

FUNCTIONAL COMPOSITION OF CONSTRUCTION EXPENDITURE

Construction expenditure, as already noted, makes up about four-fifths of all capital outlay of State and local governments. It is not surprising, therefore, that the functional distribution of construction spending, as summarized in table 4 (based on appendix table C) generally resembles the percentage allocation of capital outlay among various functions, as shown for the same years in table 3. However, some differences between the two sets of figures may be noted. Two components—sewerage and water supply—generally account for larger percentages of construction expenditure than of capital outlay, indicating that purchases of land and of equipment make up a less-than-average proportion of all capital outlays for these particular functions.

The reverse is true for three other functions—housing and urban renewal, and natural resources (each involving a relatively large part of all capital outlay for acquisition of land) and transit utilities (with relatively large sums for the purchases of equipment, as distinct from construction).

TABLE 4.—Percent distribution of construction expenditure of State and local governments, by function: Selected years, 1952 to 1964-65

Function	1952	1957	1962	1964-65
Total	100.0	100.0	100.0	100.0
Highways.....	36.7	41.8	42.7	42.4
Regular State highways.....	23.0	25.5	32.2	33.2
State toll facilities.....	3.6	7.1	1.0	1.2
Local government streets and highways.....	10.1	9.2	9.5	8.0
Education.....	22.7	26.5	23.6	23.5
Local schools.....	18.9	22.8	18.1	16.5
Institutions of higher education.....	3.6	3.6	5.4	6.6
Other.....	0.3	0.2	0.2	0.5
Sewerage.....	5.9	5.8	6.3	6.5
Water supply.....	5.5	6.2	6.0	6.4
Housing and urban renewal.....	8.8	1.5	2.8	2.3
Electric utilities.....	2.6	3.9	3.0	2.9
Natural resources.....	2.3	1.5	2.0	2.3
Health and hospitals.....	6.0	3.0	2.5	2.5
Airports.....	0.6	1.4	1.7	1.4
Local parks and recreation.....	0.8	1.1	1.5	1.6
Local transit utilities.....	0.8	0.7	0.2	0.5
Water transportation and terminals.....	1.0	1.1	1.2	0.9
Other and unallocable (including multipurpose general public buildings).....	6.0	5.5	6.5	6.7

RELATION TO OTHER DATA ON PUBLIC CONSTRUCTION

The statistics summarized in table 4, and the related figures detailed in appendix table C, pertain to amounts expended by State and local governments for construction, as assembled for annual Bureau of the Census reports which provide governmental finance data on a fiscal-year basis. Another statistical series, which has been regularly published for many years in the Construction Review (issued by the Business and Defense Services Administration of the Department of Commerce) supplies monthly and cumulative annual estimates of the dollar value of "construction put in place," including separate figures on construction of facilities owned by State and local governments.