



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon



September 2019

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 Yukon, Northwest Territories (NWT) and Nunavut continued to trend upward for a second consecutive quarter. The number of people employed in the Territories increased 1.6% to 58,200 in the third quarter of 2019. Employment levels in Northwest Territories and Yukon are higher on a quarterly basis, while employment in Nunavut dropped slightly.

On an annual basis, employment in the Territories advanced 1.7%. The number of people employed is up both in Yukon (+4.7%) and in Nunavut (+2.2%), while employment in Northwest Territories is down 1.3%.

Unemployment

On a quarterly basis, the unemployment rate for the combined Territories dropped 0.4 percentage points to 7.6%. Year-over-year, Northwest Territories was the only territory to see an increase in its unemployment rate (+3.6 percentage points to 8.3%). Meanwhile, both Yukon and Nunavut saw a decrease in their unemployment rate over the year, falling to 2.7% and 13.7% respectively. Yukon continues to have one of the lowest unemployment rates in the country, well below the national rate of 5.5%.

Compared to the third quarter of 2018, the unemployment rate for youth (15 to 24 years) in the Territories is down 1.4 percentage points to 12.4%. The unemployment rate for young women decreased 3.0 percentage points to 9.5%, while the unemployment rate for young men decreased 0.4 percentage points to 17.0%.

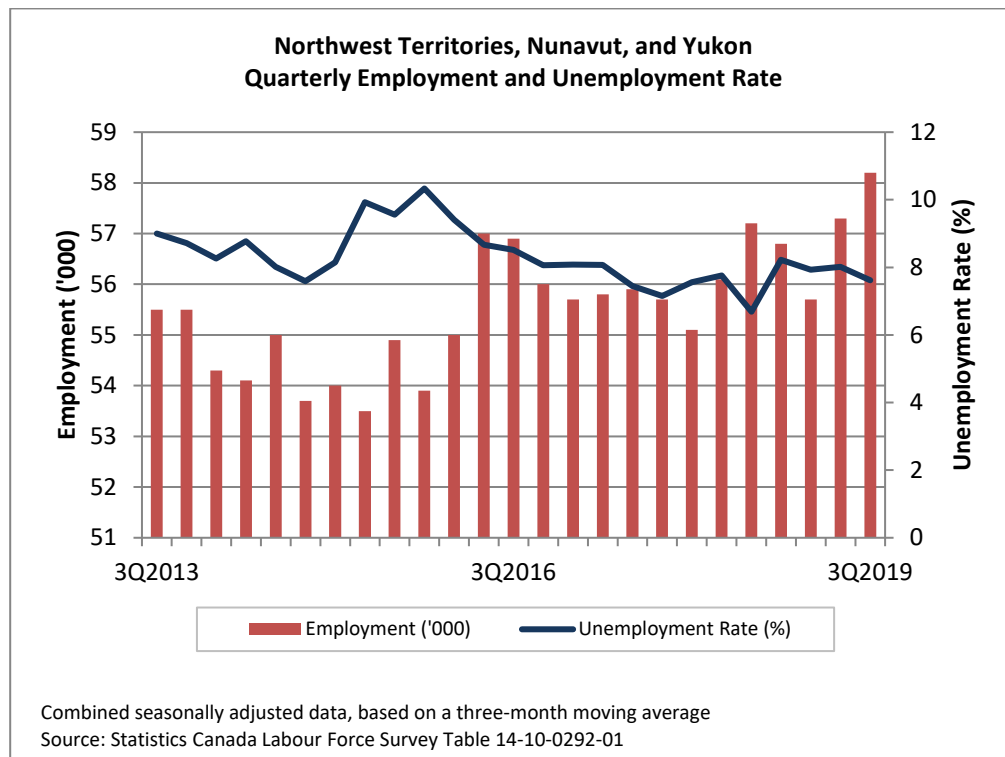
Northwest Territories, Nunavut, Yukon* Quarterly Labour Force Statistics

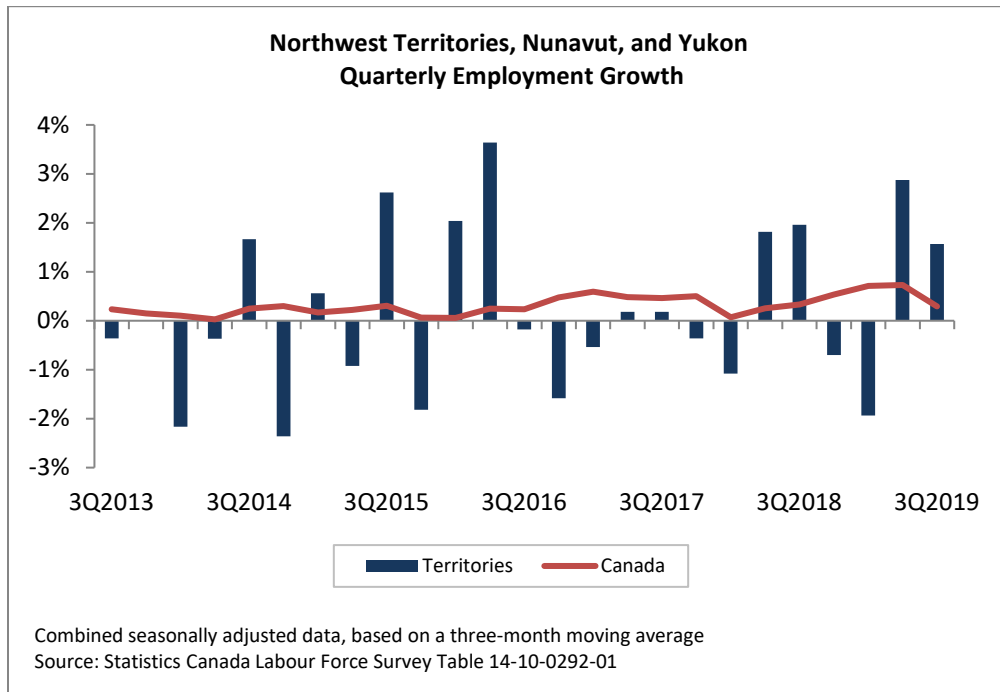
Seasonally adjusted data	3rd Quarter 2019	2nd Quarter 2019	3rd Quarter 2018	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	88.4	88.1	87.2	0.3	0.3	1.2	1.4
Labour Force ('000)	63.0	62.4	61.3	0.6	1.0	1.7	2.8
Employment ('000)	58.2	57.3	57.2	0.9	1.6	1.0	1.7
Unemployment ('000)	4.8	5.0	4.1	-0.2	-4.0	0.7	17.1
Unemployment Rate (%)	7.6	8.0	6.7	-0.4	-	0.9	-
Participation Rate (%)	71.3	70.8	70.3	0.5	-	1.0	-
Employment Rate (%)	65.8	65.0	65.6	0.8	-	0.2	-

* Combined data based on monthly three-month moving averages

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* Quarterly Unemployment Rates by Gender and Age

Seasonally unadjusted data	3rd Quarter 2019 (%)	3rd Quarter 2018 (%)	Yearly Variation (% points)
Total	7.4	6.6	0.8
25 years and over	6.6	5.5	1.1
Men - 25 years and over	7.3	6.8	0.5
Women - 25 years and over	5.4	4.0	1.4
15 to 24 years	12.4	13.8	-1.4
Men - 15 to 24 years	17.0	17.4	-0.4
Women - 15 to 24 years	9.5	12.5	-3.0

*Combined data based on a three month moving average

Source: Statistics Canada Labour Force Survey – ESDC custom table

EMPLOYMENT BY INDUSTRY

Employment in the goods-producing sector was up 900 in the third quarter of 2019, an increase of 1.6% from the same time last year. Falling employment in mining was offset by growth in the construction and manufacturing industries over the year.

Moving forward, the goods-producing sector should continue to see steady growth over the short-term as several major mines come into production this year. For instance, Agnico Eagle Mines Ltd. recently started commercial production at its Amaruq gold mine, a satellite deposit 50 kilometres northwest of the Meadowbank gold complex located near Baker Lake in Nunavut.¹ Agnico Eagle estimates approximately 930 jobs will be created when the mine is in full production, with a lifespan projected to 2026.²

In mid-September, Victoria Gold Corp. poured its first bar of gold at the Eagle Gold Mine located 85 kilometres northeast of Mayo on the Dublin Gulch property in Yukon.³ The project is expected to create 400 full-time positions over the mine's 10-year lifespan.⁴

Employment in the services-producing sector increased significantly year-over-year (+1,100). Employment growth in the services-sector was driven by gains in several large industry groups including trade; professional, scientific and technical services; and public administration.

In the near-term, industries such as professional, scientific and technical services, should continue to see growth, buoyed by increasing federal and territorial funding commitments. For example, the Yukon government and Yukon First Nation Investment Corp. are providing \$5 million in funding to venture capital firm, Panache Ventures, in support of the technology sector in Yukon.⁵ The firm will provide coaching, training, and networking for new technology start-ups at the early stages of operation. Panache will help companies to develop their businesses in a variety of technology-related fields such as artificial intelligence, digital healthcare, business-to-business software, and property technology. To date, Panache has backed a Whitehorse-based digital document tracking service called Proof, which sells software to public-sector institutions for managing project workflows. Overall, Yukon currently has between 10 and 20 tech start-ups.⁶

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

Seasonally Unadjusted Data ('000)	3rd Quarter 2019	3rd Quarter 2018	Yearly Variation	
			Number	%
Total employed, all industries	58.7	57.8	0.9	1.6
Goods-producing sector	9.1	9.2	-0.1	-1.1
Agriculture	0.2	0.0	0.2	-
Forestry, fishing, mining, quarrying, oil and gas	2.7	3.1	-0.4	-12.9
Utilities	0.9	0.9	0.0	0.0
Construction	4.8	4.4	0.4	9.1
Manufacturing	0.6	0.4	0.2	50.0
Services-producing sector	49.6	48.5	1.1	2.3
Trade	7.3	6.3	1.0	15.9
Transportation and warehousing	3.4	3.2	0.2	6.2
Finance, insurance, real estate and leasing	2.3	2.2	0.1	4.5
Professional, scientific and technical services	2.4	1.8	0.6	33.3
Business, building and other support services	1.2	1.4	-0.2	-14.3
Educational services	4.8	4.6	0.2	4.3
Health care and social assistance	8.0	8.3	-0.3	-3.6
Information, culture and recreation	2.4	3.2	-0.8	-25.0
Accommodation and food services	2.5	3.0	-0.5	-16.7
Other services	1.7	1.8	-0.1	-5.6
Public administration	13.4	12.9	0.5	3.9

* Combined data based on a three-month moving average

Note: Totals may not add due to rounding

REGIONAL ANALYSIS**Yukon**

On an annual basis, employment in Yukon increased 4.7% to 22,100 in the third quarter of 2019. Both the goods-producing and services-producing sectors saw rising employment over the year.

In the medium-term, two significant mining developments are expected to support economic and employment growth in the Yukon – the \$320 million Coffee Gold Project and the \$2.45 billion Casino gold mine project.⁷

Moreover, Yukon's tourism industry should continue to see strong growth in the short-term. Indeed, the territory has experienced steady growth in the number of visitors over the past few years. Between November 2017 and October 2018, about 490,000 people visited Yukon – almost a 25% increase from the same period five years ago. Meanwhile, tourist spending went up by 37% to \$148 million during the same period.⁸ A growing number of visitors and increased interest in the territory is expected to provide spin-off benefits for the accommodation and food services, transportation and retail industries.⁹

Northwest Territories

Year-over-year employment in the Northwest Territories is down 1.3% (-300). These losses resulted entirely from falling employment in the goods-producing sector.

Nonetheless, the territory's economic fortunes are expected to improve over the medium-term. Construction projects such as the new \$6.8 million healthcare and wellness facility in Yellowknife;¹⁰ the \$14 million community centre in Old Crow;¹¹ and \$50.4 million in expansions at three power generation facilities across the territory are expected to help support employment growth in the goods-producing sector.¹²

In addition, the federal government recently pledged \$150 million over five years to expand and modernize the Mike Zubko Airport in Inuvik. The funding will be used to extend the runway by 3,000 feet, as well as improve lighting, navigational, and military aircraft landing systems.¹³ The expansion is expected to create jobs and business opportunities for local residents and contractors during the construction period. The project will also benefit tourism in the region, as larger planes will be able to land on the new runway, potentially opening the airport up to more airlines. The tender process will begin in 2020, with the entire project expected to be completed by 2026.¹⁴

Nunavut

The number of people employed in Nunavut reached 14,100 in the third quarter of this year, an increase of 300 compared to a year earlier.

Several mega mining and construction projects are slated to begin in Nunavut over the next few years. Projects such as the \$540 million Back River gold mine development;¹⁵ TMAC Resources Inc.'s Boston and Madrid gold projects;¹⁶ and the new \$57.2 million additions and trauma treatment centre in Iqaluit should provide a boost to employment both in the goods-producing and services-producing sectors over the short-term.¹⁷

Also, the federal and Nunavut governments recently pledged \$4.7 million in joint funding toward the creation of Agguttinni Territorial Park north of Clyde River. The new park is expected to help preserve wildlife, ecosystems and numerous important Inuit cultural sites in the region. Moreover, the creation of the park will also support the development of tourism infrastructure in the area, which will help to attract more visitors to the territory.¹⁸

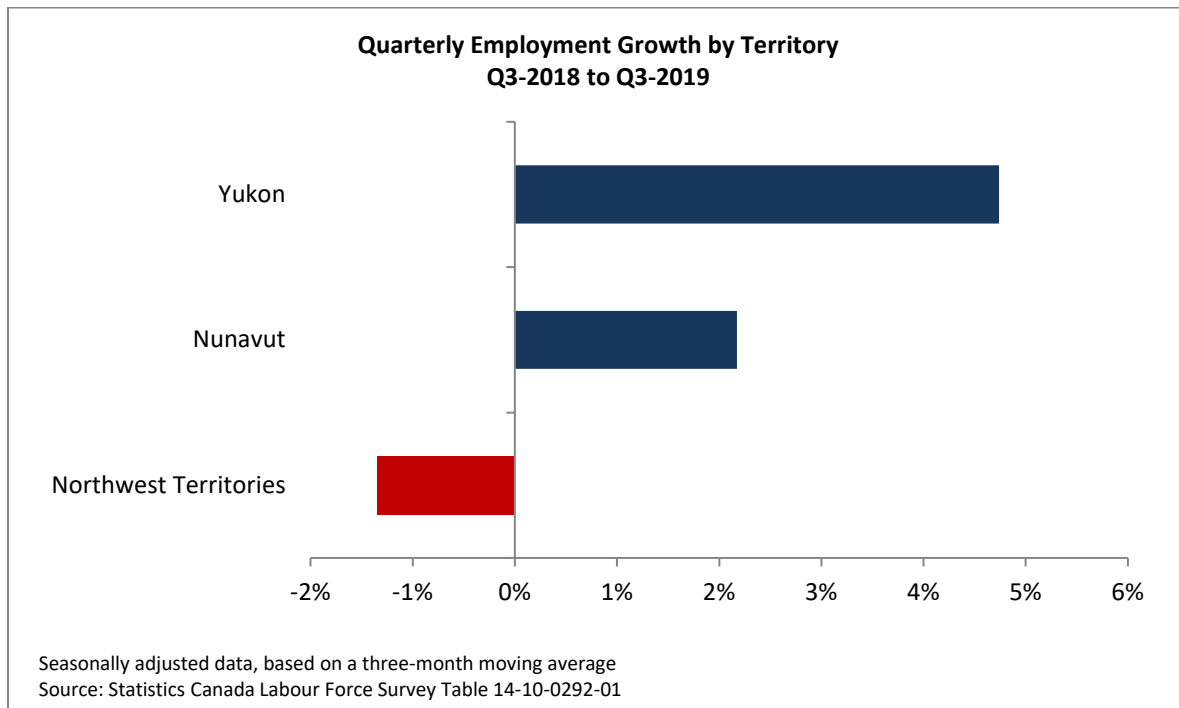
Quarterly Labour Force Statistics by Territory

Seasonally adjusted data	Employment			Unemployment Rate		
	3rd Quarter	3rd Quarter	Yearly	3rd Quarter	3rd Quarter	Yearly
	2019 ('000)	2018 ('000)	Variation (%)	2019 (%)	2018 (%)	Variation (% points)
Total territories*	58.2	57.2	1.7	7.6	6.7	0.9
Yukon	22.1	21.1	4.7	2.7	3.2	-0.5
Northwest Territories	22.0	22.3	-1.3	8.3	4.7	3.6
Nunavut	14.1	13.8	2.2	13.7	14.5	-0.8

* Combined data based on a 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 further information, please contact the LMI team at: http://www.esdc.gc.ca/cqj-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi

For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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