

Labour Market Bulletin

Northwest Territories, Nunavut and Yukon



Janaury 2022

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 trended upward for a fifth consecutive month in January 2022. The number of people employed in the Territories increased 2.7% to 64,500 from December 2021 to January 2022. On a monthly basis, employment gains in Northwest Territories and Nunavut offset losses in Yukon.

From January 2021 to January 2022, employment in the Territories increased by 14.2% (+8,000). Both the goods-producing and services-producing sectors experienced employment increases over the year. Employment was substantially higher in Nunavut (+34.7%) and Yukon (+10.6%) in January 2022 than in January 2021. Employment levels in Northwest Territories (+6.5%) increased more moderately during this period.

Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Consonally Adjusted Data	January 2022	December 2021	January 2021	Monthly Variation		Yearly Variation	
Seasonally Adjusted Data			January 2021	Number	%	Number	%
Population 15 + ('000)	92.6	92.5	91.2	0.1	0.1	1.4	1.5
Labour Force ('000)	69.7	67.1	60.2	2.6	3.9	9.5	15.8
Employment ('000)	64.5	62.8	56.5	1.7	2.7	8.0	14.2
Unemployment ('000)	5.1	4.1	3.6	1.0	24.4	1.5	41.7
Unemployment Rate (%)	7.3	6.1	6.0	1.2	-	1.3	-
Participation Rate (%)	75.3	72.5	66.0	2.8	-	9.3	-
Employment Rate (%)	69.7	67.9	62.0	1.8	-	7.7	-

*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
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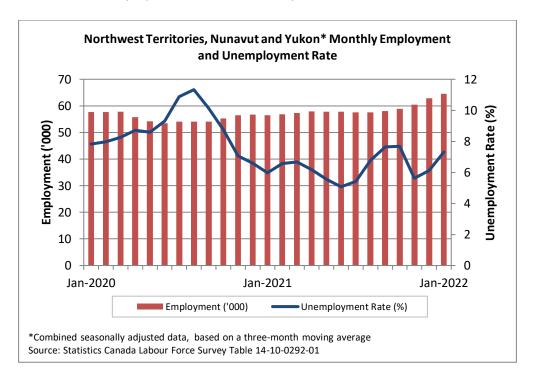
	Employment			Unemployment Rate			
Seasonally Adjusted Data	January 2022 ('000)	January 2021 ('000)	Yearly Variation (%)	January 2022 (%)	January 2021 (%)	Yearly Variation (% points)	
Territories*	64.5	56.5	14.2	7.3	6.0	1.3	
Northwest Territories	25.1	22.7	10.6	5.3	5.8	-0.5	
Nunavut	16.3	12.1	34.7	15.1	7.1	8.0	
Yukon	23.1	21.7	6.5	3.3	5.6	-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)

The unemployment rate for the three territories combined increased by 1.2 percentage points to 7.3% from January 2021 to January 2022. Year-over-year, Nunavut was the only territory with an increase to its unemployment rate, rising 8.0 percentage points to 15.1%. In contrast, NWT's unemployment rate decreased 0.5 percentage points to 5.3%. The unemployment rate in Yukon fell 2.3 percentage points to 3.3%. In January 2022, Yukon had the lowest unemployment rate in the country (3.3%), well below the national rate of 6.5%.



For the combined Territories, the unemployment rate for youth (15 to 24 years) was 10.5% in January 2022, down 7.4 percentage points from January 2021. The unemployment rate for young women increased slightly over the year, up 0.7 percentage points to 12.8%. Meanwhile, the unemployment rate for young men fell considerably during the past year, down 18.2 percentage points to 8.3%. The unemployment rate for young people were high during the pandemic, particularly for young men. However, as the Territories' economy continues to recover, the unemployment rate for young men gradually dropped back to its pre-pandemic levels.



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

Seasonally Unadjusted Data	January 2022 (%)	January 2021 (%)	Yearly Variation (% points)	
Total	7.4	6.2	1.2	
25 years and over	7.0	4.7	2.3	
Men - 25 years and over	10.1	5.3	4.8	
Women - 25 years and over	3.5	4.2	-0.7	
15 to 24 years	10.5	17.9	-7.4	
Men - 15 to 24 years	8.3	26.5	-18.2	
Women - 15 to 24 years	12.8	12.1	0.7	

*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** increased a notable 18.1% from January 2021 to January 2022. This means that 1,300 more people were employed in the sector in January 2022 compared to one year prior. These gains are mainly the result of increased employment in the construction and mining industries.

Employment growth in the Territories' construction sector is expected to continue over the short-term, buoyed by increased federal and territorial funding commitments in public infrastructure. For instance, the Northwest Territories government approved \$502 million for critical infrastructure projects in 2022-23. The budget includes upgrading schools, health centres, housing, roads, and airports. These projects are expected to create business and job opportunities for NWT residents.¹

In Yukon, the federal government is providing \$5 million in funding to the Rapid Housing Initiative to retrofit the High Country Inn into 55 permanent supportive housing units. The retrofit will take 12 months to complete.² About 25% of the new funding will go toward women-focused housing projects. This federal funding is in addition to \$12.86 million provided for the first phase of the project from Canada Mortgage and Housing Corporation in June 2021.³

The outlook for the Territories' mining industry is also optimistic over the next few years. Fortune Minerals plans to build a \$350 million refinery in Alberta for materials that are extracted from the NICO project near Whatì in Northwest Territories. The NICO mine produces cobalt, gold, bismuth, and copper that are used for lithium-ion rechargeable batteries in electric vehicles. The combined mine and refinery project will cost \$750 million to build and is expected to employ 250 people at the mine and 100 people at the refinery.⁴

In Yukon, Whitehorse Gold Corp. announced in November last year that the Skukum Gold Project completed a \$15.3 million equity financing to fund resource expansion and upgrade its drilling program. The Project is located 55 kilometres south of Whitehorse and consists of three core deposits: Skukum Creek, Goddell, and Mt. Skukum.⁵



Whitehorse Gold Corp. has been hiring Carcross and Targish First Nation residents to work in its exploration program and expects to train more local workers to develop the mine.⁶

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

Seasonally Unadjusted Data ('000)	January 2022	January 2021	Yearly Variation		
Seasonally Orladjusted Data (000)	January 2022	January 2021	Number	%	
Total employed, all industries	63.9	55.9	8.0	14.3	
Goods-producing sector	8.5	7.2	1.3	18.1	
Agriculture	0.0	0.0	0.0		
Forestry, fishing, mining, quarrying, oil and gas	2.8	1.6	1.2	75.0	
Utilities	0.6	0.8	-0.2	-25.0	
Construction	4.7	4.0	0.7	17.5	
Manufacturing	0.2	0.6	-0.4	-66.7	
Services-producing sector	55.4	48.7	6.7	13.8	
Trade	7.4	6.7	0.7	10.4	
Transportation and warehousing	3.2	3.2	0.0	0.0	
Finance, insurance, real estate and leasing	2.3	2.2	0.1	4.5	
Professional, scientific and technical services	1.9	1.8	0.1	5.6	
Business, building and other support services	2.0	1.2	0.8	66.7	
Educational services	7.7	5.5	2.2	40.0	
Health care and social assistance	8.2	7.6	0.6	7.9	
Information, culture and recreation	2.3	2.0	0.3	15.0	
Accommodation and food services	2.9	2.1	0.8	38.1	
Other services	2.5	2.0	0.5	25.0	
Public administration	15.0	14.4	0.6	4.2	

^{*}Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - ESDC custom table

Employment increased substantially in the **services-producing sector** in January. It increased 13.8% (+6,700) to 55,400 positions from January 2021 to January 2022. The largest gains were in business, building and other support services, accommodation and food services, and educational services.

The employment outlook for the services-producing sector is positive over the short-term. Funding from all levels of government for health care and social assistance and education initiatives will help to support growth. The federal and Nunavut governments reached an agreement to provide licensed childcare for an average of \$10 per day by March 2024. The agreement includes \$66 million to create 238 new spaces across the territory. The Nunavut government is also developing a new wage grid for childcare workers to ensure that their salaries will reflect training and years of experience and to improve recruitment and retention rates.⁷

In NWT, the territorial government announced changes to the Trades and Occupation Wage Subsidy Program. The Program aims to help employers hire and retain third and fourth year apprentices and recruit more women into trades. Eligible employers will receive up to 6,400 hours of funding for an apprentice, representing an increase of 3,200 hours. Female apprentices will be eligible to receive a wage subsidy of \$15.20 per hour, up



from \$8.00 per hour. According to the NWT government, currently fewer than 5% of apprentices in the territory are women.⁸

The Omicron COVID-19 variant added pressure on the Territories' health care and educational systems. These industries are experiencing labour shortages. Several schools in Yukon, moved to remote learning in January. COVID-19 related absences contributed to some schools being short-staffed, such as Porter Creek Secondary School in Whitehorse and Saint Elias Community School Council in Haines Junction.⁹

In addition, the Whitehorse General Hospital reached full capacity at the end of January, partly due to staff shortages caused by COVID-19. The hospital stated that many healthcare workers had contracted COVID-19 or were in isolation due to having family members exposed to the virus. COVID-19 outbreaks also occurred in Whitehorse's Whistle Bend Place and Copper Ridge Place long-term care homes in late January. Confirmed cases were found among staff and residents in three houses at the facility.¹⁰

The Northwest Territories government hopes to reopen its labour and delivery services at the Stanton Territorial Hospital starting February 22. A labour shortage forced the unit to close on December 10th, 2021. Parents waiting to give birth at the Yellowknife hospital are being transferred to Edmonton for labour and delivery in the mean time.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 Northwest Territories (December 14, 2021). <u>\$502 million Capital Estimates Approved | Government of Northwest Territories</u>.

² CBC News (December 14, 2021). City of Whitehorse gets \$5M to transform hotel into supportive housing.

³ CMHC News (June 25, 2021). Canada Supports Rapid Housing for First Nations in Yukon.

⁴ CBC News (January 27, 2022). Fortune Minerals to buy property in Alberta for NICO project refinery.

⁵ The Northern Miner (November 15, 2021). <u>Whitehorse Gold advances Skukum project in the Yukon - The Northern Miner.</u>

⁶ Whitehorse Gold Corp. News (June 17, 2021). Whitehorse Gold Outlines ESG Initiatives.

⁷ CBC News (January 24, 2022). <u>Nunavut childcare spots to cost an average of \$10 a day by March 2024.</u>

⁸ Government of Northwest Territories (January 31, 2022). <u>GNWT makes changes to Trades and Occupation Wage Subsidy Program (TOWSP)</u>.

⁹ CBC News (January 07, 2022). Yukon officials confirm that most schools will remain open to students.

¹⁰ CBC News (January 27, 2022). Whitehorse hospital capacity partly affected by COVID-19 impact on staff, says Yukon top doc.

¹¹ CBC News (January 28, 2022). Some birthing services return to Stanton Territorial Hospital Feb. 22.