

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 1975 was \$10,598.0 million, a figure 14.2% higher than in 1974. Residential construction value increased by 33.9% and overall non-residential construction value decreased by 5.0%, reflecting a decrease of 33.4% in the industrial, 1.8% in the commercial, and a 22.4% increase 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 1974 and 1975 is given in Table 14.15, in 50 municipalities in Table 14.16 and in 22 metropolitan areas in Table 14.17. These metropolitan areas made up 70.0% of the 1975 total for Canada.

## 14.5 Capital expenditures

Capital spending in Canada by all sectors of the economy during 1976 was expected to reach \$41,954 million, an increase of 10.4% over the 1975 level of \$37,997 million. These estimates were in current dollars without any adjustment for price increase and reflected the intended outlays by respondents between December 1975 and February 1976. The survey covered business establishments, educational and other institutions and governments at all levels.

Intended capital expenditures on new construction in 1976 were estimated at \$26,810 million, an increase of 12.2% over the 1975 total of \$23,894 million. The two main elements of construction are shown at \$8,614 million (\$7,085 million in 1975) for residential and \$18,196 million (\$16,810 million) for non-residential. The increase for housing was 21.6% and for non-residential construction, 8.2%. Although starts in housing were projected to increase to only 235,000 in 1976, up from the 231,000 begun in 1975, the increasing value of residential construction was influenced by a large carryover of unfinished projects, started late in 1975, and by some expected price increase.

Acquisition of new machinery and equipment during 1976 was expected to amount to \$15,144 million, 7.4% above the 1975 total of \$14,103 million. Rates of increase were 16.4% for 1975, 25.3% in 1974 and 24.7% in 1973.

Table 14.18 shows the trend in capital spending over the years 1967-76 in both current and constant (1971) dollars. Table 14.19 summarizes capital and repair expenditures by economic sector and Table 14.20 contains details of the manufacturing, mining and utilities sectors for 1974-76. A summary of capital expenditures in Table 14.21, representing gross additions to the capital stock of each province and territory, reflects economic activity in the area and employment and income-giving effects in other regions. For example, spending millions of dollars on plant 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 and Household Surveys Field, Statistics Canada.

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