

average by 2 per cent. Despite this narrowing noted in the major cities, as Table A-4 shows, the gap in average industrial wages and salaries between the Ontario and the Atlantic regions remains very large.

The second point is also nicely illustrated by the Conference Board study. That is, significant differences in the cost of living in various cities makes it very difficult to compare incomes directly. Table A-4 shows, for example, that while wages in Halifax tended to lag behind those in Toronto, it is sufficiently less costly to live in Halifax that the lower paid Haligonian may be better off in real terms than his Toronto counterpart. Such differences in living costs reflect another aspect of the diversity of the Canadian economy.

Gaps in wages are just one part of the larger disparity story, however. The income data shown in Figure A-5 illustrate the deeper discrepancies that exist in average incomes across Canada. These income gaps are much wider than the actual wage gaps, and the reason is straightforward. Income is the product of the wage paid and the amount of employment, and employment disparities across Canada are much more severe, and less amenable to resolution, than any other disparity.