

Abstracts

JOHNSON, J.A., and R.D. KNEEBONE: "Wage Flexibility and Cyclical Unemployment in Canadian Provinces". Recently, a good deal of attention has been focused on the question of whether differences in the degree of wage rigidity offer an explanation of different unemployment rate experiences across OECD countries (Grubb, Jackman and Layard (1983) and Bruno and Sachs (1985)) and across regional labour markets within Europe and the U.S. (Hyclak and Johns(1989)). This paper asks the same question of provincial labour markets in Canada. The results indicate labour markets in Atlantic provinces exhibit a significantly lower degree of nominal wage rigidity than do labour markets in other provinces. Differences in nominal wage rigidity are found to play a significant role in explaining relative movements in provincial cyclical unemployment rates.

KLEIN, K.K., S.N. KULSHRESHTA, B. STENNES, G. FOX and W.A. KERR: "Transportation Issues in Canadian Agriculture I: Regional Modelling for Policy Analyses". A major review of Canada's agricultural transportation policies began in December 1989. To study the implications of changing the Western Grain Transportation and Feed Freight Assistance Acts, an existing regional model of Canadian agriculture was modified and up-dated. This model includes 29 crop producing regions as well as the major livestock producing and transportation activities available in the country. Input-Output models of the prairie provinces were also used to study the implications of policy options on the industrial sectors of these provinces. A description and justification of these models is provided in this paper.

MITCHELL, A., and L. SOROKA: "Income Distribution and City Size: Has the Structure Changed?". It has been suggested that structural changes to the economy in the 1980s would alter income distributions. Such changes would be of special interest to urban analysts if, as we hypothesize, they have different impacts across cities of different sizes. Analysis of 1971 and 1986 Census data suggests that earlier models of urban income distributions fail to explain the 1986 distributions. While there may be a number of reasons for this, we find that the model regains its explanatory power once male/female variables are added; this suggests that the changing role of women in the labour force is having significant, but still unclear, effects on income distributions in

cities of different sizes.

CLEVELAND, G.H., and D.E. HYATT: "Determinants of Child Care Choice: A Comparison of Results for Ontario and Quebec". This paper examines the choice of child care arrangements made by families with employed mothers and preschool children for both Ontario and Quebec. Using a mixed logit estimation procedure, the choice of five distinct forms of child care (child care centre, a neighbourhood sitter, an in-home sitter, care by the father while the mother works or care by another relative) is related to the prices of the different forms of care, sources of family income, and a series of variables which reflect family characteristics. The paper provides evidence on differences in the price and income elasticities of demand for each type of child care across the two provinces. It also reveals similarities and differences in the determinants of child care choice in Canada and the United States. The empirical results reveal that the demand for all forms of care, with the exception of neighbourhood sitter care is considerably more price sensitive in Quebec than in Ontario. The higher price elasticity of demand for day care centres in Quebec is broadly consistent with U.S. findings. We also find both mother's and father's incomes are important determinants of the choice of child care arrangement in the two provinces, unlike results for many U.S. studies which find father's income to have little influence.

RIGBY, D.L., and W.P. ANDERSON: "Employment Change, Growth and Productivity in Canadian Manufacturing: An Extension and Application of Shift-Share Analysis". This paper examines changes in Canadian manufacturing employment between 1961 and 1986. Hours worked and value added data are used within a modified shift-share framework to outline the employment performance of all twenty (two digit SIC) manufacturing sectors in six regions of Canada. The basic shift-share model is extended to separate the influence of changes in output and productivity on employment. Variations in provincial output and productivity growth through business cycle stages are revealed.

TRENTON, T.N.: "Goin' Down the Road" or "The Island Way of Life"?: Student Attitudes and Values in the Hinterland". From 1983-1990, introductory sociology students from the University of Prince Edward Island were questioned about two independent sets of attitudes, each conceptualized along a continuum--hinterland attachment-metropolis attraction (perception of personal goals) and hinterland isolationism-metropolis integration (perception of the community). Thus, two different types of both parochialism and cosmopolitanism were created which, when cross-mixed, produced four ideal types. Multiple regression analysis with various correlates suggested by the research literature on community attachment and outmigration found that the systemic and rural outmigration models accounted for hinterland attachment and metropolis attraction, respectively and that the rural mystique and boom-town

growth perspectives accounted for hinterland isolationism and metropolis integration, respectively. Different combinations of these determinants accounted for the four ideal types.

DAMUS, S.: "On Input-Output Analysis With Incomplete Data". Computations with public use input-output tables can lead to inexact results because of suppression of confidential data and rounding errors. This research note presents a method for achievement of exact results with public use data by extension of the dummy industry technique.

MURRELL, D.: "A Taxonomy of Atlantic Canada's High Consumption Rate". This research note compares consumption rates, by region and for each province in Atlantic Canada, from two Statistics Canada sources: the Provincial Economic Accounts and the Family Expenditure Survey. It is found that the deliberate omission of "net tourism spending" flows in the Provincial Accounts explains little of the region's high household spending, except in the case for Prince Edward Island. Instead, Atlantic Canada's high consumption rates come from two sources: imputed home-ownership consumption and "private school" education.