



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

May 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 in the combined Territories was unchanged in May at about 57,900. Employment losses in Yukon (-1.3%) and Nunavut (-1.7%) were offset by gains in Northwest Territories (+2.1%).

Employment in the Territories is up 6.8% (+3,700) from one year ago, with all gains occurring in the services-producing sector. The number of people employed was up significantly in Northwest Territories (+10.1%) and Nunavut (+8.2%), with employment growth in the Yukon (+2.8%) trailing behind.

Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Adjusted Data	May 2021	April 2021	May 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	91.5	91.5	90.5	0.0	0.0	1.0	1.1
Labour Force ('000)	61.2	61.7	59.4	-0.5	-0.8	1.8	3.0
Employment ('000)	57.9	57.9	54.2	0.0	0.0	3.7	6.8
Unemployment ('000)	3.4	3.8	5.1	-0.4	-10.5	-1.7	-33.3
Unemployment Rate (%)	5.6	6.2	8.6	-0.6	-	-3.0	-
Participation Rate (%)	66.9	67.4	65.6	-0.5	-	1.3	-
Employment Rate (%)	63.3	63.3	59.9	0.0	-	3.4	-

*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)

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

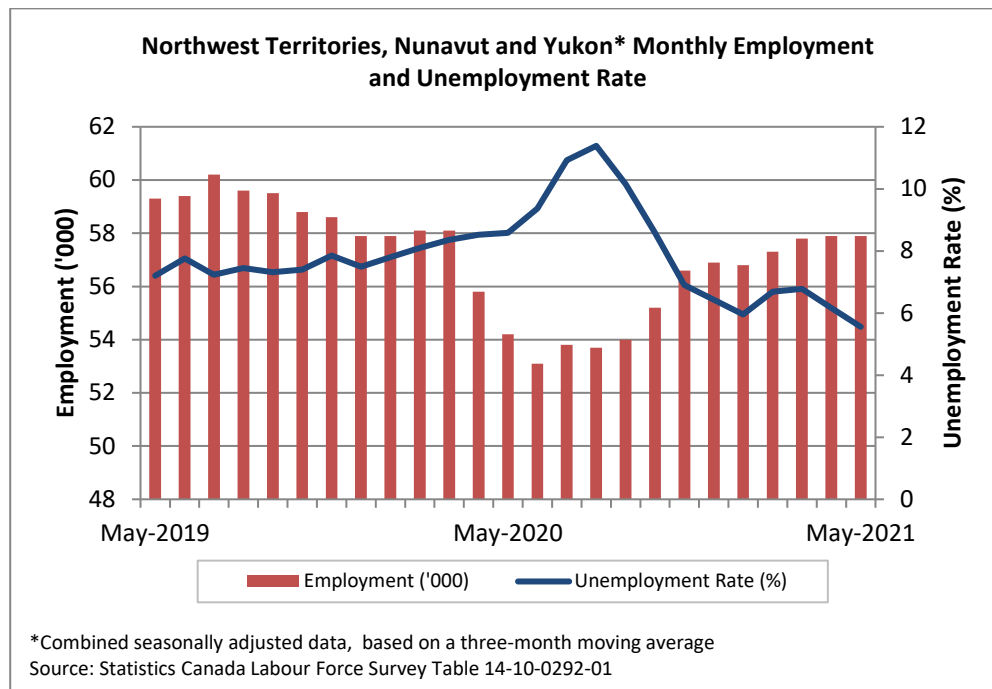
Seasonally Adjusted Data	Employment			Unemployment Rate		
	May 2021 ('000)	May 2020 ('000)	Yearly Variation (%)	May 2021 (%)	May 2020 (%)	Yearly Variation (% points)
Territories*	57.9	54.2	6.8	5.6	8.6	-3.0
Northwest Territories	23.9	21.7	10.1	4.4	8.0	-3.6
Nunavut	11.9	11.0	8.2	5.4	16.8	-11.4
Yukon	22.1	21.5	2.8	6.8	4.5	2.3

*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)

On a monthly basis, the unemployment rate for the combined Territories decreased 0.6 percentage points to 5.6% in May. Year-over-year, the unemployment rate decreased in Northwest Territories and Nunavut, falling to 4.4% and 5.4%, respectively. However, the drop in Nunavut’s unemployment rate was driven by a significant decline in the labour force. Meanwhile, Yukon’s unemployment rate increased 2.3 percentage points to 6.8% during the same period.



The unemployment rate for youth (15 to 24 years) was 13.2% in May, a decrease of 6.8 percentage points from May 2020. The unemployment rate for young women fell 6.5 percentage points to 11.4% year-over-year, while the unemployment rate for young men decreased considerably – down 9.8 percentage points to 15.2%.

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

Seasonally Unadjusted Data	May 2021 (%)	May 2020 (%)	Yearly Variation (% points)
Total	5.7	9.0	-3.3
25 years and over	4.8	7.6	-2.8
Men - 25 years and over	5.2	7.0	-1.8
Women - 25 years and over	4.4	8.5	-4.1
15 to 24 years	13.2	20.0	-6.8
Men - 15 to 24 years	15.2	25.0	-9.8
Women - 15 to 24 years	11.4	17.9	-6.5

**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 6,800 people employed in the **goods-producing sector** in May, down 11.7% (-900) compared to one year ago. The largest declines were in construction and manufacturing.

The COVID-19 pandemic has been difficult on the goods-producing sector, particularly the mining and construction industries. Health and safety protocols and restrictions have caused many delays in public and private construction projects across the North. Moreover, major mining companies also report that productivity disruptions last year affected their overall profitability.

Moving forward, the goods-producing sector should see some growth over the next two years, as large-scale development projects and public infrastructure investments will help to generate new employment opportunities. For instance, the Yukon government recently passed its 2021-2022 budget, approving record capital expenditures of \$434.4 million. This includes \$30 million for lot development, \$12 million for affordable housing projects, and \$70 million for transportation infrastructure.¹

Meanwhile, the federal government is providing \$18.8 million to Yellowknives Dene First Nation to build 19 new affordable homes in Ndilo and Dettah. The money is part of \$60 million in federal funding announced last March for affordable housing in the Northwest Territories. These projects are expected to create training and employment opportunities for the Dettah community. Construction is estimated to be completed by August 2022.²

The Territories' mining industry could see a rebound in employment over the short-term as new mineral exploration and mining development projects are expected to get underway across the North. For example, the Arctic Canadian Diamond Company is planning to develop a new open-pit mine at the Ekati Diamond Mine's Point Lake site in Northwest Territories. The company expects to begin site development in 2022 and mining

could start by January 2023. The new pit is anticipated to add four more years of production life to the Ekati mine.³

In addition, Rio Tinto Canada Inc. recently purchased a \$25.6 million stake in Western Copper and Gold's proposed Casino mine project in central Yukon. The investment will go toward a feasibility study and further exploration at the site. The Casino project is one of the largest copper-gold deposits in the world. The project is currently in the environmental assessment phase. If approved, the mine is projected to have a 22-year lifespan, employing about 1,000 people during a four-year construction phase and 400 workers once operational.⁴

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

Seasonally Unadjusted Data ('000)	May 2021	May 2020	Yearly Variation	
			Number	%
Total employed, all industries	57.4	53.6	3.8	7.1
Goods-producing sector	6.8	7.7	-0.9	-11.7
Agriculture	0.0	0.0	0.0	--
Forestry, fishing, mining, quarrying, oil and gas	1.8	1.9	-0.1	-5.3
Utilities	0.7	0.7	0.0	0.0
Construction	3.5	4.2	-0.7	-16.7
Manufacturing	0.5	0.8	-0.3	-37.5
Services-producing sector	50.5	45.9	4.6	10.0
Trade	6.5	6.5	0.0	0.0
Transportation and warehousing	3.3	2.8	0.5	17.9
Finance, insurance, real estate and leasing	2.1	2.2	-0.1	-4.5
Professional, scientific and technical services	2.4	2.3	0.1	4.3
Business, building and other support services	1.4	0.8	0.6	75.0
Educational services	5.3	4.2	1.1	26.2
Health care and social assistance	7.9	6.9	1.0	14.5
Information, culture and recreation	1.5	1.9	-0.4	-21.1
Accommodation and food services	3.1	2.5	0.6	24.0
Other services	1.9	1.7	0.2	11.8
Public administration	15.2	13.8	1.4	10.1

*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** climbed significantly in May 2021, up 10% (+4,600) on a yearly basis.

Positive employment growth in the services-producing sector is likely to continue, as the number of active COVID-19 cases decline across the North and as more residents are vaccinated. In fact, about 78% of the Yukon population received their first shot of COVID-19 vaccine by the end of May.⁵ In response, the Yukon government

eased COVID-19 restrictions in the territory, allowing bars and restaurants to operate at full capacity and vaccinated travellers to enter the territory without isolating. Events of up to 200 people are also permitted.⁶

Furthermore, the Yukon government launched its Great Yukon Summer campaign, encouraging Yukon residents to travel within the territory. A total of \$500,000 is available for local events, support for tourism operators, and rebates for tourism packages.⁷ Yukon's tourism industry accounted for about 5% of the territory's gross domestic product (GDP) in 2019. There were about 400 tourism-related businesses across the territory that employed around 2,000 people two years ago.⁸ However, the industry was hit hard by the pandemic and it will take at least three years to recover, according to the territorial government.

The Canadian Northern Economic Development Agency is also providing nearly \$4 million for five tourism projects across the Northwest Territories. These projects include the development of new tourism research and marketing initiatives, revitalizing tourism infrastructure, and modernization of new web and digital platforms. The funding is expected to support tourism businesses and organizations in attracting more visitors to the territory.⁹

Meanwhile, the Government of Nunavut is offering additional COVID-19 relief funding for small businesses in the territory that continue to be affected by the pandemic. Entrepreneurs or businesses with less than \$500,000 in gross sales or fewer than ten employees are eligible for up to \$5,000 in non-repayable funding. Small businesses including artists, retailers, tourism operators and harvesters are encouraged to apply.¹⁰ Like the other two territories, many Nunavut tourism operators report their revenue declined significantly in 2020 and were forced to lay off staff due to the pandemic. There were about 140 tourism operators across the territory in 2019, providing jobs for about 3,000 people.¹¹

***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 Government of Yukon, First sitting of 35th Yukon Legislative Assembly concludes, May 31, 2021. <https://yukon.ca/en/news/first-sitting-35th-yukon-legislative-assembly-concludes>

² CBC News, Yellowknives Dene First Nation gets funding to build 19 affordable homes, May 31, 2021.

<https://www.cbc.ca/news/canada/north/nwt-housing-announcement-may-31-1.6046815>

³ NWT News/North, Ekati plans new open-pit project at Point Lake, April 29, 2021.

<https://www.nnsi.com/nwtnewsnorth/ekati-plans-new-open-pit-project-at-point-lake/>

⁴ CBC News, Rio Tinto buys \$25M stake in Yukon's Casino mine project, May 17, 2021.

<https://www.cbc.ca/news/canada/north/rio-tinto-invests-casino-project-yukon-1.6030323>

⁵ CTV News, Yukon premier expects COVID-19 restrictions will be further loosened this month, June 2, 2021.

<https://www.ctvnews.ca/health/coronavirus/yukon-premier-expects-covid-19-restrictions-will-be-further-loosened-this-month-1.5453415>

⁶ CTV News, Events of 200 and restaurants and bars at full capacity as Yukon lifts COVID rules, May 25, 2021.

<https://www.ctvnews.ca/health/coronavirus/events-of-200-and-restaurants-and-bars-at-full-capacity-as-yukon-lifts-covid-rules-1.5442063>

⁷ Government of Yukon, 2021 is the year of the Great Yukon Summer, May 27, 2021. <https://yukon.ca/en/news/2021-year-great-yukon-summer>

<https://yukon.ca/en/news/2021-year-great-yukon-summer>

⁸ CBC News, Life almost back to normal in Yukon, but tourism sector needs the world to catch up, April 15, 2021.

<https://www.cbc.ca/radio/thecurrent/the-current-for-april-15-2021-1.5988531/life-almost-back-to-normal-in-yukon-but-tourism-sector-needs-the-world-to-catch-up-1.5988986>

⁹ Government of Canada, Government of Canada investment supports tourism industry in Northwest Territories, May 28, 2021.

<https://www.canada.ca/en/northern-economic-development/news/2021/05/government-of-canada-investment-supports-tourism-industry-in-northwest-territories.html>

¹⁰ Government of Nunavut, COVID-19 Department of Economic Development and Transportation Services update, May 6, 2021.

<https://gov.nu.ca/economic-development-and-transportation/news/covid-19-department-economic-development-and>

[and](https://gov.nu.ca/economic-development-and-transportation/news/covid-19-department-economic-development-and)

¹¹ Government of Nunavut. Budget 2021-22, Fiscal and Economic Indicators, February 2021.

https://gov.nu.ca/sites/default/files/2021-22_fei_en.pdf