

roughly correspond to the 30 used here. Comparable Canadian measures might be built in fairly short order. The "user cost of capital" concept is a more market-based cost measure than the analysis attempted here. Interest and depreciation payments are more of a return to capital already put in place, while the user cost measure looks at the cost of the next incremental unit of capital to be added.

The following section now draws some conclusions from the many unit cost measures presented. These conclusions are basically static, as they capture only the relative positions of specific industries up to 1984 and make no allowance for overall growth or technological change. These last factors may prove to be of considerable importance in the future. Nevertheless, in the authors' view the unit cost comparisons offer a realistic aggregate picture of the cost-competitiveness of U.S. and Canadian goods-producing sectors.