

Capital and Repair Expenditures Survey, 2013 (actual)

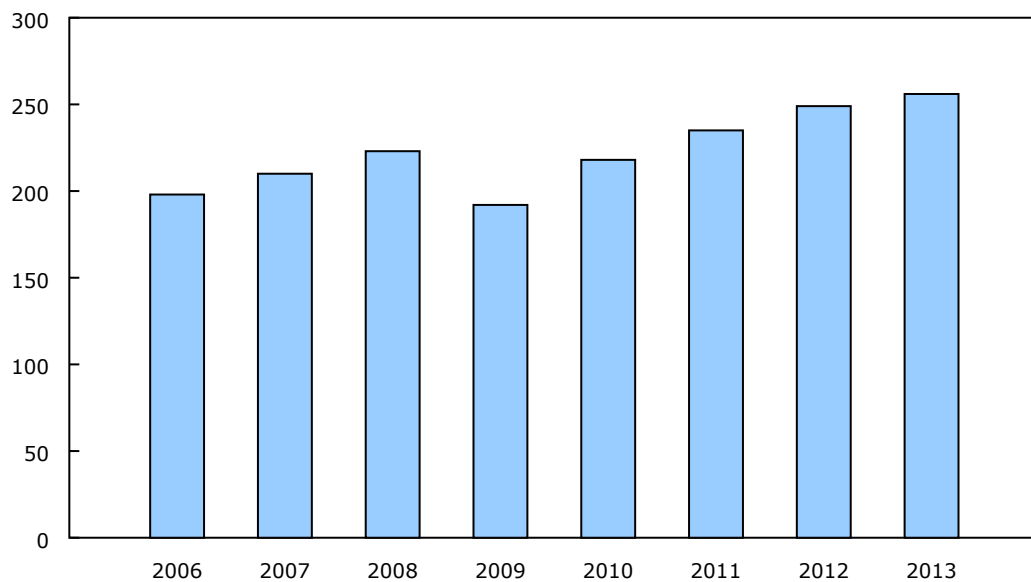
Released at 8:30 a.m. Eastern time in *The Daily*, Tuesday, May 26, 2015

Public and private organizations reported \$256.0 billion in total capital expenditures on non-residential construction and machinery and equipment in 2013, up 2.7% from 2012. The increase was attributable to a 6.5% gain in capital expenditures on non-residential construction. Conversely, capital expenditures on machinery and equipment decreased 4.9% to \$78.0 billion.

Strong increases in capital expenditure were reported in the transportation and warehousing sector, mining, quarrying, and oil and gas sector and utilities.

Chart 1
Capital expenditures increase

billions of dollars



Source(s): CANSIM table [029-0045](#).

Total capital spending by private sector organizations rose 5.0% to \$183.4 billion, while total capital spending by the public sector declined 2.5% to \$72.6 billion.

In 2013, capital expenditures made on intellectual property products totalled \$17.2 billion. (Intellectual property products relate to software, exploration drilling, mineral exploration and geological, geophysical and other exploration and evaluation costs.)



Note to readers

The Capital and Repair Expenditure Survey (CAPEX) for non-residential construction and machinery and equipment is based on a sample survey of 25,000 private and public organizations. This survey was conducted between May 2014 and late September 2014.

As announced in [The Daily](#) on February 26, 2015, CAPEX has undergone a major redesign. For more information on conceptual and methodological changes, see "[Changes in the outputs of the capital and repair expenditures survey](#)," available from the Definitions, data sources and methods module of our website, under survey number 2803.

Conceptual changes to the International Financing Reporting Standards were implemented in the CAPEX for actual spending in 2013. Beginning with the survey on actual spending for 2013, organizations from every sector were asked to report their capital spending on financial leases. Previously, organizations detaining the financial lease were asked to report the value of these expenditures. These changes affected estimates of capital spending by organizations in the financial and insurance sector. As a result, data on actual spending in 2013 by the financial and insurance sector are not comparable with those of previous years. This change in concept had a greater impact on data for Ontario as the province accounted for more than half of the capital expenditures related to the financial and insurance sector.

With this release, macroeconomic accounting adjustments that were previously applied to align with the System of National Accounts concept of gross fixed capital formation will no longer be made within the CAPEX program. For more information, see "[Reconciliation of capital expenditure and gross fixed capital formation](#)."

Data in this release are expressed in current dollars.

Provinces and territories summary

In 2013, capital expenditures on non-residential construction and machinery and equipment rose in four provinces and every territory. Provincially, increases occurred in Alberta, Saskatchewan, Newfoundland and Labrador, and Prince Edward Island.

Alberta reported the largest increase, with capital expenditures up 16.6% to \$91.7 billion, mainly as a result of higher capital spending in the oil and gas extraction subsector.

Capital expenditures rose 12.4% to \$18.2 billion in Saskatchewan, where spending in the mining and quarrying subsector increased by \$788 million to \$4.9 billion, and spending in the oil and gas extraction subsector was up \$605 million to \$4.9 billion.

In Newfoundland and Labrador, capital expenditures on non-residential construction and machinery and equipment rose 22.5% to \$8.1 billion as a result of increased spending in the oil and gas extraction subsector. Capital spending for this subsector advanced \$1.4 billion to \$3.2 billion.

Capital expenditures in Ontario declined 9.4% to \$57.0 billion, largely attributable to a \$1.3 billion decrease in the mining, quarrying, and oil and gas extraction sector.

In British Columbia, capital spending declined 8.2% to just under \$25.7 billion. The decline was attributable to a drop in capital spending by the public administration sector.

Industry perspective

Strong increases in capital spending were reported in a number of sectors, with the transportation and warehousing sector contributing the most to the overall growth in 2013. Spending in this sector was up \$6.2 billion to \$24.4 billion, largely as a result of higher capital spending on pipeline transportation and support activities for transportation.

Capital expenditures on non-residential construction and machinery and equipment by the mining, quarrying, and oil and gas extraction sector increased 7.1% to \$83.9 billion, largely as a result of gains in the oil and gas extraction subsector, which increased \$6.3 billion to \$65.1 billion. This strong increase offset the decline in the mining and quarrying subsector in 2013.

Capital spending on the utilities sector was up 13.9% to \$29.6 billion. Large increases in the electric power generation, transmission and distribution subsector offset the declines in the natural gas distribution (-24.1%) and the water, sewage and other systems (-7.0%) subsectors.

Capital spending fell by 10.8% in the educational services sector and by 5.9% in the public administration sector.

Capital expenditures on intellectual property products

In 2013, capital expenditures on exploration drilling totalled \$5.5 billion. Geological, geophysical and other exploration costs and evaluation costs were \$1.1 billion, while spending in mineral exploration reached \$2.4 billion.

Provincially, Alberta accounted for almost half (48.9%) of the expenses on mineral exploration and evaluation, while British Columbia accounted for 15.8%, Saskatchewan 8.4%, and Newfoundland and Labrador 8.1%.

Software expenditures totalled \$8.3 billion in 2013. Ontario (45.0%) accounted for the largest share, followed by Quebec (18.9%).

Table 1
Capital spending on non-residential construction and machinery and equipment, industrial sectors

	2012	2013	2012 to 2013
	millions of dollars		% change
Total, non-residential construction and machinery and equipment	249,225.5	256,042.4	2.7
Total, public capital expenditures	74,433.7	72,597.9	-2.5
Total, private capital expenditures	174,791.5	183,444.5	5.0
Industrial sectors			
Agriculture, forestry, fishing and hunting	5,759.7	6,352.3	10.3
Mining, quarrying, and oil and gas extraction	78,314.5	83,890.7	7.1
Utilities	26,008.6	29,615.0	13.9
Construction	5,501.3	6,132.5	11.5
Manufacturing	15,189.5	15,779.1	3.9
Wholesale trade	3,309.1	3,666.7	10.8
Retail trade	7,238.5	7,854.3 ^E	8.5
Transportation and warehousing	18,205.3	24,368.8	33.9
Information and cultural industries	6,736.9	7,507.4	11.4
Finance and insurance ¹	13,182.2	3,118.0	-76.3
Real estate and rental and leasing	9,174.4	9,993.2	8.9
Professional, scientific and technical services	2,406.3	2,124.4	-11.7
Management of companies and enterprises	216.0	309.0	43.1
Administration, support waste management and remedial services	1,930.6	2,164.4	12.1
Educational services	8,684.5	7,743.7	-10.8
Health care and social assistance	9,563.8	8,825.8	-7.7
Arts, entertainment and recreation	1,565.0	2,062.6	31.8
Accommodation and food services	3,157.1	3,572.4 ^E	13.2
Other services (except public administration)	1,418.0	1,169.2	-17.5
Public administration	31,663.9	29,792.9	-5.9

^E use with caution

1. Conceptual changes to the International Financing Reporting Standards were implemented in the Capital and Repair Expenditure Survey for actual spending in 2013. Beginning with the survey on actual spending for 2013, organizations from every sector were asked to report their capital spending on financial leases.

Previously, organizations detaining the financial lease were asked to report its value. These changes affected estimates of capital spending by organizations in the financial and insurance sector. As a result, data on actual spending in 2013 by the financial and insurance sector are not comparable with those of previous years.

Note(s): Data may not add up to totals as a result of rounding.

Source(s): CANSIM tables [029-0045](#) and [029-0047](#).

Table 2
Capital spending on non-residential construction and machinery and equipment, provinces and territories

	2012	2013	2012 to 2013
	millions of dollars		% change
Canada	249,225.5	256,042.4	2.7
Non-residential construction	167,199.9	178,075.1	6.5
Machinery and equipment	82,025.6	77,967.2	-4.9
Newfoundland and Labrador	6,647.9	8,142.2	22.5
Non-residential construction	5,127.2	6,673.2	30.2
Machinery and equipment	1,520.7	1,469.0	-3.4
Prince Edward Island	530.2	568.6	7.2
Non-residential construction	300.3	329.9	9.9
Machinery and equipment	229.9	238.7	3.8
Nova Scotia	3,598.4	3,575.4	-0.6
Non-residential construction	2,113.2	1,948.1	-7.8
Machinery and equipment	1,485.2	1,627.3	9.6
New Brunswick	3,253.5	2,981.6	-8.4
Non-residential construction	1,992.5	1,705.2	-14.4
Machinery and equipment	1,261.0	1,276.4	1.2
Quebec	40,191.6	38,364.7	-4.5
Non-residential construction	25,718.1	25,409.0	-1.2
Machinery and equipment	14,473.5	12,955.6	-10.5
Ontario	62,867.5	56,980.5	-9.4
Non-residential construction	35,683.6	34,264.2	-4.0
Machinery and equipment	27,183.9	22,716.3	-16.4
Manitoba	7,795.3	7,619.8	-2.3
Non-residential construction	4,836.3	4,663.3	-3.6
Machinery and equipment	2,959.0	2,956.5	-0.1
Saskatchewan	16,184.1	18,184.2	12.4
Non-residential construction	11,544.0	12,593.8	9.1
Machinery and equipment	4,640.1	5,590.4	20.5
Alberta	78,605.8	91,681.7	16.6
Non-residential construction	59,293.5	70,854.7	19.5
Machinery and equipment	19,312.3	20,826.9	7.8
British Columbia	27,950.0	25,658.6	-8.2
Non-residential construction	19,419.3	17,957.9	-7.5
Machinery and equipment	8,530.7	7,700.7	-9.7
Yukon	386.1	434.1	12.4
Non-residential construction	292.3	258.0	-11.7
Machinery and equipment	93.8	176.0	87.6
Northwest Territories	875.0	1,035.1	18.3
Non-residential construction	606.9	776.2	27.9
Machinery and equipment	268.1	258.8	-3.5
Nunavut	340.1	816.0	139.9
Non-residential construction	272.7	641.3	135.2
Machinery and equipment	67.4	174.6	159.1

Note(s): Data may not add up to totals as a result of rounding.

Source(s): CANSIM table [029-0045](#).

Available in CANSIM: tables [029-0045](#) to [029-0051](#).

Definitions, data sources and methods: survey number [2803](#).

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

For analytical information, or to enquire about the concepts, methods or data quality of this release, contact Debra Roberts (613-951-8360; debra.roberts@statcan.gc.ca), Investment, Science and Technology Division.