



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

November 2020



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 Territories' labour market continues to recover from the impact of the initial outbreak of the novel coronavirus (COVID-19) last spring. In fact, the combined employment of Yukon, Northwest Territories (NWT) and Nunavut trended upward for a fifth consecutive month in November. The number of people employed in the Territories increased 1,000 to 54,800 on a monthly basis.

Year-over-year, employment in the Territories is down 3.0% (-1,700). Northwest Territories is the only territory to see increasing employment over the past year due to job gains in the services-producing sector. By contrast, employment decreased significantly both in Yukon and in Nunavut over the same period, down 3.7% and 7.7% respectively.

Unemployment

The unemployment rate for the combined Territories decreased in November, falling 1.7 percentage points to 7.0%. Year-over-year, Yukon was the only territory to see an increase in its unemployment rate (+0.2 percentage points to 4.2%).

The youth (15 to 24 years) unemployment rate for the combined Territories was 20.0% in November, an increase of 2.2 percentage points from the same time last year. The unemployment rate for young women increased significantly over the year, up 4.0 percentage points to 16.1%. Meanwhile, the unemployment rate for young men decreased 1.5 percentage points to 23.5%. Nunavut continues to have the highest youth unemployment rate across the North at nearly 35%.

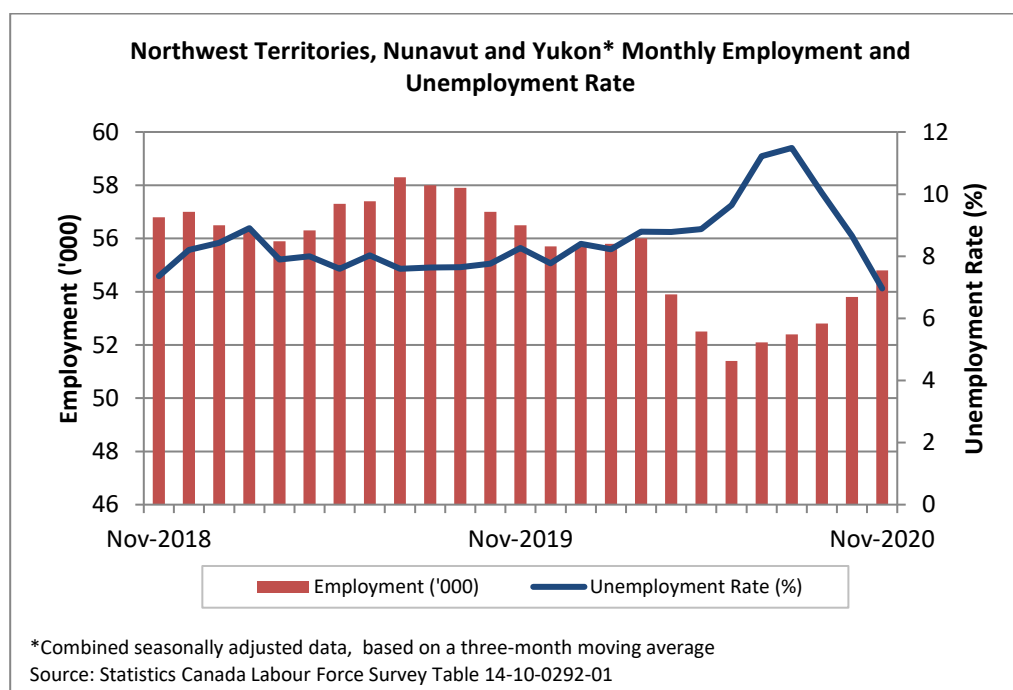
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Adjusted Data	November 2020	October 2020	November 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	89.6	89.7	88.5	-0.1	-0.1	1.1	1.2
Labour Force ('000)	58.9	58.9	61.7	0.0	0.0	-2.8	-4.5
Employment ('000)	54.8	53.8	56.5	1.0	1.9	-1.7	-3.0
Unemployment ('000)	4.1	5.1	5.1	-1.0	-19.6	-1.0	-19.6
Unemployment Rate (%)	7.0	8.7	8.3	-1.7	-	-1.3	-
Participation Rate (%)	65.7	65.7	69.7	0.0	-	-4.0	-
Employment Rate (%)	61.2	60.0	63.8	1.2	-	-2.6	-

*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	November 2020 (%)	November 2019 (%)	Yearly Variation (% points)
Total	7.0	8.2	-1.2
25 years and over	5.4	6.9	-1.5
Men - 25 years and over	5.7	7.9	-2.2
Women - 25 years and over	4.6	5.8	-1.2
15 to 24 years	20.0	17.8	2.2
Men - 15 to 24 years	23.5	25.0	-1.5
Women - 15 to 24 years	16.1	12.1	4.0

**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

On an annual basis, employment in the **goods-producing sector** is down 17.9%, meaning 1,500 fewer people were employed in November compared to the same time last year. Employment declined in all goods-producing industries during the past year with the exception of manufacturing. Mining and construction – the Territories' two key industries – posted significant employment losses over the year, with employment down 30.4% and 13.6% respectively.

The COVID-19 pandemic has negatively affected the mining industry in the North, forcing many mining companies to either suspend their operations or reduce production activities in mid-March. As the number of COVID-19 cases remained low throughout the Territories in spring, several mining companies restarted operations and recalled their employees. However, more COVID-19 cases were detected at several major mines across the North in the fall. If cases continue to rise, these mines could face another round of reduced operations or shutdowns.

Moreover, the pandemic is also significantly impacting mineral exploration activities in the North this year. According to Natural Resources Canada, exploration investment in the Northwest Territories is estimated to drop over 54% on an annual basis to \$36.6 million – the lowest amount in a decade, while spending in Yukon is expected to be down considerably as well (-53% to \$76.9 million). Meanwhile, Nunavut is projected to see its exploration expenditures drop for a fifth consecutive year, down nearly 42% to \$68 million.¹

Looking ahead, the goods-producing sector should see some growth over medium-term as a number of new private and public construction projects get underway across the Territories. For instance, the federal and Northwest Territories governments are providing \$38.8 million in joint funding towards construction of the Avens Pavilion senior's housing project in Yellowknife. Avens Pavilion, the territory's largest affordable housing development to date, is expected to create 55 long-term care beds for seniors and 32 affordable housing units.²

In addition, the federal government recently pledged \$64.9 million in funding for transportation related upgrade projects across the North.³ These projects include construction of a new warehouse facility for cargo containers in Iqaluit, upgrading equipment for petroleum storage, and replacing a pipeline used to transfer petroleum from barges in Northwest Territories.⁴

There were 47,600 people employed in the **services-producing sector** in November, down 0.4% (-200) compared to a year ago.

While every industry in the North has been impacted by the pandemic, none have been affected as severely as the tourism industry. According to a survey report recently released by the NWT government, the Yellowknife airport saw a 53% drop in airport passengers in March 2020 compared to March 2019. Meanwhile, smaller airports such as Fort Smith and Hay River saw even greater declines; passenger volumes were down 70% at both airports in March this year compared to a year ago.⁵

Tourism numbers went up slightly during the summer due to a travel bubble created between the Northwest Territories and Nunavut, and a bubble between Yukon and British Columbia. However, as the number of COVID-19 cases increased rapidly across the North in the fall, all three territorial governments suspended these travel bubbles and imposed stricter rules for visitors entering the Territories.⁶ These restrictions are expected to negatively impact the tourism industry once again.⁷

All levels of government have pledged funding to help tourism-related businesses cope with the fallout from COVID-19. For instance, the Government of Yukon pledged \$1.3 million in funding to support tourism-based businesses, restaurants and not-for-profit organizations across the territory.⁸ Moreover, the Yukon government has provided an additional \$7 million in funding to help the territory's Aviation industry to provide essential services to remote communities.⁹

Furthermore, the Government of Canada is allocating \$3 million in funding through the Growth and Recovery by Investing in Tourism Fund to help tourism operators and businesses in the NWT to recover from the pandemic. The funding is expected to help over 90 individuals and companies across the territory to adapt and position their operations for the future.¹⁰

The federal government is also providing \$19.3 million in funding to Nunavut for emergency pandemic response during the second wave of COVID-19. This funding is being directed towards testing, medical and cleaning supplies, transportation of food, and food support for families in remote communities.¹¹ Meanwhile, the Yukon government has extended its Essential Workers Income Support Program until February 15, 2021. The program provides a top-up of \$4 per hour for low-income workers that have been deemed essential during the pandemic.¹²

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

Seasonally Unadjusted Data ('000)	November 2020	November 2019	Yearly Variation	
			Number	%
Total employed, all industries	54.5	56.1	-1.6	-2.9
Goods-producing sector	6.9	8.4	-1.5	-17.9
Agriculture	0.0	0.0	0.0	--
Forestry, fishing, mining, quarrying, oil and gas	1.6	2.3	-0.7	-30.4
Utilities	0.7	0.9	-0.2	-22.2
Construction	3.8	4.4	-0.6	-13.6
Manufacturing	0.8	0.6	0.2	33.3
Services-producing sector	47.6	47.8	-0.2	-0.4
Trade	6.2	6.6	-0.4	-6.1
Transportation and warehousing	3.1	3.2	-0.1	-3.1
Finance, insurance, real estate and leasing	2.4	2.4	0.0	0.0
Professional, scientific and technical services	2.3	2.4	-0.1	-4.2
Business, building and other support services	1.1	1.0	0.1	10.0
Educational services	5.0	5.3	-0.3	-5.7
Health care and social assistance	7.4	7.7	-0.3	-3.9
Information, culture and recreation	2.1	2.4	-0.3	-12.5
Accommodation and food services	2.8	2.3	0.5	21.7
Other services	2.2	1.7	0.5	29.4
Public administration	13.2	12.7	0.5	3.9

*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - ESDC custom table

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

Seasonally Adjusted Data	Employment			Unemployment Rate		
	November 2020 ('000)	November 2019 ('000)	Yearly Variation (%)	November 2020 (%)	November 2019 (%)	Yearly Variation (% points)
Territories*	54.8	56.5	-3.0	7.0	8.3	-1.3
Northwest Territories	21.1	20.9	1.0	6.6	8.7	-2.1
Nunavut	13.1	14.2	-7.7	11.3	13.4	-2.1
Yukon	20.6	21.4	-3.7	4.2	4.0	0.2

*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

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¹ Natural Resources Canada, Exploration Plus Deposit Appraisal Expenditures, by Province and Territory, 2016-2019, annual and 2020 revised Spending Intentions. September 2020

<https://sead.nrcan-rncan.gc.ca/expl-expl/ExploTable.aspx?FileT=272019&Lang=en>

² Cabin Radio News, \$39M announced for YK Avens Pavilion seniors' housing, October 29, 2020.

<https://cabinradio.ca/48464/news/yellowknife/39m-announced-for-yk-avens-pavilion-seniors-housing/>

³ Cabin Radio News, Federal government gives \$65M to Arctic resupply efforts, November 12, 2020.

<https://cabinradio.ca/49521/news/beaufort-delta/federal-government-gives-65m-to-arctic-resupply-efforts/>

⁴ Nunavut News, Transport Canada to spend close to \$65M across the North, November 12, 2020.

<https://nunavutnews.com/nwtnewsnorth/transport-canada-to-spend-65m-across-the-north/>

⁵ CBC News, N.W.T gov't report hints at dramatic impacts of COVID-19 on tourism industry, November 26, 2020.

<https://www.cbc.ca/news/canada/north/covid-19-tourism-impacts-march-2020-1.5816310>

⁶ Government of Nunavut News Release, Nunavut Travel Bubble To Be Suspended, November 16, 2020.

[Nunavut Travel Bubble To Be Suspended | Health and Social Services \(gov.nt.ca\)](https://www.gov.nt.ca/en/news-releases/2020/11/nunavut-travel-bubble-to-be-suspended)

⁷ CBC News, new COVID-19 case confirmed in Whitehorse as Yukon impose travel restrictions, November 18, 2020

[New COVID-19 case confirmed in Whitehorse as Yukon imposes travel restrictions | CBC News](https://www.cbc.ca/news/canada/north/yukon-covid-19-case-confirmed-in-whitehorse-1.5817725)

⁸ CBC News, Yukon announces COVID-19 aid for tourism operators, restaurants, non-profits, November 30, 2020.

<https://www.cbc.ca/news/canada/north/yukon-tourism-covid-relief-1.5822034>

⁹ Whitehorse Daily Star, Aviation industry lands more financial help, November 12, 2020.

<https://www.whitehorsestar.com/News/aviation-industry-lands-more-financial-help>

¹⁰ Government of Northwest Territories, Tourism Supported by Extended/Increased GRIT, December 3, 2020.

[Tourism Supported by Extended/Increased GRIT | Government of Northwest Territories](https://www.gnwtn.ca/en/news/tourism-supported-by-extended-increased-grit)

¹¹ CBC News, Canada sends \$19M to Nunavut for emergency pandemic response, November 26, 2020.

<https://www.cbc.ca/news/canada/north/canada-funding-nunavut-emergency-pandemic-response-1.5817725>

¹² Government of Yukon News Release, Yukon Essential Workers Income Support Program extended, November 24, 2020.

<https://yukon.ca/en/news/yukon-essential-workers-income-support-program-extended>