Until very recently, the construction put-in-place series was based upon figures concerning public contract awards, and applied a classification pattern (by type of facility) which differed materially from the functional classification used in Census Bureau reporting of State and local government finances. Nevertheless, annual aggregates of State and local government construction, as indicated by these two independent series, showed a relatively high degree of historical consistency during the past decade, as illustrated in table 5.

TABLE 5.—*Comparison of construction expenditure of State and local governments in the fiscal years 1954 through 1963 with State-local construction put in place during corresponding periods*

[Amounts in millions of dollars]

Fiscal year [1]	Construction expenditure (A)	Construction put in place [1] (B)	Difference (with construction expenditure as the base)	
			Amount	Percent
1963	14,481	14,441	−40	−0.3
1962	13,625	13,613	−12	−.1
1961	13,214	12,755	−459	−3.5
1960	12,352	12,294	−58	−.5
1959	12,723	12,208	−515	−4.0
1958	11,704	11,578	−126	−1.1
1957	10,386	10,546	160	1.2
1956	9,355	9,584	229	2.4
1955	9,048	8,819	−229	−2.5
1954	7,738	7,860	122	1.6
10 years, 1954–63	114,626	113,698	−928	−.8

[1] Since the diverse fiscal years which are covered comprise approximately, on a weighted average basis, the 12 months ending with June of the respective specified years, the amounts shown for "construction put in place" are also for such 12-month intervals.

Early in 1963, the Bureau of the Census initiated a quarterly sample survey of State and local government expenditure for new construction, which provides national estimates by level of government and by function. Findings from this survey are now being used as the primary basis for the published current data on State-local construction put in place. The subclassification of the latter series has also been modified, beginning with the year 1963, and now incorporates (with some limited differences of terminology) the functional categories which are reflected in regular Census Bureau statistics on finances of State and local governments. A detailed explanation of the present relationship between these two sets of data appear in a Census Bureau publication (construction reports, series C30–655) Value of New Construction Put in Place, 1962–65, issued in January 1966.

BORROWING IN RELATION TO CAPITAL OUTLAY

Total indebtedness of State and local governments at the beginning of July 1965 was approximately $99 billion, or about 6 times as much as 20 years before. Most of this development has resulted from the issuance of debt to finance capital outlays.

Annual Census Bureau reports show $110.1 billion of long-term borrowing by State and local governments during the 14 fiscal years from 1952 through 1964–65. Of this sum, $2.2 billion involved long-term debt for purposes other than capital outlay—mainly for veterans bonuses, but including also debt issued to finance a sizable vet-