



# Labour Market Bulletin

## Northwest Territories, Nunavut and Yukon

March 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 increased slightly (+1.0%) in the first quarter (January, February, March) of 2022 compared to the previous quarter (October, November, December 2021). Employment losses in Yukon (-5.8%) were offset by gains in Nunavut (+2.0%) and Northwest Territories (+5.8%).

From the first quarter of 2021 to the first quarter of 2022, employment in the Territories has increased by 10.6% (+6,100). Employment in all three territories has increased year-over-year. During this period, the number of people employed increased considerably both in Northwest Territories (+10.0%) and in Nunavut (+26.2%). Yukon recorded a more moderate increase in employment (+2.7%).

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

Seasonally adjusted data	1st Quarter 2022	4th Quarter 2021	1st Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	92.9	92.5	91.4	0.4	0.4	1.5	1.6
Labour Force ('000)	68.7	67.1	61.4	1.6	2.4	7.3	11.9
Employment ('000)	63.4	62.8	57.3	0.6	1.0	6.1	10.6
Unemployment ('000)	5.2	4.1	4.1	1.1	26.8	1.1	26.8
Unemployment Rate (%)	7.6	6.1	6.7	1.5	-	0.9	-
Participation Rate (%)	74.0	72.5	67.2	1.5	-	6.8	-
Employment Rate (%)	68.2	67.9	62.7	0.3	-	5.5	-

\* 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

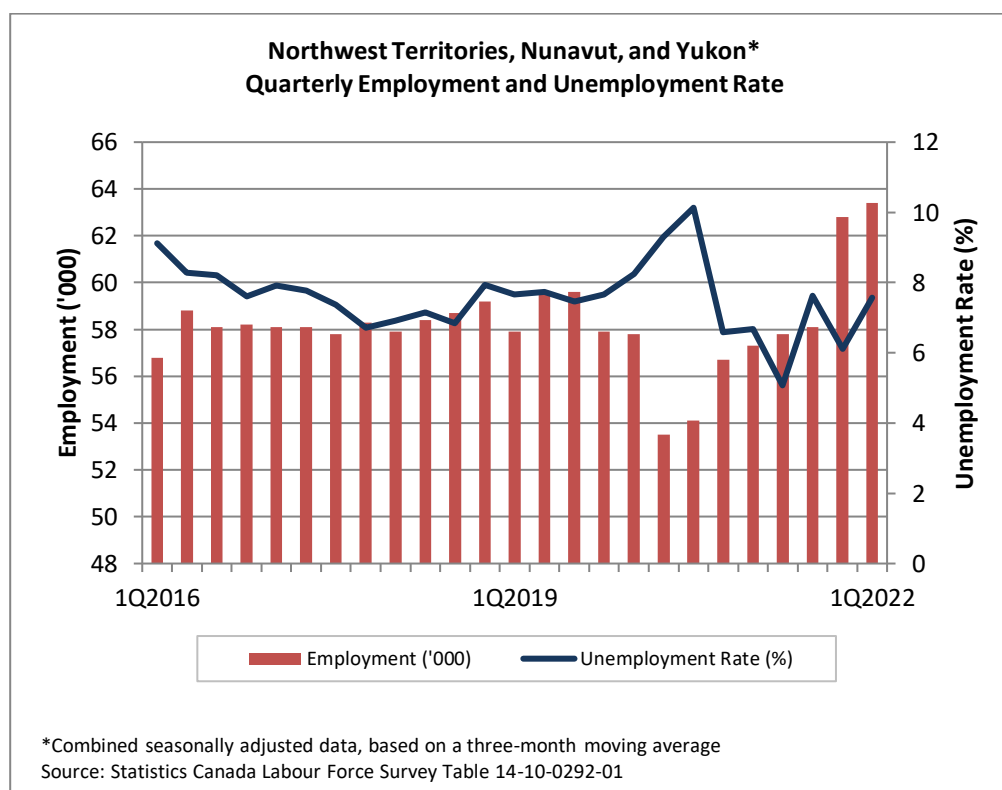
Seasonally adjusted data	Employment			Unemployment Rate		
	1st Quarter 2022 ('000)	1st Quarter 2021 ('000)	Yearly Variation (%)	1st Quarter 2022 (%)	1st Quarter 2021 (%)	Yearly Variation (% points)
<b>Total territories*</b>	63.4	57.3	10.6	7.6	6.7	0.9
Yukon	22.6	22.0	2.7	5.8	6.4	-0.6
Northwest Territories	25.4	23.1	10.0	5.2	6.5	-1.3
Nunavut	15.4	12.2	26.2	13.5	7.5	6.0

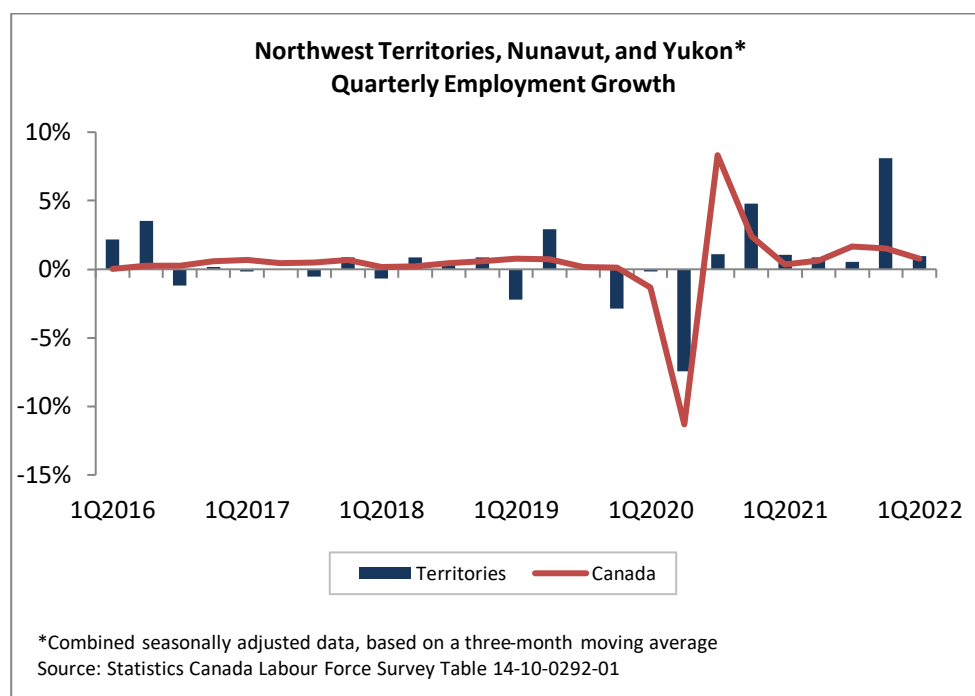
\* Combined data based on a three-month moving average

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 7.6% in the first quarter of 2022, up 0.9 percentage points from the first quarter of 2021. Compared to the same period last year, Nunavut was the only territory to record an increase in its unemployment rate, rising 6.0 percentage points to 13.5%. In contrast, Yukon's unemployment rate decreased 0.6 percentage points to 5.8%, while the unemployment rate in Northwest Territories fell 1.3 percentage points to 5.2%.





Compared to the first quarter of 2021, the unemployment rate for youth (15 to 25 years) in the Territories was down 4.3 percentage points to 11.2% on an annual basis. The unemployment rate for young women increased 0.8 percentage points to 11.9% during this period. In contrast, the unemployment rate for young men decreased considerably, down 7.2 percentage points to 12.8% which is comparable to pre-pandemic levels.

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

Seasonally unadjusted data	1st Quarter 2022 (%)	1st Quarter 2021 (%)	Yearly Variation (% points)
<b>Total</b>	7.9	7.2	0.7
<b>25 years and over</b>	7.2	6.1	1.1
Men - 25 years and over	8.8	6.3	2.5
Women - 25 years and over	5.4	5.9	-0.5
<b>15 to 24 years</b>	11.2	15.5	-4.3
Men - 15 to 24 years	12.8	20.0	-7.2
Women - 15 to 24 years	11.9	11.1	0.8

\*Combined data based on a three month moving average

Source: Statistics Canada Labour Force Survey – ESDC custom table

## EMPLOYMENT BY INDUSTRY

Employment in the **goods-producing sector** was up by 1,400 in the first quarter of 2022, an increase of 20.3% compared to the same quarter in 2021. Falling employment in the utilities sector was offset by growth in the mining, construction, and manufacturing sectors since the first quarter last year.

Positive employment growth in the goods-producing sector is likely to continue in the short term. Recent private and public construction, infrastructure, and mining projects will help generate new employment opportunities for the Territories. For instance, the Government of Northwest Territories began construction on the Inuvik Wind Project in February.<sup>1</sup> The \$30 million project is set to be in full operation in early 2023 and will provide opportunities for local businesses and workers during its construction phase.<sup>2</sup>

In Nunavut, the federal government is providing \$214 million to the City of Iqaluit through the Disaster and Mitigation Adaptation Fund. The project will create a new reservoir and improve the city's water distribution system. These improvements will provide residents in the city with reliable clean drinking water.<sup>3</sup>

The federal government is also pledging \$150 million over two years for affordable housing across the three territories in its April 2022 budget.<sup>4</sup> The Northwest Territories and Nunavut will each receive \$60 million in funding and Yukon will receive \$30 million. This funding will go towards reducing critical housing shortages in the Territories. These shortages are the result of population growth, high construction costs in the Territories, a short construction season, and the increasing effects of climate change. The North has been warming at about three times the global warming rate.<sup>5</sup>

BuildForce Canada estimates that the number of tradespeople required across the three territories will exceed 2,700 people over the next five years. The most in demand occupations will be trades helpers and labourers, with 820 workers required, followed by heavy equipment operators, with approximately 750 workers required. Although many new workers are expected to be locals from the Territories, individuals from other regions will be needed due to the small labour pool in the North.<sup>6</sup>

Mining will also see steady growth over the next two years. This growth will be driven by new and ongoing mineral exploration and mining development projects. ValOre Metals Corp. will begin exploratory drilling at the Angilak uranium mining project near Baker Lake in Nunavut, with plans to begin drilling in April and September 2022. Approximately 35 to 40 workers will be needed at peak times.<sup>7</sup>

United Kingdom-based BMC Minerals Limited, is developing the Kudz Ze Kayah volcanogenic massive sulfide project in southeast Yukon.<sup>8</sup> The mine is expected to cost approximately \$378 million to build with an estimated mine life of approximately 10 years. The project should employ over 400 people during both the construction and production phases. It is estimated that the project will contribute over US\$500 million to Yukon through the payment of tax revenues, royalties and direct employment.<sup>9</sup>

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

Seasonally Unadjusted Data ('000)	1st Quarter 2022	1st Quarter 2021	Yearly Variation	
			Number	%
<b>Total employed, all industries</b>	63.1	56.9	6.2	10.9
<b>Goods-producing sector</b>	8.3	6.9	1.4	20.3
Agriculture	0.0	0.0	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.4	2.2	0.2	9.1
Utilities	0.2	0.7	-0.5	-71.4
Construction	4.8	3.5	1.3	37.1
Manufacturing	0.5	0.4	0.1	25.0
<b>Services-producing sector</b>	54.7	50.1	4.6	9.2
Trade	7.2	6.7	0.5	7.5
Transportation and warehousing	3.0	3.3	-0.3	-9.1
Finance, insurance, real estate and leasing	2.2	2.2	0.0	0.0
Professional, scientific and technical services	1.9	2.3	-0.4	-17.4
Business, building and other support services	1.8	1.4	0.4	28.6
Educational services	7.0	5.2	1.8	34.6
Health care and social assistance	8.5	8.2	0.3	3.7
Information, culture and recreation	3.2	2.1	1.1	52.4
Accommodation and food services	3.0	2.3	0.7	30.4
Other services	2.5	2.0	0.5	25.0
Public administration	14.5	14.5	0.0	0.0

\* 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

There were 54,700 people employed in the **services-producing sector** in the first quarter of 2022. Employment in this sector was up 9.2% compared to the same quarter of 2021. Employment growth in the services-sector has been driven by gains in several large industry groups including educational services, information, culture and recreation and accommodation and food services.

Industries such as health care and social assistance, public administration, and transportation should see growth over the next two years. This growth will be supported by increasing federal and territorial funding commitments and new recruitment initiatives. For instance, the Government of Yukon is looking for ways to recruit more magnetic resonance imaging (MRI) technologists in Whitehorse due to staff shortages. The current backlog for MRI scans is approximately 1,000 people, or nine months waiting time.<sup>10</sup>

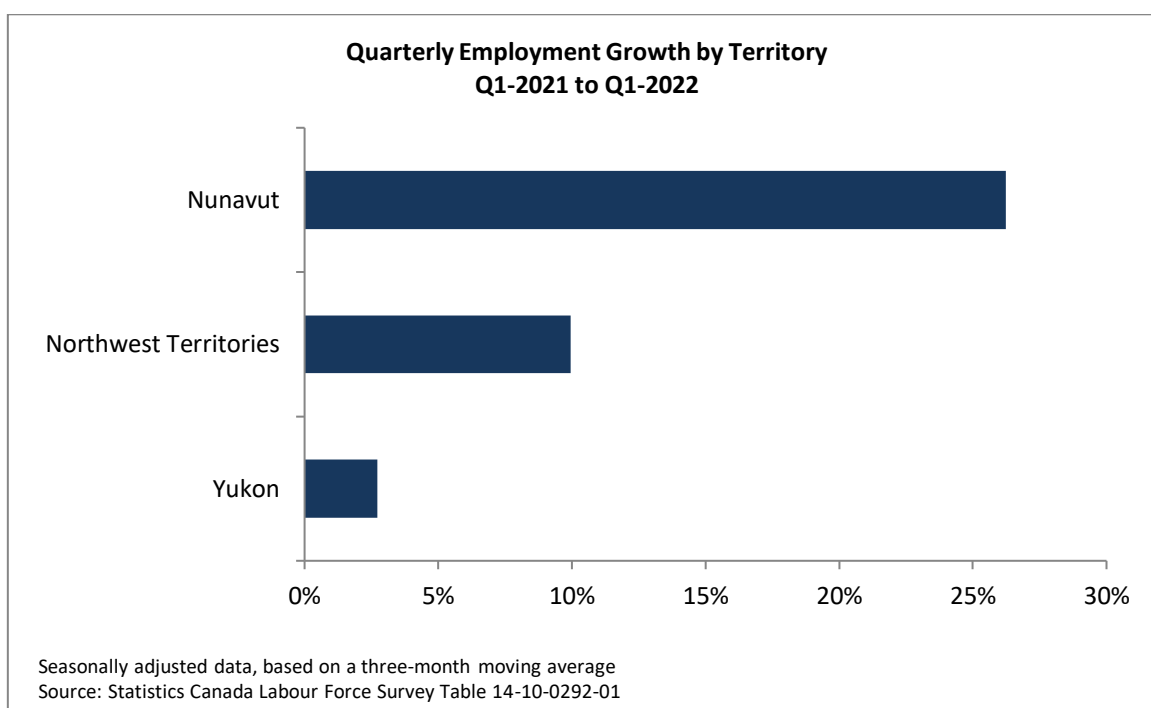
The Government of Yukon is also extending its Indigenous hiring preference initiative until the end of 2029. In the initial 15-month pilot project, 78 successful candidates were hired. The territorial government stated that Indigenous representation in the Yukon government was only 15% in 2020. The goal is to increase Indigenous representation in the public service to 22%.<sup>11</sup>

In Nunavut, the territorial government is providing all daycares that were open during the most recent COVID-19 lockdowns with a one-time bonus of \$5,000. Daycare employees will also receive a \$1,000 bonus for working

during the same period. Daycare facilities that stayed open during territory-wide lockdown allowed critical industry workers with young children to be able to continue provide services to the public.<sup>12</sup>

The Nunavut government pledged \$22.2 million in funding for Northern airlines to help prevent losses for the months of January to March 2022. The funding will ensure that airlines continue a minimum number of flights to Nunavut communities.<sup>13</sup> The territorial government has provided about \$32.8 million to support northern airlines between April 2020 and December 2021 to cope with the fallout from the COVID-19 pandemic.<sup>14</sup>

After two years of restricted travel in the Northwest Territories, Air Canada, West Jet, Air North, and Canadian North airlines will all be increasing service to the territory in the coming months. New daily routes will begin as early as April 30, linking Yellowknife to various locations in Canada. The NWT tourism sector stated that they are expecting a busy summer season, as many tourism operators across the territory are already fully booked.<sup>15</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.

**Prepared by:** Labour Market Information (LMI) Directorate, Service Canada, Northwest Territories, Nunavut and Yukon

**For further information,** please contact the LMI team at: [http://www.esdc.gc.ca/cgi-bin/contact/edsc-esdc/eng/contact\\_us.aspx?section=lmi](http://www.esdc.gc.ca/cgi-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi)

**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 Northwest Territories (February 23, 2022). [Construction of Inuvik Wind Project underway.](#)
  - <sup>2</sup> NNSL News (March 8, 2022). [Inuvik wind project starts construction, aiming for early 2023 operation.](#)
  - <sup>3</sup> Government of Canada (April 1, 2022). [Government of Canada invests in sustainable water infrastructure for Iqaluit.](#)
  - <sup>4</sup> CBC News (April 7, 2022). [Money for northern housing, mining, clean energy among the 2022 budget highlights.](#)
  - <sup>5</sup> Government of Canada (April 7, 2022). [Making Housing More Affordable.](#)
  - <sup>6</sup> BuildForce Canada. (March 2022). [Construction & Maintenance Looking Forward, Canada Territories 2022-2027.](#)
  - <sup>7</sup> Nunavut News (March 24, 2022). [ValOre hears community concerns.](#)
  - <sup>8</sup> North of 60 Mining News (February 10, 2022). [Pacific Ridge amends Fyre Lake option.](#)
  - <sup>9</sup> BMC Minerals (2022). [Kudz Ze Kayah Project.](#)
  - <sup>10</sup> Yukon News (March 31, 2022). [Waitlist for Whitehorse MRI scanner is a thousand patients long.](#)
  - <sup>11</sup> Government of Yukon (April 4, 2022). [Indigenous hiring preference initiative extended.](#)
  - <sup>12</sup> Government of Nunavut (March 18, 2022). [Nunavut Child Care Workers Receive COVID-19 Thank You Bonus.](#)
  - <sup>13</sup> CBC News (March 22, 2022). [Nunavut government approves another \\$22M in airline support.](#)
  - <sup>14</sup> Nunavut News (March 23, 2022). [\\$22.2 million more in GN funds to airlines renews talk of government ownership stake.](#)
  - <sup>15</sup> CBC News (March 9, 2022). [A light at the end of the tunnel: As flights return to the N.W.T. tourism operators prepare for guests.](#)