

Abstracts

YU, W. and L. CHEN: "The Demand for Alcoholic Beverages in New Brunswick, Canada: A Cointegration Analysis".

Many studies estimating the demand for alcoholic beverages have reported mixed results. These findings, however, might be spurious as the majority of the earlier investigations suffered from misspecifications of one kind or another. The purpose of this paper is to provide a thorough time-series analysis of the demand for alcoholic beverages (beer, wine and spirits) for the province of New Brunswick over the period 1955-1994. Using three alternative cointegration tests and the error correction mechanism, we find, in addition to the traditional own price and income variables, that prices of substitutes and demographic composition are important in explaining alcohol consumption in New Brunswick, Canada. In particular, the demand for beer is unit elastic in both the short and long-run; the demand for wine is price inelastic in both the short and long-run; the demand for spirits is unit elastic in the short-run and elastic in the long-run. The policy implications of our results are discussed.

SHEARMUR, R.G.: "A Geographical Perspective on Education and Jobs Employment Growth and Education in the Canadian Urban System, 1981-1994".

There is a widespread acceptance today that one of the key determinants of employment growth and/or retention is education. This holds true, it is said, for nations, regions, and localities. However, most of the evidence put forward for this contention is of a non-geographic nature: the evidence tends to come from studies of the effect of education on employment prospects for individuals. To a lesser extent, some studies have been made which compare differences in national education levels with differences in employment rates. Such comparisons suffer not only from the inherent difficulty of comparing education across nations, but also from the small number of observations involved. In this article, an attempt is made to determine whether a relationship exists between the education levels of the population in Canadian urban areas and employment growth in these urban areas. It is found that such a relationship does exist, but that it weakens considerably once geographic factors such as size, region and proximity to a major metropolitan area are controlled for. Thus the relevance of education as a tool for local development is not as clear cut as the literature would suggest.

JOURDENAIS, M. et P. DESROCHERS.: «The Death of Distance and the Deconcentration of Economic Activities: New Reality or Mirage ?» [La fin de la distance et la déconcentration de l'activité économique: Nouvelle réalité ou mirage?].

In last few decades, new communication technologies have grown rapidly and have led to forecasts of a "spaceless" utopia. Thus, several researches have heralded the end of geography and distance, even proclaiming the end of cities. By examining certain fundamental concepts relating to urbanisation and industrial agglomeration, we conclude that the present and future geographical impact of these technologies has been greatly over-exaggerated.

PELUSO, T., L. BAKER and P.J. THOMASSIN: "The Siting of Ethanol Plants in Quebec".

Assuming a competitive environment, in both input and output markets, the location decision investigated in this paper considers optimal location of multiple plants producing ethanol with two by-products. Jerusalem Artichoke is the agricultural feedstock used in this process. The processing capacity of the plants is determined by the supply of the agricultural feedstock from the producer. A base scenario is determined against which alternative scenarios are compared. Economies of scale results are presented which show that the lowest cost of ethanol production occurs with one large plant.

MCCLURE, K., P.GIRMA and R. HOFLE: "International Labour Underpayment: A Stochastic Frontier Comparison of Canada and the United States".

The search theory of unemployment suggests that workers, after expending time and resources in the search process, may accept a position that provides compensation at a level below that which is appropriate to the worker's true capability. In this regard the worker is "underpaid" in the sense that there is unused worker capacity which could be productively employed if there was a perfect match between the worker and the actual job accepted. From an overall United States economic perspective, the degree of underpayment represents lost output (reduced GDP). Since this loss is a result of inefficient matches in the labor market, the issue of federal policies to reduce such inefficiencies and improve national output may be important. Whether this issue is nationally important depends on the answers to two principal questions: (1) Does the amount of underpayment represent a major loss in U.S. GDP? and (2)

Does the amount of underpayment in the United States compare favorably or unfavorably with our principal international competitors for the Global Market?

AFXENTIOU, P.C. and A. SERLETIS: "Convergence Across Canadian Provinces".

In this paper we examine convergence among Canadian provinces for the period 1961 to 1991 using real per capita income. Some weak convergence evidence found in crude tests disappeared when more statistically rigorous tests were carried out. This finding suggests that Canada basically remains an economically heterogeneous country, and by implication that its transfer payments and regional equalization policies by and large have been ineffective in attaining their objectives.

SIMARD, M.: «The purpose of regional development theories and the contribution of resources in view of reviving small localities in the process of depopulation: a case in point, the lower St. Lawrence region» [Les théories de développement régional et la contribution des ressources dans le démarrage des petites localités en voie de dépeuplement: le cas du Bas Saint-Laurent].

The development of resources in Quebec has greatly contributed to the make up of its population and economy. Vast regions of the province now have an economic foundation largely built on the exploitation of naturel resources, such as forestry, agriculture, mining and fishery. This is especially the case for the lower St. Lawrence region in east Quebec. The exploitation of these resources has not prevented, however, the development and continuance of a certain fringe economy within the above mentioned region. In relying on the main theories and methods in operation, the author attempts to determine the impact of resources in the economic development of small rural localities in the lower St. Lawrence area and more particularly of those areas undergoing depopulation. On a short and average term basis, the author recommends a greater diversification of these resources. On a longer term basis, he envisages the implementation of a new concept of development, the foundation of which would be grounded on the fundamental values of justice, of solidarity and of human dignity.