

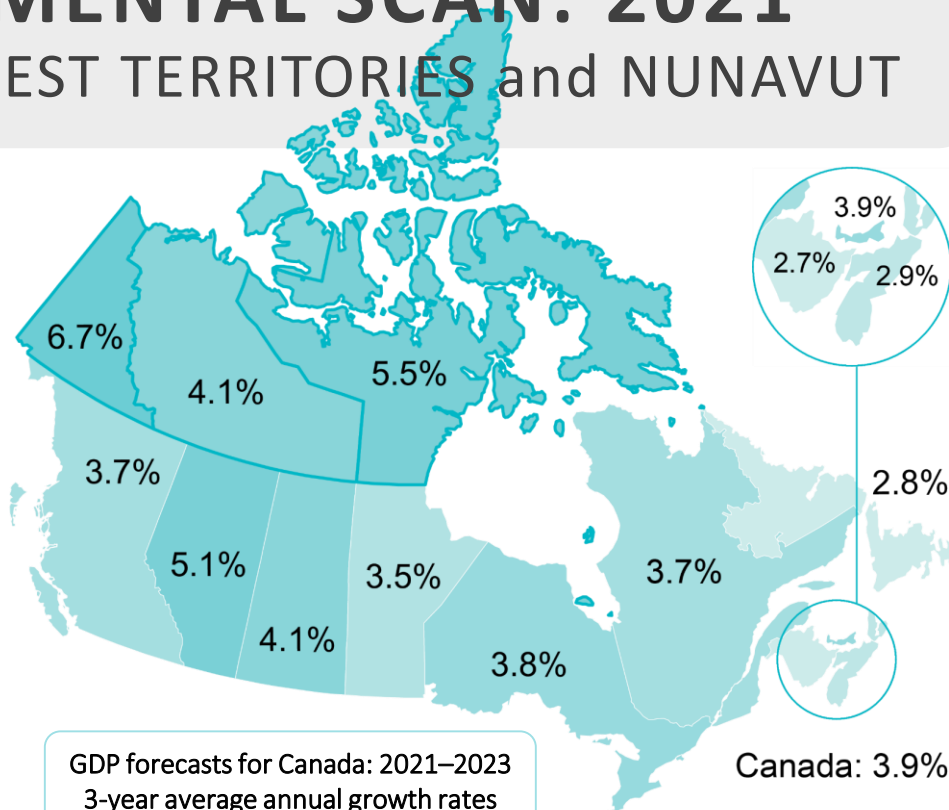
ENVIRONMENTAL SCAN: 2021

YUKON, NORTHWEST TERRITORIES and NUNAVUT

ECONOMIC CONDITIONS

TERRITORIES

The Territories' economic growth is expected to be strong over the next two years as it recovers from major shutdowns in key sectors during the COVID-19 pandemic. Moreover, several mega mining and construction projects are slated to begin across the three territories in the short-term that will provide a boost to employment.



YUKON

Yukon's economic growth is forecasted to be the strongest among all three territories over the next few years, as two new mines are projected to come online. According to the Conference Board of Canada, the territory's GDP growth will average 6.7% over the next three years.

N.W.T.

N.W.T.'s economy struggled for the past two years, particularly in 2020 amid the pandemic. The territory's GDP contracted over 10% that year. The territory's GDP bounced back 3.7% in 2021, fuelled by increased diamond production at the Ekati mine and three new metal mines underway.

NUNAVUT

Nunavut's economy is projected to be strong over the next two years due to increasing mineral production at four mines and an additional new mine to begin production in 2024. Between 2021-2023, the territory's GDP growth will average 5.5% annually.

LABOUR MARKET CONDITIONS

The unemployment rate for the combined Territories decreased in 2021

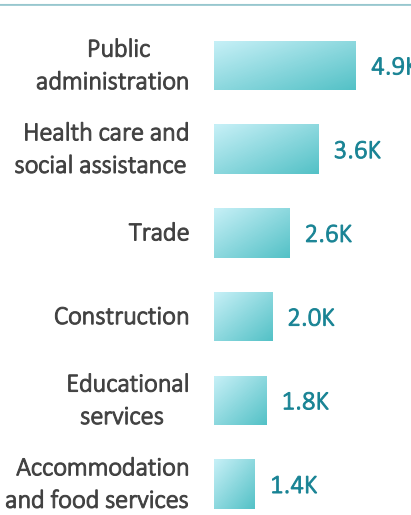


The combined employment of Yukon, N.W.T. and Nunavut increased considerably in 2021, up 6.7% to 59,100, as the Territories' labour market continued to recover from the pandemic. The majority of all public recreation facilities, schools and non-essential businesses and services have reopened, allowing many employers to bring back staff.

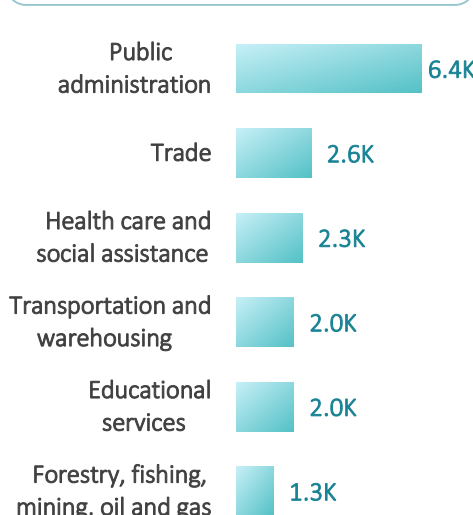
In 2021, the unemployment rate for the combined Territories decreased to its lowest level in five years (6.5%). The unemployment rate is down both in NWT and Nunavut, reaching 5.2% and 10.1% respectively. Yukon was the only territory to record an increase in its unemployment rate in 2021, up 0.3 percentage points to 5.5%.

INDUSTRY TRENDS

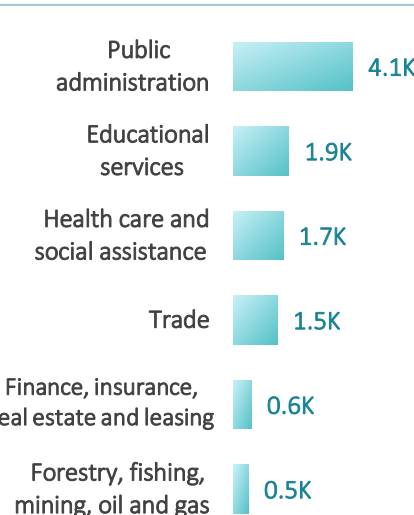
The top six industries make up **73%** of Yukon employment



The top six industries make up **70%** of N.W.T. employment



The top six industries make up **79%** of Nunavut employment

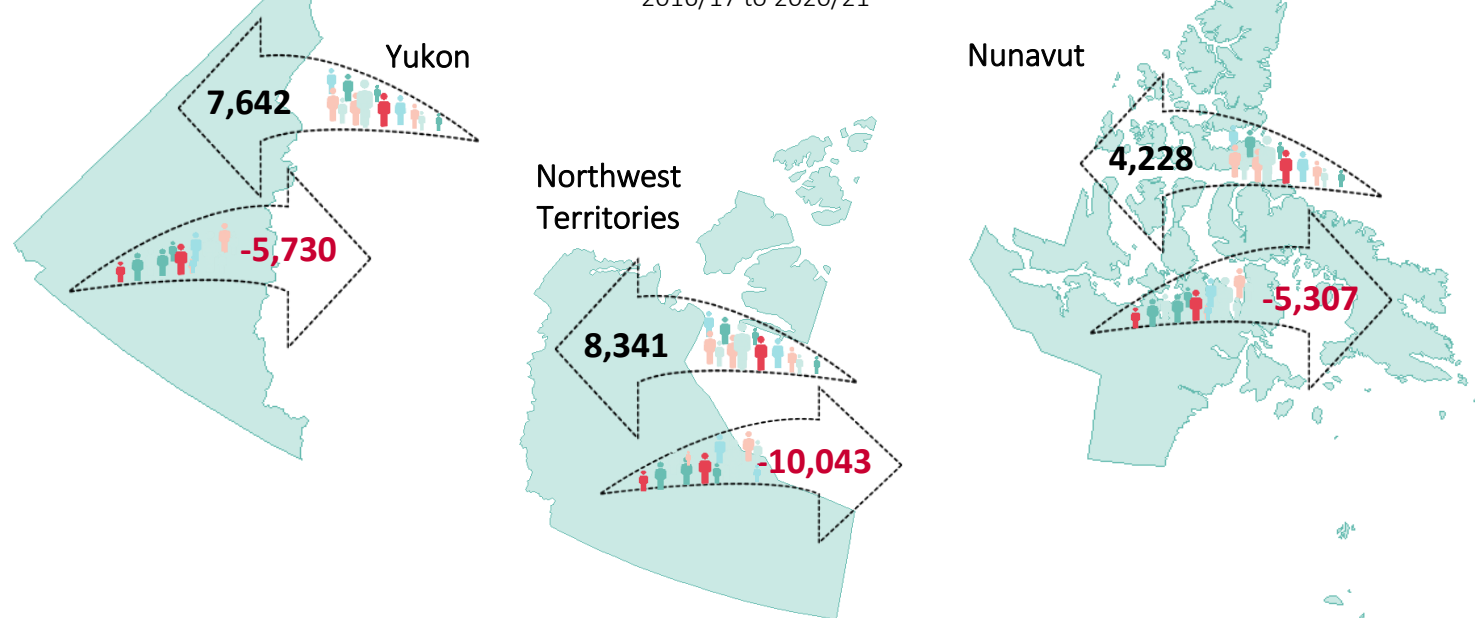


- Over the near-term, the mining industry in the North is expected to grow as major exploration and mining projects are scheduled to begin across the three territories. Vancouver-based NorZinc Ltd., for example, expects to begin production on zinc, lead, and silver at the Prairie Creek Project in **Northwest Territories** by the end of 2025. The project is anticipated to create 600 jobs during construction and approximately 350 positions once the mine is operational.
- Steady growth is expected on the Territories' construction sector as a number of new construction projects are expected to begin shortly. For instance, the Kitikmeot Inuit Association is proceeding with its Grays Bay Road and Port project in **Nunavut** following a nearly two-year delay as a result of COVID-19 and rising construction costs. The estimated \$550M project includes a 227-km all-weather road and a deep-sea port at Grays Bay on Coronation Gulf.
- Funding from all levels of government for health care and education initiatives should create new employment opportunities in the North. For instance, the federal government pledged \$42M to create 110 new regulated early learning and childcare spaces within the next five years across the **Yukon**. The funds will also go toward training and career development for staff, as well as raising the minimum wage to just under \$30 per hour for fully qualified early childhood educators.

DEMOGRAPHICS

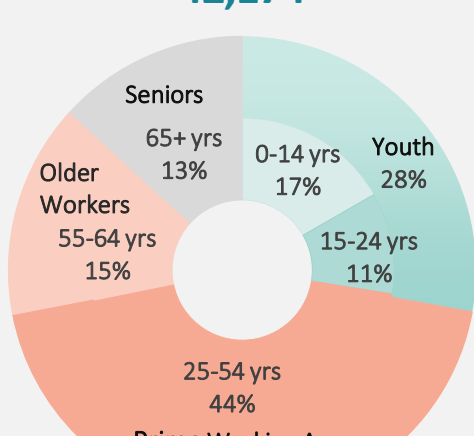
Inter-provincial migration

2016/17 to 2020/21



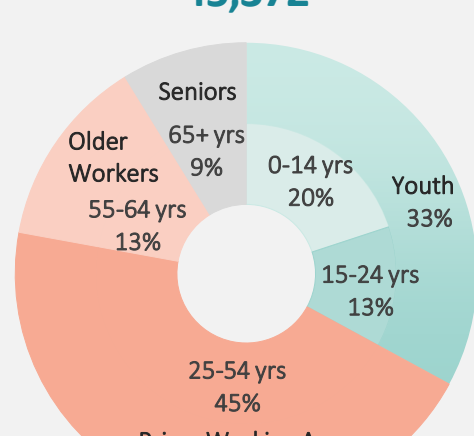
2020 Yukon population

42,174



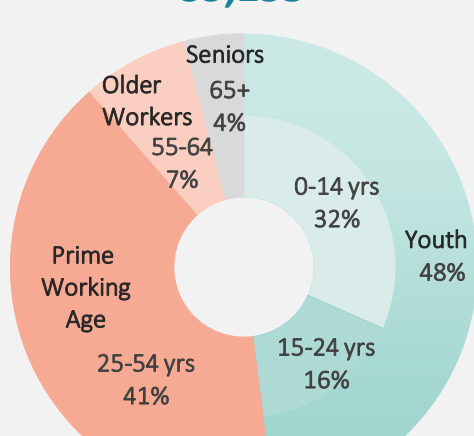
2020 N.W.T. population

45,372



2020 Nunavut population

39,155



The combined population estimate in Canada's territories reached 126,701 in 2020, an increased of 1.3% (+1,677) year-over-year.

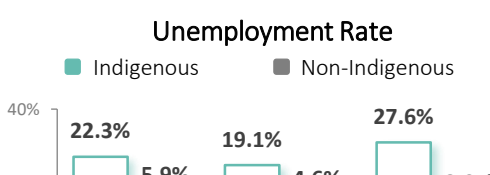
- N.W.T.'s population grew the least, only increasing 0.7% (+302) to 45,372 people.
- Nunavut population also increased slightly, up 1.5% (+563) to 39,155 people.
- Population growth in Yukon was strong, up +2.0% (+812) to 42,174. In fact, Yukon had the second highest population growth across the country, behind Prince Edward Island.

The median ages in all three territories are younger than the national median age (40.9 years) in 2020.

INDIGENOUS PEOPLES

Charts reflect 2016 Census data

Unemployment Rate

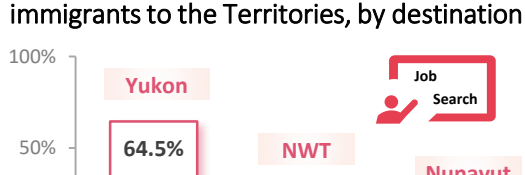


- Labour force participation among Canada's Indigenous population is much lower compared to the non-Indigenous population, due in large part to lower levels of educational attainment. This is particularly evident in the territories with many factors such as language and cultural barriers, family and community support, infrastructure challenges and lack of teachers who speak traditional languages in school. According to the 2016 Census, more than half (51%) of the Indigenous population in the territories had no formal education. This compares to 11% of the non-Indigenous population.
- Across the three territories, the labour force participation rate among Indigenous people is much lower than the participation rate for the non-Indigenous population.

IMMIGRANTS

Charts reflect preliminary data for the period from July 1, 2020 to June 30, 2021

Percentage share of new international immigrants to the Territories, by destination



- Immigration to the Territories fell considerably in 2020/2021 from the previous year largely due to the COVID-19 pandemic. The number of immigrants moving to Yukon dropped 10.7% to 300 between 2020 and 2021.
- Nunavut recorded a significant drop of immigrants arriving in the territory between 2020 and 2021, down 46.2% (-18). However, the mining and construction sectors are forecasted to experience strong growth over the next few years – both Yukon and Nunavut will require more immigrants.
- The number of immigrants arriving to NWT slowed over the past three years. In 2021, 144 immigrants arrived in the territory, down from its peak of 255 in 2018.

YOUTH

Charts reflect 2021 data

Unemployment Rate: 15-24 years

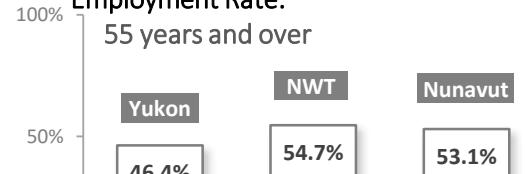


- In 2021, youth made up over 17% of the population in the North. The number of youth in Nunavut (6,000) were more than in NWT (5,400) and Yukon (4,200). In fact, Nunavut has the highest proportion of youth in Canada (19.9%).
- The unemployment rate for youth in three territories combined was 12.8% in 2021, considerably higher than the rate for those aged 25 years and over at 5.6%
- Nunavut continues to have the highest youth unemployment rate in Canada (19.9% in 2021) – 10.1 percentage points higher than the prime working age (25 to 54 years) rate of 9.8%.

OLDER WORKERS

Charts reflect 2021 data

Employment Rate: 55 years and over

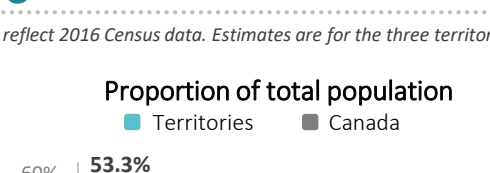


- In 2021, employment in the 55 and over age group increased by an annual rate of 4.1% in Yukon compared to a year ago. By comparison, the prime working age group (25 to 54 years) employment only increased slightly during the same period, up 0.7%.
- NWT's employment in the 55 and over increased considerably between 2016 and 2021, up 23.8%. However, the number of people employed in the prime working age group decreased over 6% in 2021 compared to five years ago.
- In Nunavut, employment in the 55 and over increased rapidly (+15.8%) in 2021 from the previous year, much higher when compared to the growth rate of the prime working age group (+8.0%).

BIPOC

Charts reflect 2016 Census data. Estimates are for the three territories combined.

Proportion of total population



- Black, Indigenous and people of colour (BIPOC) individuals make up 60.3% of the population in the Territories, over twice as much as the national average (27.1%). Indigenous people are the largest group of racialized Canadians in the Territories, representing 53.3% of the total population, well above the national average (4.9%).
- The majority of Indigenous people in the Yukon and NWT are First Nations while most Indigenous people in Nunavut are Inuit. Nunavut has the largest proportion of Indigenous people of any territory (85.9%) followed by NWT (50.7%), and Yukon (23.3%).

PEOPLE WITH DISABILITIES

Charts reflect 2017 Canadian Survey on Disability data

Disability Rates



- About 21% of the Territories' population aged 15 years and over self-identify as having disability, a lower proportion than the national average (22.3%) in 2017.
- Yukon has a significantly higher disability rate than NWT and Nunavut. The differences in the prevalence of disability among the three territories may be due to different age compositions and the fact that the proportion of young people in Yukon is lower than in NWT and Nunavut. Nunavut has the highest proportion of youth among all provinces and regions and the lowest disability rate in the country.