

Abstracts

RABEAU, Y.: «Les effets de retombées salariales entre les régions au Canada» (“Wage Spillover Effects among the Regions in Canada”): In this paper the author uses microdata on collective agreements to examine wage spillover effects among regions in Canada. These spillover effects are related, among other things, to labour mobility and the wage policy of large firms in Canada. The wage equations obtained confirm that wages respond differently from one region to another to short-term economic conditions. Results also support the existence of interregional wage spillover effects in Canada. In particular, wages in the Atlantic Region and in western Canada are affected by these spillover effects. Furthermore, the results show that sectors exposed to international competition have a significant influence on the wage behaviour in regions where these sectors are a significant part of the local economy. This is verified for Quebec and British Columbia. Finally, our results tend to partially justify the recent monetary policy of Canada's central bank aimed at slowing inflation. But they also show that some regions are more severely affected than others by monetary restriction.

NEWBOLD, K. B., and K-L LIAW: “Characterization of Primary, Return, and Onward Interprovincial Migration in Canada: Overall and Age-Specific Patterns”: This paper uses the Public Use Sample of the 1981 Canadian Census to study the overall and age-specific patterns of primary, return, and onward migration. The classification of these three types of migration is based on information on province of birth and province of residence in 1976 and 1981. The main finding is that the major similarities and differences observed in the United States among the three types of migration are also observable in Canada. For each type of migration, out- and immigration propensities are examined on the basis of out- and immigration rates measured in reference to proper at-risk populations, whereas their compounded effect is assessed using net migration volume.

PONSARD, C.: «L'homo œconomicus et l'espace» (“Homo Œconomicus and Space”): This article integrates the two paradigms of spatial

economic analysis and imprecise analysis. After reminding us that space is not economically neutral and that the laws of conventional economics are no longer valid when all people and activities cease to be located at a unique point, it shows that the symmetry of space and time does not hold in economic analysis. Whereas time is characterized by a unique formal structure, space is characterized by multiple and diverse formal structures. Thus, two alternative perspectives must be distinguished depending on whether space is seen as an economic good in itself or as a support for economic activity. The classical model, whether it includes space or not, assumes that people are perfectly able to discriminate. In reality, however, their behaviour is most often imprecise, groping, sometimes ambiguous, and even at times contradictory. The ensuing concept of "weak rationality" merits as much attention as that of economic space. The application of the theory of fuzzy sets enables one to enrich the analysis since all the information is included with all its nuances. Such an approach leads to the domain of subjective spaces such that the "homo oeconomicus" evolves in a fuzzy space that is very promising from a theoretical as well as an empirical viewpoint.

RIOUX, J. J. M., and J. A. SCHOFIELD: "Economic Impact of a Military Base on Its Surrounding Economy: The Case of CFB Esquimalt, Victoria, British Columbia": This empirical study estimates the impact of Canadian Forces Base Esquimalt on the economy of the Capital Regional District, British Columbia. The impact of the base on regional income and employment is estimated using multiplier models based on both a questionnaire survey and economic base techniques. These models distinguish between spending propensities at the military base and in the community at large. The income multiplier is estimated at between 1.64 and 1.86 and the employment multiplier at between 1.86 and 2.15, with lower and upper bounds obtained by using the minimum requirements and location quotient techniques, respectively. These estimates imply a total annual impact in regional income (for fiscal year 1986-87) of between \$391.5 million and \$440 million or an incremental impact in local income created outside the defence sector of about \$172.5-\$225 million. In terms of employment, as of July 1987, 14,400-16,600 of the 100,000 jobs in the community were estimated to be attributable to the existence of the base, 6,600-8,900 of these being outside the defence sector.

KULSHRESHTHA, S. N.: "Establishing the Value of Water for Different Economic Sectors Using a Regional Interindustry Model": Water development projects, particularly large ones, tend to have many objectives; there is almost constant competition for water use.

Because an approach that provides decision makers with a basis for allocating water among competing uses is needed for Saskatchewan, this study develops an input-output linear programming model based on the 1984 structure of the Saskatchewan economy. The shadow price of water (marginal value in terms of regional development) is derived. This value at the constraining level of water availability was estimated at \$17.47 per cubic dekameter. The shadow price of water and the sectoral value of water to different sectors were also estimated. At low availability of water, mining and services sectors are the primary beneficiaries, whereas at high availability of water, services and agriculture become primary beneficiaries.

DICKSON, V.: "Scale Economies and Labour Productivity in Atlantic Canada": This paper examines the role of suboptimal plant scale as a source of lower labour productivity in Atlantic Canada manufacturing relative to Canadian manufacturing. For each of 126 Atlantic Canada industries, information on the size distribution of plants and estimates of economies of scale are used to determine the contribution of inadequate plant scale to the region's lower labour productivity. The results indicate that for 1979 about one-third of the region's productivity disadvantage in manufacturing could be attributed to inadequate scale. Regression analysis is also used to try to account for interindustry differences in the importance of scale as a source of lower labour productivity in the Atlantic Region.

BEAUDREAU, B. C.: "Transport Costs and Regional Wage Differentials: Evidence from Canadian Microdata": This note reports the preliminary results of an applied research programme on transport costs and their effect on the spatial distribution of economic activity. Specifically, estimates of regional equilibrium wage differentials (that is, those required to counter transport costs) are reported for 89 Canadian manufacturing industries. The results (presented by LINK industry and distance from central Canada) indicate the presence of important wage differentials. Moreover, the assumption that provincial value added is decreasing in the equilibrium wage differentials is verified. It follows that in Canada regional equilibrium wage differentials have a strong influence on industry location.

HALSETH, G., and M. ROSENBERG: "Conversion of Recreational Residences: A Case Study of Its Measurement and Management": Recently, residential change in rural and small-town Canada has been the subject of renewed research interest. One special case of residential change concerns the conversion of recreational cottages and properties to permanent residences. This conversion activity imposes changes and

demands on local areas which the community often finds difficult to manage. Through the use of a case study, local government records are used to map geographic patterns of building permit, rezoning, and conversion activity. Moreover, the effectiveness of the revised set of land-use zones set forth in 1978 by the Ontario Ministry of Housing as a method of tracking and managing this kind of conversion activity in rural resort municipalities is examined.

BIGRAS, Y., and B. VERMOT-DESROCHES: «Une méthode flexible pour l'identification des grappes industrielles au Canada» (“A Flexible Approach to the Identification of Industrial Clusters in Canada”): This paper suggests a new empirical approach to the identification of industrial clusters. It examines critically the various methods proposed to date, noting particularly the unsuitability of algorithms based on optimization. The main contribution is the application of the new approach to the input-output tables produced by Statistics Canada. Industries having stronger links with each other than with other branches are grouped together in three stages. The links between each pair of industries are classified in a hierarchy according to three criteria with increasingly exacting requirements: strong technological links, strong spatial links, and major spatial links. Application of this method to Ontario, Quebec, and the Maritimes enables us to identify more precisely the structural differences among the three economies.