

#### 14.4.2 Building permits issued

The estimated value of proposed construction is indicated by the value of building permits issued. Figures of building permits are collected from approximately 1,500 municipalities across the country and are available for individual municipalities, for metropolitan areas, for provinces and for economic areas in Quebec, Ontario and Manitoba.

The total value of permits issued for building construction in 1974 was \$9,280.1 million, a figure 8.4% higher than in 1973. Residential construction value decreased by 0.4% and over-all non-residential construction value increased by 23.9%, reflecting an increase of 54.1% in the industrial, 16.4% in the commercial, and 12.8% in the institutional and government construction sectors.

Permit values rose in all provinces except Newfoundland which showed a slight decrease. The value of building permits issued in each province in the years 1973 and 1974 is given in Table 14.16, in each of 50 municipalities in Table 14.17 and in each of the 22 metropolitan areas in Table 14.18. These metropolitan areas made up 70.0% of the 1974 total for Canada.

#### 14.5 Capital expenditures

A survey carried out early in 1975 of capital spending intentions of all sectors of the Canadian economy indicated that capital outlays amounting to \$36.9 billion were planned for 1975. The survey covered business establishments, educational and other institutions and governments at all levels. An estimate of outlays on new dwellings is also included in the total. This total represents a 13.7% increase over the 1974 level of \$32.5 billion.

Capital outlays for new construction are expected to reach \$23.0 billion in 1975, an increase of 12.6% over the 1974 program of \$20.5 billion. The previous rate of increase for new construction was 20.9% and 17.2% achieved in 1974 and 1973 respectively. The smaller increases in this area in 1975 result mainly from a 3.7% decline expected in residential construction based upon a level of 210,000 starts during 1975. Non-residential construction on the other hand is registering an increase of 21.0% over 1974.

Acquisition of new machinery and equipment during 1975 is expected to amount to \$13.8 billion, 15.5% above the 1974 total of \$12.0 billion. Further appraisal of machinery purchases during 1973 and 1974 showed the 1974 spending to be 6.0% higher than indicated at mid-year and 23.7% over 1973.

Table 14.19 shows the trend in capital spending over the years 1966-75 in both current and constant (1961) dollars. Table 14.20 summarizes capital and repair expenditures by economic sector and Table 14.21 contains details of the manufacturing, mining and utilities sectors for the years 1973-75. A summary of the capital expenditures in each province and the territories is given in Table 14.22. Such expenditures represent gross additions to the capital stock of the province or territory and are a reflection of economic activity in the area, although the actual production of these assets may generate major employment and income-giving effects in other regions. For example, the spending of millions of dollars on plants and equipment in western Canada may generate considerable activity in machinery industries in Ontario and Quebec as well as construction activity in the western provinces.

#### Sources

14.1 - 14.2 Central Mortgage and Housing Corporation.

14.3 Census Characteristics Division, Census Field, Statistics Canada.

14.4 - 14.5 Construction Division, Industry Statistics Branch, Statistics Canada.