

**1.—Capital Expenditures on Construction and on Machinery and Equipment, in Current and Constant (1957) Dollars, 1954-63**

NOTE.—Actual expenditures 1954-62; preliminary actual 1963.

Year	Capital Expenditures						Total Expenditure as Percentage of Gross National Product	
	Construction		Machinery and Equipment		Totals		Current Dollars	Constant 1957 Dollars
	Current Dollars	Constant 1957 Dollars	Current Dollars	Constant 1957 Dollars	Current Dollars	Constant 1957 Dollars		
	\$'000,000	\$'000,000	\$'000,000	\$'000,000	\$'000,000	\$'000,000	p.c.	p.c.
1954.....	3,737	4,149	1,984	2,245	5,721	6,394	23.0	23.9
1955.....	4,169	4,512	2,075	2,305	6,244	6,817	23.0	23.5
1956.....	5,273	5,445	2,761	2,888	8,034	8,333	26.3	26.4
1957.....	5,784	5,784	2,933	2,933	8,717	8,717	27.3	27.3
1958.....	5,830	5,865	2,534	2,407	8,364	8,332	25.4	25.9
1959.....	5,709	5,557	2,708	2,590	8,417	8,147	24.1	24.5
1960.....	5,453	5,224	2,809	2,636	8,262	7,860	23.0	23.2
1961.....	5,518	5,331	2,654	2,455	8,172	7,786	21.8	22.2
1962.....	5,787	5,388	2,928	2,643	8,715	8,031	21.6	21.6
1963.....	6,149	5,485	3,163	2,799	9,312	8,284	21.7	21.3

As shown in Table 1, construction accounts for about two thirds of the total capital expenditures each year and machinery and equipment for about one third. Recently, there has been a slightly upward trend in the proportion of the total being used for the purchase of machinery and equipment. This rose from 32.5 p.c. in 1961 to 34.0 p.c. in 1963. The proportion used for housing construction also rose in the same period—from 17.9 p.c. to 18.4 p.c.—but the non-residential construction outlays dropped from 49.6 p.c. of the total to 47.6 p.c., accounting for the lower proportion spent on construction as a whole.

All economic sectors, with the exception of trade and finance, reported increased capital outlays in 1963. The mining industry showed an increase of \$23,000,000, reflecting an expanding program in non-metallic minerals, particularly in oil and gas well development, with some offsetting decline in plans of producers of primary metals. Expenditures on new manufacturing facilities increased by \$78,000,000 over 1962, accounted for mainly by higher outlays for newsprint and pulp-making facilities and increased spending by chemical companies and capital goods producing industries. Capital expenditures for utilities—including transportation, communication and storage facilities, and public utilities such as gas, water and electricity—went up by \$221,000,000, much of the increase resulting from additions to facilities for power generation and gas distribution, accelerated work on the rapid-transit systems in two major cities, an expanded pipeline program, and installation of additional telegraph facilities. Institutional services—including hospitals, schools, universities, churches and welfare institutions—recorded an advance of \$22,000,000; the technical school building program and greater expenditure on university facilities kept the school construction outlay at a somewhat higher level than in 1962, offsetting a decline in spending on hospitals. Capital outlays by government departments at all levels increased by \$37,000,000 over 1962; government departments as defined for capital expenditure purposes include the part of government activity (excluding institutions) generally dependent on tax revenues for financial support as opposed to activities directly producing revenues on a service-rendered basis. Spending by provincial governments increased by \$63,000,000 and spending by municipal governments by \$19,000,000 but the Federal Government spent \$44,000,000 less than in the previous year, reflecting the continuance of the austerity program for part of 1963. One of the major activities of government involving expenditures by federal, provincial and municipal governments is the roads, highways, bridges and streets program.