

## Disparities and Interregional Adjustment

KENNETH NORRIE
Research Coordinator

Published by the University of Toronto Press in cooperation with the Royal Commission on the Economic Union and Development Prospects for Canada and the Canadian Government Publishing Centre, Supply and Services Canada

University of Toronto Press Toronto Buffalo London



FOREWORD vii
INTRODUCTION ix
PREFACE xiii

- Canadian Regional Economic Disparities: A Survey I Robert L. Mansell and Lawrence Copithorne
   Introduction I
   Canadian Regional Disparities: A Description 3
   Explanations of Regional Economic Disparities 26
   Policy Implications 41
   Notes 43
   Bibliography 45
- The Efficiency of the Interregional Adjustment Process
   John Vanderkamp
   Introduction 53
   Migration Studies 55
   Traditional Approach: Long-run Equilibrium 60
   Demand and Supply Adjustment 65
   Wage Adjustment and Excess Demand 74
   Empirical Implications 83
   Policy Measures and Efficiency Considerations 90
   Concluding Comments 103
   Notes 105
   Bibliography 105

## Federal Government Regional Economic Development Policies:

An Evaluative Survey 109

N. Harvey Lithwick

Introduction 109

The Postwar Decade, 1947-57: Emergence of the Regional Disparity Issue 114

The Diefenbaker Era, 1957-63: A Voice from the Regions 117

The Pearson Era. 1963-68: Politicians versus Planners 121

DREE 1968-73: The Early Years 125

DREE 1973-81: The GDA Approach 129

Reorganization, Post-1981: Integrating Regional and Sectoral

Development 134

Summary and Conclusions 141

Appendix: Selected Tables and Figures 145

Notes 151

Bibliography 152

## Regional Grievances: The Quebec Case 159

Mireille Éthier

Criteria Used to Assess the Validity of Grievances 159

Quebec's Grievances 163

Conclusion 180

Notes 181

Bibliography 182

## 5. Regional Economic Alienation: Atlantic Canada and the West 185 F.J. Anderson and N.C. Bonsor

Introduction 185

Regional Tariff Burdens 186

The Transportation Burden 197

Natural Resource Revenues 208

Conclusions 215

**Notes** 216

Bibliography 218

ABOUT THE CONTRIBUTORS 223