

3.5.2 Interview Opinions -

It will be important to analyze gross as well as net flows of workers. Proponents suggest not to run away from this area because if there is no churning, there are likely no structural gains.

Employment and Immigration Canada is focused on the FTA only as part of regular labour market monitoring. Some plans are being made to follow people through a longitudinal file. (See Appendix C for further information.)

There is interest in an early-warning system regarding plant closures and layoffs.

"Sensitive" groups that should be monitored closely include women, older workers, and the "creative" components of the "cultural industry".

The ECC will have a focus on the GST/FTA and labour adjustment in the next Annual Review (November, 1990).

Other labour market dimensions should be explored. Are real wage gains getting through to labour in sectors where this is expected? Is there pressure for harmonization in workplace regulations, practices, wage rates, etc.?

Wage rate comparisons between Canada and the U.S. can be tricky. Are comparisons made on minimum wages for inter-state trade, on averages by industry and occupation? How do these adjust over time? If we become more productive, but start from a lower level (since income measures suggest we are lower), then there should be convergence. If wage rates in Canada are currently higher, do they converge downwards? Or do U.S. wages rise more rapidly?

Other supplementary labour costs and conditions need to be considered. The Canadian health care system is cheaper for business than that in the U.S. Could this draw investment into Canada, or lead to changes in the U.S. system?

There will be pressures on the food processing industry and supply management. Will the two-price recommendation of deGrandpre work? Or will there be major adjustment problems in this area?

3.5.3 Data Support Systems -

The Labour Force Survey provides timely information on the state of employment and changes occurring by industry. Gross flows in and out of employment are maintained, although not regularly published.

The Survey of Employment, Payrolls, and Hours (SEPH) also provides timely data on employment by industry and region, based on a survey of employers.