

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 slight upward trend in the proportion of the total represented by the purchase of machinery and equipment, which rose from 32.5 p.c. in 1961 to 35.2 p.c. in 1964. The proportion for housing construction also rose in the same period, moving upward from 17.9 p.c. to 18.7 p.c., but the non-residential construction outlays dropped from 49.6 p.c. of the total to 46.1 p.c. The latter decline accounted for the lower proportion spent on construction as a whole.

### 1.—Capital Expenditures on Construction and on Machinery and Equipment, in Current and Constant (1957) Dollars, 1955-64

NOTE.—Actual expenditures 1955-63; preliminary actual 1964.

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.
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	2,467	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	22.8	23.0
1961.....	5,518	5,331	2,654	2,455	8,172	7,786	21.8	22.3
1962.....	5,787	5,388	2,928	2,643	8,715	8,031	21.6	21.8
1963.....	6,157	5,623	3,236	2,859	9,393	8,482	21.8	21.8
1964.....	7,011	6,188	3,816	3,270	10,827	9,458	23.0	22.7

All economic sectors with the exception of institutional services, reported increased capital outlays in 1964 over 1963. The mining industry showed an increase of \$112,000,000, reflecting an expanding program in metal mines, especially iron, and in oil and gas well development. Expenditures on new manufacturing facilities increased by \$457,000,000, mainly as a result of higher outlays for newsprint- and pulp-making facilities and increased spending by transportation equipment firms, textile companies and firms in the primary metal producing industry. Capital expenditures for utilities (including transportation, communication and storage, and public utilities such as gas, water and electricity) were up by \$306,000,000. Much of this increase resulted from additions to facilities for power generation, expansion of railway equipment, continued acceleration in the construction of the rapid-transit systems in Toronto and Montreal, and an expanded gas pipeline program. The 1964 housing activity showed continued strength with an increase of \$315,000,000 over 1963. Trade, finance and commercial services also increased expenditures but by smaller amounts. Institutional services (including hospitals, schools, universities, churches and welfare institutions) recorded a decrease of \$107,000,000 resulting mainly from completion of much of the technical school building program, although this decline was offset to some extent by an increase in construction by universities. Capital outlays by governments at all levels increased by \$186,000,000 over 1963. 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 \$143,000,000 and spending by municipal governments by \$19,000,000 but the Federal Government spent \$23,000,000 more than in the preceding year. One of the major activities of government, involving expenditures at the federal, provincial and municipal levels, is the roads, highways, bridges and streets program.