

DEPARTMENT OF TRADE AND COMMERCE

**Private and Public Investment  
in Canada  
Outlook 1958**

*Published by Authority of*  
**The Honourable Gordon Churchill**  
**Minister of Trade and Commerce**



CANADA

61-205  
1958  
C. 3

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1958



## INTRODUCTION

This report provides information for the year ahead on the planned level of capital expenditures on new construction and for machinery and equipment. These estimates cover the capital spending intentions of all sectors of the Canadian economy; business, institutions, governments and of individuals for housing. Along with the expenditure intentions for 1958, comparative figures are given for 1956 and 1957. The estimates for 1958 are based on intentions as recorded at the end of 1957 and reflect the situation at that time. As the year progresses these intentions may have to be revised in the light of any new developments that may take place.

This report contains data on capital expenditures on a national basis only. Figures on capital spending by provinces and major cities will appear in a supplementary report to be published at a later date.

The surveys of intentions in the business sector covered about 16,000 establishments of all types including mines, manufacturing plants, utilities and retail stores. Surveys were also made of institutions, government departments and housing. Outlays in agriculture and in some of the smaller groups, where direct surveys are more difficult to make, were estimated independently on the basis of current trends and informed opinion in these fields.

For the purpose of this report, construction is defined to include all types of construction projects. Building construction is only part, although a large part, of the total. In addition, outlays for such structures as dams, highways, sidewalks, sewers, bridges, mines, railway lines, transmission lines, etc. are included. Machinery and equipment expenditures cover such categories as railway rolling stock, motor vehicles used in business, manufacturing, mining and construction machinery, equipment for power plants, office and hospital equipment and a wide variety of other capital goods. Excluded, for the purposes of this report, are outlays for equipment for the Department of National Defence. Broadly speaking, the expenditures given in the report are those made for the building of structures and for the purchases of machinery and equipment which are to be used either in producing goods or providing services.

Repair expenditures on structures and machinery and equipment are also given in the report but these are dealt with separately. By including these expenditures a more complete picture is provided of the demands likely to be made on labour and materials in accomplishing the programme.

Advance knowledge of the intended capital expenditures of business, governments and individuals on construction and for machinery and equipment is of particular importance for a number of reasons. Since such expenditures account for a significant proportion of gross national production the size and content of the programme is a valuable indicator of the relative demands likely to be placed on Canadian production and manpower in accomplishing the programme. The extent to which capital facilities are being expanded reflects the outlook of management on future demands in relation to present capacity. It is largely for these reasons that it is important for both business and governments to have prior knowledge of the investment intentions of the economy as a guide in planning to meet the conditions that may arise.

This report on the outlook for investment in Canada in 1958 is a joint project of the Dominion Bureau of Statistics and the Economics Branch of the Department of Trade and Commerce.

Ottawa,  
March, 1958

M. W. SHARP  
*Deputy Minister*  
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## SECTION 1. APPRAISAL OF THE 1958 CAPITAL PROGRAMME

### The Total Programme

Present investment plans, both private and public, call for total capital expenditures in 1958 of \$8.5 billion. This figure represents an aggregation of the investment intentions of individual business establishments, institutions, housebuilders and all levels of government, as reported in a recent survey. A capital expenditure programme of this magnitude would be slightly smaller than the record \$8.7 billion spent for capital purposes in 1957 but would be well ahead of any other previous year. These estimates provide for a volume of construction spending slightly greater than that of last year and for a reduction of 10 per cent in machinery purchases. If the 1958 programme proceeds as planned it would mean that capital spending would continue to comprise more than 25 per cent of gross national production.

The following table illustrates the trend in capital spending in recent years in both current and constant (1949) dollars.

Year	Capital Expenditures						Capital Expenditures As Percentage of Gross National Product	
	Construction		Machinery and Equipment		Total		Current	Constant
	Current	Constant	Current	Constant	Current	Constant		
	\$ Mill						Per Cent	
1947 <sup>1</sup> .....	1,424	1,681	1,065	1,265	2,489	2,946	18.1	19.0
1948 <sup>1</sup> .....	1,877	1,947	1,298	1,376	3,175	3,323	20.3	21.1
1949 .....	2,124	2,124	1,378	1,378	3,502	3,502	21.3	21.5
1950 .....	2,366	2,247	1,449	1,370	3,815	3,617	21.0	20.9
1951 .....	2,735	2,309	1,842	1,563	4,577	3,872	21.3	21.2
1952 .....	3,263	2,592	2,022	1,674	5,285	4,266	22.7	21.8
1953 .....	3,665	2,820	2,176	1,771	5,841	4,591	23.9	22.6
1954 .....	3,680	2,826	1,940	1,552	5,620	4,378	23.1	22.1
1955 .....	4,314	3,241	2,036	1,607	6,350	4,848	23.6	22.4
1956 .....	5,301	3,799	2,723	2,019	8,024	5,818	26.9	25.1
1957 .....	5,921	4,143	2,800	2,016	8,721	6,159	28.3	26.5
1958 .....	5,991	—	2,530	—	8,521	—	—	—

1. Newfoundland not included in these years.

### The Programme in Relation to Recent Trends

The trends in capital spending anticipated for 1958 are the outcome in large part of the particular pattern of capital expansion occurring over the past few years. During 1955 and 1956 an unusually large volume of new expansion programmes was initiated. This was sparked in the first instance by the sharp increase in world demand for the products of a number of Canada's resource based industries which in turn provided stimulus for expansion in industrial materials, power and transportation industries. Projects initiated in these years reached their point of highest activity in many cases, in 1957, resulting in a record level of capital outlays in that year. Throughout this period the rapid rate of expansion placed a considerable strain on the available supplies of labour, materials and funds with the result that in some areas, particularly housing, institutions and municipal governments, the rate of expansion was not commensurate with the increased demands.

Meanwhile the economic climate began to change. Increased productive capacity at home, greater availability of imports and an expanded labour force brought an easing in the pressure on supplies. At the same time markets for industrial materials turned softer and the additional capacity which had been created for many of these products was more than sufficient to meet current demands. This resulted in some cases in a cutting back of investment programmes, as in the mining industry. In other cases the easier supply situation enabled projects to proceed more rapidly than anticipated. The changing situation was conducive also to an increase in housebuilding and with the aid of Government funds housing activity rose sharply during the latter part of 1957. In total, capital outlays in 1957 exceeded by about 2 per cent the level planned at the beginning of the year and almost reached the figure outlined in intentions as of mid-year.

Type of Enterprise	Capital Expenditures in 1957		
	Intentions as of January 1957	Intentions as revised in June	Realized Expenditures
	Millions of Dollars		
Primary Industries and Construction Industry ..	1,299	1,365	1,270
Manufacturing .....	1,471	1,467	1,426
Utilities .....	2,185	2,272	2,313
Trade, finance and commercial services .....	728	742	719
Institutions .....	469	471	443
Housing .....	1,283	1,351	1,415
Government departments .....	1,098	1,108	1,135
<b>Total</b> .....	<b>8,533</b>	<b>8,776</b>	<b>8,721</b>

Thus, 1958 intentions have been framed against a background of excess capacity in a number of resource industries, a continuing strong demand for social capital and housing and an easier supply position in regard to labour, materials and funds. The pattern of capital outlays planned for 1958 reflect such a situation.

Year	Year to Year Per Cent Changes in the Constant Dollar Value of Capital Expenditures			
	Housing	Non-Residential Construction	Machinery and Equipment	Total
1947 .....	+ 17.6	+ 18.6	+ 50.8	+ 31.7
1948 .....	+ 8.0	+ 20.9	+ 8.7	+ 12.8
1949 .....	+ 9.1	+ 9.1	+ 0.2	+ 5.4
1950 .....	+ 3.2	+ 6.5	- 0.6	+ 3.3
1951 .....	- 14.6	+ 12.3	+ 14.1	+ 7.0
1952 .....	- 2.4	+ 19.0	+ 9.9	+ 11.6
1953 .....	+ 29.1	+ 2.0	+ 5.8	+ 7.6
1954 .....	+ 7.8	- 3.0	- 12.4	- 4.6
1955 .....	+ 24.6	+ 10.0	+ 3.5	+ 10.7
1956 .....	+ 1.3	+ 25.7	+ 25.6	+ 20.0
1957 .....	- 11.2	+ 17.8	- 0.1	+ 5.9
1958 <sup>1</sup> .....	+ 15.5	- 3.9	- 9.7	- 2.6

1. Assumes no price change between 1957 and 1958.

### The Programme by Sectors

As illustrated in the following table, plans for capital spending by the business community continue at a high level. 1958 plans, although 11 per cent below 1957 actual expenditures, are still slightly above 1956 and 41 per cent above 1955.



Sector	1953	1954	1955	1956	1957 <sup>1</sup>	1958 <sup>2</sup>
	\$ Mill					
<b>Business Capital (excluding Housing):</b>						
Forest and Mineral Products .....	648.0	483.8	597.3	1,110.2	1,076.9	655.8
Fuel and Power .....	785.4	707.3	791.7	1,194.9	1,633.7	1,534.7
Trade, Finance and Commercial Services .....	526.1	581.9	561.9	611.2	719.3	688.3
Transportation, Storage and Communication .....	576.0	582.3	571.4	810.0	992.6	1,016.9
Other .....	1,047.4	922.3	1,032.8	1,237.1	1,235.9	1,126.5
<b>Sub-total .....</b>	<b>3,582.9</b>	<b>3,277.6</b>	<b>3,555.1</b>	<b>4,963.4</b>	<b>5,658.4</b>	<b>5,022.2</b>
<b>Housing and Social Capital:</b>						
Housing .....	1,084.0	1,178.0	1,499.0	1,575.0	1,415.0	1,635.0
Institutional Services .....	301.3	337.3	408.2	401.4	443.3	526.4
Govt. Depts. and Waterworks .....	873.1	827.1	387.4	1,082.8	1,204.2	1,337.0
<b>Sub-total .....</b>	<b>2,258.4</b>	<b>2,342.4</b>	<b>2,794.6</b>	<b>3,059.2</b>	<b>3,062.5</b>	<b>3,498.4</b>
<b>Total Capital Expenditures .....</b>	<b>5,841.3</b>	<b>5,620.0</b>	<b>6,349.7</b>	<b>8,022.6</b>	<b>8,720.9</b>	<b>8,520.6</b>

1. Preliminary.
2. Intentions.

Sector	1953	1954	1955	1956	1957 <sup>1</sup>	1958 <sup>2</sup>
	Per cent Distribution					
<b>Business Capital (excluding Housing):</b>						
Forest and Mineral Products .....	11.1	8.6	9.4	13.9	12.4	7.7
Fuel and Power .....	13.4	12.6	12.5	14.9	18.7	18.0
Trade, Finance and Commercial Services .....	9.0	10.3	8.8	7.6	8.2	8.1
Transportation, Storage and Communication .....	9.9	10.4	9.0	10.1	11.4	11.9
Other .....	17.9	16.4	16.3	15.4	14.2	13.2
<b>Sub-total .....</b>	<b>61.3</b>	<b>58.3</b>	<b>56.0</b>	<b>61.9</b>	<b>64.9</b>	<b>58.9</b>
<b>Housing and Social Capital:</b>						
Housing .....	18.6	21.0	23.6	19.6	16.2	19.2
Institutional Services .....	5.2	6.0	6.4	5.0	5.1	6.2
Govt. Depts. and Waterworks .....	14.9	14.7	14.0	13.5	13.8	15.7
<b>Sub-total .....</b>	<b>39.7</b>	<b>41.7</b>	<b>44.0</b>	<b>38.1</b>	<b>35.1</b>	<b>41.1</b>
<b>Total Capital Expenditures .....</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

1. Preliminary.
2. Intentions.

Outlays for housing and social capital are expected to be about 14 per cent greater in 1958. An increase of 10 per cent is indicated for government outlays.

Expenditures for new housing are expected to be higher by 15 per cent and those for institutions by 19 per cent.

While the shift in composition of the 1958 programme represents a marked change from the two preceding years, it does not mean that housing and social capital will account for an unusually large part of total capital investment. In fact, this type of spending in 1958 would form only a slightly larger proportion of total capital outlays than on the average for the post-war period and less than in 1954 and 1955.

### The Programme by Type

Total construction expenditures in 1958 are expected to increase slightly from the levels of the previous year, while outlays for the acquisition of machinery are planned at a rate considerably below that of 1957.

Type <sup>1</sup>	Capital Expenditures \$ Mill			Per Cent Distribution		
	1956	1957	1958	1956	1957	1958
Housing .....	1,575	1,415	1,635	19.6	16.2	19.2
Non-Residential Construction .....	3,726	4,506	4,356	46.4	51.7	51.1
<b>Total Construction .....</b>	<b>5,301</b>	<b>5,921</b>	<b>5,991</b>	<b>66.0</b>	<b>67.9</b>	<b>70.3</b>
Machinery and Equipment .....	2,723	2,800	2,530	34.0	32.1	29.7
<b>Total Capital Expenditures .....</b>	<b>8,024</b>	<b>8,721</b>	<b>8,521</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

1. More detail on the construction programme by type, together with other related data, will be presented in the Dominion Bureau of Statistics report "Construction in Canada—1956-1958" to be published later.

The additional strength expected in construction is largely attributable to anticipated increases in housing expenditures. Housing starts were at a very low level in the first half of 1957 but improved substantially as the year progressed. By the last quarter of the year, the seasonally adjusted annual rate of starts was in excess of 140,000. For the year as a whole about 122,000 new housing units were started and about 117,000 completed. In view of the prospects of a readily available supply of mortgage funds it is assumed that starts for the year 1958 as a whole will be 10 to 15 per cent greater than those of last year. This, along with an increased carryover of uncompleted houses going into the present year would involve better than a 15 per cent increase in the number of new housing units completed. In terms of expenditures this would mean an increase of about 15 per cent in the value of housing put in place.

The anticipated increase in housebuilding is likely to be partially offset by a moderate decline in non-residential construction. Present plans call for outlays for this type of construction to be 3 per cent lower in 1958. In this field, anticipated increases in expenditures for institutional and public buildings, road construction and municipal improvements are not likely to be sufficient to offset the declines expected in outlays for new industrial and mining structures.

Demands for agricultural implements, heavy electrical equipment and office and store machinery are likely to continue at about the same level as last year. The lower level of machinery purchases is the result of reduced demand for construction, mining and most types of industrial machinery and for railway rolling stock.

### **Repair Expenditures**

In addition to the \$8.5 billion planned for capital purposes, outlays of \$2.5 billion are expected to be made for the repair of existing facilities. This represents about the same amount that was spent for this purpose in 1957.

Total outlays for both new construction and repairs to existing structures amount to \$7.1 billion, a one per cent increase over 1957. This represents the overall increase in demands on the construction industry. Similarly, expenditures for repairs to existing machinery and purchases of new machinery are expected to total \$3.9 billion or 7 per cent less than in 1957.

### **Factors Affecting the Programme**

The capital expenditure programme as outlined reflects, for the most part, the stated intentions of business, institutions and governments. Unforeseen events of many kinds may arise to cause discrepancies between outlays planned and those actually realized. Physical factors can have an important bearing upon the implementation of intentions. Also the intentions themselves may be affected by changes in general economic conditions.

While anticipated capital expenditures are a little below those of 1957, it would appear that the production and labour requirements of such a programme, in terms of the impact domestically, may be as large as in the preceding year. This results from the expectation that the lower level of spending will occur in machinery purchases, close to 50 per cent of which are normally imported. The requirements for the slightly increased construction programme will be provided largely from Canadian sources.

The slight increase in construction outlays anticipated may involve a more than proportionate rise in manpower requirements. This comes about as a result of the increased importance of housing and institutional buildings which normally requires more on-site workers than does construction of an engineering type.

Material requirements also will be affected by the altered composition of the programme. Requirements of heavy construction items such as structural steel and plate will be lower. On the other hand plumbing supplies, lumber, clay products and other items used largely in residential construction will be in greater demand.

Both construction labour and materials moved into good supply in 1957 and despite shifts in the pattern of requirements should be at least adequate to meet the programme envisaged for 1958, providing no serious work stoppages occur. Conditions in the capital market have been easier for some time.



SECTION II. REFERENCE TABLES - CAPITAL AND REPAIR EXPENDITURES, 1956 to 1958

TABLE I. Summary by Sectors, Canada, 1956 to 1958<sup>1</sup>  
(Millions of Dollars)

Item No.	Type of Enterprise	Capital Expenditures			Repair Expenditures			Capital and Repair Expenditures			
		Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
1	Agriculture and Fishing .....	1956	99	389	488	73	133	206	172	522	694
		1957	92	389	481	67	136	203	159	525	684
		1958	93	387	480	67	140	207	160	527	687
2	Forestry.....	1956	41	35	76	20	30	50	61	65	126
		1957	25	18	43	18	26	44	43	44	87
		1958	19	17	36	18	25	43	37	42	79
3	Mining, Quarrying and Oil Wells .....	1956	378	164	542	19	62	81	397	226	623
		1957	392	193	585	22	64	86	414	257	671
		1958	285	116	401	21	66	87	306	182	488
4	Manufacturing .....	1956	488	906	1,394	112	466	578	600	1,372	1,972
		1957	538	888	1,426	114	485	599	652	1,373	2,025
		1958	408	733	1,141	110	478	588	518	1,211	1,729
5	Utilities.....	1956	1,086	638	1,724	248	401	649	1,334	1,039	2,373
		1957	1,564	749	2,313	263	391	654	1,827	1,140	2,967
		1958	1,515	721	2,236	266	403	669	1,781	1,124	2,905
6	Construction Industry .....	1956	16	184	200	4	134	138	20	318	338
		1957	25	136	161	3	126	129	28	262	290
		1958	20	109	129	2	110	112	22	219	241
7	Housing.....	1956	1,575	-	1,575	256	-	256	1,831	-	1,831
		1957	1,415	-	1,415	270	-	270	1,685	-	1,685
		1958	1,635	-	1,635	286	-	286	1,921	-	1,921
8	Trade - Wholesale and Retail.....	1956	177	148	325	35	35	70	212	183	395
		1957	220	160	380	33	32	65	253	192	445
		1958	210	160	370	35	32	67	245	192	437
9	Finance, Insurance and Real Estate	1956	99	25	124	10	5	15	109	30	139
		1957	119	24	143	11	5	16	130	29	159
		1958	124	24	148	10	4	14	134	28	162
10	Commercial Services.....	1956	51	111	162	12	41	53	63	152	215
		1957	80	116	196	14	43	57	94	159	253
		1958	55	115	170	14	40	54	69	155	224
11	Institutional Services .....	1956	359	43	402	45	7	52	404	50	454
		1957	399	44	443	44	8	52	443	52	495
		1958	476	51	527	45	8	53	521	59	580
12	Government Departments <sup>2</sup> .....	1956	932	80	1,012	248	34	282	1,180	114	1,294
		1957	1,052	83	1,135	271	43	314	1,323	126	1,449
		1958	1,151	97	1,248	271	50	321	1,422	147	1,569
13	Total (Items 1 to 12).....	1956	5,301	2,723	8,024	1,082	1,348	2,430	6,383	4,071	10,454
		1957	5,921	2,800	8,721	1,130	1,359	2,489	7,051	4,159	11,210
		1958	5,991	2,530	8,521	1,145	1,356	2,501	7,136	3,886	11,022

1. Actual expenditures 1956, preliminary actual 1957, intentions 1958.

2. Includes expenditures of the Federal Government under the Capital Assistance Programme.

**TABLE 2. Manufacturing, Canada, 1956 to 1958<sup>1</sup>**  
(Millions of Dollars)

Item No.	Type of Enterprise	Capital Expenditures			Repair Expenditures			Capital and Repair Expenditures			
		Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
1	Food and Beverages .....	1956	32.6	76.5	109.1	12.2	45.0	57.2	44.8	121.5	166.3
		1957	39.4	79.4	118.8	13.1	43.5	56.6	52.5	122.9	175.4
		1958	40.2	72.9	113.1	12.8	41.7	54.5	53.0	114.6	167.6
2	Tobacco and Tobacco Products .....	1956	3.5	4.7	8.2	0.9	2.1	3.0	4.4	6.8	11.2
		1957	1.5	6.5	8.0	1.1	2.5	3.6	2.6	9.0	11.6
		1958	2.0	4.0	6.0	0.5	2.2	2.7	2.5	6.2	8.7
3	Rubber Products .....	1956	2.9	11.0	13.9	1.1	7.4	8.5	4.0	18.4	22.4
		1957	5.7	11.4	17.1	1.1	7.9	9.0	6.8	19.3	26.1
		1958	4.3	12.0	16.3	1.1	7.8	8.9	5.4	19.8	25.2
4	Leather Products .....	1956	1.8	2.5	4.3	0.7	2.5	3.2	2.5	5.0	7.5
		1957	1.1	2.2	3.3	0.7	2.4	3.1	1.8	4.6	6.4
		1958	0.2	1.3	1.5	0.6	2.0	2.6	0.8	3.3	4.1
5	Textile Products .....	1956	10.3	28.0	38.3	3.4	17.1	20.5	13.7	45.1	58.8
		1957	7.0	22.7	29.7	3.5	18.3	21.8	10.5	41.0	51.5
		1958	3.1	17.0	20.1	3.2	16.2	19.4	6.3	33.2	39.5
6	Clothing .....	1956	1.3	8.4	9.7	1.2	4.4	5.6	2.5	12.8	15.3
		1957	0.9	8.7	9.6	1.3	4.0	5.3	2.2	12.7	14.9
		1958	0.2	6.1	6.3	1.1	4.1	5.2	1.3	10.2	11.5
7	Wood Products .....	1956	14.0	36.8	50.8	7.4	28.8	36.2	21.4	65.6	87.0
		1957	9.1	22.5	31.6	5.8	23.1	28.9	14.9	45.6	60.5
		1958	5.2	14.0	19.2	5.0	21.6	26.6	10.2	35.6	45.8
8	Paper Products .....	1956	85.1	172.3	257.4	10.3	85.6	95.9	95.4	257.9	353.3
		1957	60.8	196.5	257.3	8.4	91.1	99.5	69.2	287.6	356.8
		1958	18.9	109.9	128.8	7.6	88.8	96.4	26.5	198.7	225.2
9	Printing, Publishing and Allied Industries .....	1956	5.3	20.2	25.5	1.6	5.5	7.1	6.9	25.7	32.6
		1957	17.7	19.4	37.1	2.0	5.0	7.0	19.7	24.4	44.1
		1958	19.5	19.7	39.2	1.7	5.2	6.9	21.2	24.9	46.1
10	Iron and Steel Products .....	1956	40.3	122.2	162.5	15.4	93.5	108.9	55.7	215.7	271.4
		1957	60.6	117.8	178.4	16.3	105.5	121.8	76.9	223.3	300.2
		1958	37.1	87.7	124.8	14.9	101.0	115.9	52.0	188.7	240.7
11	Transportation Equipment .....	1956	16.7	43.6	60.3	10.6	32.0	42.6	27.3	75.6	102.9
		1957	26.7	47.9	74.6	14.3	35.5	49.8	41.0	83.4	124.4
		1958	26.4	50.3	76.7	14.6	34.2	48.8	41.0	84.5	125.5
12	Non-ferrous Metal Products .....	1956	62.4	55.0	117.4	11.4	50.9	62.3	73.8	105.9	179.7
		1957	73.5	53.9	127.4	9.9	54.0	63.9	83.4	107.9	191.3
		1958	37.2	60.1	97.3	9.9	59.6	69.5	47.1	119.7	166.8
13	Electrical Apparatus & Supplies .....	1956	14.7	26.8	41.5	3.8	15.6	19.4	18.5	42.4	60.9
		1957	15.7	30.5	46.2	3.5	14.5	18.0	19.2	45.0	64.2
		1958	8.7	30.6	39.3	3.0	14.1	17.1	11.7	44.7	56.4
14	Non-metallic Mineral Products .....	1956	51.4	68.6	120.0	3.0	31.7	34.7	54.4	100.3	154.7
		1957	26.3	44.6	70.9	2.9	29.9	32.8	29.2	74.5	103.7
		1958	9.4	23.5	32.9	3.0	29.9	32.9	12.4	53.4	65.8
15	Products of Petroleum and Coal .....	1956	83.9	9.1	93.0	21.6	8.1	29.7	105.5	17.2	122.7
		1957	119.5	8.9	128.4	20.3	6.6	26.9	139.8	15.5	155.3
		1958	140.3	9.9	150.2	21.0	5.2	26.2	161.3	15.1	176.4
16	Chemical Products .....	1956	57.9	87.0	144.9	6.2	31.9	38.1	64.1	118.9	183.0
		1957	66.5	82.7	149.2	8.0	37.3	45.3	74.5	120.0	194.5
		1958	52.1	97.3	149.4	8.4	40.3	48.7	60.5	137.6	198.1
17	Miscellaneous .....	1956	3.6	8.7	12.3	1.4	3.5	4.9	5.0	12.2	17.2
		1957	5.9	7.6	13.5	1.4	3.9	5.3	7.3	11.5	18.8
		1958	3.3	7.0	10.3	1.4	3.9	5.3	4.7	10.9	15.6
18	Capital Items Charged to Operating Expenses .....	1956	-	124.7	124.7	-	-	-	-	124.7	124.7
		1957	-	124.7	124.7	-	-	-	-	124.7	124.7
		1958	-	110.1	110.1	-	-	-	-	110.1	110.1
19	<b>Total (Items 1 to 18)<sup>2</sup> .....</b>	1956	<b>487.7</b>	<b>906.1</b>	<b>1,393.8</b>	<b>112.2</b>	<b>463.6</b>	<b>577.8</b>	<b>599.9</b>	<b>1,371.7</b>	<b>1,971.6</b>
		1957	<b>537.9</b>	<b>887.9</b>	<b>1,425.8</b>	<b>113.6</b>	<b>485.0</b>	<b>598.6</b>	<b>651.5</b>	<b>1,372.9</b>	<b>2,024.4</b>
		1958	<b>408.1</b>	<b>733.4</b>	<b>1,141.5</b>	<b>109.8</b>	<b>477.8</b>	<b>587.6</b>	<b>517.9</b>	<b>1,211.2</b>	<b>1,729.1</b>

1. Actual expenditures 1956, preliminary actual 1957, intentions 1958.

2. Capital expenditures made out of Government Capital Assistance funds are not included in these figures.

TABLE 3. Utilities, Canada, 1956 to 1958<sup>1</sup>  
(Millions of Dollars)

Item No.	Type of Enterprise	Capital Expenditures			Repair Expenditures			Capital and Repair Expenditures			
		Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
1	Central Electric Stations ....	1956	450.9	158.8	609.7	37.1	23.3	60.4	488.0	182.1	670.1
		1957	605.6	172.6	778.2	38.5	21.0	59.5	644.1	193.6	837.7
		1958	571.8	178.9	750.7	40.6	23.3	63.9	612.4	202.2	814.6
2	Gas Distribution .....	1956	42.0	4.6	46.6	3.7	1.9	5.6	45.7	6.5	52.2
		1957	65.8	4.7	70.5	3.1	1.3	4.4	68.9	6.0	74.9
		1958	78.2	4.1	82.3	2.6	1.4	4.0	80.8	5.5	86.3
3	Steam Railways and Telegraphs <sup>2</sup> .	1956	155.2	188.5	343.7	151.7	184.2	335.9	306.9	372.7	679.6
		1957	178.9	237.0	415.9	165.6	191.7	357.3	344.5	428.7	773.2
		1958	190.1	176.1	366.2	162.5	190.1	352.6	352.6	366.2	718.8
4	Electric Railways .....	1956	7.4	12.8	20.2	5.7	14.8	20.5	13.1	27.8	40.7
		1957	9.7	11.5	21.2	5.2	15.5	20.7	14.9	27.0	41.9
		1958	6.1	15.3	21.4	5.6	15.9	21.5	11.7	31.2	42.9
5	Water Transport and Services <sup>3</sup> .	1956	60.2	25.1	85.3	3.7	20.3	24.0	63.9	45.4	109.3
		1957	110.8	33.1	143.9	3.4	16.7	20.1	114.2	49.8	164.0
		1958	139.6	28.9	168.5	3.6	17.7	21.3	143.2	46.6	189.8
6	Motor Carriers .....	1956	3.1	41.1	44.2	1.1	39.9	41.0	4.2	81.0	85.2
		1957	5.9	28.6	34.5	1.1	36.6	37.7	7.0	65.2	72.2
		1958	1.6	21.3	22.9	1.1	35.6	36.7	2.7	56.9	59.6
7	Grain Elevators .....	1956	10.7	3.8	14.5	4.9	2.2	7.1	15.6	6.0	21.6
		1957	6.4	3.5	9.9	5.3	2.0	7.3	11.7	5.5	17.2
		1958	7.4	2.1	9.5	5.5	1.8	7.3	12.9	3.9	16.8
8	Telephones .....	1956	98.7	149.5	248.2	22.7	65.4	88.1	121.4	214.9	336.3
		1957	109.5	187.2	296.7	22.8	68.1	90.9	132.3	255.3	387.6
		1958	130.0	202.1	332.1	24.9	75.5	100.4	154.9	277.6	432.5
9	Broadcasting .....	1956	3.9	4.7	8.6	0.4	2.0	2.4	4.3	6.7	11.0
		1957	4.4	4.0	8.4	0.4	2.1	2.5	4.8	6.1	10.9
		1958	2.6	5.8	8.4	0.4	2.0	2.4	3.0	7.8	10.8
10	Municipal Waterworks .....	1956	66.4	4.8	71.2	12.3	1.5	13.8	78.7	6.3	85.0
		1957	62.8	7.2	70.0	12.8	1.5	14.3	75.6	8.7	84.3
		1958	86.4	2.9	89.3	14.1	1.5	15.6	100.5	4.4	104.9
11	Other Utilities <sup>4</sup> .....	1956	187.4	31.2	218.6	4.3	36.3	40.6	191.7	67.5	259.2
		1957	404.3	45.3	449.6	4.8	34.5	39.3	409.1	79.8	488.9
		1958	301.3	69.3	370.6	5.0	38.3	43.3	306.3	107.6	413.9
12	Capital Items Charged to Operating Expenses.	1956	-	13.4	13.4	-	-	-	-	13.4	13.4
		1957	-	14.7	14.7	-	-	-	-	14.7	14.7
		1958	-	14.5	14.5	-	-	-	-	14.5	14.5
13	Total (Items 1 to 12) ...	1956	1,085.9	638.3	1,724.2	247.6	391.8	639.4	1,333.5	1,030.1	2,363.6
		1957	1,564.1	749.4	2,313.5	263.0	391.0	654.0	1,827.1	1,140.4	2,967.5
		1958	1,515.1	721.3	2,236.4	265.9	403.1	669.0	1,781.0	1,124.4	2,905.4

1. Actual expenditures 1956, preliminary actual 1957, intentions 1958.

2. Due to a change in the accounting system of some steam railways at January 1, 1957, certain items that were previously classified as repair are now classified as capital, therefore in any examination of expenditures of steam railways, both capital and repair items should be considered.

3. Figures are comparable with those for preceding years shown under "Water Transport" which included industry groups, No. 516 (water transportation) and No. 518 (services incidental to water transportation) of the Standard Industrial Classification.

4. Includes Air Transport, Warehousing, Oil and Gas Pipe Lines, and Toll Highways and Bridges.

**TABLE 4. Trade and Finance, Canada, 1956 to 1958<sup>1</sup>**

(Millions of Dollars)

Item No.	Type of Enterprise	Capital Expenditures			Repair Expenditures			Capital and Repair Expenditures			
		Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
<b>TRADE:</b>											
1	Wholesale .....	1956	35.5	31.3	66.8	4.7	7.0	11.7	40.2	38.3	78.5
		1957	28.8	22.6	51.4	4.3	5.3	9.6	33.1	27.9	61.0
		1958	24.5	17.8	42.3	3.7	5.1	8.8	28.2	22.9	51.1
2	Chain Stores .....	1956	26.4	23.3	49.7	4.4	4.3	8.7	30.8	27.6	58.4
		1957	41.5	28.6	70.1	3.7	3.4	7.1	45.2	32.0	77.2
		1958	37.2	29.8	67.0	4.8	3.5	8.3	42.0	33.3	75.3
3	Independent Stores .....	1956	53.0	46.4	99.4	12.3	12.0	24.3	65.3	58.4	123.7
		1957	84.1	60.7	144.8	12.0	10.3	22.3	96.1	71.0	167.1
		1958	80.7	59.6	140.3	13.7	10.5	24.2	94.4	70.1	164.5
4	Department Stores .....	1956	13.0	7.5	20.5	4.1	3.0	7.1	17.1	10.5	27.6
		1957	14.1	8.3	22.4	3.6	2.7	6.3	17.7	11.0	28.7
		1958	15.9	6.4	22.3	3.6	2.7	6.3	19.5	9.1	28.6
5	Automotive Trade .....	1956	49.3	25.8	75.1	9.9	8.6	18.5	59.2	34.4	93.6
		1957	51.4	25.7	77.1	9.3	10.2	19.5	60.7	35.9	96.6
		1958	51.4	31.7	83.1	9.4	10.6	20.0	60.8	42.3	103.1
6	Capital Items Charged to Operating Expenses.	1956	—	13.5	13.5	—	—	—	—	13.5	13.5
		1957	—	14.2	14.2	—	—	—	—	14.2	14.2
		1958	—	14.2	14.2	—	—	—	—	14.2	14.2
7	Sub-total (Items 1 to 6) .....	1956	177.2	147.8	325.0	35.4	34.9	70.3	212.6	182.7	395.3
		1957	219.9	160.1	380.0	32.9	31.9	64.8	252.8	192.0	444.8
		1958	209.7	159.5	369.2	35.2	32.4	67.6	244.9	191.9	436.8
<b>FINANCE:</b>											
8	Banks .....	1956	16.9	8.0	24.9	3.5	1.5	5.0	20.4	9.5	29.9
		1957	20.1	7.7	27.8	4.0	0.8	4.8	24.1	8.5	32.6
		1958	21.1	6.9	28.0	3.1	0.8	3.9	24.2	7.7	31.9
9	Insurance, Trust and Loan Companies	1956	9.4	5.7	15.1	1.3	0.7	2.0	10.7	6.4	17.1
		1957	15.2	3.5	18.7	1.1	0.7	1.8	16.3	4.2	20.5
		1958	14.5	5.5	20.0	1.0	0.7	1.7	15.5	6.2	21.7
10	Other Financial <sup>2</sup> .....	1956	73.0	11.1	84.1	4.8	2.7	7.5	77.8	13.8	91.6
		1957	84.1	12.7	96.8	5.3	3.2	8.8	89.7	15.9	105.6
		1958	88.8	12.0	100.8	5.4	2.9	8.3	94.2	14.9	109.1
11	Sub-total (Items 8 to 10) .....	1956	99.3	24.8	124.1	9.6	4.9	14.5	108.9	29.7	138.6
		1957	119.4	23.9	143.3	10.7	4.7	15.4	130.1	28.6	158.7
		1958	124.4	24.4	148.8	9.5	4.4	13.9	133.9	28.8	162.7
12	<b>Total (Items 7 and 11) .....</b>	1956	<b>276.5</b>	<b>172.6</b>	<b>449.1</b>	<b>45.0</b>	<b>39.8</b>	<b>84.8</b>	<b>321.5</b>	<b>212.4</b>	<b>533.9</b>
		1957	<b>339.3</b>	<b>184.0</b>	<b>523.3</b>	<b>43.6</b>	<b>36.6</b>	<b>80.2</b>	<b>382.9</b>	<b>220.6</b>	<b>603.5</b>
		1958	<b>334.1</b>	<b>183.9</b>	<b>518.0</b>	<b>44.7</b>	<b>36.8</b>	<b>81.5</b>	<b>378.8</b>	<b>220.7</b>	<b>599.5</b>

1. Actual expenditures 1956, preliminary actual 1957, intentions 1958.

2. The largest part of this item is accounted for by expenditures of real estate companies and companies engaged in the sale of stocks and bonds. Most of the remainder is capital outlay by insurance agents and companies conducting personal and business credit operations.



**TABLE 5. Services, Canada, 1936 to 1938<sup>1</sup>**  
(Millions of Dollars)

Item No.	Type of Enterprise	Capital Expenditures			Repair Expenditures			Capital and Repair Expenditures			
		Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
<b>COMMERCIAL SERVICES:</b>											
1	Laundries and Dry Cleaners ....	1956	1.4	6.6	8.0	0.7	2.3	3.0	2.1	8.9	11.0
		1957	1.2	5.3	6.5	0.8	2.0	2.8	2.0	7.3	9.3
		1958	1.4	3.4	4.8	0.8	1.8	2.6	2.2	5.2	7.4
2	Theatres .....	1956	2.0	0.9	2.9	0.6	0.3	0.9	2.6	1.2	3.8
		1957	2.9	1.0	3.9	0.7	0.4	1.1	3.6	1.4	5.0
		1958	1.0	0.5	1.5	0.5	0.4	0.9	1.5	0.9	2.4
3	Hotels .....	1956	22.8	6.6	29.4	9.1	4.3	13.4	31.9	10.9	42.8
		1957	41.1	6.8	47.9	11.0	5.0	16.0	52.1	11.8	63.9
		1958	28.2	11.9	40.0	11.2	4.6	15.8	39.4	16.4	55.8
4	Other Commercial Services <sup>2</sup> ....	1956	24.9	96.9	121.8	1.6	34.2	35.8	26.5	131.1	157.6
		1957	34.7	103.0	137.7	1.9	35.6	37.5	36.6	138.6	175.2
		1958	24.4	99.6	124.0	1.8	32.7	34.5	26.2	132.3	158.5
5	Sub-total (Items 1 to 4) .....	1956	51.1	111.0	162.1	12.0	41.1	53.1	63.1	152.1	215.2
		1957	79.9	116.1	196.0	14.4	43.0	57.4	94.3	159.1	253.4
		1958	55.0	115.3	170.3	14.3	39.5	53.8	69.3	154.8	224.1
<b>INSTITUTIONAL SERVICES:</b>											
6	Churches .....	1956	43.8	2.8	46.6	6.5	0.3	6.8	50.3	3.1	53.4
		1957	45.7	3.0	48.7	6.3	0.5	6.8	52.0	3.5	55.5
		1958	39.7	2.9	42.6	6.1	0.5	6.6	45.8	3.4	49.2
7	Universities .....	1956	22.3	4.0	26.3	3.6	0.3	3.9	25.9	4.3	30.2
		1957	38.0	4.6	42.6	3.4	0.2	3.6	41.4	4.8	46.2
		1958	58.8	5.4	64.2	4.4	0.3	4.7	63.2	5.7	68.9
8	Schools .....	1956	173.1	16.8	189.9	18.7	3.1	21.8	191.8	19.9	211.7
		1957	197.8	19.6	217.4	20.0	3.2	23.2	217.8	22.8	240.6
		1958	194.5	19.8	213.3	21.2	3.3	24.5	215.7	22.1	237.8
9	Hospitals .....	1956	110.0	18.7	128.7	15.2	3.5	18.7	125.2	22.2	147.4
		1957	108.5	16.8	125.3	13.4	3.9	17.3	121.9	20.7	142.6
		1958	168.1	23.3	191.4	12.6	4.1	16.7	180.7	27.4	208.1
10	Other Institutional Services <sup>3</sup> ....	1956	9.6	0.3	9.9	0.8	0.1	0.9	10.4	0.4	10.8
		1957	9.9	0.4	9.3	0.9	-	0.9	9.8	0.4	10.2
		1958	14.5	0.4	14.9	0.5	-	0.5	15.0	0.4	15.4
11	Sub-total (items 6 to 10) .....	1956	358.8	42.6	401.4	44.8	7.3	52.1	403.6	49.9	453.5
		1957	398.9	44.4	443.3	44.0	7.9	51.8	442.9	52.2	495.1
		1958	475.6	50.8	526.4	44.8	9.2	53.0	520.4	59.0	579.4
12	<b>GOVERNMENT DEPARTMENTS.</b>	1956	931.9	79.7	1,011.6	248.0	33.7	281.7	1,179.9	113.4	1,293.3
		1957	1,051.6	82.6	1,134.2	271.1	42.7	313.8	1,322.7	125.3	1,448.0
		1958	1,150.9	96.8	1,247.7	270.8	49.6	320.4	1,421.7	146.4	1,568.1
13	<b>Total (Items 5, 11 and 12)</b>	<b>1956</b>	<b>1,341.8</b>	<b>233.3</b>	<b>1,575.1</b>	<b>304.8</b>	<b>82.1</b>	<b>386.9</b>	<b>1,646.6</b>	<b>315.4</b>	<b>1,962.0</b>
		<b>1957</b>	<b>1,530.4</b>	<b>243.1</b>	<b>1,773.5</b>	<b>329.5</b>	<b>93.5</b>	<b>423.0</b>	<b>1,859.9</b>	<b>336.6</b>	<b>2,196.5</b>
		<b>1958</b>	<b>1,681.5</b>	<b>262.9</b>	<b>1,944.4</b>	<b>329.9</b>	<b>97.3</b>	<b>427.2</b>	<b>2,011.4</b>	<b>360.2</b>	<b>2,371.6</b>

1. Actual expenditures 1956, preliminary actual 1957, intentions 1958

2. Includes estimates for other commercial vehicles not covered, professional services, independent restaurants and recreation and amusement centres other than theatres.

3. Includes privately-operated social and welfare institutions.

TABLE 6. Private and Public, Canada, 1956 to 1958<sup>1</sup>

(Millions of Dollars)

Item No.	Type of Enterprise	Capital Expenditures			Repair Expenditures			Capital and Repair Expenditures			
		Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
<b>PRIVATE:</b>											
1	Business Enterprises .....	1956	1,803.1	2,324.3	4,127.4	396.1	1,138.3	1,534.9	2,199.2	3,463.1	5,662.3
		1957	2,212.2	2,360.0	4,572.2	399.4	1,134.0	1,533.4	2,611.5	3,494.0	6,105.6
		1958	1,831.6	2,053.5	3,885.1	393.5	1,115.4	1,509.0	2,225.2	3,163.9	5,394.1
2	Institutions and Housing ..	1956	1,688.3	19.0	1,707.3	274.7	2.5	277.2	1,963.0	21.5	1,984.5
		1957	1,538.0	18.2	1,556.2	287.6	3.0	290.6	1,825.5	21.2	1,846.8
		1958	1,800.3	24.9	1,825.2	303.3	3.1	306.4	2,103.6	28.0	2,131.6
3	Sub-total (Items 1 and 2) ....	1956	3,491.4	2,343.3	5,834.7	670.8	1,141.3	1,812.1	4,162.2	3,484.5	7,646.3
		1957	3,750.2	2,378.2	6,128.4	687.0	1,137.0	1,824.0	4,437.2	3,515.2	7,952.4
		1958	3,331.9	2,078.4	5,710.3	696.9	1,118.5	1,815.4	4,328.8	3,196.9	7,525.7
<b>PUBLIC:</b>											
4	Government Owned Enterprises <sup>2</sup> ..	1956	632.2	276.4	908.6	137.1	158.2	305.3	759.3	444.6	1,213.9
		1957	843.3	313.0	1,156.3	145.5	174.5	320.0	988.8	487.5	1,476.3
		1958	897.9	328.9	1,226.8	149.8	182.8	332.6	1,047.7	511.7	1,559.4
5	Government Operated Institutions and Housing <sup>3</sup> ..	1956	245.5	23.6	269.1	26.1	4.8	30.9	271.6	28.4	300.0
		1957	275.9	26.2	302.1	26.4	4.8	31.2	302.3	31.0	333.3
		1958	310.3	25.9	336.2	27.5	5.1	32.6	337.8	31.0	368.8
6	Government Departments ..	1956	931.9	79.7	1,011.6	248.0	33.7	281.7	1,179.9	113.4	1,293.3
		1957	1,051.6	82.6	1,134.2	271.1	42.7	313.8	1,322.7	125.3	1,448.0
		1958	1,150.9	96.8	1,247.7	270.8	49.6	320.4	1,421.7	146.4	1,568.1
7	Sub-total (Items 4 to 6) ....	1956	1,809.6	379.7	2,189.3	411.2	206.7	617.9	2,220.8	596.4	2,807.2
		1957	2,170.8	421.8	2,592.6	443.0	222.0	665.0	2,613.8	643.8	3,257.6
		1958	2,359.1	451.6	2,810.7	448.1	237.5	685.6	2,807.2	689.1	3,496.3
8	<b>Total Private and Public (Items 3 and 7).</b>	1956	<b>5,301.0</b>	<b>2,723.0</b>	<b>8,024.0</b>	<b>1,082.0</b>	<b>1,348.0</b>	<b>2,430.0</b>	<b>6,383.0</b>	<b>4,071.0</b>	<b>10,454.0</b>
		1957	<b>5,921.0</b>	<b>2,800.0</b>	<b>8,721.0</b>	<b>1,130.0</b>	<b>1,359.0</b>	<b>2,489.0</b>	<b>7,051.0</b>	<b>4,159.0</b>	<b>11,210.0</b>
		1958	<b>5,991.0</b>	<b>2,530.0</b>	<b>8,521.0</b>	<b>1,145.0</b>	<b>1,356.0</b>	<b>2,501.0</b>	<b>7,136.0</b>	<b>3,886.0</b>	<b>11,022.0</b>

1. Actual expenditures 1956, preliminary actual 1957, intentions 1958.

2. These categories cover, in general, government owned establishments whose principal source of revenue is derived from the provision of goods and services to the public.

3. These categories include only federal government housing, provincial hospitals, schools and universities, and municipal hospitals and schools.

TABLE 7. Governments, Canada, 1956 to 1958<sup>1</sup>

(Millions of Dollars)

Item No.	Type of Enterprise	Capital Expenditures			Repair Expenditures			Capital and Repair Expenditures			
		Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
<b>FEDERAL GOVERNMENT:</b>											
1	Enterprises <sup>2</sup> .....	1956	163.2	134.0	297.2	86.8	129.1	215.9	250.0	263.1	513.1
		1957	280.7	191.5	472.2	97.5	137.8	235.3	378.2	329.3	707.5
		1958	346.3	185.0	531.3	97.8	143.0	240.8	444.1	328.0	772.1
2	Housing .....	1956	27.6	-	27.6	-	-	-	27.6	-	27.6
		1957	38.9	-	38.9	-	-	-	38.9	-	38.9
		1958	48.0	-	48.0	-	-	-	48.0	-	48.0
3	Government Departments .....	1956	319.9	32.2	352.1	61.2	10.0	71.2	381.1	42.2	423.3
		1957	294.1	32.5	326.6	55.8	10.4	66.2	349.9	42.9	392.8
		1958	320.5	41.0	361.5	60.0	10.6	70.6	380.5	51.6	432.1
4	Sub-total (Items 1 to 3) .....	1956	510.7	166.2	676.9	148.0	139.1	287.1	658.7	305.3	964.0
		1957	613.7	224.0	837.7	153.3	148.2	301.5	767.0	372.2	1,139.2
		1958	714.8	226.0	940.8	157.8	153.6	311.4	872.6	379.6	1,252.2
<b>PROVINCIAL GOVERNMENTS:</b>											
5	Enterprises <sup>2</sup> .....	1956	369.8	114.7	484.5	24.3	20.7	45.0	394.1	135.4	529.5
		1957	465.0	95.0	560.0	22.9	18.4	41.3	487.9	113.4	601.3
		1958	430.9	113.6	544.5	25.8	21.0	46.8	456.7	134.6	591.3
6	Institutions <sup>3</sup> .....	1956	47.3	5.6	52.9	7.8	1.5	9.3	55.1	7.1	62.2
		1957	53.2	7.0	60.2	7.1	1.5	8.6	60.3	8.5	68.8
		1958	77.9	7.6	85.5	7.2	1.6	8.8	85.1	9.2	94.3
7	Government Departments .....	1956	391.4	24.4	415.8	119.3	12.8	132.1	510.7	37.2	547.9
		1957	451.2	20.9	472.1	131.8	16.4	148.2	583.0	37.3	620.3
		1958	491.4	26.4	517.8	127.1	23.5	150.6	618.5	49.9	668.4
8	Sub-total (Items 5 to 7) .....	1956	808.5	144.7	953.2	151.4	35.0	186.4	959.9	179.7	1,139.6
		1957	969.4	122.9	1,092.3	161.8	36.3	198.1	1,131.2	159.2	1,290.4
		1958	1,000.2	147.6	1,147.8	160.1	46.1	206.2	1,160.3	193.7	1,354.0
<b>MUNICIPAL GOVERNMENTS:</b>											
9	Enterprises <sup>2</sup> .....	1956	99.2	27.7	126.9	26.0	18.4	44.4	125.2	46.1	171.3
		1957	97.6	26.5	124.1	25.1	18.3	43.4	122.7	44.8	167.5
		1958	120.7	30.3	151.0	26.2	18.8	45.0	146.9	49.1	196.0
10	Institutions <sup>3</sup> .....	1956	170.6	18.0	188.6	18.3	3.3	21.6	188.9	21.3	210.2
		1957	183.8	19.2	203.0	19.3	3.3	22.6	203.1	22.5	225.6
		1958	184.4	18.3	202.7	20.3	3.5	23.8	204.7	21.8	226.5
11	Government Departments .....	1956	220.6	23.1	243.7	67.5	10.9	78.4	288.1	34.0	322.1
		1957	306.3	29.2	335.5	83.5	15.9	99.4	389.8	45.1	434.9
		1958	339.0	24.4	363.4	83.7	15.5	99.2	422.7	44.9	467.6
12	Sub-total (Items 9 to 11) .....	1956	490.4	68.8	559.2	111.8	32.6	144.4	602.2	101.4	703.6
		1957	587.7	74.9	662.6	127.9	37.5	165.4	715.6	112.4	828.0
		1958	644.1	78.0	722.1	130.2	37.8	168.0	774.3	115.8	890.1
13	<b>Total (Items 4, 8 and 12)</b> .....	1956	1,809.6	379.7	2,189.3	411.2	206.7	617.9	2,220.8	586.4	2,807.2
		1957	2,170.8	421.8	2,592.6	443.0	222.0	665.0	2,613.8	643.8	3,257.6
		1958	2,359.1	451.6	2,810.7	448.1	237.5	685.6	2,807.2	689.1	3,496.3

1. Actual expenditures 1956, preliminary actual 1957, intentions 1958.  
 2. These categories cover, in general, government owned establishments whose principal source of revenue is derived from the provision of goods and services to the public.  
 3. These categories include only provincial hospitals, schools and universities, and municipal hospitals and schools.  
 4. Preliminary estimates pending completion of federal government expenditure estimates for the fiscal year 1958-59.

**TABLE 8. Business and Other, Canada, 1956 to 1958<sup>1</sup>**  
(Millions of Dollars)

Item No.	Type of Enterprise	Capital Expenditures			Repair Expenditures			Capital and Repair Expenditures			
		Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
1	Business Enterprises <sup>2</sup> (excluding Utilities).	1956	1,713	1,962	3,675	359	906	1,265	2,072	2,868	4,940
		1957	1,879	1,924	3,803	356	917	1,273	2,235	2,841	5,076
		1958	1,662	1,661	3,323	359	895	1,254	2,021	2,556	4,577
2	Utilities .....	1956	1,086	638	1,724	248	401	649	1,334	1,039	2,373
		1957	1,564	749	2,313	263	391	654	1,827	1,140	2,967
		1958	1,515	721	2,236	266	403	669	1,781	1,124	2,905
3	Sub-total (Items 1 and 2) .....	1956	2,799	2,600	5,399	607	1,307	1,914	3,406	3,907	7,313
		1957	3,443	2,673	6,116	619	1,308	1,927	4,062	3,981	8,043
		1958	3,177	2,382	5,559	625	1,298	1,923	3,802	3,680	7,482
4	Other <sup>3</sup> .....	1956	2,502	123	2,625	475	41	516	2,977	164	3,141
		1957	2,478	127	2,605	511	51	562	2,989	178	3,167
		1958	2,814	148	2,962	506	58	564	3,320	206	3,526
5	Total (Items 3 and 4) .....	1956	5,301	2,723	8,024	1,082	1,348	2,430	6,383	4,071	10,454
		1957	5,921	2,800	8,721	1,130	1,359	2,489	7,051	4,159	11,210
		1958	5,991	2,530	8,521	1,131	1,356	2,487	7,122	3,886	11,008

1. Actual expenditures 1956, preliminary actual 1957, intentions 1958.

2. Includes expenditures in agriculture, fishing, forestry, mining, manufacturing, the construction industry, rental housing, trade, finance and commercial services.

3. Includes expenditures in owner-occupied housing, institutional services and government departments.

### SECTION III DEFINITIONS, COVERAGE AND COMPARATIVE SUMMARY

#### Definitions

The purpose of this report is to set out the anticipated gross expenditures, on durable physical assets, both new and repair, of the whole Canadian economy. These comprise in general the facilities and tools used to produce goods and services.

Housing is not generally considered a capital expenditure in the sense mentioned above, but it has been included in this report because it forms a large proportion of construction expenditures and has cyclical fluctuations similar to those which characterize business, institutional and government capital expenditures.

The main emphasis of the report is on capital rather than repair expenditures. New capital expenditures include the cost of procuring, constructing and installing new durable plant and machinery, whether for replacement of worn or obsolete assets, or as net additions to existing assets. Included are purchases from persons outside the business, together with the value of work on capital assets undertaken by the firm with its own working force. Gross outlay is asked for on the questionnaires with no deduction for scrap or trade-in value of old assets. Excluded are expenditures made for the acquisition of previously existing structures, for used machinery and equipment and for land, since outlays of this type involve only the transfer of property and not the creation of a capital asset.

The intention is to include the cost of all new plant and equipment which normally has a life of several years or more. For this reason, companies were asked to report, as capital expenditures, all purchases charged to fixed assets account. This method of reporting omits certain types of equipment which are bought regularly out of ordinary revenue and charged to current account. Adjustments have been made where necessary to take account of such omitted capital items and separate figures are shown in the relevant tables under "capital items charged to operating expenses".

Repair expenditures represent outlays made to maintain the operating efficiency of the existing stock of durable physical assets. Major repair costs which materially lengthen the expected serviceable life of the assets or raise its productivity are treated as part of capital expenditures. Excluded also are costs for the routine care of assets such as cleaning and oiling of machinery.

#### Reconciliation between Private and Public Investment and "New Construction and New Machinery and Equipment" as per National Accounts.

New capital investment as shown in this report covers all capital outlays by both private groups and government authorities on durable physical assets. This coverage is therefore somewhat greater than the "new construction and new machinery and equipment" figures included as a component of Gross Domestic Investment, published in the National Accounts. Generally speaking, the National Accounts series includes only expenditures of organizations whose principal source of revenue is from the sale of goods or services to the public. This excludes the items listed in the footnote to Table 9, the largest of which is direct government department outlays. All these items are included under government expenditures for goods and services in the National Accounts.

A reconciliation between private and public new investment and "new construction and new machinery and equipment" as used in the National Accounts is shown in Table 9 for the years 1956, 1957 and 1958.

**TABLE 9. Reconciliation with National Accounts Investment**  
(Millions of Dollars)

		Housing	Other Construc- tion	Machinery and Equipment	Total
Private and Public Capital Expenditures .....	1956	1,575	3,726	2,723	8,024
	1957	1,415	4,506	2,800	8,721
	1958	1,635	4,356	2,530	8,521
Deduct: direct government outlays <sup>1</sup> .....	1956	21	1,137	102	1,260
	1957	24	1,273	108	1,405
	1958	26	1,375	123	1,524
New construction and new machinery equipment expenditures as per National Accounts.	1956	1,554	2,589	2,621	6,764
	1957	1,391	3,233	2,692	7,316
	1958	1,609	2,981	2,407	6,997

1. In addition to government built, non-rental housing, this category consists of expenditures for provincial hospitals, provincial and municipal schools and those outlays made directly by government departments.

### Coverage

Estimates for most of the sectors covered in this report are based on questionnaire surveys. Government expenditure figures are based on a direct survey of municipal, provincial and federal departments or agencies. The per cent coverage in each of these surveys is given in the following table headed "Coverage of 1957-58 Survey". Those groups for which independent estimates were made are listed in the table with a blank in the per cent column.

The total coverage of the survey may be expressed in several ways. Actually reported expenditures account for 85.3 per cent of total outlays in those groups covered by direct survey and for 77.0 per cent of total estimated expenditures in all sectors. The estimates of total outlays in the groups covered by survey, amounting to 90 per cent of all spending, are thought to be of a better quality than the remaining 10 per cent which represent independent estimates based on much less complete information.

The figures in the various tables of this report and those to follow in the regional supplement are estimates of total expenditures. In order to approximate full coverage for Canada, adjustments were made to allow for those firms which did not report. In manufacturing, the method used to inflate the reported expenditures was to multiply the known expenditures by a factor obtained by dividing the total value of shipments in 1955 of all the firms in each industry by the corresponding 1955 total for the firms reporting in the 1958 survey. In carrying out this procedure it has been assumed that the proportion of shipments of the reporting establishments in both 1955 and 1958 has not changed significantly during the period and further that there is a close relationship between total value of shipments and capital investment. In the utilities, trade, finance and institutional and commercial services sectors the same principle has been followed using appropriate basic data for the sector concerned. Expenditures reported by establishments for which no production or other basic data are available are included as "net additions". Since reporting firms accounted for 77.0 per cent of the total, it is believed that the estimating procedure for the non-reporting firms and the sectors not covered by direct survey, amounting to 23.0 per cent, does not introduce any great margin of error into the total. Estimates for individual industries or regions are, of course, subject to greater error than the total figures for Canada.

TABLE 10. Coverage of 1957-58 Survey

Type of Enterprise	Per Cent Coverage <sup>1</sup>	Type of Enterprise	Per Cent Coverage <sup>1</sup>
<b>Agriculture and Fishing<sup>2</sup>: (Table 1)</b> .....	—	<b>Construction Industry<sup>3</sup>: (Table 1)</b> .....	33.6
<b>Forestry<sup>3</sup>: (Table 1)</b> .....	43.4	<b>Housing<sup>4</sup>: (Table 1)</b> .....	70.0
<b>Mining, Quarrying and Oil Wells<sup>3</sup>: (Table 1)</b> .....	93.1	<b>Trade: (Table 4)</b> .....	54.2
<b>Manufacturing:<sup>3</sup> (Table 2)</b> .....	88.5	Wholesale (Proper) .....	66.2
Food and Beverages .....	76.9	Chain Stores .....	89.9
Tobacco and Tobacco Products .....	89.9	Independent Stores <sup>2</sup> .....	—
Rubber Products .....	99.3	Department Stores .....	96.7
Leather Products .....	69.6	Automotive Trade .....	99.3
Textile and Textile Products .....	84.2	<b>Finance: (Table 4)</b> .....	62.8
Clothing .....	61.3	Banks .....	100.0
Wood Products .....	61.6	Insurance, Trust and Loan Companies .....	100.0
Paper Products .....	91.9	Other Financial .....	52.4
Printing, Publishing and Allied Industries .....	70.2	<b>Commercial Services: (Table 5)</b> .....	19.3
Iron and Steel Products .....	84.7	Laundries and Dry Cleaners .....	39.7
Transportation Equipment .....	91.6	Theatres .....	76.7
Non-ferrous Metal Products .....	98.2	Hotels .....	74.0
Electrical Apparatus and Supplies .....	85.7	Other Commercial Services <sup>2</sup> .....	—
Non-metallic Mineral Products .....	83.5	<b>Institutional Services: (Table 5)</b> .....	77.1
Products of Petroleum and Coal .....	99.3	Churches .....	49.0
Chemical Products .....	91.6	Universities .....	82.5
Miscellaneous .....	68.8	Schools .....	79.7
<b>Utilities: (Table 3)</b> .....	95.7	Hospitals .....	78.7
Central Electric Stations .....	94.3	Other Institutional Services .....	76.2
Gas Distribution .....	100.0	<b>Government Departments: (Table 1)</b> .....	83.3
Steam Railways and Telegraphs .....	100.0		
Electric Railways .....	97.2	<b>Total: Groups Covered by Direct Survey</b> .....	83.3
Water Transport and Service .....	98.8		
Motor Carriers .....	67.0	<b>Total: All Groups</b> .....	77.0
Grain Elevators .....	90.3		
Telephones .....	94.7		
Broadcasting .....	87.5		
Municipal Waterworks .....	77.3		
Other Utilities .....	99.3		

1. Coverage is calculated by expressing expenditures of reporting firms as a percentage of total estimated expenditures.

2. Independent estimates were made of expenditures in this group.

3. In manufacturing and primary industries only establishments having a gross value of production of over \$200,000 were canvassed in entirety. Thus, coverage is apt to be lower for groups where there are a large number of small companies such as forestry and construction.

4. Coverage for residential housing is calculated by expressing public and privately initiated housing covered by survey as a percentage of total estimated completions.

Both the 1957 preliminary actual expenditures and the 1958 forecast expenditures were reported by business establishments on the same questionnaire form. With the reported figures covering both years coming from the same group of establishments and with the estimating techniques for non-reporting firms the same for each year, the percentage change from 1957 to 1958 can be calculated with more precision than the absolute magnitude of expenditures in the two years.

Housing estimates were made on a different basis from those derived from information submitted directly by business or government agencies. Appraisals of the probable volume of housing construction were made by field representatives of the Central Mortgage and Housing Corporation who consulted local officials, builders, contractors, supply firms, and other individuals and firms concerned with future housing construction projects. Using information obtained from these sources and their own knowledge, the representatives of the Corporation made estimates of privately initiated housing for all municipalities in Canada with a population of 5,000 and over. The five regional offices and the head office of the Corporation checked these estimates. Independent estimates were made of privately initiated housing in areas with a population of less than 5,000, and of the total volume of public or government initiated housing likely to be undertaken next year. Finally, an allowance was made for conversions which amounted to a small part of the total. Allowing for probable changes in construction costs, value estimates were then prepared for new construction (including improvements) and repair work likely to be undertaken in 1958.

#### **Comparison of 1957 Realizations with Intentions.**

In considering the accuracy of any forecast of investment intentions, two separate factors should be kept in mind. First, it is necessary to consider the extent to which investment plans are formulated in advance. Second, consideration ought to be given to the comparison of anticipated investment expenditures with the actual investment statistics once they are available for the period in question.

So far as the first point is concerned, it should be noted that it is not always easy to obtain reliable data on the future plans of business firms. Some firms do not decide upon their complete investment programme at the beginning of the year and are unable to state their intentions precisely. Generally however, new investment expenditures, particularly those on structures and large installations, need previous planning and preparation and most firms are able to give a good estimate of expected outlays. In addition, the seasonal character of construction in Canada frequently means that early decisions must be made regarding capital spending plans for the year ahead.

In considering how closely statements of intentions compare with actual realization, it should be kept in mind that the figures given for 1958 represent the capital expenditure intentions of businessmen and others at the time the surveys are made. These intentions may change for a variety of reasons as the year progresses. Changes in the general business outlook may make it desirable to either modify or expand investment spending, changing price trends may result in revision of cost estimates, and shortages of materials or labour and unfavourable weather may retard progress on projects. In addition, individual businesses have different planning periods and in some cases plans are kept flexible as a matter of policy.

The table on the following page provides a comparison of the 1957 capital expenditure intentions as of January 1957, the revised capital expenditure intentions as of June 1957, and preliminary estimate of realizations as of now. The present estimate



of capital outlays for 1957 is 2.2% above the original intentions and .6% below the revised intentions with construction increasing by 6.0% from the original figures and by 1.7% from the revised figures and machinery and equipment figures decreasing by 5.0% and 5.2%.

In considering this comparison it should be kept in mind that the 1957 preliminary actual figures are still subject to further revision as more accurate information becomes available. Although these revisions do not as a rule affect the overall totals greatly, there are sometimes important changes within some of the groups.

The 1956 preliminary actual figures published last year have been revised and changes have been incorporated in the 1956 actual figures.

**TABLE 11. Comparison of Intended with Realized Expenditure in 1957**  
(Millions of Dollars)

Type of Enterprise		Capital Expenditures			Repair Expenditures <sup>4</sup>			Capital and Repair Expenditures		
		Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Sub-total	Construction	Machinery and Equipment	Total
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1 Primary Industries and Construction Industry <sup>5</sup> .	Intentions <sup>1</sup>	502	797	1,299	119	323	442	621	1,120	1,741
	Revised <sup>2</sup>	561	804	1,365	119	323	442	680	1,127	1,807
	Realized <sup>3</sup>	534	736	1,270	110	352	462	544	1,088	1,732
2 Manufacturing .....	Intentions <sup>1</sup>	474	997	1,471	103	440	543	577	1,437	2,014
	Revised <sup>2</sup>	484	983	1,467	103	440	543	587	1,423	2,010
	Realized <sup>3</sup>	538	888	1,426	114	485	599	652	1,373	2,025
3 Utilities .....	Intentions <sup>1</sup>	1,464	721	2,185	268	389	657	1,732	1,110	2,842
	Revised <sup>2</sup>	1,540	732	2,272	268	389	657	1,808	1,121	2,929
	Realized <sup>3</sup>	1,564	749	2,313	263	391	654	1,827	1,140	2,967
4 Trade, Finance and Commercial Services.	Intentions <sup>1</sup>	428	300	728	57	81	138	485	381	866
	Revised <sup>2</sup>	439	303	742	57	81	138	496	384	880
	Realized <sup>3</sup>	419	300	719	58	80	138	477	380	857
5 Institutions .....	Intentions <sup>1</sup>	421	48	469	42	8	50	463	56	519
	Revised <sup>2</sup>	423	48	471	42	8	50	465	56	521
	Realized <sup>3</sup>	399	44	443	44	8	52	443	52	495
6 Housing .....	Intentions <sup>1</sup>	1,283	-	1,283	273	-	273	1,556	-	1,556
	Revised <sup>2</sup>	1,351	-	1,351	273	-	273	1,624	-	1,624
	Realized <sup>3</sup>	1,415	-	1,415	270	-	270	1,685	-	1,685
7 Government Department.....	Intentions <sup>1</sup>	1,014	84	1,098	254	40	294	1,268	124	1,392
	Revised <sup>2</sup>	1,025	83	1,108	254	40	294	1,279	123	1,402
	Realized <sup>3</sup>	1,052	83	1,135	271	43	314	1,323	126	1,449
8 Total (Items 1 to 7) .....	Intentions <sup>1</sup>	5,586	2,947	8,533	1,116	1,281	2,397	6,702	4,228	10,930
	Revised <sup>2</sup>	5,823	2,953	8,778	1,116	1,281	2,397	6,939	4,234	11,173
	Realized <sup>3</sup>	5,921	2,800	8,721	1,130	1,359	2,489	7,051	4,159	11,210

1. As of January, 1957.  
 2. Revision is based on results of mid-1957 partial survey of those firms reporting expenditures at commencement of year.  
 3. Preliminary figures.  
 4. Firms reporting in the mid-year survey were not asked to re-examine repair expenditures, as past experience revealed relatively small changes in this type of expenditure. Mid-year estimates are therefore a repeat of figures reported at the beginning of the year.  
 5. Construction industry not surveyed at mid-year review.





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