

U.S. DATA DEFINITIONS

All U.S. data used in the study is collected by the U.S. Department of Commerce. Output and employment information is compiled by the Bureau of Industrial Economics (BIE). This data is establishment-based and is consistent with the corresponding data used for Canadian industries. Indirect taxes, interest payments and depreciation are also establishment-based and comes from the Gross Product Originating (GPO) Tapes compiled by the Bureau of Economic Analysis (BEA).

GPO data represents value-added and includes measures of: wages and salaries; supplements to wages and salaries; net allowances; non-corporate capital adjustment allowances; indirect business taxes and non-tax liabilities; business transfer payments; corporate profits before taxes; non-corporate income; corporate inventory evaluation adjustments; rental income of persons; government subsidies; and current surpluses of government enterprises.

Using the information on output from BIE and value-added from BEA, material costs for each industry were calculated as the difference between nominal output and value-added.

A. Unit Material Costs

Unit material costs were defined as nominal-dollar expenditures on materials divided by real output (1971\$) for the industry in question.

B. Unit Labour Costs

Unit labour costs were defined as nominal-dollar expenditures on wages, salaries and supplementary labour income divided by real output (1971\$) per industry. As in the case of the Canadian data, supplements include pension and profit-sharing contributions, group insurance, workmen's compensation, supplemental unemployment, etc.

C. Labour Productivity