

will produce only items for the satisfaction of consumers over a period of future years. Thus, the extent of investment spending in the nation reflects the extent to which the nation is providing for the future, or is becoming industrialized; it also reflects the opinion of businessmen as to future prospects and of governments as to future demands for their services. It will be noted from Table 1 that since 1926 there have been two periods when capital spending accounted for a substantial portion of gross national product.

1.—Capital Expenditures in Canada, 1926-53

Year	Capital Expenditures	P.C. of Gross National Product	Year	Capital Expenditures	P.C. of Gross National Product
	\$'000,000			\$'000,000	
1926.....	917	17.3	1940.....	1,048	15.3
1927.....	1,087	19.2	1941.....	1,463	17.2
1928.....	1,296	21.2	1942.....	1,542	14.6
1929.....	1,518	24.6	1943.....	1,485	13.3
1930.....	1,287	23.2	1944.....	1,309	11.0
1931.....	881	19.3	1945.....	1,284	10.8
1932.....	491	13.0	1946.....	1,703	14.2
1933.....	327	9.2	1947.....	2,489	18.1
1934.....	416	10.3	1948.....	3,175	20.3
1935.....	505	11.6	1949.....	3,502	21.3
1936.....	590	12.6	1950.....	3,815	21.2
1937.....	828	15.5	1951.....	4,577	21.3
1938.....	773	14.8	1952.....	5,122	22.3
1939.....	765	13.4	1953.....	5,564	23.4

In the period from 1926 to 1930, investment accounted, on the average, for 21 p.c. of gross national product; in the period from 1947 to 1953, the average was also 21 p.c. However, in the latter period a high level of investment spending was maintained over a longer period with investment exceeding 20 p.c. of gross national product in six of the seven years while in the earlier period 20 p.c. was only exceeded in three of the five years considered. In the latter period, too, investment was at a much higher level than during 1926-30. Expenditures in 1953 were, in dollar terms, over three and one-half times those of 1929. Even if allowance is made for doubling of prices between the two years, the volume of investment was still about two-thirds greater. In addition to its significance to the long-run industrialization of the country, investment spending is very important in the year in which it is made in giving employment and income to those providing capital facilities.

Tables 2 to 6 give statistics of capital, repair and maintenance expenditures for the years 1951-53.