

Summary comparison of public facility capital outlays of State and local public agencies in 1965 with estimated capital requirements during 1966-75

[Dollars in billions]

Group of facilities	Actual 1965 ¹	Estimated		
		1970	1975	1966-75
Water and sewer.....	\$2.7	\$5.5	\$6.8	\$56.5
Electric and gas.....	.8	1.3	1.4	12.8
Transportation.....	8.9	13.5	17.7	141.1
Education.....	4.9	5.9	7.8	62.0
Health.....	.8	1.3	1.7	13.1
Recreational and cultural.....	1.5	3.4	4.4	35.0
Other public buildings.....	2.5	3.7	3.9	³ 7.3
Total.....	20.1	31.6	40.7	327.8

¹ Adjusted to reflect facility categories where data are not available.

² Excludes publicly owned industrial plants.

³ Includes police stations with estimated capital requirements assumed to be \$1,000,000,000 during 1966-75.

Public facility capital requirements of private, nonprofit organizations for the decade 1966-75 total \$54 billion, or over 10 percent of the total capital requirements of all spending units. Capital requirements for these organizations total \$5 billion in 1970 and almost \$7 billion in 1975, which compare with capital outlays of somewhat over \$2 billion in 1965. As detailed in table 3, the largest segments of these private, nonprofit capital requirements are for college facilities (academic and housing) and for hospitals.

For private, proprietary or investor owned companies the capital requirements for public facilities during 1966-75 are estimated at \$105 billion, or over 20 percent of the estimated total requirements. These capital requirements are estimated at \$10 billion in 1970 and \$12 billion in 1975, as compared to capital outlays of some \$6 to \$8 billion in 1965. As shown in table 4, over half of the estimated capital requirements of the proprietary companies are for electric power facilities, with sizable amounts for gas distribution systems and storm sewer systems. For Federal agencies the capital requirements for public facilities during 1966-75 are estimated at about \$13 billion, mainly for outdoor recreation and electric power facilities.

3. Existing Capital Plant

Underlying most projections of prospective needs and capital requirements are assumptions, generally unstated, regarding the existing capital plant for the particular category of public facilities. Such assumptions relate to the existing number of facilities, their age or physical condition, and their degree of utilization. Some of these assumptions can be quantified; others involve qualitative judgments or are susceptible of flexibility.

As evidenced by the data presented in table 5, there is usually very good information as to the number of facilities (or where more meaningful, the volume of public service output) for each of the public facility categories. Moreover, as shown in the table, in most instances the number or volume, according to type of ownership, is also ascertainable. In a majority of the chapters, data are presented regarding the distribution of these facilities by States and by population size of city.

Unlike the situation for many of our durable consumer goods, where style changes, built-in obsolescence, and annual improvements