

ENVIRONMENTAL SCAN

YUKON, NORTHWEST TERRITORIES, NUNAVUT



Fall 2013

TABLE OF CONTENTS

ACRONYMS	2
LIST OF FIGURES	2
LIST OF TABLES	2
ABOUT THE E-SCAN	2
KEY POINTS	3
INTRODUCTION.....	3
SECTION 1: GENERAL OVERVIEW / ECONOMIC CONTEXT.....	4
SECTION 2: REGIONAL, PROVINCIAL AND LOCAL LABOUR MARKET CONDITION.....	7
CONCLUSION	15
APPENDICES.....	15

Acronyms

GDP	Gross Domestic Product
HRSDC	Human Resources and Skills Development Canada
NWT	The Northwest Territories

List of Charts and Figures

Figure 1:	Canadian merchandise exports, 2008 to 2012	5
Chart 1:	Annual percentage change in combined Gross Domestic Product of Yukon, NWT and Nunavut, between 2007 and 2014 (forecast)	6
Chart 2:	The average annual compound growth rate of industry employment in Yukon, between 2007 and 2012	7
Chart 3:	The average annual compound growth rate of industry employment in NWT, between 2007 and 2012.....	8
Chart 4:	The average annual growth rate of industry employment in Nunavut, between 2007 and 2012.....	9
Chart 5:	The change in Yukon's population aged 65 years and over, and change in its share of the total population, between 1997 to 2012	12
Chart 6:	The change in NWT's population aged 65 years and over, and change in its share of the total population, between 1997 to 2012	12
Chart 7:	The change in Nunavut's population aged 65 years and over, and change in its share of the total population, between 1997 to 2012	13

List of Tables

Table 1:	Change in employment by industry in Yukon between 2007 and 2012.....	8
Table 2:	Change in employment by industry in NWT between 2007 and 2012.....	9
Table 3:	Change in employment by industry in Nunavut between 2007 and 2012.	10

About the E-Scan

At least twice a year, the Labour Market Information division of Service Canada, Western Canada and Territories Region develops an Economic/Environmental Scan (E-Scan), a report that provides a general overview of the demographic, economic and labour market condition and trends for the three territories. E-Scans are mainly intended to support regional Service Canada operations by identifying potential pressures on service and program delivery in the regions. However, they may also be of interest to those who seek to know more about the state of a provincial or regional economy and labour market. They are also used by Service Canada economists to help determine outlooks for industries and occupations.

Facts and statistics presented in this document reflect information available as of November 2013.

Key Points

General Overview

- The major drivers of the territorial economy are commodities, specifically minerals (iron, gold, zinc, copper), diamonds, and to some extent oil and gas.
- Prices for these commodities have been depressed for the past couple of years. Lower potential profits and high costs of working in the north have caused some companies to reduce activity in mining exploration, and have forced some projects to be postponed or scaled back.
- Gross Domestic Product (GDP) growth for the three territories will be relatively flat in 2013, but growth is expected to be well above the Canadian average in 2014. Federal transfer payments and new mining royalty agreements should keep territorial government budgets balanced if not in surplus, while many new private-public training agreements will help local residents join the workforce.

Regional, Provincial and Local Labour Market Conditions

- Although commodity prices are a limiting factor for development, even with recently depressed prices, employment growth in construction was observed in both Yukon (4.6%) and Nunavut (8.9%).
- The age group that had the fastest rate of employment growth between 2007 and 2012 was 55 and over; this was true for all three territories. Some of those workers continue to stay in the labour force instead of retiring.
- The Northwest Territories (NWT) has continued to face difficulties in recent years, with employment declining in several key industries across most age groups, largely due to struggles in diamond mining. NWT saw the largest exodus among all three territories, recording a population loss of nearly 3,000 people in 2011/2012.
- The strongest overall employment growth was in Nunavut which grew by four percent annually between 2007 and 2012. The most substantial contributor was the forestry, fishing and mining industry, with annual growth of 19%.

Introduction

The purpose of the Environmental Scan is to outline the major trends and issues facing Canada and the three territories that will influence the economic and social environment in the current and future years. The document provides timely, evidence-based information that supports the business planning process; it is divided into two main parts. The first part of the document includes a general overview of the economic context and some employment outlook information; the second part provides perspective on the regional, provincial and local labour markets. Some terms and definitions are featured on page 16 in the appendices.

Section 1: General Overview / Economic Context

The World

The global economy slowed for the second consecutive year in 2012, as weak growth among developed countries – including the United States (US) – continued to take its toll. Coming into 2013 there was general optimism that conditions would improve during the second half of the year; but that upturn is now projected to occur later in 2014. In October 2013, the International Monetary Fund (IMF) lowered its 2013 global economic expansion target to 2.9%, which translates into a third straight year of slowing world growth.

The US is the world's largest economy, responsible for over 18% of global GDP in 2012. However, China could take over this top spot as early as 2016, according to the latest IMF forecast. Not surprisingly, the two economies are closely linked, and China is feeling the effect of slow growth in a number of its large export markets, including the US. In fact, China's expansion has slowed to about 7.5% per year. While this rate of growth seems astronomical by western standards, it represents China's worst performance in 23 years.

Steady growth is proving elusive for the US. Following two relatively slow years, the economy expanded by 2.2% in 2012, the highest rate among G7 countries. US growth slowed in the first half of 2013, and the IMF now anticipates 1.6% total growth on the year.

Yet, there is widespread optimism that the US will drive much of global growth in 2014. According to the Conference Board of Canada¹, the US economy will recover next year, expanding by over three percent. This positive outlook is reinforced by the IMF, which forecasts 2.6% GDP growth in the US in 2014.

Meanwhile, Germany, France, Italy, Spain and other European Union (EU) member states continue to crawl out of recession. Having receded 0.4 percent in 2012, according to the IMF, the EU economy is expected to shrink an additional 0.4 percent in 2013. The effects of the sovereign debt crisis have varied throughout the EU, and the most troubled EU member states continue to suffer through on-going austerity measures. However, business confidence indicators (inflation, interest rates, foreign investment etc.) suggest economic activity is close to stabilizing for some EU members.

Canada

Canada's economy outperformed those of most other developed nations in 2012, posting real GDP growth of 1.8% on the year. While the country may have done well compared to its peers, on its own merits, 2012's economic performance has to be considered mediocre. Long term, Canada needs GDP growth of between 2.0% and 2.5% for Canadians to maintain their standard of living.

¹ Conference Board of Canada, World Outlook—Global Economic Trends and Prospects: Autumn 2013

As with the world economy, Canadian economic activity was widely expected to pick up during the second half of 2013. Forecasters have since lowered their Canadian outlook, due largely to developments in the US. As of late October 2013, the Bank of Canada calls for the economy to grow by 1.6% in 2013, 2.3% in 2014, and 2.6% in 2015, with commodity-rich Alberta, Saskatchewan, and Newfoundland playing lead roles in the country's economic growth.

Canada's relatively poor showing in 2013 stems in part from lacklustre exports. The central bank had expected exports to show an increase in the third quarter, but weakened demand globally and fiscal turbulence within the US market delayed this turnaround. Stronger US economic growth and a weaker Canadian dollar next year are expected to propel export gains.

In response to slow economic growth and low inflation, the Bank of Canada is likely to hold interest rates at one percent through 2015. This measure could potentially reignite the housing market, increase borrowing and accelerate growth, particularly in the critical export sector.

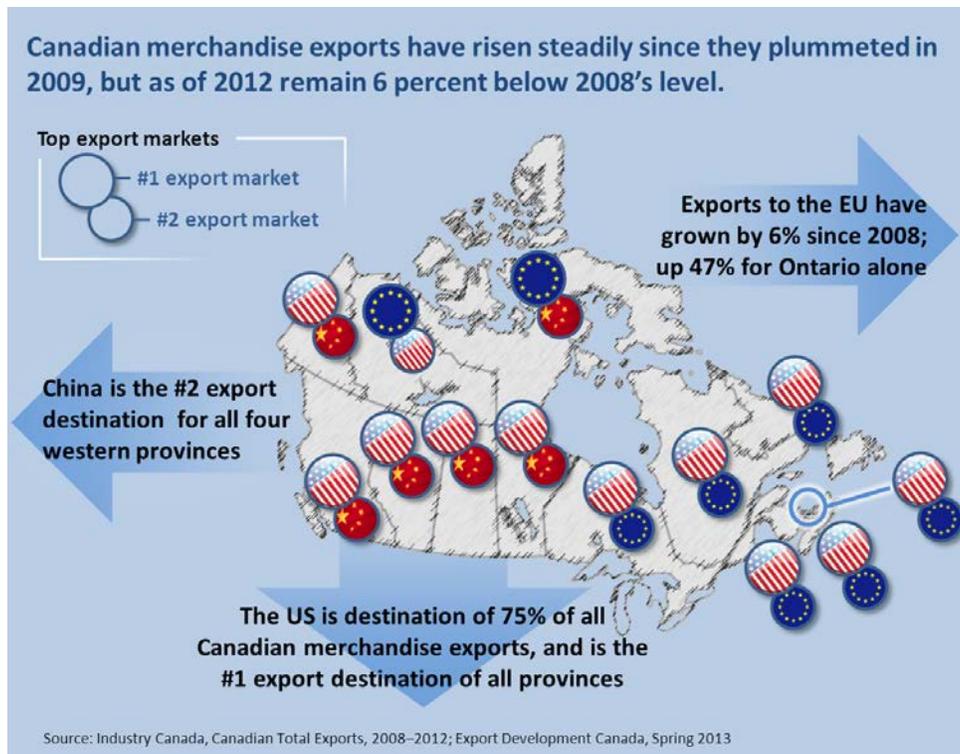
Global Growth and Canada's Exports

International trade makes up a large part of the Canadian economy, accounting for more than 45% of GDP. In 2012 the US, EU and China were the top three destinations for Canadian exports, together accounting for almost 90% of all shipments. The US, by far Canada's largest trading partner, is typically the destination for three-quarters of Canadian export goods. In 2012 the EU received 8.5% of Canadian shipments, China about half that. Between 2008 and 2012, China supplanted Japan as Canada's third largest export market.

Given the increasingly uncertain prospects for Canada's largest trading partner and the available partial-year data, it seems reasonable to expect modest export growth in 2013 and 2014. Although Canadian businesses have generally welcomed the tentative Canada – EU trade deal, it will be at least two years before the deal is implemented and begins to impact export volumes.

Through the first eight months of 2013 Canada's leading exports to:

- the US were: energy products, including oil & gas and electrical power; motor vehicles and parts; and wood, lumber, and pulp and paper products;
- the EU were: precious stones and metals, including gold and diamonds; aircraft and parts; and crude and petroleum oils, and to
- China were: wood, lumber, and pulp and paper products; seed and food oils, grains, and legumes; and iron and copper ores.

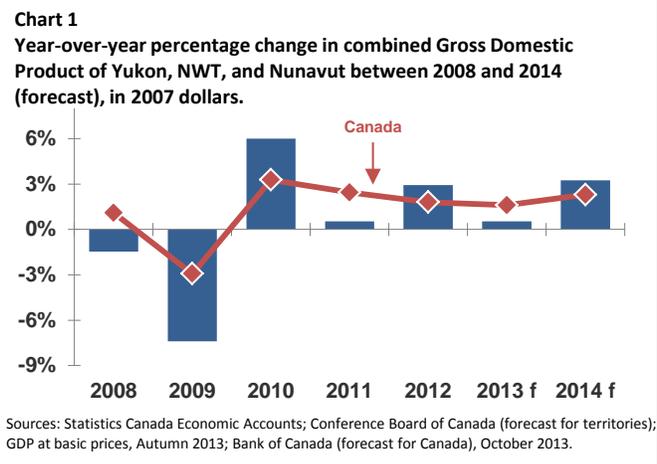


The Territories

The major drivers of the territorial economy are metals (iron, gold, zinc, copper), diamonds, and to some extent oil and gas. In 2012, prices for copper and zinc were down from the previous year, and Gold prices appeared to have crested after four years of steady growth. Furthermore, diamond prices had fallen to about 80% of their 2011 value, while iron ore prices were down over 50% by the start of 2013. By the middle of 2013, base metal prices had not improved, and gold prices had fallen below \$1,400 per ounce.

Although commodity prices are relatively healthy compared to what they were at the start of this century, many of the new projects coming online in the North are costly. Indeed, remote locations and a small local workforce mean that commodity prices need to be relatively high for projects to be viable. For instance, volatility in iron ore prices, along with a tepid global economy, forced stakeholders in the Mary River project in Nunavut to vastly scale back development plans (January 2013).

As a result of weak metal prices, mining stocks were hit hard this year, drastically affecting the budgets of junior companies that do the majority of exploration work. According to National Resources Canada, spending intensions for exploration are down considerably in the three territories from what had been relatively healthy investment last year (-41%). As a result, a number of mines have trimmed their workforces and postponed development plans. Nevertheless, long-term global demand for metallic and non-metallic resources is expected to be robust. In the meantime, federal transfer payments and new mining royalty agreements should keep territorial government budgets



balanced if not in surplus, while many new private-public training agreements will help local residents join the workforce.

Yukon

The Conference Board of Canada forecasts that the Yukon economy will grow by 5.7% in 2014, after little growth this year largely due to Victoria Gold's decision to defer the construction of its Eagle Gold mine. Although low metal prices have forced some mines to pare back activity, the territory's construction industry is still anticipated to grow by 16.9% in 2014, although there is still a downside risk that the challenging financial market may delay other projects. For example, Copper North is expecting to have all permits for its Carmacks mine by the end of 2013, but then the company must raise the \$137 million to build it. Partly to stimulate declining construction employment in the territory, the Yukon government allocated an additional \$8.95 million dollars in July to infrastructure projects, and increased funding towards the Yukon Mining Incentive Program.

Northwest Territories

Demand for diamonds continues to be soft in the face of limited economic growth in the US and Europe, and slower growth in China and India. NWT's economic output will grow slowly over the next couple of years as mature diamond mines reduce production. Even so, existing mines will continue to operate over the medium term, and there will even be some expansion. For example, the Gahcho Kué diamond mine will begin construction in 2014, with production likely starting in 2015/16, and both existing mines have adjoining developments under consideration that could extend their lives past 2020. The Conference Board of Canada also anticipates that new metal mines (e.g. Fortune Mineral's NICO project) should begin offsetting waning diamond production by 2015. Nevertheless, GDP growth will be flat this year, and a slim 1.3% in 2014. Meanwhile, oil and gas exploration continues, despite the fact that the Mackenzie Valley Pipeline is on indefinite hold due to low natural gas prices.

Nunavut

According to the Conference Board, Nunavut's economy is forecast to grow by 1.6% this year and 3.7% in 2014, down considerably from earlier forecasts. A tough investment climate, due to depressed metal prices, has put a damper on mining activities. For instance, construction of the Meliadine gold mine has been moved to 2015, and intended spending on mining exploration fell 27% from 2012. Furthermore, the Mary River project has been scaled back in the face of unstable iron ore prices and a fragile global economy – what was once a \$4 billion project involving rail systems and a deep-sea port is now budgeted at a more modest \$749 million. On a positive note, the now smaller Mary River project will likely start production sooner, albeit at a smaller scale. Nevertheless, construction activity in the public and private sector is expected to be a strong contributor to the Nunavut economy between 2014 and 2017.

Section 2: Regional, Provincial and Local Labour Market Condition

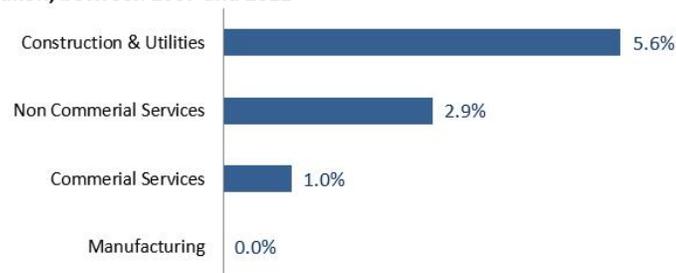
Employment by Sector

Yukon

Employment in construction and utilities was up 5.6% in 2012 from 2007. Most of the increase was due to construction, which is typically driven by non-residential projects, such as the development of mines. In recent years, mining companies have invested heavily in exploration, which has been the main economic driver in the territory. As a result of a Copper North's Carmacks Copper Mine and Victoria Gold's Eagle Gold Project beginning development over the next few years, construction employment will continue to climb.

Employment in Yukon is concentrated in resource-based industries, construction, and service-based industries. Despite declines in employment in some industries, the services-producing sector overall saw an increase of 1.9%. The industries that experienced a drop in employment include: trade 0.9%, transportation and warehousing 3.9%, and accommodation and food services 3.6%. Non-commercial services² had the second largest increase below construction and utilities at 2.9%; included in this is public administration, which alone grew by 2.5% annually.

Chart 2
The average annual compound growth rate of industry employment in Yukon, between 2007 and 2012



Source: Statistics Canada Labour Force Survey
Based upon average annual compound growth rate from 2007 to 2012

The goods-producing sector also saw a healthy growth rate of 2.8%, mostly spurred by construction. The manufacturing industry in Yukon is quite small and has not shown signs of growth for several years.

Table 1
Change in employment by industry in Yukon between 2007 and 2012

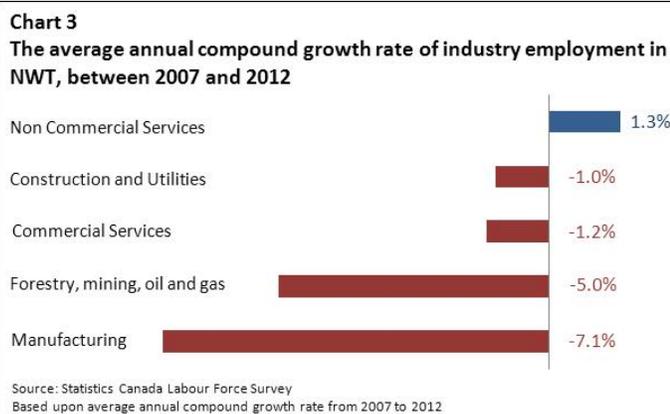
	2012	2007	% Share 2012	Growth rate*
Total, all industries	19.1	17.2	100.0%	2.1%
Goods-producing sector	3.1	2.7	16.2%	2.8%
Agriculture	-	-	-	-
Forestry, fishing, mining, quarrying, oil and gas	0.7	0.7	3.7%	0.0%
Utilities	0.1	-	0.5%	-
Construction	2.0	1.6	10.5%	4.6%
Manufacturing	0.3	0.3	1.6%	0.0%
Services-producing sector	15.9	14.5	83.2%	1.9%
Trade	2.1	2.2	11.0%	-0.9%
Transportation and warehousing	0.9	1.1	4.7%	-3.9%
Finance, insurance, real estate and leasing	0.8	0.7	4.2%	2.7%
Professional, scientific and technical services	1.1	0.8	5.8%	6.6%
Business, building and other support services	0.6	0.4	3.1%	8.4%
Educational services	1.5	1.2	7.9%	4.6%
Health care and social assistance	2.4	2.1	12.6%	2.7%
Information, culture and recreation	1.3	1.0	6.8%	5.4%
Accommodation and food services	1.0	1.2	5.2%	-3.6%
Other services	0.7	0.7	3.7%	0.0%
Public administration	3.5	3.1	18.3%	2.5%

Source: Statistics Canada Labour Force Survey
*Based upon average annual compound growth rate from 2007 to 2012

² Refers to Educational Services, Health care and social assistance, and Public administration.

Northwest Territories

Over the last five years, employment in manufacturing in the Northwest Territories (NWT) decreased annually by 5 %.. In 2009, two diamond processing facilities closed, Laurelton Diamonds and Arslanian Cutting Works NWT Ltd., which greatly reduced the number of people working in manufacturing. Since Deepak International Ltd. recently received the rights to process diamonds in NWT, there is a tentative plan to build a new facility, which would create more jobs in diamond processing.



Employment numbers in a few of NWT's key industries declined from 2007, most notably forestry, fishing, mining, quarrying, oil and gas (7.1%) and construction (2.1%). Non-commercial services, which include public administration, edged up by 1.3% reaching a recent high of 5,400 employed.

Table 2
Change in employment by industry in NWT between 2007 and 2012

	2012	2007	% Share 2012	Growth rate*
Total, all industries	22.6	23.5	100.0%	-0.7%
Goods-producing sector	3.7	4.6	16.3%	-4.1%
Agriculture	-	-	-	-
Forestry, fishing, mining, quarrying, oil and gas	1.7	2.4	7.3%	-7.1%
Utilities	0.3	0.2	1.4%	-
Construction	1.5	1.7	6.6%	-2.1%
Manufacturing	0.2	0.3	0.9%	-5.0%
Services-producing sector	18.9	18.9	83.7%	0.1%
Trade	2.3	2.6	10.3%	-1.9%
Transportation and warehousing	1.7	1.9	7.7%	-1.3%
Finance, insurance, real estate and leasing	1.1	0.9	4.6%	2.9%
Professional, scientific and technical services	0.9	1.2	3.9%	-6.3%
Business, building and other support services	0.5	0.6	2.1%	-4.8%
Educational services	2.1	1.5	9.1%	6.6%
Health care and social assistance	2.3	2.7	10.0%	-3.2%
Information, culture and recreation	0.9	1.0	3.9%	-2.6%
Accommodation and food services	1.1	1.0	4.7%	0.5%
Other services	0.8	0.6	3.5%	6.4%
Public administration	5.4	4.9	23.7%	1.7%

Source: Statistics Canada Labour Force Survey

*Based upon average annual compound growth rate from 2007 to 2012

Nunavut

Employment in mining increased substantially in Nunavut largely due to the Meadowbank Gold Mine, which opened in 2010. By the end of 2012, the annual employment growth rate reached an impressive 19%. Other mines, including the Mary River Iron Mine and the Meliadine Gold Mine, are progressing towards development and will reach peak production in 2020, at which point nearly 800 residents are projected to be directly employed in mining. Although construction and utilities together saw a slight decline from 2007, construction increased by 8.9% to 700, while utilities declined by 12% in 2012.

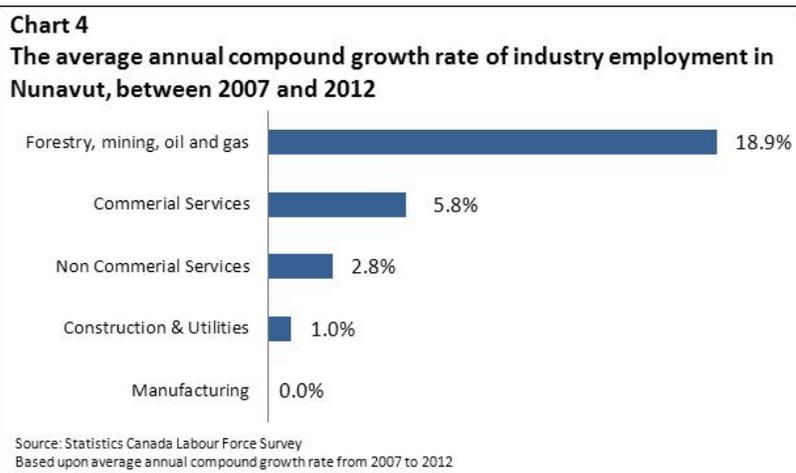


Table 3
Change in employment by industry in Nunavut between 2007 and 2012

	2012	2007	% Share 2012	Growth rate*
Total, all industries	11.8	9.7	100.0%	4.0%
Goods-producing sector	1.3	1.1	11.2%	3.0%
Agriculture	-	-	-	-
Forestry, fishing, mining, quarrying, oil and gas	0.5	0.2	4.0%	18.9%
Utilities	0.2	0.4	1.7%	-12.2%
Construction	0.7	0.4	5.5%	8.9%
Manufacturing	-	0.1	0.0%	-
Services-producing sector	10.5	8.6	88.8%	4.1%
Trade	1.8	1.1	15.1%	10.9%
Transportation and warehousing	0.8	0.5	7.1%	12.3%
Finance, insurance, real estate and leasing	0.6	0.5	5.3%	4.6%
Professional, scientific and technical services	0.2	0.1	1.3%	2.4%
Business, building and other support services	0.3	0.2	2.6%	11.0%
Educational services	1.5	1.1	12.9%	7.1%
Health care and social assistance	1.4	1.1	11.6%	4.1%
Information, culture and recreation	0.4	0.5	3.6%	-2.2%
Accommodation and food services	0.3	0.4	2.8%	-4.0%
Other services	0.3	0.4	2.7%	-2.0%
Public administration	2.8	2.8	23.9%	0.2%

Source: Statistics Canada Labour Force Survey
*Based upon average annual compound growth rate from 2007 to 2012

Commercial and non-commercial services rose by 5.8 and 2.8%, respectively, between 2007 and 2012. Leading industries within commercial services were Business, building and other services, and Transportation and warehousing, which grew annually by 11% and 12% respectively between 2007 and

2012. Information, culture and recreation, and Accommodation and food services offset steady growth for the services-producing sector by 2.2% and 4% respectively over the same timeframe.

Employment by Age

Yukon

Employment grew by 1,900 from 2007 to 2012, posting an average annual growth rate of 2.1%. In the same time frame, the age group which saw the largest average annual increase in employment was those aged 55 and over. Men and women typically split the labour force evenly; in 2012, the number of employed women was slightly higher than men. The figure for youth aged 15-24 is encouraging as the number of employed reached 2,600 in 2012.

Northwest Territories

Overall, employment declined by nearly one percent in NWT between 2007 and 2012. The ratio of men to women working is generally stable, with the percentage of men working at 53%. NWT will have to attract a younger workforce in order to replace those that are nearing retirement.

Nunavut

Unlike NWT, Nunavut's employment has been increasing across all age groups and, overall, the territory has seen employment grow by 4% annually between 2007 and 2012. Major projects in mining should help to provide job opportunities for youth who generally have the most difficulty finding employment. The ratio of men to women employed in Nunavut is similar to NWT, with men making up just over 50%.

Non-Standard Employment

Yukon

Full and part-time employment in the Yukon rose by 2.1% and 2.3% between 2007 and 2012. The recession, which affected many full-time jobs across the country, caused the loss of full-time jobs in the Yukon to fall to a lesser degree compared to other provinces.

Northwest Territories

Full-time employment in NWT was down by over 8% during the worst of the 2008/09 recession. The territory has not fully recovered those jobs, but has seen some growth in part-time employment over the last five years. Self-employment was impacted the most from the recession and has continued to fall since 2007. The number of self-employed in 2012 fell to 1,500, which is a recent low.

Nunavut

Nunavut managed to avoid recessionary effects felt by the rest of Canada; full-time, part-time and self-employment all grew over the previous five years, with full-time employment increasing by nearly 2,000 jobs.

Labour Market Outcomes for Client Segments

Aboriginal Participation

Yukon

According to the 2011 National Household Survey, Yukon's Aboriginal population had a lower participation rate than the territory's non-Aboriginal population, 70% compared to 79.2%. However, the territory's Aboriginal participation rate was higher than that of NWT or Nunavut. In

2011, Yukon's Aboriginal population had an unemployment rate of 22.8%, compared to 6.8% for the territory's non-Aboriginal population.

Northwest Territories

There is a clear difference in labour market activities among NWT's Aboriginal and non-Aboriginal populations. For example, the participation rate for the Aboriginal population was 63% in 2011, while for the non-Aboriginal population, the rate was 86.6%. Additionally, that same year, the unemployment rate for the territory's Aboriginal population was nearly five times higher than the rate for the non-Aboriginal population, 22.2% compared to 4.3%.

Nunavut

Nunavut's participation rate closely mirrors that of NWT's. In 2011, fifty-seven percent of Nunavut's Aboriginal population participated in the labour market. The participation rate jumps to 92.6% for the non-Aboriginal population, a gap of 35 percentage points. That same year, Nunavut's unemployment rate for Aboriginal persons was 23.3% compared to 2.8% for the non-Aboriginal population.

Workers with Disabilities

Yukon, Northwest Territories and Nunavut

Yukon has a significantly higher disability rate than the Northwest Territories and Nunavut. In 2006, 13.3% of Yukon residents self-identified some type of disability on their Census form. If this seems high, it is important to note that the three territories have a lower rate of disability than all four western provinces. Nationally, 14.3% of the population had some type of disability. In 2006, Nunavut had the lowest rate of disability in Canada (6.6%).

The low disability rates in Yukon, NWT and Nunavut have a lot to do with demographics. The territories have a relatively young population, with a low proportion of seniors. This alone will lower the rates of activity limitation or disability. The Participation and Activity Limitation Survey collected in 2006 is the latest data source available.

Older Workers

Yukon

Older workers, who are aged 55 and over, made up 20% of those employed in Yukon in 2012. The size of the 55 and over group is growing proportionately faster compared to younger age categories.

Northwest Territories

The number of older workers aged 55 and over employed in NWT accounted for 17% in 2012. The 55 and over age group was the only group which grew between 2007 and 2012.

Nunavut

Although employment in all age groups increased between 2007 and 2012, those aged 55 and over saw the largest increase of 7.8%. Older workers in Nunavut are quite active in the labour market as the 2012 participation rate saw nearly 60% of those aged 55 and over either working or looking for work.

Seniors

Yukon

The number of seniors, persons aged 65 years and over, steadily increased from 1,500 to 3,400 over last the 15 years. The proportion of those aged 65 and over is increasing, a similar pattern seen across Canada, and originates from the spike in birth rates experienced in the mid-20th century. A large percentage of income that seniors received in 2010 came from employment, signifying that those aged 65 and over are continuing to work into retirement. Since there continues to be a lack of a young skilled workforce, more pressure is put on the older generations to fill the employment gap.

Northwest Territories

The number of seniors in NWT has steadily risen between 1997 and 2012, reaching a high of 2,700. The largest source of seniors' income comes from government transfers at 42%, while private pensions (17%) and employment income (34%) make up the next largest income sources. The contribution of seniors' income from employment is even higher than in Yukon.

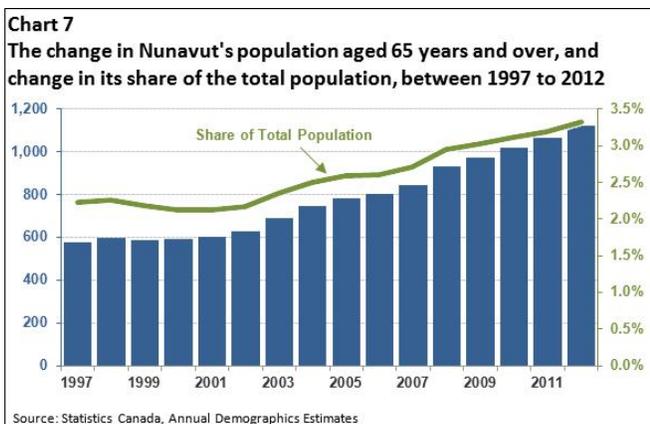
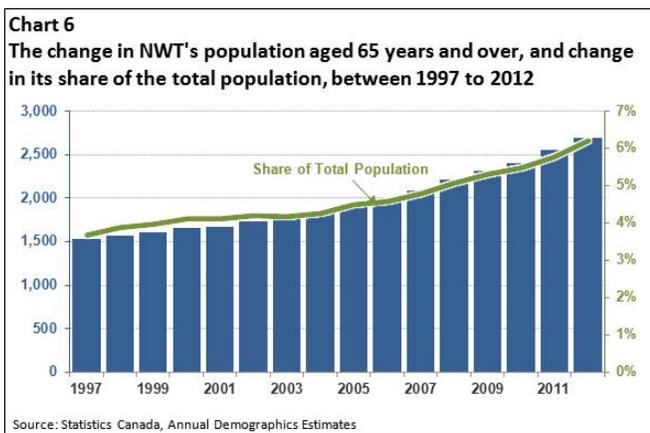
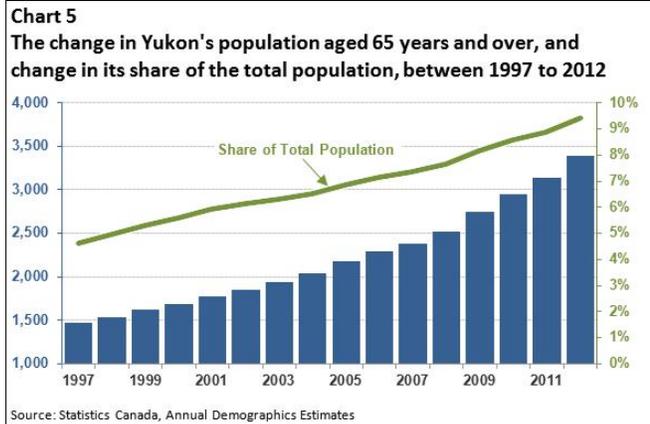
Nunavut

The population aged 65 and over has not increased as quickly as in the other territories. Of the three territories, Nunavut has the highest proportion of seniors' income from employment, which reached 45% in 2010. Conversely, Nunavut also has the lowest proportion of seniors' income from private pensions.

Youth Labour Force

Yukon

Of the three territories, the Yukon has maintained the lowest overall unemployment rate, most recently posting 7% for the working-aged labour force in 2012. However, the youth unemployment rate continued to increase in 2012 from hitting a low in 2010 of 8.3%. Attracting and retaining a young workforce is challenging in the north.



Northwest Territories

The unemployment rate in NWT has been on a slow steady climb from 5.6% in 2007 to 8.3% in 2012. NWT has undergone some difficulty in the last year seeing the largest change in population in Canada and decreases in employment for a number of their key industries. Youth continue to face the most difficult time obtaining and retaining employment demonstrated by the unemployment rate continuing to inch towards 20%. Since hitting a recent low in 2009 of 48%, the participation rate has climbed to nearly 60% in 2012, meaning more youth are actively pursuing employment.

Nunavut

Nunavut's unemployment rate improved between 2011 and 2012, declining to 15.1%.

After four years of increases in the youth unemployment rate, the rate declined by an impressive 6% in 2012. The upcoming Mary River Iron Ore project will help to provide local residents with job prospects in the coming years.

Interprovincial migration

Overall, the number of people moving to NWT from the rest of Canada has declined in 2011/2012 compared to 2010/2011. As the diamond industry matures in NWT and employment opportunities in mining decline, a net out-migration to other provinces and territories will continue. Indeed, NWT saw the largest exodus among all three territories, recording a population loss of nearly 3,000 people in 2011/2012; nearly double that of the Yukon during same period.

Conclusion

Although each territory is unique in its struggles and successes, overall, the territories have a lot of growth potential by tapping into their abundance of resources in minerals, diamonds, and oil and gas. Indeed, the territories are poised to see employment growth in construction, mining, and related industries.

Yukon's economy is set to increase in 2014 through investments in large-scale mining projects. These projects are expected to increase demand for labour and, as a result, employment levels in several key industries should continue to rise. One limiting factor for Yukon is the continual demographic shift towards older workers. Utilizing these large-scale projects as a tool to build a young skilled workforce could help offset this trend.

The Northwest Territories continues to face employment difficulties, still not having recovered completely from the economic downturn in 2008/09, which saw its diamond processing industry significantly reduced. New mining projects, such as the Gahcho Kué Mine, will ideally halt the large decline in jobs seen in the mining industry over the last five years and curtail the out-migration that saw nearly 3,000 people leave NWT in 2011/12.

Nunavut's economy is expected to grow despite the scaling back of the Mary River Iron Mine on Baffin Island. The employment growth seen over the last few years has been largely attributable to the Meadowbank Gold Mine which opened in 2010. This mining activity has uplifted Nunavut's employment numbers in every age group. Indeed, the number of employed is expected to continue to improve in the long-term with the construction of the Mary River and Meliadine mines.

***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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Appendices

Appendix A: Glossary of Terms

Aboriginal Identity Population – Refers to individuals who reported identifying with at least one Aboriginal group, i.e. First Nations people, Métis or Inuit and/or who reported being a Treaty Indian or a Registered Indian as defined by the Indian Act of Canada and/or who reported they were members of an Indian Band or First Nation.

Average Annual Compound Growth Rate – The average year-on-year growth rate of a given indicator over a number of years. Although indicators seldom change at a constant rate, the compound annual return smoothes out figures by assuming constant change.

Employed – Persons who worked during the Labour Force Survey reference week.

Gross Domestic Product (GDP) – Refers to the total value of the goods and services produced in Canada or in a province or territory, often referred to as a global measure of economic activity.

Immigrant Population – Refers to persons residing in Canada who were born outside of Canada, excluding temporary foreign workers, Canadian citizens born outside Canada and those with student or working visas.

Labour Force – Refers to the total number of individuals 15 years of age and over who are either employed or unemployed in the week prior to a given survey such as the Labour Force Survey or the Canadian Census.

Non-Standard Employment – Refers to employment other than permanent full-time work, including part-time, temporary, and self-employment.

Older Workers – Refers to workers aged 55 and over.

Participation Rate – The labour force expressed as percentage of the population 15 years of age and over.

Seniors Population – Refers to persons aged 65 and over.

Unemployed – Refers to persons who were without work and were available for work during the Labour Force Survey reference week.

Unemployment Rate – The unemployed expressed as a percentage of the labour force.

West Texas Intermediate (WTI) Oil – A light, sweet (low sulphur) crude oil that is used as a benchmark in North American oil pricing. WTI oil sells at higher prices than heavy sour (high sulphur) crudes which yield oil products such as gasoline and jet fuel. (Source: Natural Resources Canada)

Workers with Disability – Refers to persons who self-identify as having a physical condition, a mental condition, or a health problem, that reduces the amount or the kind of activity that they are able to do. These include difficulty hearing, seeing, communicating, walking, climbing stairs, bending, learning or doing any similar activities.