

ABSTRACTS

AULD, D. A. L.: "An Evaluation of Economic Management at the Provincial Level: The Case of Ontario": In 1969, the province of Ontario became the first provincial jurisdiction to employ counter-cyclical fiscal policy. This paper reviews and summarizes the measures Ontario following during the 1969-78 period and highlights the confrontation between the Province and Ottawa. The effectiveness of those policies is evaluated by measuring the net impact of discretionary policy. The paper concludes with a review of the current thinking on this topic and the future role of provincial fiscal policy.

BUSSIÈRE, Y., R. MARCOUX, and M. TESSIER: "Démographie et demande de transport des personnes: méthode de projection élaborée à partir du cas montréalais, 1981-1996": The evolution of the transportation demand of persons is closely linked to demographic evolution. The model discussed here, developed from the Montreal case for the period 1981-1996, assigns the transportation behaviour observed in the Origin-Destination survey of 1982 to the population projected in 1996 (slow growth, ageing and decentralization). This scenario with constant behaviour facilitates the measurement of the influence of demographic factors on demand; their impact is to lower the demand for public transportation and to raise the demand for automobile travel. The Montreal case is followed by a discussion of possible applications of the model elsewhere.

VINCENT, R. and M. ROSENBERG: "Foreign-Trade Zones: Does Canada Need Them?": Creating economic enclaves where government regulation is minimized has been suggested as a way of protecting existing jobs and creating new jobs in Canada. Since there already exists a growing body of critical studies on United Kingdom enterprise zones, emphasis is placed on examining United States foreign-trade zones as an alternative model for Canada. The examination covers the theoretical debates concerning the utility of economic enclaves, the historical development of foreign-trade zones, analysis of their performances at the macrolevel, and a microlevel case study of the Buffalo Foreign-Trade Zone. Given the performance of foreign-trade

zones in the United States and current federal government initiatives in Canada, the case for creating economic enclaves in Canada does not seem to be justified as a way of saving existing manufacturing jobs and creating new ones. Their value in encouraging the development of other economic sectors of the post-industrial city is open to debate.

MILLER, F. C.: "The Natural Rate of Unemployment: Regional Estimates and Policy Implications": This study estimates natural rates of unemployment for the regions and discusses the implication of these estimates for the successful use of regional fiscal policy in combatting unemployment in the severe 1982-83 recession. This analysis shows that by far the largest proportion of the unemployment experienced in the regions in the recession was caused by the inefficient operation of labour markets rather than by deficient aggregate demand. Consequently, it is concluded that if the goal of regional policy had been to reduce unemployment in the high unemployment regions, emphasis should have been given to measures to reduce the natural rate of unemployment rather than to measures to stimulate regional aggregate demand.

RAYNAULD, J.: "Canadian Regional Cycles and the Propagation of U.S. Economic Conditions": Canadian regional cycles have received some attention over the years. However, the empirical approaches used have not explicitly incorporated interregional links and the important influence of the U.S. Furthermore, most studies stop at the beginning of the seventies. This paper reexamines the question of regional cycles using recent data (total employment, 1966.1-1984.7) and a more appropriate technique (BVAR). According to the results, important changes have occurred. Contrary to the accepted view, the Ontario cycles are more volatile than those observed in Quebec and the Atlantic region. This can be explained by a closer relationship with the U.S. economy. B.C. cycles are still extremely volatile.