3. SOURCES OF FINANCING FOR CAPITAL EXPENDITURES

Based on percentage distribution, the following table shows the dollar amounts of capital expenditures proportioned among the various sources of financing for the construction of port terminal facilities.

Proportions of overall annual average capital outlays accounted for by various sources of financing for construction of port terminal facilities, Jan. 1, 1946, to Dec. 31, 1962

Sources of financing	Annual dollar amounts of average capital outlays (millions of dollars)	Percent distribution of average capital outlays (estimate)
Capital flotations	47.7	50
Port revenues	34.4	36
Tax exempt municipal bond market	4.8	5
Borrowing from Federal Government	2.9	3
Federal Government grant assistance	1.9	2
State grants-in-aid	1.9	2
Appropriations from tax resources	.9	1
Gifts, bequests, donations, fundraising	.9	1
Total	95.4	100

D. Needs and Prospective Capital Outlays for Port Development

1. CAPITAL REQUIREMENTS (1966–75)

The capital requirements for port terminal facilities during the decade 1966–75 are estimated to be $1,281.5 million.

The reason for such a large capital outlay during the next decade can be traced to the substantial numbers of antiquated terminals in the Nation's ports. Many are not adequate on a qualitative basis due to the current and future requirements imposed by technological developments in both sea and land transport. The long-awaited replacement of these outdated terminals is being given new impetus with the disclosure that the major shipping lines are in the need of specialized terminals to fill their needs, particularly with respect to the processing and handling of containers at an extremely rapid pace. The use of containers in the movement of ocean commerce will develop with intensity in the next decade. Today, a noteworthy general port facility building program is underway and several ports have unique long-range master plans to provide additional terminals to meet shipping needs as far in advance as 1980.

Encompassed in these programs are container, general cargo (breakbulk), liquid, and dry bulk, terminals of the most modern design. The container terminals and general cargo terminals are designed with long ship berths, wide aprons, large and more efficient transit sheds, cargo distribution buildings, and generous amounts of open storage space for flexibility of operation, truck and trailer park, and spacious accommodations for the various modes of connecting transportation.