

ABSTRACTS

SAVOIE, D. J.: "Cash Incentives Versus Tax Incentives for Regional Development: Issues and Considerations": The federal government recently opened once again a debate over the effectiveness of cash grants as opposed to tax incentives as an instrument of regional development. This paper looks at the advantages and disadvantages of both approaches. It argues that government must first look at current economic circumstances and review their regional development objectives before they can engage in a meaningful debate over the appropriate program to adopt. The paper concludes with a brief consideration of these factors and in the light of them comments on the relevance of both program instruments.

HUTTON, T.A. and H.C. DAVIS: "The Role of Office Location in Regional Town Centre Planning and Metropolitan Multinucleation: The Case of Vancouver": In the 1970s the Greater Vancouver Regional District fashioned its program for a more "livable" region. A cornerstone of this program was to be the evolution of several regional population subcentres, whose growth was seen to depend critically on office location and development. Based on available data, a preliminary assessment of this strategy to date is offered and some suggestions made as to its shortcomings.

MILNE, W.J.: "A Leading Region Approach to Wage Determination in Canada: An Econometric Analysis": This paper explores the regional transmission of wages in Canada. It demonstrates, using annual data of industrial wages from 1963-1982, the interdependence of wage changes across the Canadian provinces. The model developed hypothesizes that wage changes in a region depend on real wage changes in the leading region, local labour market conditions, and the local inflation rate. The leading region or wage transmission variable is modelled as a combination of distance weights and a measure of economic activity used to weight other provinces' real wage rates. The results suggest that

a model which uses a combination of distance and relative unemployment rates as the provincial weights performs the best in determining the regional transmission of wage rate changes in Canada.

OKSANEN, E.H. and J.R. WILLIAMS: "A Spatial Taxonomy of Employment Specialization in Canadian Manufacturing": Principal components analysis is used to determine the classification of Canadian census divisions according to similarity of composition of manufacturing activity. Employment data for 110 manufacturing industries and 260 census divisions are adjusted to eliminate the arbitrary effects of division size. Principal components analysis is based upon a matrix of "similarly coefficients". A remarkably small number of clusters (eleven) of industrially homogeneous census divisions emerges, and an "industrial profile" is computed for each. More than 80 percent of all divisions can be classified.

REEVES, M.A. and W.A. KERR: "Some Regional Implications of the Increasing Emphasis on Monetary Policy": Regional economic input into macro-economic policy in Canada has developed only in the area of fiscal policy. The shift to monetary policy as the primary instrument of economic management leaves regions with few avenues with which to influence macro-economic policy. The use of monetary policy will have different regional impacts than the use of fiscal policy. Some preliminary evidence of this is presented. The possibilities for new regional input into macro-economic policy formulation are discussed.

TREMBLAY, R.: "The Regional Impact in Canada of Free Trade": This research note provides estimates of regional output effects resulting from a Canadian policy of multilateral free trade. These output effects are calculated by using known general equilibrium elasticities and the Canadian industrial structure of 1976. Even if four out of twenty manufacturing industries would contract with free trade, the manufacturing sector as a whole of each Canadian region would expand, the largest expansion taking place in Quebec and Ontario. On the other hand, all the resource industries would expand with multilateral free trade, with the largest expansion taking place in the Prairies region.