

Investment in Canada to rise

Public and private investment by all sectors of the Canadian economy is expected to reach \$76.523 billion in 1981, according to preliminary figures by Statistics Canada.

The 1981 forecast is an increase of 17 per cent over the 1980 total of \$65.412 billion. The 1980 figure was an increase of 12.1 per cent over the 1979 total of \$58.354 billion.

New construction during 1981 is expected to amount to \$46.126 billion or 16.9 per cent above the 1980 total of \$39.461 billion. Residential construction is projected at \$12.304 billion, 12.4 per cent higher than the \$10.949 billion in 1980, which, in turn, was down by 5.7 per cent from the \$11.617 billion in 1979. The rest of the construction program in non-residential buildings and engineering structures is showing an increase of 18.6 per cent to \$33.822 billion in 1981 over the \$28.512 billion in 1980. The rate of increase last year was slightly lower at 17.7 per cent over the \$24.229 billion in 1979.

The machinery component in the capital spending program is estimated at \$30.397 billion in 1981 compared with \$25.951 billion in 1980. The current increase of 17.1 per cent exceeds the 15.3 per cent shown last year over the \$22.508 billion of machinery acquisitions in 1979.

In the over all total of capital spending, the business sector is now expected to be up by 19.4 per cent this year compared with 18.1 per cent in 1980 representing levels of \$54.936 billion in 1981, \$45.999 billion in 1980 and \$38.960 billion in 1979. Outlays for the social capital of institutions and governments are increasing by 9.7 per cent in 1981 for a total of \$9.283 billion after an 8.8 per cent increase last year from totals of \$8.463 billion in 1980 and \$7.777 billion in 1979.

Provinces and territories

All provinces and territories are showing increases in capital expenditures as follows: Newfoundland (24.2 per cent), Prince Edward Island (5.4 per cent), Nova Scotia (37 per cent), New Brunswick (9.3 per cent), Quebec (12.3 per cent), Ontario (14.4 per cent), Manitoba (6.5 per cent), Saskatchewan (27.6 per cent), Alberta (22 per cent), British Columbia (14 per cent), Yukon and Northwest Territories (46.9 per cent).

The level for the Atlantic region has improved to show an increase of 22.7 per cent in 1981 compared with a decrease of 1.4 per cent in 1980. Almost a half of this regional gain can be attributed to the expanded program for the primary industries group, particularly in mining, petroleum and gas for Newfoundland, Nova Scotia and New Brunswick. The total of \$791 million is 80.8 per cent above the 1980 level. The next ranking gain is for institutions and government departments where the 1981 total of \$1.085 billion is up by \$200 million or 22.6 per cent over last year. The current measurement for manufacturing in the region, at \$642 million (up 40.4 per cent), results from gains in Nova Scotia and New Brunswick, offset in part by a decrease in Newfoundland.

In Quebec, increases are shown for all the major sectors. The transportation-communications-utilities group dominates the increases with the new total of \$4.495 billion up by \$466 million or 11.5 per cent, largely as a result of gains for the transportation group. Manufacturing, at \$2.286 billion (up 17.9 per cent), reflects further strength mainly for the paper products group, products of petroleum and coal, primary metals and for transportation equipment.

The increase of 14.4 per cent in capital spending in Ontario in 1981 is below the national average of 17 per cent. The transportation-communication-utilities group leads the increases with the new 1981 total of \$4.614 billion ahead of 1980 by \$849 million or 22.5 per cent. The miscellaneous utilities group (which includes electric power) makes up most of the increase, followed by transportation industries. The largest part of the 15.9 per cent increase for manufacturing comes from paper products, transportation equipment, chemicals and petroleum refineries.

The 21.4 per cent increase in capital spending in the Prairie region exceeds the

national average of 17 per cent. The 15 per cent regional increase for 1980 was also above the national average of 12.1 per cent for that year. In the primary industries group, the mining, petroleum and gas group is up by 18.5 per cent. The notable increase of 79.7 per cent in transportation activity resulting mostly from pipeline construction is reflected in the programs for the transportation-communications-utilities sector. Manufacturing also shows strength, particularly from installations associated with the petroleum and gas industry in Alberta.

In British Columbia, an increase of 14 per cent in capital outlays in 1981 falls short of the 28.5 per cent in 1980. Currently housing is expected to reach \$2.530 billion (up \$380 million or 17.7 per cent) as a significant contributor to

Summary by sectors, Canada
1979 to 1981(1)
(millions of dollars)

		Capital expenditures		
		Construction	Machinery and equipment	Sub-total
Agriculture and fishing	1979	824.8	3,542.7	4,367.5
	1980	918.2	3,545.1	4,463.3
	1981	987.6	3,791.5	4,779.1
Forestry	1979	140.6	160.0	300.6
	1980	140.9	177.3	318.2
	1981	174.0	190.5	364.5
Mining, quarrying and oil wells	1979	4,675.5	979.1	5,654.6
	1980	6,702.2	1,503.7	8,205.9
	1981	8,192.7	1,970.8	10,163.5
Construction industry	1979	157.6	827.7	985.3
	1980	173.0	909.3	1,082.3
	1981	200.8	1,054.7	1,255.5
Manufacturing	1979	1,610.5	5,833.1	7,443.6
	1980	2,052.5	7,452.7	9,505.2
	1981	2,522.7	9,183.2	11,705.9
Utilities	1979	6,183.7	5,576.2	11,759.9
	1980	6,700.6	6,376.8	13,077.4
	1981	8,482.4	7,440.4	15,922.8
Trade, wholesale and retail	1979	503.7	1,071.0	1,574.7
	1980	566.0	1,079.0	1,645.0
	1981	643.8	1,243.9	1,887.7
Finance, insurance and real estate	1979	2,862.1	378.3	3,240.4
	1980	3,333.9	379.4	3,713.3
	1981	4,001.0	418.8	4,419.8
Commercial services	1979	566.5	3,067.1	3,633.6
	1980	626.8	3,361.7	3,988.5
	1981	612.6	3,825.1	4,437.7
Institutions	1979	1,327.7	362.5	1,690.2
	1980	1,572.3	392.3	1,964.6
	1981	1,731.1	411.8	2,142.9
Government departments	1979	5,376.6	710.0	6,086.6
	1980	5,725.2	773.3	6,498.5
	1981	6,273.3	866.5	7,139.8
Housing	1979	11,617.4	—	11,617.4
	1980	10,949.5	—	10,949.5
	1981	12,304.0	—	12,304.0
Total (items 1 to 12)	1979	35,846.7	22,507.7	58,354.4
	1980	39,461.1	25,950.6	65,411.7
	1981	46,126.0	30,397.2	76,523.2