



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon



March 2021

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 effects of the initial outbreak of novel coronavirus (COVID-19) in 2020. In fact, the combined employment of Yukon, Northwest Territories (NWT) and Nunavut trended upward for a third consecutive quarter. The number of people employed in the Territories increased 1.6% to 57,800 in the first quarter of 2021.

On an annual basis, employment across the North is down 0.5% (-300). The number of people employed is down both in Yukon (-2.2%) and in Nunavut (-5.4%). Northwest Territories was the only territory to see an increase in employment (+4.0%) due to significant growth in its services-producing sector over the past year.

Unemployment

On a quarterly basis, the Territories' unemployment rate increased 0.4 percentage points to 6.8%. Year-over-year, Yukon was the only territory to see an increase in its unemployment rate (+3.3 percentage points to 6.7%). Meanwhile, Northwest Territories and Nunavut saw a decrease in their unemployment rate over the year, falling to 6.4% and 7.5% respectively.

Compared to the first quarter of 2020, the unemployment rate for youth (15 to 24 years) in the Territories is down 1.9 percentage points to 15.5%. The unemployment rate for young men decreased 1.1 percentage points to 20.0%, while the unemployment rate for young women increased 1.4 percentage points to 11.1%.

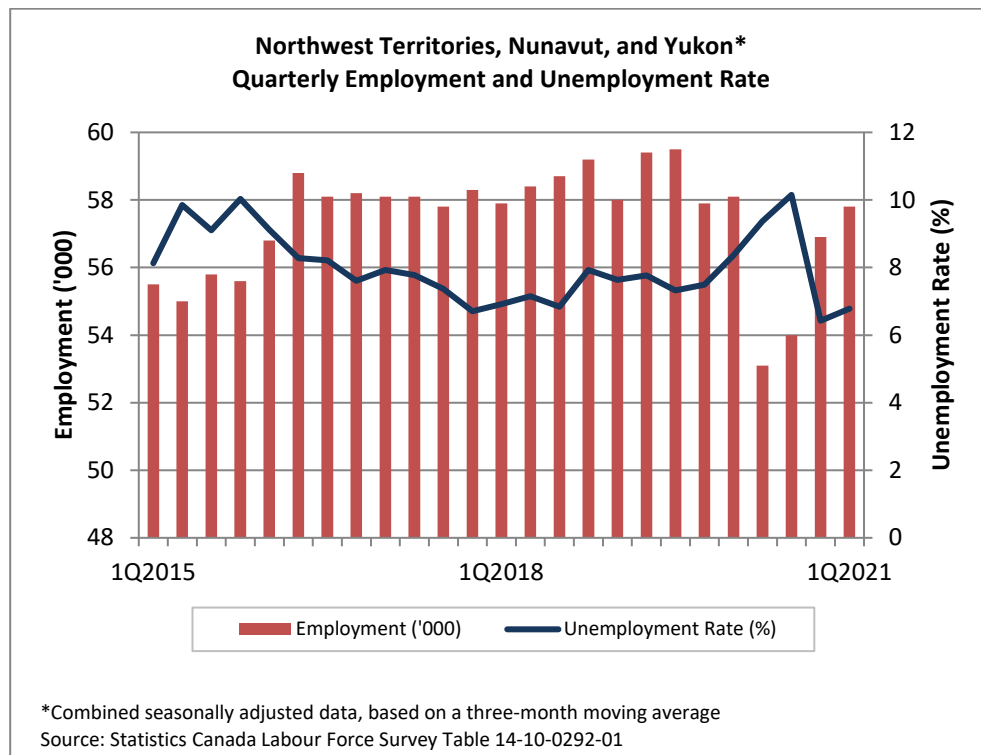
Northwest Territories, Nunavut, Yukon* Quarterly Labour Force Statistics

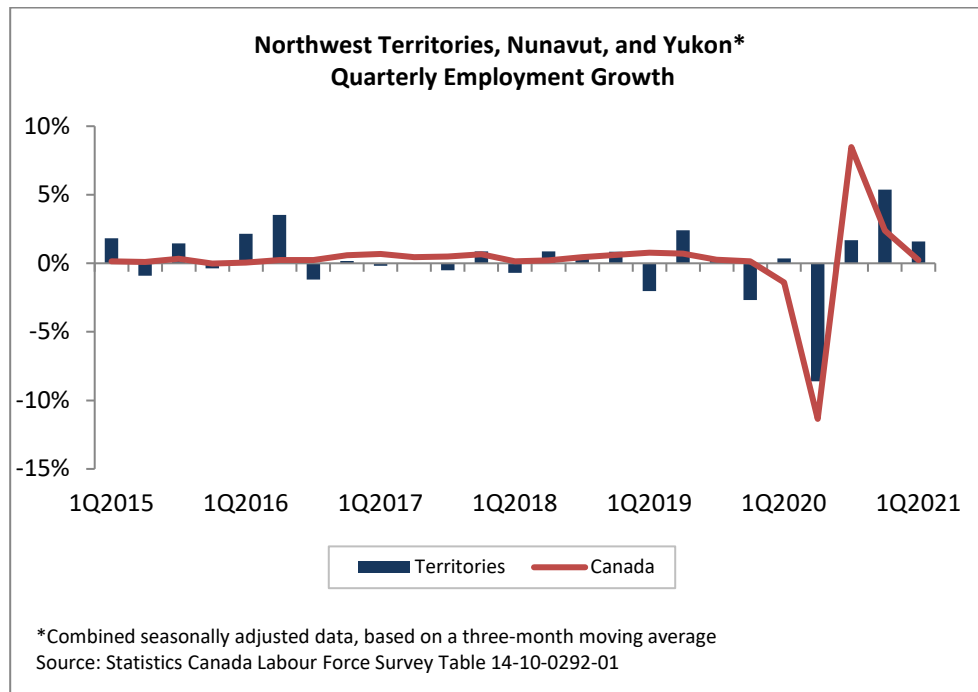
Seasonally adjusted data	1st Quarter 2021	4th Quarter 2020	1st Quarter 2020	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	91.4	91.2	90.3	0.2	0.2	1.1	1.2
Labour Force ('000)	61.9	60.7	63.4	1.2	2.0	-1.5	-2.4
Employment ('000)	57.8	56.9	58.1	0.9	1.6	-0.3	-0.5
Unemployment ('000)	4.2	3.9	5.3	0.3	7.7	-1.1	-20.8
Unemployment Rate (%)	6.8	6.4	8.4	0.4	-	-1.6	-
Participation Rate (%)	67.7	66.6	70.2	1.1	-	-2.5	-
Employment Rate (%)	63.2	62.4	64.3	0.8	-	-1.1	-

* 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	1st Quarter 2021 (%)	1st Quarter 2020 (%)	Yearly Variation
			(% points)
Total	7.2	8.7	-1.5
25 years and over	6.1	7.6	-1.5
Men - 25 years and over	6.3	7.7	-1.4
Women - 25 years and over	5.9	7.4	-1.5
15 to 24 years	15.5	17.4	-1.9
Men - 15 to 24 years	20.0	21.1	-1.1
Women - 15 to 24 years	11.1	9.7	1.4

*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** fell considerably on an annual basis, down 16.9% (-1,400). The largest decline was in construction.

The COVID-19 pandemic has negatively affected the goods-producing sector across the North, particularly the mining industry. Many mining companies report that productivity disruptions during the pandemic have affected their overall profitability. For example, Mountain Province Diamonds reports that they lost over \$264 million in 2020 as the pandemic had a significant impact on sales and operations at their Gahcho Kué diamond mine in the Northwest Territories.¹

Looking ahead, the goods-producing sector should see some improvement in the short-term as large-scale development projects and investment in public infrastructure will help to generate new employment opportunities across the North. For instance, the federal and Northwest Territories governments have set aside \$60 million in funding under the National Housing Co-Investment Fund to help construct or repair about 126 affordable housing units across the territory, beginning this summer.²

The Yukon government also awarded a \$44.8 million contract to Whitehorse-based KetzatSL Construction Ltd. to build a health and wellness centre and 10-plex housing unit in Old Crow. The 10-plex is expected to be complete in late 2022 and the health centre in late 2023.³

In addition, the federal and Yukon governments are contributing a total of \$359 million to the Yukon Resource Gateway Project. The project will enable the territorial government to upgrade more than 650km of roads and infrastructure in the Dawson and Nahanni ranges.⁴ It is estimated that the project will create about 1,000 direct jobs per year during a four-year construction period.⁵

Meanwhile, the federal government is providing \$7.6 million to three clean energy projects in Nunavut. These include installing wind turbine and solar energy storage systems in Sanikiluaq and Arviat, as well as funds for the territorial government to develop clean energy plans with other communities.⁶

Employment in the **services-producing sector** increased significantly year-over-year, up 2.8% (+1,100). Employment growth in the services-sector was driven by gains in several large industry groups including public administration; health care and social assistance; and business, building and other support services.

Industries such as public administration, health care and social assistance, and professional, scientific and technical services should see steady growth over the near-term, buoyed by increasing federal and territorial funding commitments. For instance, the Northwest Territories government recently passed its 2021-2022 budget, which includes \$117 million in new spending and the creation of 280 new positions, mainly in the areas of health care and social services.⁷

The federal government has pledged \$42 million over five years to support Inuktitut language education across Nunavut. The initiative includes the expansion of Inuit educator training through the Nunavut Arctic College's Nunavut Teacher Education Program.⁸ Meanwhile, the Canada Foundation for Innovation and the Government of Quebec are providing \$17.5 million to set up research stations in Pond Inlet and Qikiqtarjuaq in Nunavut. The

two facilities will host about 30 visiting researchers throughout the year focusing on research of Arctic waters and marine life.⁹

In Yukon, the federal government is providing \$2 million in funding to the territorial government to explore the potential of a geothermal energy source for communities currently relying on diesel. The initiative will engage Kluane First Nation, Liard First Nation and Teslin Tlingit Council to deliver projects that will help Yukon to achieve net-zero emissions by 2050.¹⁰ The Yukon government also allotted over \$25 million this year towards early learning and childcare initiatives, including \$15 million to implement its universal childcare program in April. Operators who apply to participate in the program will receive additional funding for operations and wages for Early Childhood Educators.¹¹

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

Seasonally Unadjusted Data ('000)	1st Quarter 2021	1st Quarter 2020	Yearly Variation	
			Number	%
Total employed, all industries	56.9	57.1	-0.2	-0.4
Goods-producing sector	6.9	8.3	-1.4	-16.9
Agriculture	0.0	0.0	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.2	2.6	-0.4	-15.4
Utilities	0.7	0.7	0.0	0.0
Construction	3.5	4.3	-0.8	-18.6
Manufacturing	0.4	0.7	-0.3	-42.9
Services-producing sector	50.1	48.7	1.4	2.9
Trade	6.7	7.1	-0.4	-5.6
Transportation and warehousing	3.3	3.7	-0.4	-10.8
Finance, insurance, real estate and leasing	2.2	2.0	0.2	10.0
Professional, scientific and technical services	2.3	2.5	-0.2	-8.0
Business, building and other support services	1.4	1.0	0.4	40.0
Educational services	5.2	5.0	0.2	4.0
Health care and social assistance	8.2	7.1	1.1	15.5
Information, culture and recreation	2.1	2.4	-0.3	-12.5
Accommodation and food services	2.3	2.7	-0.4	-14.8
Other services	2.0	1.9	0.1	5.3
Public administration	14.5	13.4	1.1	8.2

* Combined data based on a three-month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – ESDC custom table

REGIONAL ANALYSIS

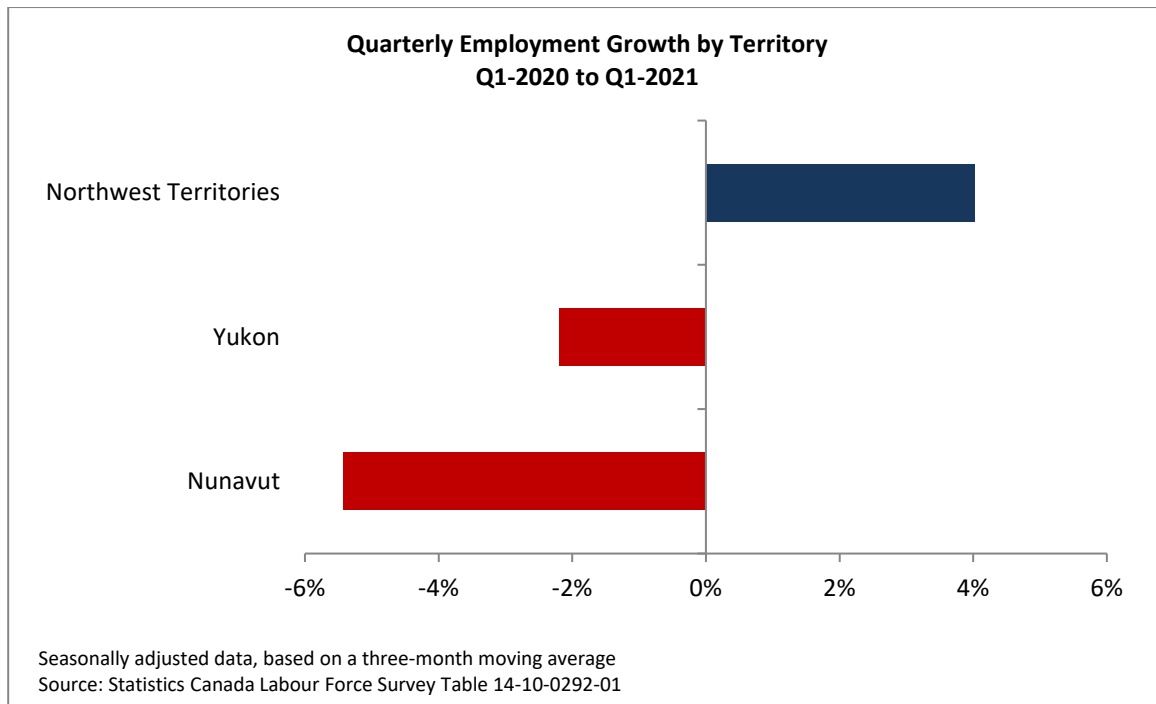
Quarterly Labour Force Statistics by Territory

Seasonally adjusted data	Employment			Unemployment Rate		
	1st Quarter 2021 ('000)	1st Quarter 2020 ('000)	Yearly Variation (%)	1st Quarter 2021 (%)	1st Quarter 2020 (%)	Yearly Variation (% points)
Total territories*	57.8	58.1	-0.5	6.8	8.4	-1.6
Yukon	22.3	22.8	-2.2	6.7	3.4	3.3
Northwest Territories	23.3	22.4	4.0	6.4	8.5	-2.1
Nunavut	12.2	12.9	-5.4	7.5	15.6	-8.1

* 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/cqi-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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¹ My True North Now, Part owners of Gahcho Kue lose \$263 million in 2020, March 25, 2021.

<https://www.mytruenorthnow.com/54254/part-owners-of-gahcho-kue-lose-263-million-in-2020/>

² CBC News, \$60M housing fund for N.W.T. to be spent, 2 years after it was first announced, March 22, 2021.

<https://www.cbc.ca/news/canada/north/housing-funding-n-w-t-announcement-national-housing-co-investment-fund-1.5959077>

³ Government of Yukon, Construction contract awarded for Old Crow Health and Wellness centre, and 10-plex housing unit, March 11, 2021.

<https://yukon.ca/en/news/construction-contract-awarded-old-crow-health-and-wellness-centre-and-10-plex-housing-unit>

⁴ Government of Canada New Release, Canada and the Yukon invest in improved transportation infrastructure for the territory, March 12, 2021.

<https://www.canada.ca/en/office-infrastructure/news/2021/03/canada-and-the-yukon-invest-in-improved-transportation-infrastructure-for-the-territory.html>

⁵ Natural Resources Canada, Yukon Resource Gateway Project, November 19, 2018.

https://sencanada.ca/content/sen/committee/421/ARCT/Briefs/2018-10-29_NRCan_FollowUp_e.pdf

⁶ Government of Canada, Canada Invests Over \$7.6 Million in Community-Led Clean Energy Projects in Nunavut, April 6, 2021.

<https://www.canada.ca/en/natural-resources-canada/news/2021/04/canada-invests-over-76-million-in-community-led-clean-energy-projects-in-nunavut.html>

⁷ CBC News, MLAs approve N.W.T. budget, adding millions in new spending, March 31, 2021.

<https://www.cbc.ca/news/canada/north/nwt-budget-approved-2021-1.5971588>

⁸ Government of Canada, Workign Together to Support Inuktit Education in Nunavut, March 9, 2021.

<https://www.canada.ca/en/canadian-heritage/news/2021/03/working-together-tosupport-inuktit-education-in-nunavut0.html>

⁹ Nunatsiaq News, Laval University and QIA team up on New North Baffin Research Stations, March 11, 2021.

<https://nunatsiaq.com/stories/article/laval-university-and-qia-team-up-on-new-north-baffin-research-stations/>

¹⁰ Government of Canada, Canada Invests in Renewable Energy with Geothermal Exploration in the Yukon, March 4, 2021. <https://www.canada.ca/en/natural-resources-canada/news/2021/03/canada-invests-in-renewable-energy-with-geothermal-exploration-in-the-yukon.html>

¹¹ Government of Yukon, Universal child care program will make life more affordable for Yukon families, March 8, 2021. <https://yukon.ca/en/news/universal-child-care-program-will-make-life-more-affordable-yukon-families>