharmacy, October 1, 2018.  
<https://nunavutnews.com/nunavut-news/north-west-company-adds-five-convenience-stores-in-nunavut-purchases-pharmacy/>

<sup>5</sup> Government of Canada, Canada and Yukon governments invest in research projects to address the impacts of climate change on northern transportation infrastructure, October 10, 2018.  
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<sup>6</sup> CBC News, Feds promise \$23M to fight greenhouse gases in N.W.T., October 11, 2018.  
<https://www.cbc.ca/news/canada/north/catherine-mckenna-wally-schumann-greenhouse-gas-money-1.4858675>

<sup>7</sup> CBC News, Yukon's Minto Mine to be shut down, up to 200 workers affected, October 11, 2018.  
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<sup>8</sup> Government of Yukon, Exploring Residency in Yukon report, 2013.  
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<sup>9</sup> Conference Board of Canada, Territorial Outlook Economic Forecast, Spring 2018.  
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<sup>10</sup> Imperial Oil, Imperial safely resumes production at Norman Wells operations, October 22, 2018.  
<https://news.imperialoil.ca/press-release/imperial-safely-resumes-production-norman-wells-operations>

<sup>11</sup> CBC News, Norman Wells oil production to resume after Line 21 pipeline approved to re-open, September 25, 2018.  
<https://www.cbc.ca/news/canada/north/line-21-pipeline-reopens-1.4837921>

<sup>12</sup> My Yellowknife Now, Double-hulled barges to deliver fuel in NWT, October 16, 2018.  
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<sup>13</sup> Canadian Mining Journal, Gold: Agnico Eagle provides update on Nunavut projects, July 16, 2018.  
<http://www.canadianminingjournal.com/news/gold-agnico-eagle-provides-update-on-nunavut-projects/>

<sup>14</sup> The First Nations Canada, New hotel in Iqaluit to break ground this month, May 7, 2018.  
<https://thefirstnationscanada.com/2018/05/new-hotel-in-iqaluit-to-break-ground-this-month/>

<sup>15</sup> Nunatsiaq, Nunavut minister says yes to new \$31.4M Kugluktuk power plant, March 20, 2018.  
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<sup>16</sup> CBC News, Baffinland gets federal approval for production increase with QIA's support, October 5, 2018.  
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