



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon



September 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

The combined employment of Yukon, Northwest Territories (NWT) and Nunavut increased slightly (+0.5%) in the third quarter (July, August, September) of 2021 compared to the previous quarter (April, May, June). Employment losses in Yukon (-0.5%) and Northwest Territories (-1.7%) were offset by gains in Nunavut (+6.6%).

On a year-over-year basis, employment in the Territories increased by 3,900 (+7.2%). In fact, employment in all three territories increased over the year. The number of people employed increased considerably both in Northwest Territories (+12%) and in Nunavut (+5.7%), while Yukon (+3.3%) recorded a more moderate increase in employment.

Northwest Territories, Nunavut, Yukon* Quarterly Labour Force Statistics

Seasonally adjusted data	3rd Quarter 2021	2nd Quarter 2021	3rd Quarter 2020	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	91.9	91.5	91.1	0.4	0.4	0.8	0.9
Labour Force ('000)	62.8	60.8	60.1	2.0	3.3	2.7	4.5
Employment ('000)	57.9	57.6	54.0	0.3	0.5	3.9	7.2
Unemployment ('000)	4.9	3.1	6.1	1.8	58.1	-1.2	-19.7
Unemployment Rate (%)	7.8	5.1	10.1	2.7	-	-2.3	-
Participation Rate (%)	68.3	66.4	66.0	1.9	-	2.3	-
Employment Rate (%)	63.0	63.0	59.3	0.0	-	3.7	-

* 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)

Quarterly Labour Force Statistics by Territory

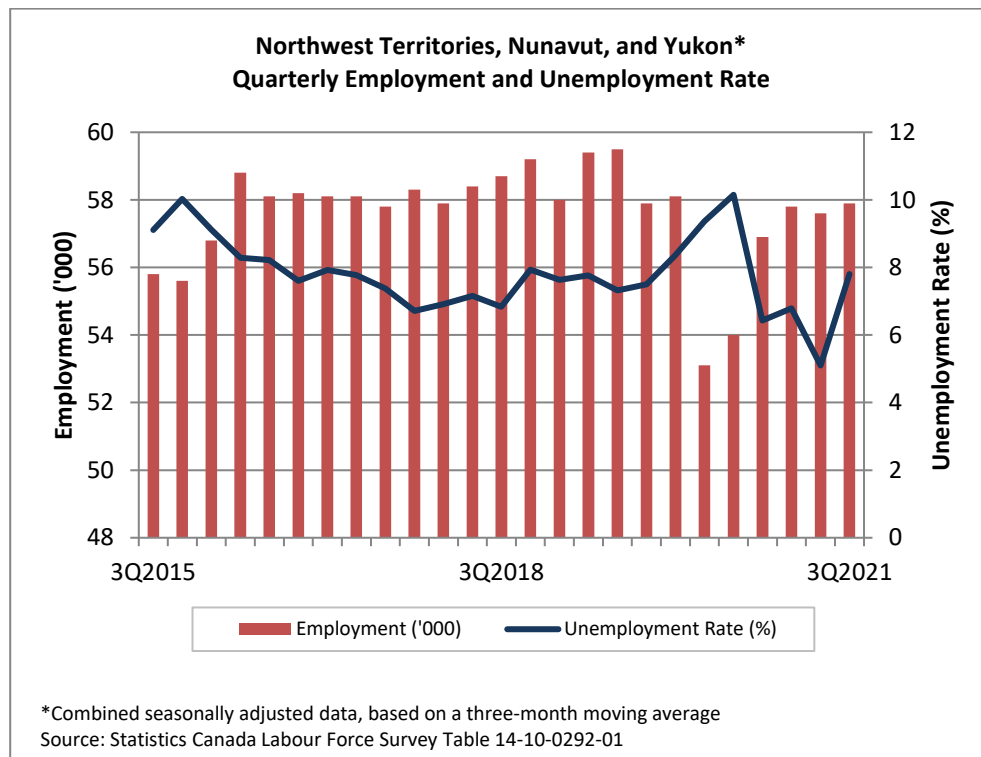
Seasonally adjusted data	Employment			Unemployment Rate		
	3rd Quarter 2021 ('000)	3rd Quarter 2020 ('000)	Yearly Variation (%)	3rd Quarter 2021 (%)	3rd Quarter 2020 (%)	Yearly Variation (% points)
Total territories*	57.9	54.0	7.2	7.8	10.1	-2.3
Yukon	21.7	21.0	3.3	6.1	6.7	-0.6
Northwest Territories	23.3	20.8	12.0	4.5	9.6	-5.1
Nunavut	12.9	12.2	5.7	15.5	16.5	-1.0

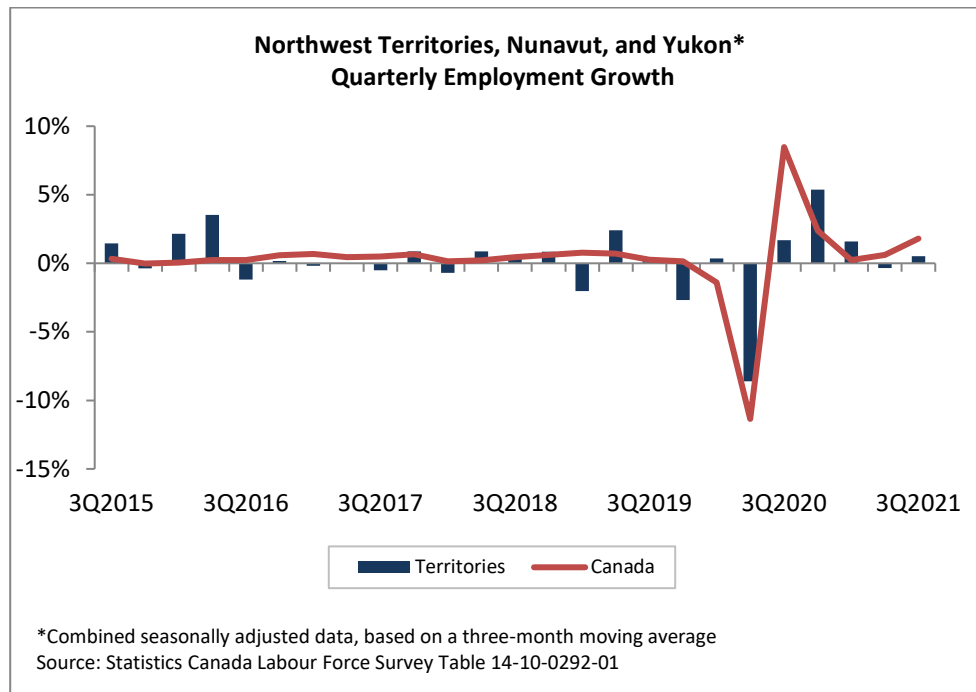
* Combined data based on a three-month moving average

Note: Totals may not add due to rounding

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

The unemployment rate for the combined Territories was 7.8%, down 2.3 percentage points from the third quarter of 2020. Year-over-year, the unemployment rate decreased in all three territories. The Northwest Territories posted the most significant decline, with the unemployment rate falling 5.1 percentage points to 4.5% – the lowest rate across the country. Meanwhile, the unemployment rates in Yukon and Nunavut fell to 6.1% and 15.5% respectively.





Compared to the third quarter of 2020, the unemployment rate for youth (15 to 24 years) in the Territories decreased 6.2 percentage points to 10.5%. The unemployment rate for young men decreased by a noteworthy 8.3 percentage points to 13.0%, while the unemployment rate for young women decreased 6 percentage points to 7.5%.

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

Seasonally unadjusted data	3rd Quarter 2021 (%)	3rd Quarter 2020 (%)	Yearly Variation (% points)
Total	7.3	9.6	-2.3
25 years and over	7.0	8.3	-1.3
Men - 25 years and over	7.1	9.0	-1.9
Women - 25 years and over	7.0	8.1	-1.1
15 to 24 years	10.5	16.7	-6.2
Men - 15 to 24 years	13.0	21.3	-8.3
Women - 15 to 24 years	7.5	13.5	-6.0

*Combined data based on a three month moving average

Source: Statistics Canada Labour Force Survey – ESDC custom table

EMPLOYMENT BY INDUSTRY

There were 7,400 people employed in the **goods-producing sector** in the third quarter of 2021, down 8.6% compared to the same quarter last year. The setback is mainly attributed to employment losses in manufacturing.

Moving forward, the goods-producing sector is expected to see some growth over the short-term, driven by major private and public construction projects scheduled to begin over the next few years. For instance, the federal and Northwest Territories governments have allocated a total \$50 million in funding to replace the Dehk'è Frank Channel Bridge. The bridge is part of the National Highway System and the only highway corridor going into the North Slave Region in Yellowknife and several mines and mineral development areas.¹

In addition, new mineral exploration and extraction projects will also help to boost employment for the goods-producing sector across the North. For example, the Tse Zul Development Corporation has acquired a portion of the Faro mine site in Yukon for mining exploration and development. This project is expected to create new jobs and economic benefits for Ross River Kaska Dena and other nearby communities.²

Meanwhile, Victoria Gold Corp. has earmarked \$10 million for two silver and gold exploration projects in Yukon this year. The company plans to search for minerals at four locations near its Eagle Gold Mine site. The company is also planning to build camps, a new access road, and drill about 800 holes over the life of the project. The project is anticipated to create both direct and indirect employment opportunities for the region.³

The Territories' mining industries will also see more funding from all levels of government to support the mining and exploration activities across the three territories. The Canadian Northern Economic Development Agency (CanNor), for example, is providing an additional \$500,000 in funding for the 2021-2022 winter intake of the Northwest Territories' Mining Incentive Program (MIP). The MIP is a territorial government initiative that awards funding for mineral exploration projects.⁴

The CanNor is also providing \$5 million in funding towards the purchase of a radar-based ore sorter for the Nechalacho Rare Earth Metals Project in Northwest Territories.⁵ The new ore sorter is expected to help lower environmental impact for the mine, as it does not use water to filter out the ore as most sorters do. The Nechalacho project is Canada's first rare earth mine, operated by Vital Metals. Production started in June this year.⁶

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

Seasonally Unadjusted Data ('000)	3rd Quarter 2021	3rd Quarter 2020	Yearly Variation	
			Number	%
Total employed, all industries	59.2	55.3	3.9	7.1
Goods-producing sector	7.4	8.1	-0.7	-8.6
Agriculture	0.2	0.0	0.2	-
Forestry, fishing, mining, quarrying, oil and gas	1.9	1.9	0.0	0.0
Utilities	0.6	0.6	0.0	0.0
Construction	4.2	4.4	-0.2	-4.5
Manufacturing	0.3	0.8	-0.5	-62.5
Services-producing sector	52.0	47.1	4.9	10.4
Trade	7.1	6.6	0.5	7.6
Transportation and warehousing	2.8	2.7	0.1	3.7
Finance, insurance, real estate and leasing	1.7	2.6	-0.9	-34.6
Professional, scientific and technical services	2.5	2.2	0.3	13.6
Business, building and other support services	1.6	1.2	0.4	33.3
Educational services	5.7	4.3	1.4	32.6
Health care and social assistance	6.9	7.3	-0.4	-5.5
Information, culture and recreation	2.1	2.4	-0.3	-12.5
Accommodation and food services	3.1	2.2	0.9	40.9
Other services	1.9	1.6	0.3	18.8
Public administration	16.3	14.0	2.3	16.4

* 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

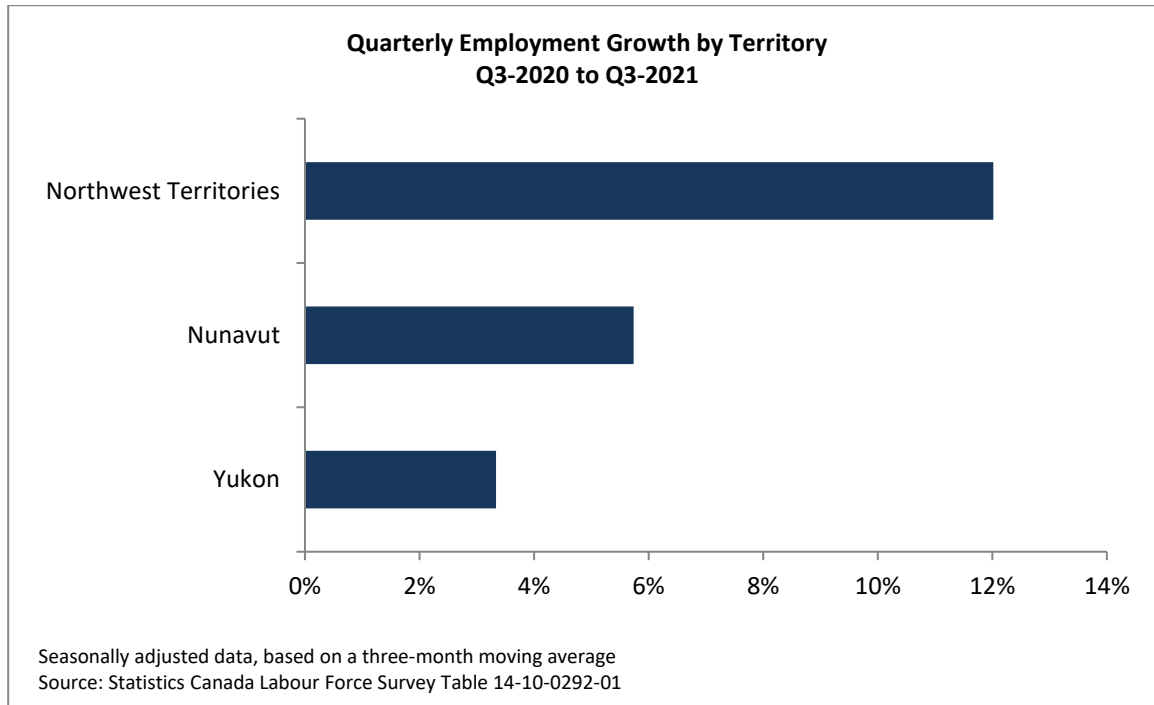
Employment in the **services-producing sector** increased significantly year-over-year, up 10.4% (+4,900). Employment growth in the services-sector was driven by gains in several large industry groups including public administration; educational services; and accommodation and food services.

In the short-term, the increase in construction projects in the North will likely have a positive impact on construction-related industries such as transportation and warehousing, trade and professional, scientific and technical services. These projects include the \$4.9 million 15 new housing units in Nunavut's Gjoa Haven and Kugluktuk regions,⁷ the \$15 million new water treatment plant in Hay River in the Northwest Territories,⁸ and the \$22.2 million rental buildings in Yukon's Whistle Bend subdivision.⁹

In addition, industries such as public administration, health care and social assistance, and accommodation and food services should see steady growth over the near-term, buoyed by increasing federal and territorial funding commitments. For instance, the Northwest Territories government is offering 30 scholarships of \$5,000 to each eligible student training for careers in Early Childhood Development during the 2021-2022 academic year.¹⁰

Meanwhile, the Nunavut government is planning to increase incentives to retain and recruit nursing staff in the territory. According to the territorial government, Nunavut is experiencing a nursing shortage, with 32 fewer nurses on staff in August compared to a year ago. There are currently 164 nursing vacancies in the territory.¹¹

In Yukon, the territorial government is extending COVID-19 relief programs for tourism operators, as well as a travel rebate meant to encourage Yukoners to vacation within the territory. Both the Tourism Accommodation Sector Supplement and Tourism Non-Accommodation Supplement programs have been extended to March 31, 2022.¹²



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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- ⁵ My True North Now news, Nechalacho receives CANNOR funding for ore sorter, June 3, 2021. <https://www.mytruenorthnow.com/55835/nechalacho-receives-cannor-funding-for-ore-sorter/>
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