

production facilities and their expanded marketing and distribution systems. In this review more emphasis should be placed on performance incentives and internal skill upgrading programs.

C. LABOUR

The major cost of removing many of these barriers is the reduced employment opportunities in some regions of the country. Although this would be offset nationally by increased employment in benefiting regions, it raises the issue of whether policy should aim at taking jobs to the people or people to the jobs. Traditionally in Canada, regional development policies have attempted primarily to accomplish the former and pressures will continue to be exerted in this direction. Under these circumstances, adjustments by labour will be dependent upon expanded government programs for skill-upgrading and job creation in those regions affected negatively by barrier removal. Skill-upgrading programs will only be effective within a region if that region has a viable industrial base that can provide job opportunities for retrained workers. Where such a base does not exist there is a need to maintain a commitment to regional development programs aimed at ensuring a viable base. In the meantime, retraining programs may have to be combined with labour mobility incentives to encourage movement of workers within regions and between regions. These programs need not be totally financed by governments but could be jointly funded by governments, business and the labour movement. The labour movement could make a further contribution to the labour adjustment process by fostering industrial mobility of workers through less restrictive union hiring practices. Business can also contribute by providing job priority, relocation and job search assistance to displaced workers within their own organizations. In the agricultural sector there are particularly difficult mobility problems and skill-upgrading would only be effective for younger farmers. Consequently, governments would have to develop special retirement incentives for older farmers who have no alternate employment opportunities.