



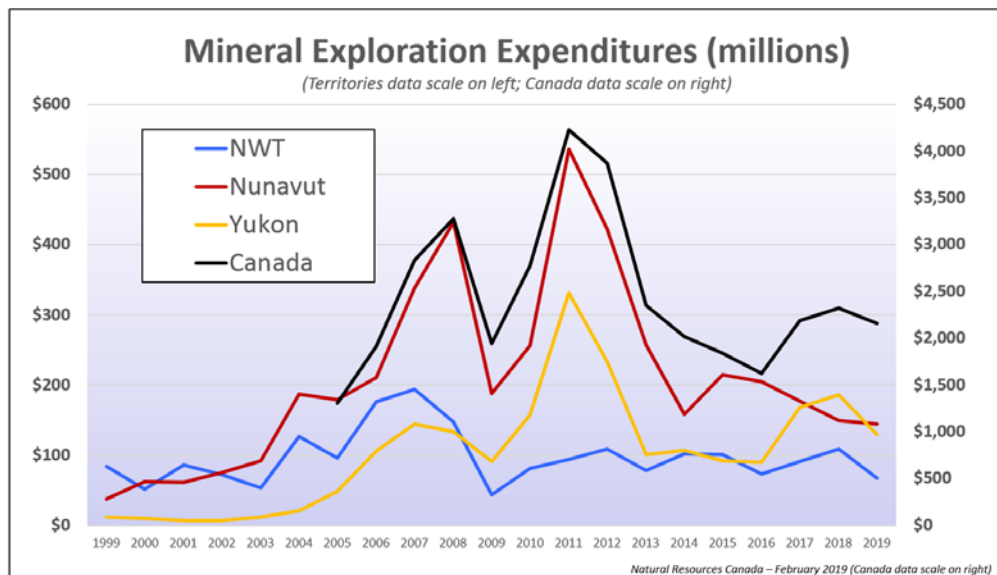
NEWS RELEASE

Economic outlook good for Nunavut and Yukon, but not NWT

(Yellowknife, NT – July 12, 2019) The Conference Board of Canada has released its annual economic forecast for Canada's northern territories. [Territorial Outlook Economic Forecast \(Summer 2019\)](#) reveals that Nunavut and Yukon will see significant economic growth due their growing mining industries, while the Northwest Territories economy will suffer as its industry continues to mature and mines close. The summary of the report's conclusions are in the *Backgrounder*, attached.

The mining industry's health in each of the territories is closely linked to the health of mineral exploration, which is required to find new mines to sustain and grow the northern economies. Mineral exploration in Yukon and Nunavut has strongly outpaced exploration investment in the NWT, which has stalled for the last twelve years (see chart below).

According to Chamber of Mines President, Gary Vivian, "Nunavut has seen significant exploration over the past 12 years, and consequently a rebirth of its mining industry. Mining is now on an encouraging growth path, providing significant benefits to Nunavut and Canada. In the NWT, however, lacklustre exploration investment continues to be insufficient to sustain our industry. It's clearly linked to actions within the territory and not to geology or markets. We continue to press governments to improve investor confidence to attract more investment. The very high mineral potential can support generations of mines, but they very much need to improve land access, improve the regulatory environment, and address costs. What's most disappointing is that this is old news, and despite our efforts to get changes made, the economic forecast for the NWT continues to be poor."



For highlights of the report, and for the Chamber's recommendations for actions to improve investment, see attached *Backgrounder*. For more information on the NWT and Nunavut mining industries, please visit the Chamber of Mines website at www.miningnorth.com or contact Tom Hoefer, Executive Director at Tel: 867-873-5281 or email: executivedirector@miningnorth.com.

Backgrounder

Findings from the [Territorial Outlook Economic Forecast \(Summer 2019\)](#) report

Nunavut – mining sector in good shape

- *Nunavut’s economy will grow at a solid pace over the near and medium terms thanks to strength in the mining sector.*
- *The outlook for gold mining is optimistic, as prices remain at recent highs.*
- *Nunavut’s population profile is different from what we see in other parts of the country. Fertility rates are high and labour force growth will be solid, but the unemployment rate will remain sharply higher than in Yukon or the Northwest Territories.*
- *Most of the new jobs created in Nunavut’s mining industry will go to non-residents, as companies must bring in workers from other parts of Canada due to the shortage of specific mining skills in the resident population.*

Northwest Territories – challenging times

- *Economic growth will be modest in the near term, hovering in the 2.0 per cent range, but will subsequently ease sharply over the long term due primarily to weaker investment in the mining sector.*
- *Diamond production has reached its peak and will decline in the next decade. However, two new metal mines will open, offsetting some, but not all, of the losses in the mining sector.*
- *More tepid growth in mining will have repercussions on the other areas of the economy, notably construction activity.*
- *Weaker economic growth will encourage more workers to exit the territory, leaving a smaller working-age population to cover the costs that come with growth in the number of seniors.*
- *The only sector of the economy that will record employment growth is non-commercial services, which includes the health care sector.*

Yukon – weaker growth this year, but rebound expected in 2020

- *Economic growth in Yukon will slow this year but then rebound in 2020.*
- *New mines coming online will drive growth in 2020.*
- *The unemployment rate will remain well below 4.0 per cent over the next several years, and labour shortages will become a problem.*
- *Wages will grow at an average annual pace of 3.0 per cent between now and 2025, much faster than inflation.*
- *Yukoners are older than their Northern neighbours, and domestic migration will account for most of the population growth over the forecast.*

The Territorial Outlook provides the economic and fiscal outlook for each of Canada’s three Northern territories, including output by industry, labour markets, and demographics.

A copy of Territorial Outlook Economic Forecast is available, for editorial purposes, by contacting corpcomm@conferenceboard.ca or online [here](#). [The Conference Board of Canada](#) is the country’s leading independent research organization. Our mission is to empower and inspire leaders to build a stronger future for all Canadians through our trusted research and unparalleled connections.