Industrial Restructuring of the Prairie Labour Force: Spatial and Gender Impacts

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The economic restructuring of the Prairies that has characterized the latter part of this century, is nowhere more apparent than in the decline of the agriculture sector. Even during periods of increasing value of agricultural production, the farm population has been steadily declining in absolute terms (Stabler and Olfert 1992). Labour-saving technological change, together with income-inelastic world demand for cereals, a relatively fixed quantity of land resource, and the competitive market in which agricultural output is sold, have all contributed to a reduction in farm labour requirements. Of course, the absolute decrease in agriculture employment that is occurring at the same time other sectors are expanding, translates into a substantial reduction in the relative importance of agriculture. In addition to the traditional adjustment through exit, a partial adjustment of labour has recently appeared. That is, farm operators and members of farm families participate in the non-farm labour market while continuing their farm production.

Agriculture policy has been directed primarily at supporting and stabilizing income associated with farm production for those remaining in primary production. Much less attention, and money, has been directed towards encouraging and facilitating the reallocation of labour out of the industry, either for those exiting the industry or for those making the adjustment by combining non-farm employment with continued farm production. There are two exceptions -- the Canadian Rural Transition Program (CRTP) and the recently announced (August 1993) Canadian Rural Opportunities Initiative (CROI). These are both retraining programs directed at the farm labour force. The former, CRTP, requires that farm families exit from farming in order to qualify for assistance. The newer program, CROI, is designed to provide training, counselling, and business development assistance to farm families to increase...
and diversify their income without having to leave farming.

Successful assistance to adjustment of the labour force out of primary agriculture production into other sectors requires consideration of the more general industrial restructuring of the economy. Further, if there is some value attached to retaining the population in rural areas, the metro/non-metro distribution of growth industries is an important consideration. A rural population is necessary to support the commercial and public services provided for farmers and those involved in resource extractive activities. Farm women are consistently engaged in non-farm employment to a much greater extent than farm men. The ability of the agriculture labour force to adjust to the reduced on-farm labour requirements by increased participation in non-farm employment will depend to a significant degree on the participation of women in the positive aspects of industrial restructuring.

It is the objective of this paper to describe the differential impacts of industrial restructuring of the Prairie economy on metro and non-metro areas as well as on males and females. The distribution of employment growth over metro and non-metro areas and between males and females will help to define the opportunities faced by farm families making either a complete or a partial adjustment out of primary production agriculture.

Other Studies

Industrial restructuring is occurring globally and is the source of both economic growth and structural unemployment, as the labour force adjusts with a lag. Restructuring is the result of a combination of changes in final and intermediate demand for goods and services, as well as technological changes that have led to the substitution of capital for labour at differential rates among industries. While the precise nature of the restructuring varies from one place to another, the predominant characteristic is the relative decline of the goods-producing sectors as sources of employment and a dramatic increase in the importance of the service sectors. Urban and rural areas participate to different degrees in the restructuring process, depending on their existing economic bases and their ability to attract new firms. Persistent differences in the industrial distributions of females and males suggest that the restructuring process may also have a gender bias.

Rural communities in agriculture-dependent regions are negatively affected by the population decreases associated with the reduction in farm numbers. In addition, changes in transportation, communication, and distribution technologies have led to consolidation of many business functions into larger centres. The consumer preferences of rural dwellers, reflected in their shopping patterns, suggest a strong bias in favour of the larger centres, again at the expense of smaller centres. Population redistribution also results in the consolidation of public infrastructure, albeit with a lag.

The decline in agriculture employment has coincided with a rapid increase in female participation rates. Generally, female participation rates in rural areas are lower than in urban areas, although the difference is narrowing (Godwin and Marlowe 1990; McCarthy et al. 1988). For women on farms, increased participation most often takes the form of non-farm employment. Female employment has conventionally been highly concentrated in the service sector. The service sector includes both a high-skill end (managerial and professional occupations) and a low-skill end (clerical, sales and service occupations). Historically, female employment has been concentrated in the latter, although the health and education infrastructure in rural areas has been a major source of professional employment for rural women. Empirical evidence suggests that women consistently commute shorter distances to work than men (Deseran 1989; Hanson and Johnston 1985; Madden 1981), so the consolidation of public infrastructure into more distant, larger centres may pose serious constraints on the opportunity for rural women to participate in this employment.

Information on employment changes by industry and by gender is readily available. Some empirical work on changes in the industrial distribution of employment also distinguishes between metro and non-metro areas. However, an analysis of the differential effect of industrial restructuring for females and males in metro and non-metro areas is largely absent.

A detailed examination, based on commodity-by-industry input-output tables for the Canadian provinces, describes the nature of recent structural change in Canada and the importance of services in the regional growth process (Stabler and Howe 1992). The results support the arguments of a production process increasingly dependent on service inputs, and growing inter-regional and international trade in services.

A U.K. study examines the regional consequences of the shift from goods-producing jobs to service-type jobs (Hall 1990). This study concludes that restructuring has aggravated regional disparities -- regions that lost the most in manufacturing jobs gained the least in (private sector) service jobs. Growth industries are thus becoming more concentrated in the largest urban centres.

Similar patterns of the growth in the relative importance of the service industries and their regional distribution in the 1980s are documented for the U.S. (Bernat and Frederick 1992; Deavers 1991; Hady and Ross 1990; Hamrick 1991/92; Porterfield 1990). For most regions, in both non-metro and metro areas the service sector has been the major source of employment growth, but non-metro areas remain more dependent on goods-producing industries than metro areas. Further, the service sector jobs that have gone to

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1. The metro/non-metro distinction is somewhat arbitrary as non-metro areas will include residents surrounding metro areas that are really more urban than rural. In the Prairie region of Canada, however, non-metro areas are truly rural.
non-metro areas tend to be non-basic rather than basic and are characterized by lower-paying employment.

The impacts of the decline of the agriculture sector are a special case of the general pattern of goods-producing industries. An additional aspect of the agriculture restructuring process appears to be the phenomenon of permanent, planned pluriactivity of farm family members (Barclay 1990; Barlett 1986; Brooks and Reimund 1989; Olfert 1992; Schmitt 1989). On the Canadian Prairies, farm women are more likely than farm men to participate in the non-farm labour market. Participating in the non-farm labour market means competing in the same labour market as the rest of the labour force. Farm family members, however, are sometimes faced with an additional constraint in terms of commuting to the location of the (desired) non-farm job. To the extent that the source of growing labour demand (service sector) is more likely to locate in metro areas, farm family members located in non-metro areas are at a competitive disadvantage. Although improvements in transportation infrastructure will reduce this disadvantage, time and cost burdens imposed by distance will still impede their participation.

Several studies have shown that the evolution of the structure of rural and urban centres is the result of economy-wide changes and the location choices of firms in the growth industries (Beck and Herr 1990; Freshwater et al. 1991; Stabler and Olfert 1992). These studies point out that as smaller, remote, or poorly located communities decline, they become increasingly less able to provide employment opportunities and less likely to attract growth industries.

However, these studies do not address the question of gender bias in the restructuring process. What is relatively well documented are the persistent differences in the industrial distributions of females and males (Statistics Canada 1990). In Canada, 53 percent of females find employment in the service industries compared with 25 percent of males. Women have not been well represented in the goods-producing industries, which are concentrated in non-metro areas. The industrial distribution of female employment accounts for a large part of their persistently lower earnings.

The literature documents the growing importance of the service sector as a source of employment for both metro and non-metro areas, although metro areas are better able to attract high tech service industries. While it is clear that females remain dependent on the growing service sector, empirical studies do not document the extent to which metro and non-metro females are reliant on this sector or the differential impact on females and males of the industrial restructuring.

Data Sources and Methodology

Industrial distributions of the experienced labour force by gender for 1971, 1981, and 1986 provide the data base for this study (Statistics Canada 1988, 1989). Industries are aggregated to nine groups which correspond to one or two-digit SIC levels. "Unspecified" industries are deleted from consideration. The "experienced labour force" includes unemployed and thus may not be a precise representation of the employed labour force, although given the relatively long time intervals over which change is being considered, this is not a serious problem.

The metro/non-metro disaggregation is available for only 1981 and 1986, and the distinction between agriculture and other primary cannot be made. Metro areas are defined as the sum of Census Metropolitan Areas (CMAs) and non-metro areas are defined as the sum of Census Metropolitan Areas (CMAs). The non-metro labour force was determined as a residual.

An index of restructuring, which shows how the changes in relative importance of each industry to total employment, is used to compare the degree to which metro and non-metro areas, and females and males, have participated in the restructuring process on the Canadian Prairies. The index is computed by dividing each industry’s share of employment change by that industry’s share of the employment base. This index measures the extent to which relative importance of individual industries will change over time as the result of current changes in labour demand. Where aggregate employment is increasing,
individual industries may be affected positively (index values greater than one) or negatively (values less than one including negative values). A value of one serves as a benchmark. A value greater than one implies the industry is growing in relative importance. A value of less than one (but greater than zero) means the industry is experiencing positive growth, but is declining in relative importance. Negative numbers signal an absolute decline in employment in that sector. Restructuring indices are computed first for the entire Prairie region, then for metro and non-metro areas and, finally, for females and males.

**Industrial Restructuring in Metro and Non-metro Areas**

Prairie-wide changes in the experienced labour force between 1971-81 and 1981-86 (Table 1) show that growth during both periods was concentrated in the service sector, more so in the latter period than the former. Between 1971 and 1986, the labour force grew by 878,305. Goods-producing industries accounted for 14 percent while non-goods producing sectors accounted for 86 percent of this growth.

Restructuring indices show the impact of absolute changes in employment on the relative importance of each sector in the regional economy (Figure 1). Between 1971 and 1981, trade, finance, insurance, and real estate (FIRE), other (non-agriculture) primary, and services all had restructuring indices greater than one. Construction also had a value in excess of one, although this is more a cyclical phenomenon than a long-term adjustment. All other sectors had indices of less than one, with only agriculture experiencing an absolute decline.

Between 1981 and 1986, only services, public administration, and agriculture had restructuring indices of greater than one. Manufacturing and construction had negative indices, reflecting absolute declines in employment. The index for agriculture reflects the fact that there was a substantial increase in the number of women reported in the 1986 agriculture labour force. The large absolute size of the service-sector index reflects the importance of this industry in providing new employment between 1981 and 1986. It shows that the service sector’s share of new jobs was 3.31 times as great as that sector’s share of 1981 base employment.

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5. In the event that aggregate employment should decline the interpretation of the signs of the index would be exactly the opposite.
6. Growth and decline of the construction industry are more reflections of cyclical changes than longer-term structural change.
7. Goods-producing industries include agriculture, other primary (consisting of logging, forestry, fishing, trapping and mining); manufacturing; and construction. Non-goods-producing sectors include transportation, communication and utilities (TCU); finance, insurance, and real estate (FIRE); community, business, and personal services; and public administration.

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### TABLE 1 Industrial Distribution of Labour Force Change by Sex, Prairie Region, 1971-81 and 1981-86

<table>
<thead>
<tr>
<th>Industry</th>
<th>1971-81</th>
<th>1981-86</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Males</td>
<td>Females</td>
</tr>
<tr>
<td>Agriculture</td>
<td>-15,970</td>
<td>-10,290</td>
</tr>
<tr>
<td>Other Primary</td>
<td>42,145</td>
<td>14,865</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>40,305</td>
<td>22,105</td>
</tr>
<tr>
<td>Construction</td>
<td>76,560</td>
<td>13,970</td>
</tr>
<tr>
<td>Transportation</td>
<td>40,510</td>
<td>21,800</td>
</tr>
<tr>
<td>Trade</td>
<td>61,980</td>
<td>74,965</td>
</tr>
<tr>
<td>FIRE</td>
<td>17,195</td>
<td>39,620</td>
</tr>
<tr>
<td>Services</td>
<td>83,500</td>
<td>160,370</td>
</tr>
<tr>
<td>Public Admin.</td>
<td>13,935</td>
<td>34,895</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>360,160</td>
<td>372,300</td>
</tr>
</tbody>
</table>


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### TABLE 2 Industrial Distribution of Labour Force Change by Metro/Nonmetro and Sex, Prairie Region, 1981-86

<table>
<thead>
<tr>
<th>Industry</th>
<th>Metro Areas</th>
<th>Nonmetro Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Males</td>
<td>Females</td>
</tr>
<tr>
<td>All Primary</td>
<td>2,445</td>
<td>2,145</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>-7,855</td>
<td>-800</td>
</tr>
<tr>
<td>Construction</td>
<td>-23,600</td>
<td>-2,785</td>
</tr>
<tr>
<td>Transportation</td>
<td>-570</td>
<td>1,110</td>
</tr>
<tr>
<td>Trade</td>
<td>6,390</td>
<td>4,060</td>
</tr>
<tr>
<td>FIRE</td>
<td>590</td>
<td>280</td>
</tr>
<tr>
<td>Services</td>
<td>33,080</td>
<td>55,270</td>
</tr>
<tr>
<td>Public Admin.</td>
<td>3,115</td>
<td>7,165</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>13,595</td>
<td>66,445</td>
</tr>
</tbody>
</table>


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a. Totals will not always equal the sum of males plus females due to rounding.
The changes for the 1981-86 period (Table 2) reveal the importance of the service sector as a source of growth for both metro and non-metro areas, although in absolute terms non-metro growth was only half that of metro growth. Trade and public administration were the two other sectors that showed absolute growth over this period.\footnote{The apparent increase in primary sector employment is due to an increase in the number of women reporting agriculture as their industry. This is more a function of a change in reporting conventions rather than a real increase.}

The restructuring indices shown in Figure 2 permit a comparison of the way in which the absolute growth and decline in individual industries changes the industrial structure in metro and non-metro areas. For metro areas, sectors that are undergoing a decline in relative importance are, in decreasing order, two sectors that experienced absolute reductions -- construction (-3.56) and manufacturing (-0.92) -- and three sectors where employment increased but their share of the total increase was smaller than their share of the base -- trade (0.72), FIRE (0.17), and transportation-communication-utilities (0.07).
In non-metro areas all sectors, except services, are declining in relative importance. Even so, the importance of this sector in non-metro areas is increasing less rapidly than it is in metro areas.

In summary, the faster-growing sectors in the Prairie economy are concentrated in metro areas and these sectors are, with few exceptions, growing faster than they are in non-metro areas. This implies that there is an increasing concentration of slower-growing or declining industries in non-metro areas.9

Industrial Restructuring by Gender

Just as the changing composition of labour demand is not shared proportionately between metro and non-metro areas, female and male employment is affected differently by structural change. This is because their base industrial distributions differ and because they participate in the changes in labour demand differently. Males constituted approximately 66 percent of the experienced labour force on the Prairies in 1971 but this proportion had decreased to 58 percent by 1986. Over the 10-year interval from 1971 to 1981, 51 percent of the increase in the experienced labour force was accounted for by women, and over the following 5 years, the comparable figure was 84 percent.

The industrial distribution of employment changes between 1971 and 1981 (Table 1) shows an increase for both genders across all industries except agriculture. Females dominated increases in the service, trade, public administration, and FIRE sectors. The agriculture sector experienced an absolute decline, with the decrease in the number of males in this industry somewhat greater than the decrease in number of females. All other sectors experienced growth, with the major share accounted for by males.

The pattern of employment change by gender for the 1981-86 period, also shown in Table 1, is different than that observed for the earlier period. The dominance of the service sector is evident for both females and males, although the absolute increase for females is almost double that for males. Females also dominated in the public administration, agriculture, and TCU industries. Only in the trade sector is the increase in employment larger for males than for females, reversing the pattern of the previous decade. For the two declining industries -- manufacturing and construction -- the loss of jobs by males outnumbered females by 9 to 1.

Restructuring indices constructed individually for females and males indicate the changing structure of industrial employment for each gender. Although in absolute terms the service sector has been of paramount importance to the female labour force and females dominate this sector, a restructuring index of greater than one would appear only if female employment is becoming even more concentrated in that sector over time. The index of restructuring by gender indicates which industry is becoming relatively more important for females (males) as a result of capturing a disproportionate share of employment growth.

Industrial restructuring of the female labour force between 1971-81 and 1981-86 is shown in Figure 3. For comparison, the values of the restructuring indices for the industry as a whole (males and females combined) are found in parentheses under the industry names. For females, industries with restructuring indices greater than one for 1971-81 were other primary, construction, TCU, trade, FIRE, and public administration. This implies that the importance of these industries to employment growth for females was greater than their representation in the 1971 labour force distribution. The fact that services does not have an index value of greater than one indicates that, although the service sector is the largest source of employment growth, the relative importance of this sector to the female labour force did not increase during this period. In fact, its restructuring index of one indicates that the growth of female employment in the service sector was approximately equal to this sector’s share in the base employment. This would be partly explained by the fact that women are participating to a greater degree in employment growth in other sectors as they make inroads (although small in absolute numbers) into traditionally male-dominated industries. The only sector with a restructuring index of substantially less than one for 1971-81 was agriculture.

Restructuring indices for females may be compared with those for the entire labour force (males plus females), which appear below the table in parentheses for each industry. For public administration, the restructuring index for the entire labour force for the 1971-81 period is less than one (0.80), but it is greater than one for females. TCU employment declined in relative importance as a whole but increased in relative importance for females. On the other hand, the service sector, had an index greater than one for total employment but slightly less than one for females.

Turning to the 1981-86 period, restructuring indices for females show a different pattern than that of the preceding decade. The index for the service sector is greater than one, as are the indices for agriculture and public administration. During this period these sectors gained relative importance for the female labour force, while most other industries declined in relative importance.

Restructuring indices for the male labour force, shown in Figure 4, reveal other primary, construction, trade, FIRE, and services gaining modestly in relative importance during the 1971-81 period, while agriculture and public administration experienced small relative declines. The fact that restructuring indices differed only modestly from a value of plus one indicates that the industrial distribution of male employment changes during this decade closely approximated the industry shares of male employment in the base period.

9. The results presented here are based on employment changes. Focusing on value of production may lead to a different presentation if productivity gains vary by sector.
For the 1981-86 period, the most striking feature is the increase in the importance of the service sector and the decline of most other sectors, especially construction and manufacturing. In addition to services, only trade and public administration had restructuring indices of greater than one. The implication is that the limited employment growth for males during this period was highly concentrated in the service sector and that this concentration is a significant departure from the base industrial distribution.

Are females becoming more concentrated in the service sector? In summary, yes, but so is the entire labour force. In fact, this sector is increasing (relative to other sectors) at a slower rate for females than for males. For the 1981-86 period in particular, the service sector restructuring indices for both females and males are greater than one, showing that this sector accounts for an increasing share of total employment for both. However, the absolute value of the index for males is much higher than for females. Females, whose jobs are already highly concentrated in the service sector, are finding new employment in all other sectors as well. Male employment, on the other hand, is
expanding at a very slow rate but what growth there is consists almost exclusively of service-sector employment. In this way, males may be considered more dependent on the service sector for employment growth than females.

Is the proportion of females in the service sector, the traditionally female-dominated industry, growing? Again, yes, the female share of employment in the service sector is increasing. Over time, females will continue to account for an increasing share of the service-sector employment, but the same holds true for female representation in most other sectors. The overall rate of growth of the female labour force is large relative to growth in the male labour force. That is, at the same time that the service sector is increasing in relative importance as a source of employment for females, females are increasing their share of total service-sector employment. For males, service-sector employment is increasing in relative importance as a source of employment but their share of service-sector employment is decreasing.

**Industrial Restructuring by Gender and Metro/Non-metro Areas Combined**

As demonstrated above, restructuring affects metro and non-metro areas differently, with metro areas capturing a disproportionate share of employment growth in the non-goods-producing sectors. Declining or slower-growth industries such as the primary sector and manufacturing are losing employment more slowly in non-metro than in metro areas. Over time this may not bode well for non-metro areas. The implication is that total employment growth in non-metro areas will continue to lag behind that in metro areas, where employment in the growth industries is currently concentrated and is becoming more concentrated.

The change in employment by sector for non-metro females, metro females, non-metro males, and metro males is shown in Table 2. Metro areas captured more than 60 percent of the increase in female and about 70 percent of the increase in male service-sector employment. Metro areas also dominated in trade-sector employment growth for both males and females. The concentration of public administration employment in metro areas is apparent for both males and females. Only in transportation and the primary sectors did non-metro-area employment growth exceed that of metro areas. In metro areas, manufacturing employment declined for both males and females; in non-metro areas, female employment in manufacturing increased while male employment decreased, resulting in a small overall net increase.

The comparison of non-metro and metro females shows that service sector employment growth was concentrated in metro areas. This was also the case for public administration and trade. Decreases in manufacturing and construction-sector employment was more concentrated in metro areas, while increases in female employment in agriculture, other primary, TCU, and FIRE were greater in non-metro areas. The net result has been that, compared to metro females, the non-metro female labour force has not benefited proportionately from employment increases in sectors of growing labour demand.

Non-metro males are less likely than their metro counterparts to find new employment in the service sector, public administration, trade, and FIRE. Only in the primary sectors and TCU are employment increases for males concentrated in non-metro areas. Construction and manufacturing decreased in both metro and non-metro areas, but the loss of jobs was greater in metro areas.

A comparison of industry restructuring indices for metro and non-metro females during the 1981-86 period (Figure 5) shows that the non-metro female labour force is becoming more concentrated (restructuring indices of greater than one) in the primary and service sectors, while the metro female labour force is becoming more concentrated in the service and public administration sectors. However, the restructuring index for non-metro females in the service sector is smaller than it is for metro females. Non-metro females were not able to capture as much of the service-sector growth (relative to their base participation in this sector) as metro females. This is consistent with the more general observation made above that the service-sector growth is concentrated in metro areas. Further, the public administration sector, which is also increasing in overall importance as a source of employment, benefits metro females but not non-metro females. For those industries with overall restructuring indices of less than one (everything except the service and public administration sectors), the value of the indices is greater for non-metro females than for metro females. This suggests that downsizing in declining industries is occurring less rapidly for non-metro females than for metro females, thus leaving a higher concentration of non-metro females employed in declining industries.

Restructuring indices for metro and non-metro males, shown in Figure 6, reveal a similar pattern. Compared to non-metro males, metro males are becoming more concentrated in industries with restructuring indices greater than one. This is the case for both services and public administration. Trade, which is also gaining importance for the total male labour force, is also increasing in relative importance more rapidly for metro males than for non-metro males. Industries that are generally declining in relative importance in the economy are losing importance less rapidly for non-metro males than for metro males.

In summary, metro females have participated to a greater extent than non-metro females in the industrial restructuring as shown by their larger indices for the growing industries and smaller (negative) indices for the declining industries. In the non-metro labour force, however, males have been more affected by the industrial restructuring than non-metro females.
Conclusion

One of the most visible indications of global restructuring is the changing industrial distribution of the labour force. The Prairie labour force has participated in the restructuring process. Goods-producing and resource-extraction sectors, along with those industries that directly support them, have declined in relative importance and occasionally even in absolute terms. At the same time, service sectors have expanded rapidly in absolute terms and have greatly increased their relative importance as a source of employment. This trend toward increasing relative importance of the service sector was apparent during the 1971-81 period, a period of general expansion, and more pronounced during the 1981-86 period when most other sectors grew slowly and some even declined.

Restructuring indices in metro and non-metro areas show the growing relative importance of the service sector in both, although this sector is gaining importance more rapidly in metro than in non-metro areas. In general, indus-
tries gaining relative importance on the Prairies as a whole are gaining more rapidly in metro areas. Also, industries declining in relative importance on the Prairies are declining more rapidly in metro areas. This indicates that metro areas are restructuring more rapidly. Metro areas are benefitting from an increasing concentration of growth industries, while declining industries become more concentrated in non-metro areas.

Separate restructuring indices for males and females reveal that, during the 1971-81 period females gained in employment in sectors that have traditionally been male-dominated. At the same time, the service sector, while by far the largest source of employment, did not gain in relative importance for the female labour force. The 1981-86 period showed services and public administration gaining relative importance in the female labour force while others experienced a relative decrease. Between 1971-81 the industrial distribution of the male labour force was very stable. In the following period, the service and public administration sectors gained significantly for both the male and female labour force. For males, however, net gains in employment were almost exclusively in the service sector.

Finally, industrial restructuring for females and males in metro and non-metro areas was examined. The pattern of major gains by the service sector as a source of employment persists for all four groups -- metro males, non-metro males, metro females, and non-metro females. Generally, growth sectors in the economy have favoured metro females over non-metro females and metro males over non-metro males.

The industrial restructuring of the labour force -- with the non-goods-producing sectors gaining in relative importance and goods-producing sectors declining -- is proceeding in non-metro as well as in metro areas. Non-metro areas are thus participating in economic restructuring, and the non-metro labour force, like the metro labour force, is being transformed into one that is more dependent on the service sectors. The rate of restructuring appears to be slower for non-metro areas. However, to put a positive interpretation on this experience, declining industries are declining less rapidly in non-metro than in metro areas. Even though an industry is declining in relative importance as a source of employment, positive absolute growth contributes to income levels and population stability in non-metro areas. There may be a window of opportunity for non-metro areas with locational advantages for industries that are down-sizing in metro areas. For non-metro areas, a sustained, although slow, rate of growth in industries that are globally declining in relative importance may be an indication of their comparative locational advantage.

References


