

Table 2 shows the extent of the emphasis on housing and non-residential construction in 1961 as compared with the two previous years.

2.—Capital Expenditures and Percentage Distribution, by Type, 1959-61

NOTE.—Actual expenditures 1959 and 1960; preliminary actual 1961.

Type	Capital Expenditures			Distribution		
	1959	1960	1961	1959	1960	1961
	\$'000,000	\$'000,000	\$'000,000	p.c.	p.c.	p.c.
Construction	5,709	5,453	5,574	67.8	66.0	68.7
Housing.....	1,752	1,456	1,467	20.8	17.6	18.1
Non-residential.....	3,957	3,997	4,107	47.0	48.4	50.6
Machinery and Equipment	2,708	2,809	2,535	32.2	34.0	31.3
Totals	8,417	8,262	8,109	100.0	100.0	100.0

In 1961, the mining industry as a whole increased outlays on new construction by \$68,000,000. This increase was accounted for largely by heavier expenditures on the construction of natural gas processing plants in Alberta—part of the Alberta-California natural gas export program—which amounted to \$77,709,000 compared with \$18,565,000 in 1960. Construction outlays for iron ore mining facilities also increased in 1961, amounting to \$67,959,000 compared with \$52,866,000 in the previous year.

Capital outlays of the manufacturing industries as a whole declined \$152,900,000 in 1961 from the level of \$1,177,400,000 reached in 1960. This decline was spread throughout most of the component industries with noticeable decreases in the primary iron and steel industry and the petroleum refining industry. Only the chemical industry showed a marked increase, capital outlays of which rose from \$107,000,000 in 1960 to \$124,000,000 in 1961. The heavier expenditure was largely in the area of industrial chemicals.

Capital outlays for utilities—including transportation, communication and storage facilities, as well as such public utilities as gas, water and electricity—declined from \$1,772,700,000 in 1960 to \$1,663,600,000 in 1961. The decrease was mainly attributable to declines of \$115,000,000 in railway transport and \$28,800,000 in telephones. Partially offsetting the declines in the area of utilities were increased expenditures on oil and gas pipeline construction. The major projects were the gas pipelines constructed in Alberta as part of the Alberta-California gas export program (which were in addition to the gas processing plants mentioned above) and oil pipelines constructed in British Columbia which were substantially completed in 1961.

The trade sector of the economy, consisting of wholesale and retail firms as well as automobile service stations owned by Canada's integrated petroleum companies, made capital outlays of \$329,100,000 compared with outlays of \$381,000,000 in the previous year. All trade sectors except department stores recorded decreased expenditures in 1961; the increase recorded by department stores was mainly accounted for by the expansion of discount department outlets, a recent development in retail merchandising and indications are that this type of merchandising will continue to increase. A discount department store is generally defined as a retail store selling a wide range of merchandise with reduced customer services; reduced services on the average permit reduced prices to the consumer.