Labour Force Activity

March 2020

Today Statistics Canada released information from the Labour Force Survey (LFS) for the month of March. This is the first release since the beginning of government interventions and business closures resulting from the COVID-19 pandemic. The LFS is a monthly survey of Canadian households carried out during the LFS reference week, which in this case was the period from March 15 through March 21. As the labour market drastically changed around the reference week, coupled with the fact that estimates for the territories are based on three month moving averages, the impact of COVID-19 on the Northwest Territories’ (NWT) labour market may not be fully reflected in last month’s data. Regardless, today’s data provide information about the initial impact of COVID-19.

In March 2020 the Northwest Territories’ unemployment rate increased to 9.3%, the highest since January 2016. Historically unemployment rates generally start to drop beginning in March following the winter months. Last month, unemployment rate increased for males and for persons aged 25 and older, while remaining unchanged for females and youth aged 15 to 24 years.

Meanwhile, the employment rate was virtually unchanged from last month, at 63.8%.

National highlights

For Canada overall, the employment rate dropped 1.4 percentage points to 59.7% between February and March 2020. During the same period, employment rates dropped for all provinces with Ontario, Alberta and British Columbia experiencing the biggest drop. Among the territories the employment rate dropped for Yukon while increasing slightly for Nunavut and the Northwest Territories. As mentioned above, estimates for the territories are based on three-months moving averages, potentially masking changes that may have occurred in last month.
Employment by selected characteristics

Year over year, the NWT labour force was unchanged at 22,700, while employment dropped by 500 persons to 20,600. The overall employment rate dropped 1.3 percentage points from 64.9% in March 2019. Among key demographic characteristics, youth aged 15 to 24 years had the biggest drop, from 42.6% to 34.6%.

Employment in the services-producing sector dropped by 300. Most of the job losses occurred in health care and social assistance; information, culture & recreation and accommodation; and food services, offsetting gains made in other sub-sectors. In the goods-producing industry, employment gains in construction and manufacturing were offset by losses in utilities and forestry, fishing, mining, oil and gas.

Supplementary Indicators used in March 2020

This month, Statistics Canada included supplementary indicators to capture the impact of COVID-19 on the Canadian labour market. In March, 2,816,900 Canadians were employed at a job or business during the week of March 15-21 but were absent from work for all or most of the week. The equivalent number for the previous month was 737,400.

Figure 3 shows the drastic increase in the number of people who were not in the labour force but had worked earlier in March and still wanted a job. These people were not counted as unemployed because they did not look for a job, likely because of COVID-19. If these people were included in the unemployed group, Canada’s unemployment rate would increase from 7.8% to 8.9%.

For additional information and detailed table on the labour force survey results for the Northwest Territories, visit the NWT Bureau of Statistics website at http://www.statsnwt.ca/ or call (867) 767-9169.

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