



Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

July 2016



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

Employment

The combined employment of Northwest Territories (NWT), Nunavut and Yukon increased 0.5% in July, meaning 300 more people were employed than in the previous month. All job gains in July were in full-time positions, while part-time employment was down 6.1%. Both Northwest Territories and Yukon recorded higher employment on the month, while Nunavut experienced a marginal decline.

Year-over-year employment in the Territories is up 3,500 (+6.4%), with gains occurring entirely in services-producing industries. On an annual basis, the number of people working increased considerably both in Nunavut (+13.1%) and Yukon (+7.1%), while in Northwest Territories, employment advanced at a more moderate level (+2.7%).

Unemployment

The unemployment rate for the combined territories rose for a second consecutive month, increasing to 9.1% in July. Year-over-year, Northwest Territories was the only territory to record an increase in its unemployment rate, up 0.2 percentage points to 8.4%. By contrast, both Nunavut (15.1%) and Yukon (5.8%) now have lower unemployment rates. Yukon continues to have one of the lowest unemployment rates in the country, well below the national rate of 6.9%.

The unemployment rate for youth (aged 15 to 24 years) in the territories increased 0.9 percentage points to 18.1% on the month. However, the unemployment rate for this age group dropped 6.1 percentage points year-over-year. The unemployment rate for young women decreased 13 percentage points to 13.5% between July 2015 and July 2016. For young men, the unemployment rate increased slightly, up 0.2 percentage points to

22.2% over the year. Nunavut continues to have the highest youth unemployment rate in the country, with the unemployment rate for young men sitting at nearly 32%.

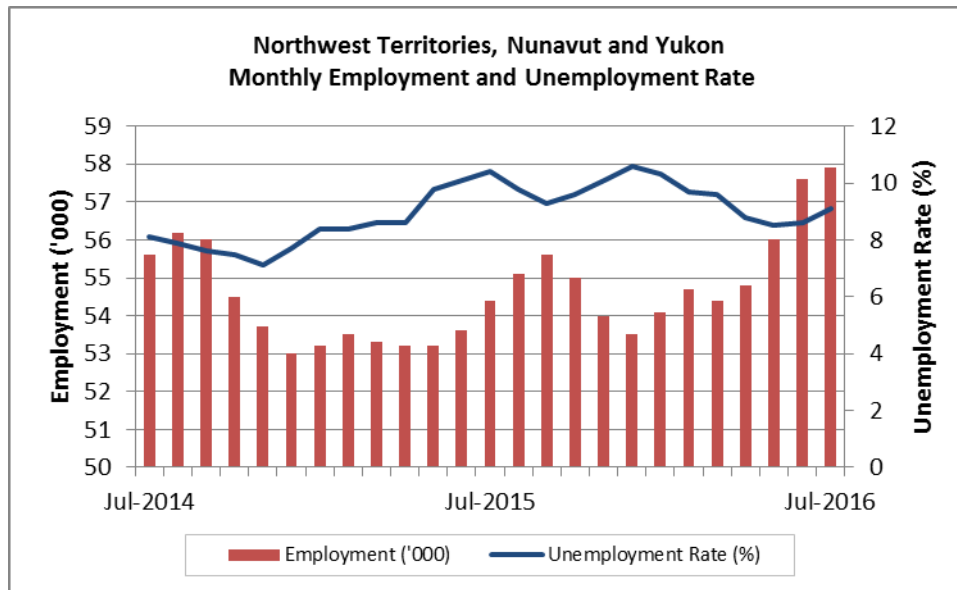
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Unadjusted Data	July 2016	June 2016	July 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	85.2	85.0	83.8	0.2	0.2	1.4	1.7
Labour Force ('000)	63.7	63.0	60.7	0.7	1.1	3.0	4.9
Employment ('000)	57.9	57.6	54.4	0.3	0.5	3.5	6.4
Full-Time ('000)	50.2	49.4	48.1	0.8	1.6	2.1	4.4
Part-Time ('000)	7.7	8.2	6.2	-0.5	-6.1	1.5	24.2
Unemployment ('000)	5.8	5.4	6.3	0.4	7.4	-0.5	-7.9
Unemployment Rate (%)	9.1	8.6	10.4	0.5	-	-1.3	-
Participation Rate (%)	74.8	74.1	72.4	0.7	-	2.4	-
Employment Rate (%)	68.0	67.8	64.9	0.2	-	3.1	-

* Combined data - three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey



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

Seasonally Unadjusted Data	July 2016	June 2016	July 2015	Monthly Variation	Yearly Variation
	(%)	(%)	(%)	(% points)	(% points)
Total	9.1	8.6	10.4	0.5	-1.3
25 years and over	7.3	7.0	7.7	0.3	-0.4
Men - 25 years and over	9.6	9.1	9.4	0.5	0.2
Women - 25 years and over	4.8	4.7	5.8	0.1	-1.0
15 to 24 years	18.1	17.2	24.2	0.9	-6.1
Men - 15 to 24 years	22.2	22.0	22.0	0.2	0.2
Women - 15 to 24 years	13.5	12.2	26.5	1.3	-13.0

* Combined data - three month moving average

Source: Statistics Canada Labour Force Survey

EMPLOYMENT BY INDUSTRY

In July, there were 8,300 workers employed in the goods-producing sector, slightly fewer than in June (-100). Employment gains in agriculture were offset by losses in the construction industry. On a year-over-year basis, employment in the goods-producing sector is down 3.5%, meaning 300 fewer people were employed in July compared to the same time last year. Job losses in the sector are due almost entirely to falling employment in the forestry, fishing, mining, quarrying, and oil and gas industry (-13.8%). This decline demonstrates the continuing impact that lower commodity prices are having on the territories' mining industry.

In the medium-term, the goods-producing sector is expected to see some growth, driven by mining and construction projects scheduled to begin in the next few years. Moreover, funding from all levels of government for infrastructure projects such as roads, water treatment facilities, hospitals and airports will help to support growth in the construction industry.

The services-producing sector gained ground in July, with employment reaching 49,500 – an increase of 0.4% over the previous month. Employment growth in the services sector was driven by several large industry groups including trade; transportation and warehousing; and finance, insurance, real estate and leasing.

Year-over-year, the number of people employed in the services-producing sector increased considerably (+3,700). Notable employment gains during this period occurred in public administration (+1,000), trade (+900), accommodation and food services (+700), and educational services (+600).

The outlook for the services-producing sector remains positive over the short term. With major infrastructure projects underway across the three territories, the transportation and warehousing industry, as well as the trade industry, are expected to see increased growth over the next two years. Several upcoming projects including Nunavut's Meliadine gold mine development, Northwest Territories' Gahcho Kue diamond mine, and the Whitehorse General Hospital expansion project are expected to create a significant number of job opportunities in the North.

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

Seasonally Unadjusted Data	July 2016	June 2016	July 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	57.9	57.5	54.3	0.4	0.7	3.6	6.6
Goods-producing sector	8.3	8.4	8.6	-0.1	-1.2	-0.3	-3.5
Agriculture	0.3	0.2	0.3	0.1	50.0	0.0	0.0
Forestry, fishing, mining, quarrying, oil and gas	2.5	2.5	2.9	0.0	0.0	-0.4	-13.8
Utilities	1.0	1.0	1.0	0.0	0.0	0.0	0.0
Construction	4.0	4.2	4.0	-0.2	-4.8	0.0	0.0
Manufacturing	0.2	0.2	0.3	0.0	0.0	-0.1	-33.3
Services-producing sector	49.5	49.3	45.8	0.2	0.4	3.7	8.1
Trade	6.6	6.2	5.7	0.4	6.5	0.9	15.8
Transportation and warehousing	3.4	3.1	3.0	0.3	9.7	0.4	13.3
Finance, insurance, real estate and leasing	2.6	2.3	2.6	0.3	13.0	0.0	0.0
Professional, scientific and technical services	2.8	2.8	3.0	0.0	0.0	-0.2	-6.7
Business, building and other support services	1.2	1.2	1.4	0.0	0.0	-0.2	-14.3
Educational services	5.4	6.0	4.8	-0.6	-10.0	0.6	12.5
Health care and social assistance	6.7	6.9	6.2	-0.2	-2.9	0.5	8.1
Information, culture and recreation	2.2	2.3	2.6	-0.1	-4.3	-0.4	-15.4
Accommodation and food services	3.6	3.7	2.9	-0.1	-2.7	0.7	24.1
Other services	2.2	1.9	1.8	0.3	15.8	0.4	22.2
Public administration	13.0	12.8	12.0	0.2	1.6	1.0	8.3

* Combined data — three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

REGIONAL ANALYSIS

Yukon

In July, the number of people employed in Yukon grew by 300 on a monthly basis, reaching 21,000. Gains can be entirely attributed to increasing employment in the services-producing sector.

On an annual basis, the number of employed in Yukon increased 7.1% (+1,400), while the unemployment rate dropped considerably, down 1.3 percentage points to 5.8%. Both the goods- and services-producing sectors posted increases on the year, up 11.5% and 5.8% respectively. Several industries had notable employment gains including accommodation and food services (+700), trade (+400) and construction (+300).

Looking forward, the territory is expected to see employment growth in construction over the next few years. In fact, the federal and territorial governments have pledged \$78 million to support 17 infrastructure projects throughout ten Yukon communities this year. These projects should create plenty of employment opportunities for local residents and companies during construction.

Northwest Territories

Employment in Northwest Territories increased by 200 to reach 23,100 in July. Monthly job growth was due entirely to employment gains in the goods-producing sector.

Year-over-year employment in Northwest Territories is up 2.7% (+600). Employment results were mixed between the two sectors with the services-producing sector seeing gains, while employment in the goods-producing sector declined. Several major industries experienced large swings in employment. For example, employment in public administration increased 23.4%, while employment in the mining industry fell 20%.

Employment decreases in the mining industry were not unexpected this year as both Cantung Mine and Snap Lake diamond mine were shut down last year. These closures are also having a noticeable impact on employment in the territory's mining-related industries. The number of people employed in transportation and warehousing has fallen 6.3%, while employment in professional, scientific and technical services is down over 8%. According to the Conference Board of Canada, the territory's gross domestic product (GDP) will increase by a mere 0.7% in 2016 – the lowest growth forecast among all three territories.¹

Nunavut

On a monthly basis, Nunavut employment dropped a marginal 0.7% to 13,800 in July. This decline is entirely due to employment losses in the goods-producing sector (-100).

Despite this month-over-month decline, Nunavut posted the largest annual employment growth among the three territories (+13.1%). Year-over-year, employment in the territory's goods-producing sector is up 6.7%, while employment in the services-producing sector rose by 14.0%. Nearly all industries added jobs over the year, except for minimal losses in construction; professional, scientific and technical services; and accommodation and food services.

Nunavut's short-term economic performance is expected to be better than its two territorial counterparts. Construction activity is anticipated to pick up as projects such as the Iqaluit Airport expansion, the Canadian High Arctic Research Station project and the Doris North Gold Mine will create many job opportunities for the territory. In fact, the Doris North Gold project alone will generate about 350 jobs annually during the construction and operational phase.²

Northwest Territories, Nunavut and Yukon Monthly Labour Force Statistics, by Economic Region

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	July 2016 ('000)	July 2015 ('000)	Yearly Variation (%)	July 2016 (%)	July 2015 (%)	Yearly Variation (% points)
Territories*	57.9	54.4	6.4	9.1	10.4	-1.3
Northwest Territories	23.1	22.5	2.7	8.4	8.2	0.2
Nunavut	13.8	12.2	13.1	15.1	18.6	-3.5
Yukon	21.0	19.6	7.1	5.8	7.1	-1.3

* Combined data — three month moving average

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

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 Conference Board of Canada (CBOC) Territorial Outlook: Economic Forecast Winter 2016.

² CBC News North, Doris North gold mine just the beginning for TMAC in Nunavut, June 18, 2016.
<http://www.cbc.ca/news/canada/north/tmac-doris-north-gold-mine-and-beyond-1.3639272>