



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon



April 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 combined employment of Yukon, Northwest Territories (NWT) and Nunavut trended upward for a third consecutive month. The number of people employed in the Territories increased 0.2% to 57,900 in April. Employment gains in Northwest Territories and Yukon offset a slight loss in Nunavut.

Employment in the Territories continued to improve from the initial impact of COVID-19; employment is up 2,100 (+3.8%) compared to one year ago. Employment was significantly higher in Northwest Territories (+7.8%) and Nunavut (+3.4%), while employment levels in Yukon were unchanged.

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

Seasonally Adjusted Data	April 2021	March 2021	April 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	91.5	91.4	90.3	0.1	0.1	1.2	1.3
Labour Force ('000)	61.7	61.9	61.0	-0.2	-0.3	0.7	1.1
Employment ('000)	57.9	57.8	55.8	0.1	0.2	2.1	3.8
Unemployment ('000)	3.8	4.2	5.2	-0.4	-9.5	-1.4	-26.9
Unemployment Rate (%)	6.2	6.8	8.5	-0.6	-	-2.3	-
Participation Rate (%)	67.4	67.7	67.6	-0.3	-	-0.2	-
Employment Rate (%)	63.3	63.2	61.8	0.1	-	1.5	-

\*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 Labour Force Statistics, by Economic Region**

Seasonally Adjusted Data	Employment			Unemployment Rate		
	April 2021 ('000)	April 2020 ('000)	Yearly Variation (%)	April 2021 (%)	April 2020 (%)	Yearly Variation (% points)
<b>Territories*</b>	57.9	55.8	3.8	6.2	8.5	-2.3
<b>Northwest Territories</b>	23.4	21.7	7.8	6.4	8.8	-2.4
<b>Nunavut</b>	12.1	11.7	3.4	6.2	17.8	-11.6
<b>Yukon</b>	22.4	22.4	0.0	5.9	2.6	3.3

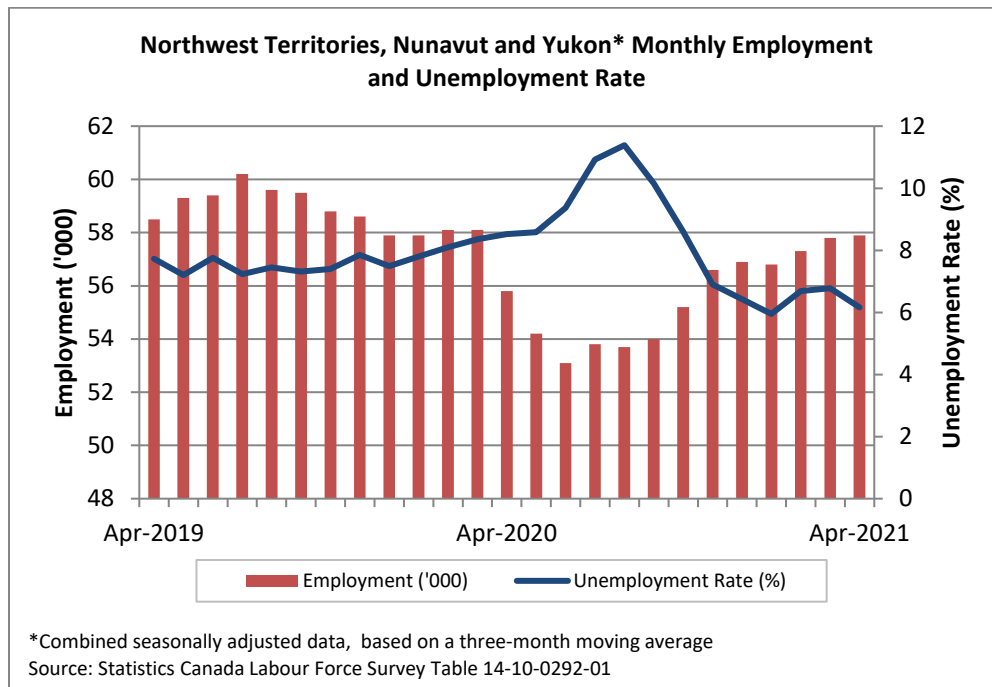
\*Combined data - three month moving average

Note: Totals may not add due to rounding

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

**Unemployment**

The unemployment rate for the combined Territories decreased in April, falling 0.6 percentage points to 6.2%. Year-over-year, Yukon was the only territory to see an increase in its unemployment rate, rising 3.3 percentage points to 5.9%. By contrast, Northwest Territories’ unemployment rate decreased 2.4 percentage points to 6.4%, while the unemployment rate in Nunavut fell considerably – down 11.6 percentage points to 6.2%. However, in the case of Nunavut this is not necessarily a good news story. The drop in Nunavut’s unemployment rate was driven by a significant decline in the labour force.



For the combined Territories, the unemployment rate for youth (15 to 24 years) was 14.3% in April, down 3.4 percentage points from April 2020. The unemployment rate for young men fell 2.9 percentage points to 20.6% year-over-year, while the unemployment rate for young women decreased 6.0 percentage points to 8.3%.

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

Seasonally Unadjusted Data	April 2021 (%)	April 2020 (%)	Yearly Variation (% points)
<b>Total</b>	6.4	9.0	-2.6
<b>25 years and over</b>	5.5	8.0	-2.5
Men - 25 years and over	5.2	8.0	-2.8
Women - 25 years and over	5.9	8.3	-2.4
<b>15 to 24 years</b>	14.3	17.7	-3.4
Men - 15 to 24 years	20.6	23.5	-2.9
Women - 15 to 24 years	8.3	14.3	-6.0

*\*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

Employment in the **goods-producing sector** fell considerably on an annual basis, down 10.3% (-800). Indeed, almost all industries within the sector saw employment losses over the year. Mining and construction – the Territories’ two key industries – posted significant employment losses (-13.6% and -14.3% respectively).

The COVID-19 pandemic has negatively affected the goods-producing sector across the North, particularly the mining industry. Many senior mining companies were forced to temporarily suspend operations during the first wave of the pandemic, while junior exploration projects were delayed and investments put on hold. Although several mines restarted operations and recalled staff in June and July of last year, productivity disruptions at these mines affected the overall profitability of the northern mining sector in 2020.<sup>1</sup>

Since the beginning of April this year, the North has seen an increase in new infections. In fact, several COVID cases were found in the mining sector, causing disruptions in operations at some major mines. For instance, the Baffinland Iron Mines Corp. has suspended operations at its Mary River iron ore mine in Nunavut due to an outbreak,<sup>2</sup> while many workers at the Ekati diamond mine in NWT were in self-isolation at the mine site.<sup>3</sup>

Looking forward, the goods-producing sector should see some improvement in the short-term, driven by major mining and construction projects slated to begin over the next few years. For instance, The City of Yellowknife granted a permit for the AVENS Pavillion Project, which will add 102 seniors housing units to existing AVENS facilities. Construction on the project has already begun, with a completion date set for the fall of 2022. The project is expected to generate \$40 million in contracts for NWT businesses.<sup>4</sup>

Meanwhile, the Arctic Canadian Diamond Company is moving ahead with a new project at the Ekati Diamond Mine’s Point Lake site. A new access road and waste rock storage area will be built near the open pit site. The company expects to begin site development in 2022 and to run the project from 2023 to 2027.<sup>5</sup>

In the medium-term, BuildForce Canada estimates that the number of tradespeople required in the Territories will exceed 2,000 people over the next five years. Although new workers are expected to be drawn locally, individuals from other regions will be needed due to the small labour pool in the North.<sup>6</sup>

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

Seasonally Unadjusted Data ('000)	April 2021	April 2020	Yearly Variation	
			Number	%
<b>Total employed, all industries</b>	57.3	54.8	2.5	4.6
<b>Goods-producing sector</b>	7.0	7.8	-0.8	-10.3
Agriculture	0.0	0.0	0.0	--
Forestry, fishing, mining, quarrying, oil and gas	1.9	2.2	-0.3	-13.6
Utilities	0.6	0.7	-0.1	-14.3
Construction	3.6	4.2	-0.6	-14.3
Manufacturing	0.6	0.6	0.0	0.0
<b>Services-producing sector</b>	50.4	46.9	3.5	7.5
Trade	6.4	6.9	-0.5	-7.2
Transportation and warehousing	3.3	3.1	0.2	6.5
Finance, insurance, real estate and leasing	2.3	2.1	0.2	9.5
Professional, scientific and technical services	2.4	2.3	0.1	4.3
Business, building and other support services	1.4	1.0	0.4	40.0
Educational services	5.0	4.5	0.5	11.1
Health care and social assistance	8.1	7.0	1.1	15.7
Information, culture and recreation	1.7	2.1	-0.4	-19.0
Accommodation and food services	2.5	2.6	-0.1	-3.8
Other services	2.0	1.8	0.2	11.1
Public administration	14.9	13.4	1.5	11.2

\*Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - ESDC custom table

Employment in the **services-producing sector** recovered significantly from last year, up 7.5% (+3,500). Despite recent employment gains, the COVID-19 pandemic has had a negative impact on some industries under the Territories' services-sector, particularly in tourism.

To cope with the fallout from COVID-19, all levels of government have pledged funding and created new initiatives aimed to help tourism-related businesses across the North. For example, the Northwest Territories government recently announced a five-year tourism recovery plan aimed at growing the number of tourism operators outside Yellowknife by five percent and a target to attract more than 100,000 visitors to the region by 2025-2026.<sup>7</sup>

The Yukon government also approved an alternative self-isolation process proposed by the Wilderness Tourism Association of Yukon. Visitors to Yukon can now apply to isolate on a backcountry trip facilitated by a tourism operator rather than in a hotel. The new initiative is expected to help outdoor tourism operators to remain in business and retain their staff.<sup>8</sup>

Moving forward, with major infrastructure projects underway across the three territories, industries such as the professional, scientific and technical services, the transportation and warehousing, as well as the information, culture and recreation should see steady growth over the next few years. For instance, the federal, Northwest Territories and Tłı̨chǫ governments are providing a combined \$11 million in funding to improve Internet access in the community of Whatì, in the North Slave region. A new fibre optic cable will be constructed to provide high-speed Internet access for 152 households across the territory.<sup>9</sup>

Meanwhile, the federal government pledged \$3 million towards feasibility work for the Kivalliq Hydro-Fibre Link project in Nunavut. Once complete, a new hydroelectric and fibre-optic link will connect the Kivalliq region to Northern Manitoba. The project is anticipated to help reduce the region's dependence on diesel and provide high-speed broadband services to more communities.<sup>10</sup>

***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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