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### Regional Dimension

The optimal geographic dimensions of a regional model are somewhat difficult to define in the Canadian context. A major problem is that the political boundaries are not necessarily appropriate for economic analysis. In addition, some of the Canadian provinces are small enough that most industrial detail is confidential. For the territories, many data series are not even defined or collected.

In RIM, each province is considered separately. In addition, the specification of some model equations reflects the interrelationships of provinces. Although some factors, such as employment in the Labour Force Survey, are not defined for Yukon and the Northwest Territories, some portions of the model treat these northern territories as a separate region to ensure more appropriate activity linkages.