



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon



December 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 substantially (+9%) in the fourth quarter (October, November, December) of 2021 compared to the third quarter (July, August, September) of 2021. Moderate to strong employment gains occurred in all three territories during this quarter: Northwest Territories (+3%), Yukon (+10.6%) and Nunavut (+17.1%).

On a year-over-year basis, employment in the Territories increased by 6,200 (+10.9%). Employment in all three individual territories increased throughout the year. Nunavut had the largest annual increase (+23.8%), followed by Yukon (+8.6%) and Northwest Territories (+6.2%).

### Northwest Territories, Nunavut, and Yukon\* Quarterly Labour Force Statistics

Seasonally Adjusted Data	4th Quarter 2021	3rd Quarter 2021	4th Quarter 2020	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	92.5	91.9	91.2	0.6	0.7	1.3	1.4
Labour Force ('000)	67.1	62.8	60.7	4.3	6.8	6.4	10.5
Employment ('000)	63.1	57.9	56.9	5.2	9.0	6.2	10.9
Unemployment ('000)	4.1	4.9	3.9	-0.8	-16.3	0.2	5.1
Unemployment Rate (%)	6.1	7.8	6.4	-1.7	-	-0.3	-
Participation Rate (%)	72.5	68.3	66.6	4.2	-	5.9	-
Employment Rate (%)	68.2	63.0	62.4	5.2	-	5.8	-

\* 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

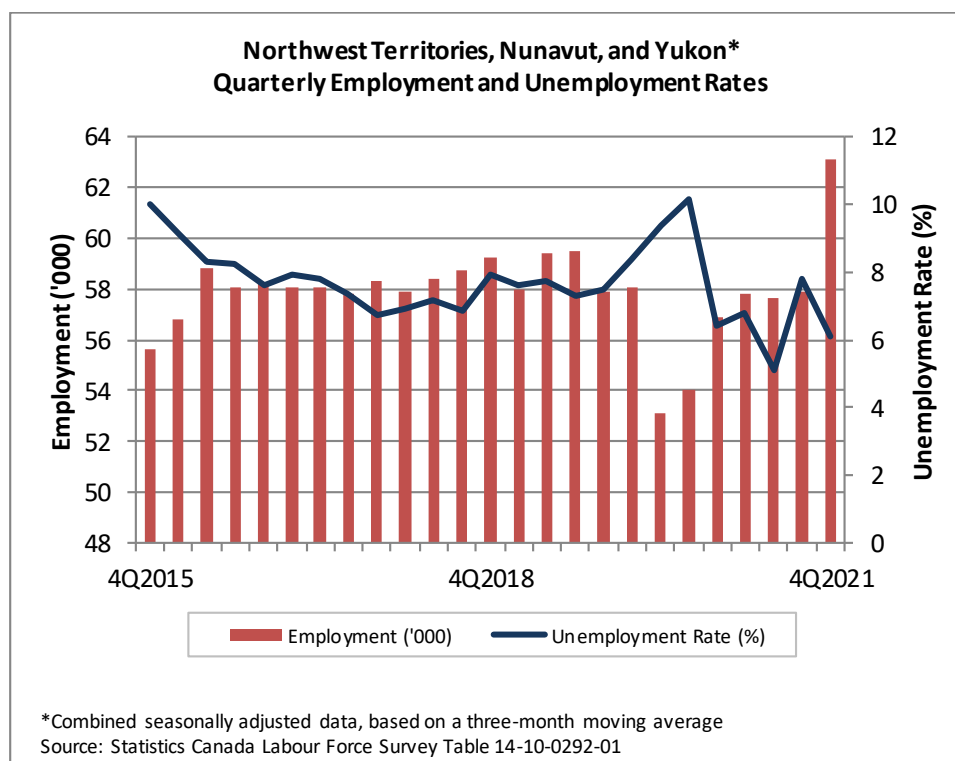
Seasonally Adjusted Data	Employment			Unemployment Rate		
	4th Quarter 2021 ('000)	4th Quarter 2020 ('000)	Yearly Variation (%)	4th Quarter 2021 (%)	4th Quarter 2020 (%)	Yearly Variation (% points)
<b>Total territories*</b>	63.1	56.9	10.9	6.1	6.4	-0.3
Yukon	24.0	22.1	8.6	2.8	5.2	-2.4
Northwest Territories	24.0	22.6	6.2	5.1	5.8	-0.7
Nunavut	15.1	12.2	23.8	12.3	9.3	3.0

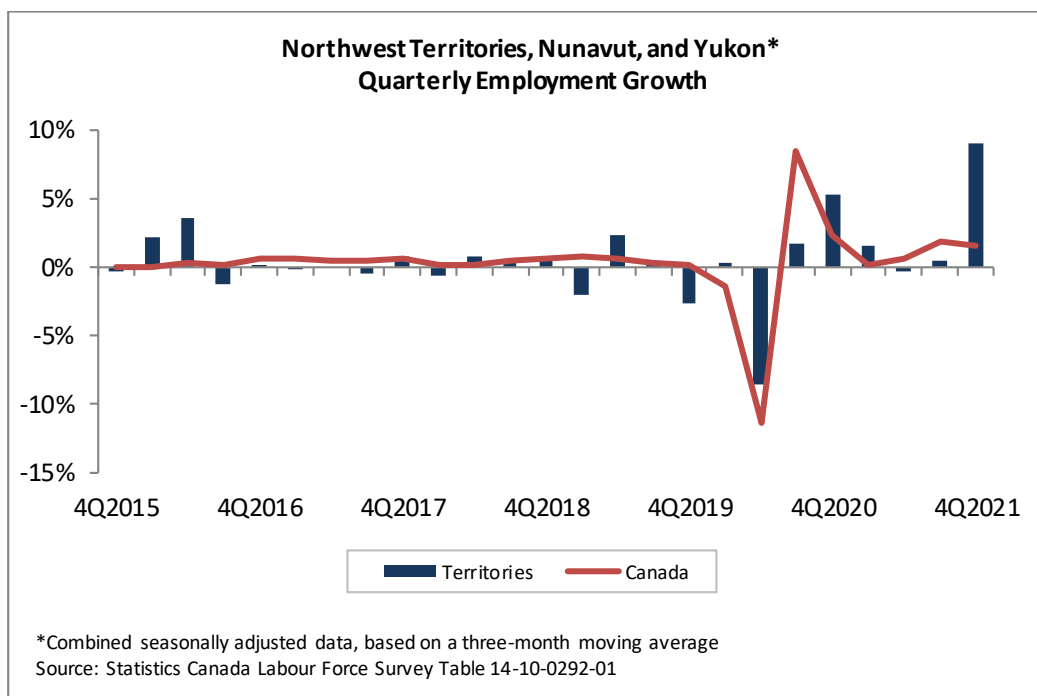
\* Combined data based on a three-month moving average

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 6.1% in the fourth quarter of 2021. This represents a decrease of 0.3 percentage points compared to the fourth quarter of 2020. Year-over-year, Yukon posted the largest decline in its unemployment rate in the fourth quarter of 2021. The unemployment rate in Yukon fell 2.4 percentage points to 2.8%— the lowest unemployment rate across the country. The unemployment rate in Northwest Territories fell to 5.1%. In contrast, Nunavut’s unemployment rate rose 3 percentage points to 12.3%.





The unemployment rate for youth (15 to 24 years) in the combined Territories decreased 5.3 percentage points to 12.3% in the fourth quarter of 2021 compared to the same quarter in 2020. Within this age group, the unemployment rate for young women decreased substantially by 7.3 percentage points to 7.9%. The corresponding unemployment rate for young men decreased by 3.7 percentage points to 16.3%.

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

Seasonally Unadjusted Data	4th Quarter 2021 (%)	4th Quarter 2020 (%)	Yearly Variation (% points)
<b>Total</b>	6.2	6.3	-0.1
<b>25 years and over</b>	5.2	4.9	0.3
Men - 25 years and over	6.6	5.7	0.9
Women - 25 years and over	3.6	4.1	-0.5
<b>15 to 24 years</b>	12.3	17.6	-5.3
Men - 15 to 24 years	16.3	20.0	-3.7
Women - 15 to 24 years	7.9	15.2	-7.3

\*Combined data based on a three month moving average  
Source: Statistics Canada Labour Force Survey – ESDC custom table

## EMPLOYMENT BY INDUSTRY

There were 8,700 people employed in the **goods-producing sector** in the fourth quarter of 2021. Employment in this sector is up 17.6% compared to the same quarter of 2020. These gains are mainly the result of increased employment in the mining and construction industries.

Employment in the construction industry increased by 500 jobs year-over-year, with more growth expected over the short-term. A number of private and public construction projects are scheduled to begin over the next few years. For instance, Whitehorse-based Ketza Construction Corporation began work on the new Whistle Bend Elementary School in Yukon. The school will be the first new Whitehorse elementary school in more than two decades. Construction is set to be completed during the 2023-2024 school year.<sup>1</sup> Pelly Construction was awarded the contract to build a new road and bridge near Carmacks. Under the Yukon Resource Gateway Program, the \$26.9M Carmacks Bypass Project should enhance and provide a safer flow of traffic for residents as well as improve access to mining activities. This project is expected to be completed in 2024.<sup>2</sup>

In Northwest Territories, the City of Yellowknife approved plans to build a new aquatic centre. Construction on the \$68M facility is scheduled to begin in 2022 and to finish in 2024.<sup>3</sup> The mining company NorZinc Ltd. delayed construction of the winter road to the Prairie Creek project due to regulatory requirements. As a result, production from the Prairie Creek zinc-lead-silver mine will be delayed until the end of 2025.<sup>4</sup>

The three territories' resource extraction industry (forestry, fishing, mining, quarrying, oil and gas) gained 1,700 jobs in the fourth quarter of 2021. These new jobs are primarily in mining. According to Natural Resources Canada, all three territories saw mineral exploration-related investment rebound in 2021 after a major drop (-45%) in 2020 due to the COVID-19 pandemic. According to 2021 projections, estimated total spending will be \$328 million, an increase of 67% from 2020. However, spending levels are still well below the total investment of \$362.4 million in 2019.<sup>5</sup>

ValOre Metals Corp. is planning to resume exploring its Angilak uranium project in 2022. The company claims the Lac 50 Trend deposits in Nunavut contains Canada's highest-grade uranium resource outside of the Athabasca Basin in Saskatchewan.<sup>6</sup> The Canadian Northern Economic Development Agency is collaborating with the Government of Northwest Territories to provide an additional \$500,000 in funding for the 2021-2022 winter intake of the Mining Incentive Program (MIP). The MIP is a government initiative that awards funding for mineral exploration projects.<sup>7</sup>

Looking forward, Arctic Diamond Company is exploring the use of underwater mining technology to extend the life of the Ekati mine in the Northwest Territories. A pilot project is set to begin in 2023; however, there is no mining activity planned beyond 2028 for Ekati. The mine employs about 1,100 workers.<sup>8</sup>

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

Seasonally Unadjusted Data ('000)	4th Quarter 2021	4th Quarter 2020	Yearly Variation	
			Number	%
<b>Total employed, all industries</b>	62.1	56.0	6.1	10.9
<b>Goods-producing sector</b>	8.7	7.4	1.3	17.6
Agriculture	0.0	0.0	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	3.0	1.3	1.7	130.8
Utilities	0.6	0.7	-0.1	-14.3
Construction	4.7	4.2	0.5	11.9
Manufacturing	0.0	0.8	-0.8	-100.0
<b>Services-producing sector</b>	53.5	48.5	5.0	10.3
Trade	7.0	6.3	0.7	11.1
Transportation and warehousing	3.3	3.3	0.0	0.0
Finance, insurance, real estate and leasing	2.7	2.4	0.3	12.5
Professional, scientific and technical services	2.1	1.9	0.2	10.5
Business, building and other support services	1.9	0.9	1.0	111.1
Educational services	6.7	5.1	1.6	31.4
Health care and social assistance	7.6	7.5	0.1	1.3
Information, culture and recreation	2.0	2.2	-0.2	-9.1
Accommodation and food services	2.6	2.7	-0.1	-3.7
Other services	2.2	2.1	0.1	4.8
Public administration	15.5	14.0	1.5	10.7

\* 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

Turning to the **services-producing sector**, employment increased substantially year-over-year in the fourth quarter of 2021, up 10.3% (+5,000). Gains in public administration, educational services, and trades drove employment growth in the services-sector.

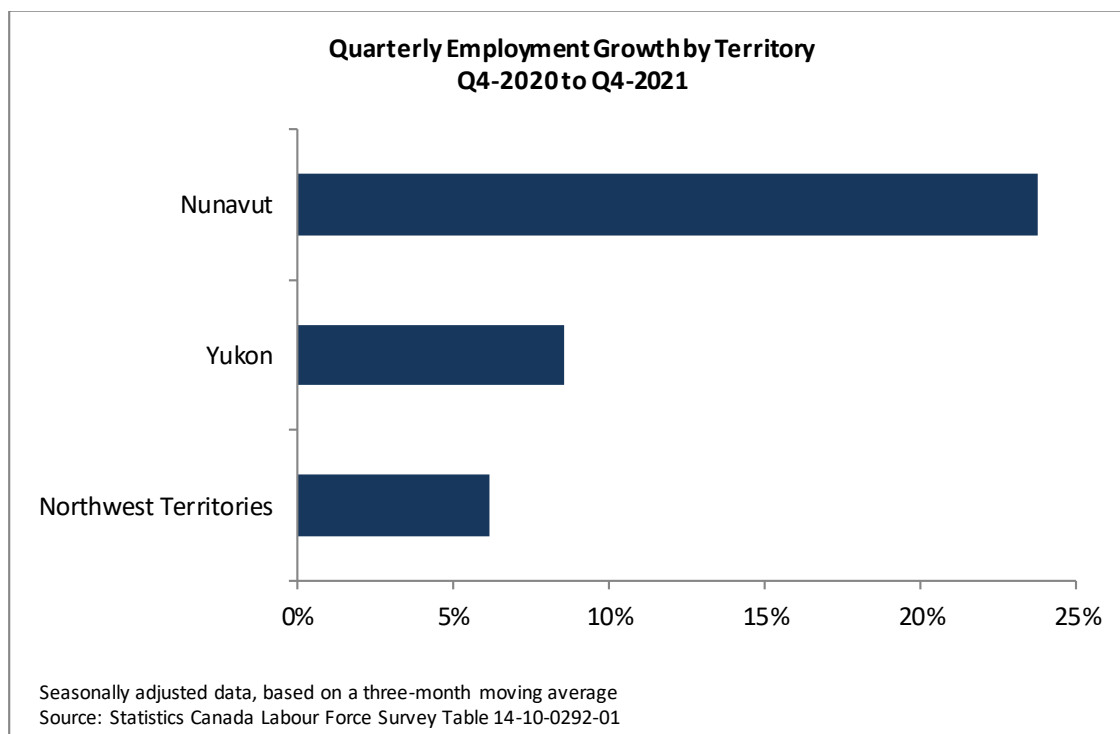
The increase in construction projects in the North will likely have a positive impact on construction-related service industries such as transportation and warehousing, trade, and professional, scientific and technical services. These projects include the Grays Bay Road and Port project in Nunavut,<sup>9</sup> the \$15 million fish plant in Hay River in Northwest Territories,<sup>10</sup> and the City of Whitehorse's plan to renovate the High Country Inn into 55 permanent supportive housing units.<sup>11</sup> In addition, NCC Investment Group will design and construct up to 18 affordable housing units in the City of Iqaluit. The Canada Mortgage and Housing Corp. will fund the \$10.73M project, which is expected to be done by 2023.<sup>12</sup>

Tourism in the North continued to struggle in the fourth quarter of 2021 due to the COVID-19 pandemic. In an effort to assist tourism businesses, the Yukon government announced they are extending a number of COVID-19 relief programs until March 2022. One of the programs offers a rebate on certain tourism packages for Yukon residents.<sup>13</sup>

Looking ahead, Air North will offer a new seasonal air service from Whitehorse to Toronto with a stop in Yellowknife. The route will begin in May 2022 and continue through September 2022. This will be the first time that Air North operates a scheduled flight to Toronto.<sup>14</sup> In addition, a new campground is set to open in 2023 at North Arm Territorial Park. The campground will be located just northeast of the current day-use area on Great Slave Lake's North Arm.<sup>15</sup>

Steady growth in industries such as public administration, health care and social assistance, and educational services is likely over the near-term, with a few exceptions. These industries have received increased federal and territorial funding commitments. For instance, the Northwest Territories government signed a \$51.1M agreement with the federal government to create \$10-a-day child-care. The funding will be distributed over 5 years and create 300 new child-care spaces.<sup>16</sup> The Kivalliq Inuit Association is providing \$5.7M to address food insecurity, domestic violence, mental health, and other programming. The funding comes from the fourth phase of the Indigenous Communities Support Fund, a federal program administered through Nunavut Tunngavik Inc.<sup>17</sup>

Some health care and educational services industries are experiencing labour shortages. For example, due to staffing challenges—particularly in nursing—the Stanton Territorial Hospital in Yellowknife has shut down its obstetrics unit until at least February 2022. All parents expecting to give birth at the Yellowknife hospital are being transferred to Edmonton for labour and delivery.<sup>18</sup> The Village of Fort Simpson is having difficulty attracting and retaining teachers due to a lack of housing in the community. This is a longstanding issue worsened by damages caused by the spring flood.<sup>19</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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<sup>1</sup> Government of Yukon, Work underway on new Whistle Bend elementary school; October 19, 2021. <https://yukon.ca/en/news/work-underway-new-whistle-bend-elementary-school>

<sup>2</sup> Government of Yukon, Work set to begin on first project under the Yukon Resource Gateway Program; November 8, 2021. <https://yukon.ca/en/news/work-set-begin-first-project-under-yukon-resource-gateway-program>

<sup>3</sup> CBC News, Yellowknifers approve city's plan for new aquatic centre in referendum; November 23, 2021. <https://www.cbc.ca/news/canada/north/yellowknife-aquatic-centre-referendum-1.6260413>

<sup>4</sup> Canadian Mining Journal, Permit delays for winter road to Prairie Creek in NWT push back NorZinc schedule; December 1, 2021. <https://www.canadianminingjournal.com/news/permit-delays-for-winter-road-to-prairie-creek-in-nwt-push-back-norzinc-schedule/>

<sup>5</sup> Natural Resources Canada, Exploration Plus Deposit Appraisal Expenditures, by Province and Territory, 2017-2020, Annual and 2021 Revised Spending Intentions; September 30, 2021. <https://mmsd.nrcan-rncan.gc.ca/explore/ExploTable.aspx?FileT=272020&Lang=en>

<sup>6</sup> North of 60 Mining News, ValOre plans 2022 exploration at Angilak; December 10, 2021. <https://www.miningnewsnorth.com/story/2021/12/10/news/valore-plans-2022-exploration-at-angilak/7112.html>

<sup>7</sup> Government of Northwest Territories, Mining Incentive Program receives funding for exploration work, October 4, 2021. <https://www.gov.nt.ca/en/newsroom/mining-incentive-program-receives-funding-exploration-work>

<sup>8</sup> CBC News, The future of the Ekati diamond mine maybe underwater; November 27, 2021. <https://www.cbc.ca/news/canada/north/future-of-ekati-mine-may-be-underwater-1.6261774>

<sup>9</sup> CBC News, Arctic coast road, deep sea port project back in motion with \$7.25M loan agreement; October 18, 2021. <https://www.cbc.ca/news/canada/north/kitikmeot-inuit-association-arctic-coast-road-port-1.6212100>

<sup>10</sup> NNSL Media, Hay River fish plant to be completed within a year; November 15, 2021. <https://www.nnsl.com/news/hay-river-fish-plant-to-be-completed-within-a-year/>

<sup>11</sup> CBC News, City of Whitehorse gets \$5M to transform hotel into supportive housing, December 14, 2021. <https://www.cbc.ca/news/canada/north/whitehorse-fund-rapid-housing-initiative-1.6285519>

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<sup>12</sup> Nunatsiaq News, 18 affordable housing units to be built in Iqaluit by 2023; December 1, 2021.

<https://nunatsiaq.com/stories/article/18-affordable-housing-units-to-be-built-in-igaluit-by-2023/>

<sup>13</sup> Yukon News, Yukon tourism operators hope for local traffic with 'Summer Freeze'; October 7, 2021.

<https://www.yukon-news.com/news/yukon-tourism-operators-hope-for-local-traffic-with-summer-freeze-discounts/>

<sup>14</sup> CBC News, Air North announces new Whitehorse-Yellowknife-Toronto flight beginning in May; November 25, 2021.

<https://www.cbc.ca/news/canada/north/air-north-flight-whitehorse-yellowknife-toronto-1.6263258>

<sup>15</sup> CBC News, New N.W.T. campground likely to open in 2023; December 13, 2021.

<https://www.cbc.ca/news/canada/north/new-n-w-t-campground-likely-to-open-in-2023-1.6282197>

<sup>16</sup> Global News, Trudeau announces \$10-a-day child care for Northwest Territories, December 15, 2021.

<https://globalnews.ca/news/8453441/northwest-territories-10-a-day-child-care/>

<sup>17</sup> Nunatsiaq News, KIA unveils plans for \$5.7M in COVID-19 relief money; December 13, 2021.

<https://nunatsiaq.com/stories/article/kia-unveils-plans-for-5-7m-in-covid-19-relief-money/>

<sup>18</sup> Health and Social Services Authority, News Release: Stanton Territorial Hospital Temporary Reduction to Labour and Delivery Services; November 22, 2021. <https://www.nthssa.ca/en/newsroom/news-release-stanton-territorial-hospital-temporary-reduction-labour-and-delivery-services>

<sup>19</sup> Cabin Radio, 'Dire need' for teachers' housing in Fort Simpson and beyond; October 21, 2021.

<https://cabinradio.ca/76878/news/dehcho/dire-need-for-teachers-housing-in-fort-simpson-and-beyond/>