Abstracts

NORCLIFFE, G.: "Industrial Structure and Labour Market Adjustments in Canada During the 1981-84 Recession": Although the recession in Canada between 1981 and 1984 was the worst in post-war years, its impact on labour markets varied considerably from region to region. This paper explores the importance of regional industrial structure to the short-term adjustments that occurred in regional labour markets. The two main adjustments are changes in cyclical unemployment (which were measured using a modified Brechling model) and changes in the size of the total labour force. These two adjustments combine as changes in total employment, which are related to industry structure using a shift-share model. The results suggest that in an open economy such as Canada, industrial structure contributes significantly to short-term changes in levels of regional employment. The conclusion examines possible explanations of why regional industrial structure is important to Canadian labour market adjustments.

MELVIN, J. R.: "The Consequences of Free Trade for Atlantic Canada": It has been suggested that free trade with the United States will benefit Atlantic Canada, and may even reduce interregional differentials. This paper examines these issues in terms of the Heckscher-Ohlin, the specific-factor, and the increasing-returns models of trade, and argues that overall consumption benefits to Atlantic Canada seem probable in each case. Distribution of the gains from trade will depend on how production is affected. It seems unlikely, however, that Atlantic Canada will gain proportionally more than the rest of Canada, and trade may well increase interregional wage differentials.

BUSSIÈRE, Y.: "Les flux de biens et de services dans le champ urbain montréalais : résultats empiriques": This paper presents the results of a 1984 survey of firms in the manufacturing, wholesaling and retailing sectors located in nine specific zones within the Montreal urban field. The study attempts to measure the degree of local economic independence of the various sectors of activity and their linkages with Montreal by a detailed analysis of the sales and purchases of goods and services. The results indicate the strong influence of Montreal on the
other zones, independent of the distance that separates these zones from Montreal. The production and distribution of foodstuffs is the sole type of activity that enjoys a high degree of regional autonomy.

SKABURSKIS, A.: "A Comparison of Suburban and Inner-City Condominium Markets": This article describes and compares inner-city and suburban condominium markets. It shows that the introduction of the condominium tenure option has allowed older residents with larger down payments to move to the inner city. It shows that other inner-city market segments are formed by young and small households improving their housing, moving from rental units to home-ownership status. Yet another inner-city sub-market is formed by higher-income families. Suburban markets attract younger households that are on their way to buying a single-family house but cannot afford to do so now. The growth of the condominium sector is diversifying inner-city residential areas and helping households to match their housing purchase to their housing needs. The growth of this sector increases the population density in the suburbs.

MILLER, F. C.: "Regional Fiscal Policy and the Great Recession of 1981-1982": This paper examines whether regionally discriminating government expenditure policies could have played an effective role in combating cyclical unemployment in the regions in the severe 1982 recession. To conduct this examination quantitative estimates of the elasticity of the unemployment rate with respect to government expenditures are calculated for each of the regions. These estimates show that expansionary fiscal policies could have at best played only a very modest role in reducing cyclical unemployment in the regions since the unemployment rate-government expenditure elasticities were less than unity in all the regions and were lowest in the Atlantic Provinces and Quebec.

DRUGGE, S. E.: "A Theoretical Critique of Shift and Share Analysis: A General Equilibrium Approach": This paper utilizes a regional general equilibrium analysis to demonstrate that the shift-share technique of using relative changes in labour inputs as a method of identifying industries having region-specific competitive advantage is theoretically incorrect. Using conventional output and cost performance to measure competitive advantage, the paper provides general equilibrium models that demonstrate that regional transformations between labour inputs and commodity output will vary, dependent upon differing factor intensities of commodities, regional factor endowment differences, and regional differences in consumer demand patterns. Therefore relative regional changes in labour inputs cannot be construed as a theoretically correct measure of inter- and intraregional industrial competitive advantage, but simply reflect region and commodity-specific transformation relationships between labour inputs and commodity outputs.

DEWOLF, A. G., J. D. McNIVEN and D. S. McPHAIL: "ACOA in an International and Historical Perspective": The Atlantic Canada Opportunities Agency (ACOA) was created in June of 1987 as part of the federal government's revised approach to regional development in Canada. ACOA and the approach ACOA takes to regional development can be viewed as a product, in part, of international trends in industrial and occupational practices; in part, as the product of the international flow, ideas, and innovations; and in part, as the evolution of a uniquely Canadian approach. Measuring the effect of ACOA in an economy where macroeconomic impacts overshadow the impacts of microeconomic interventions will not be easy. A report card measurement system is explored, but U.S. experience with report cards urges caution in adopting such a system.