CHAPTER XIV

TRANSPORTATION AND COMMUNICATIONS

1. Main Developments

The real output of the transportation and communications sector rose by 8–9 percent in 1965, and totalled IL 1,240 million at current prices. This growth rate was slightly lower than in the previous year.

In contrast to 1964, output of international transport services advanced more rapidly than that of the domestic branches. The growth in international civil aviation was particularly striking—approximately 29 percent. This can be attributed mainly to stronger demand, and it was reflected by a higher rate of aircraft utilization. Supply factors making this expansion possible were the chartering of a Boeing jet by El Al and the more efficient exploitation of the company's own equipment.

Shipping output registered a below-average gain—about 8 percent. All of this was in the haulage of dry cargo and fuel, there being no real increase whatsoever in passenger transport.

Output of inland transport services was only 4 percent above the 1964 level.

Table XIV–1

CHANGES IN REAL TRANSPORTATION OUTPUT AND PRICES, BY BRANCH, 1964–65

(percentages)

Branch	Rise in output from previous year		Rise in prices from previous year	
	1964	1965	1964	1965
Trucks	12	6	4	8
Buses	19	2	1	16
Taxis	3	3	13	15
Railway	2	–2	1	22
Shipping	11	8[a]	2	7[a]
Ports	10	11	3	3
Civil aviation	14	29	—	–12[a]
Total	12	8	3	11

[a] Preliminary estimate.

The lower growth rate of the bus companies was especially noticeable. The smaller percentage increase in freight conveyance was apparently connected with the curtailment of construction activity in the economy, and particularly with the termination of several large-scale projects (e.g. Ashdod Port and the National Water Carrier), which had required a considerable amount of transportation services.

Transportation prices moved up by a rapid 11 percent approximately, compared with some 3 percent in 1964. The domestic branches were mainly responsible for this appreciable rise; international air prices actually declined, while shipping prices rose at a slower-than-average rate.

Investment in transportation and communications was about 13 percent below the 1964 figure. Most of the decrease was in the shipping industry, although expenditure on vehicles also fell off somewhat. There was a striking increase in highway investment, which reached nearly IL 96 million at current prices.

2. Domestic Transport Services

Domestic transport services are provided by Arkia Airways, Israel Railways, and the motorized transport branch. The real output of the railway declined in 1965—in both passenger and freight transport—while that of trucks, buses, and taxis rose; as a result, the relative share of the railway in total domestic transport declined to a mere 3–4 percent.

Real output of passenger transport services[1] moved up by about 2–3 percent, a much lower rate than in 1964. It should be noted that this item includes the bus companies' revenue from special trips and organized excursions. This type of business expanded very rapidly in 1964, but fell off in 1965. Excluding revenue from this source, the rise in passenger output came to about 5 percent.

Freight transport advanced 5–6 percent, which was less than in the previous year (approximately 11 percent). This deceleration was due to the slower expansion of economic activity during the year reviewed. Freight transport constitutes an intermediate service, the demand for which derives directly from the volume of activity in other sectors of the economy. The completion of a number of large-scale construction jobs, such as Ashdod Port, the National Water Carrier, and the Dead Sea Works expansion program, considerably dampened demand for transportation services.

Capital outlay on domestic transport rose by 5 percent in 1965, bringing up its share in total transportation investment to 51 percent. Contributing most to this increase was expenditure on highway construction, up 26 percent from 1964. A substantial portion of the additional outlay went for laying and expanding roads in the southern part of the country. However,

[1] Bus, taxi, and railway.

the investment in highways only partially relieved traffic congestion in the central part of the country where it is heaviest. Investment in vehicles fell off in 1965, following the raising of automobile prices in the summer of 1964.

(a) *Trucks*

Real output of the trucking industry went up 6–7 percent in 1965, a smaller rise than in previous years. This slowdown was apparently caused primarily by the weakening of demand: in most branches of the economy expenditure on transport does not constitute a major production cost item, and hence the elasticity of demand for transport services tends to be quite low; consequently fluctuations in such services are mainly due to fluctuations in demand. With respect to supply, there was an increase in the number of trucks, and a corresponding growth in the capacity of the truck fleet (see Tables XIV–2 and XIV–3).

Freight rates averaged about 8 percent higher in 1965. This was partly due to the reduction of overloading. The loading of trucks beyond the authorized limit is a rather frequent occurrence, and it has detrimental consequences which the carriers do not take into account, such as damage to the road, the slowing down of traffic, and pollution of the air. The carriers themselves take into account only the accelerated depreciation and the increased fuel consumption. In the year reviewed the Ministry of Transport initiated measures designed to gradually curtail this practice.

The diminished incidence of overloading actually pushed up truckers' costs somewhat. This, together with the rise in some input prices (mainly wages), led to an increase in haulage rates. At the same time, it appears that more efficient organization of the branch—i.e. better coordination between the carriers

Table XIV–2

NUMBER OF MOTOR VEHICLES, 1964–65

(End of year)

	1964	1965	Percent increase
Trucks	34,967	41,348	18
Buses	3,103	3,211	3
Taxis	2,528	2,596	3
Private cars	70,639	80,226	14
Special vehicles[a]	1,316	1,398	6
Total[b]	112,553	128,779	14

[a] Ambulances, garbage trucks, etc.
[b] Excluding motorcycles and motor scooters.
SOURCE: Central Bureau of Statistics.

Table XIV-3

TRUCKS, BY LOAD CAPACITY, 1964–65

(tons)

End of March	No. of trucks			Load capacity			Average capacity per truck[a]		
	Gasoline	Diesel	Total	Gasoline	Diesel	Total	Gasoline	Diesel	Total
1963	22,740	5,268	28,008	41,057	46,597	87,654	1.81	8.85	3.13
1964	26,045	5,885	31,930	43,096	53,330	96,426	1.65	9.06	3.02
1965	30,360	6,455	36,815	48,206	58,204	106,410	1.59	9.02	2.89
				Percent change from previous year					
1964	14.5	11.7	14.0	5.0	14.5	10.0	–8.8	2.4	–3.5
1965	16.6	9.7	15.3	11.2	9.1	10.4	–3.6	–0.4	–4.3

[a] Load capacity divided by the numbers of trucks.

in order to reduce empty trips to a minimum—would permit the further expansion of transport services without a corresponding increase in productive factors.

(b) *Buses*

Real output of the bus companies went up about 2 percent in 1965. This was much slower than in 1964, when the growth rate was 19 percent. A breakdown of output shows that the conveyance of passengers over fixed routes expanded by over 5 percent in real terms, but there was a real decline of about 20 percent in tourist services and special trips.

In 1964 output on fixed routes rose by 9–10 percent, while that originating in tourist services and special journeys almost doubled, reaching approximately IL 23 million. The bus companies act more as subcontractors in the tourist field, since they offer trips complete with food and lodging. Consequently, a large part of the revenue—which by definition is included in output—is passed on to other branches, and does not form part of the product deriving from the operations of the bus companies themselves.

The chief factors influencing the demand for bus services are:

(1) Fares on buses and on alternative means of transport.
(2) The geographical dispersion of the population.
(3) The size of the population.
(4) The level of incomes.

Bus fares in 1965 averaged about 16 percent higher than in the previous year. This increase was somewhat lower than that in railway fares, but the railway

competes with the buses on only a small number of routes, so that the differential in the relative prices of the two modes of transport does not have a great effect. Taxi fares rose by about the same extent as bus fares. The growth of the population and of incomes was slower than in 1964. All these factors together explain the smaller percentage expansion of the bus companies' output on fixed routes.

(c) *Rail transport*

Real output of Israel Railways fell by about 2 percent as compared with 1964. The decline was greater in freight haulage than in passenger services.

In 1962 and 1963 the railway experienced a substantial increase in output, which was connected with the haulage of stone for the construction of Ashdod Port, and with the addition of a large number of passenger trains, particularly on the Haifa-Tel Aviv line. In 1964 the output growth rate slowed down conspicuously, while in 1965, as noted, there was an absolute decline. As regards freight traffic, the haulage of stone to Ashdod fell off precipitately in 1965, owing to the termination of such cargo in mid-year. This decline was offset by a substantial increase in the conveyance of phosphate and potash, so that the weight of the latter two came to about 36 percent of total ton-kilometrage during the year.

Table XIV-4

RAILWAY SERVICES, 1960–65

Year	Ton-km. (million)	Percent increase or decrease (–) as against previous year	Passenger-km. (million)	Percent increase or decrease (–) as against previous year
1960	227	—	363	—
1961	226	—	364	—
1962	278	23	405	11
1963	317	14	412	2
1964	331	4	402	–2
1965	321	–3	398	–1

SOURCE: Reports of Israel Railways.

Passenger-kilometrage fell slightly in 1965. The relatively higher increase in railway fares as compared with bus fares (20 as against 16 percent, on an annual average) tended to reduce the number of rail passengers. Another possible reason is that, with a rise in income, the public generally prefers to travel by alternative means—private cars, taxis, buses—and this contributes to a decline, or at least a smaller increase, in demand for railway services.

Table XIV–5

INCOME AND EXPENSES OF ISRAEL RAILWAYS, 1963–65

(IL thousand)

	Income				Expenses			Deficit	
	Passenger	Freight	Misc.	Total	Operating[a]	Depreciation and interest	Total	Operating	Total
1963	6,031	10,423	946	17,400	20,100	5,448	25,548	2,700	8,148
1964	5,968	11,449	591	18,008	22,471	5,961	28,432	4,463	10,424
1965	7,310	13,439	2,289	23,038	31,342	6,024	37,366	8,304	14,328
	Percent increase or decrease (–) as against previous year								
1964	–1	10	–37	3	12	9	11	65	28
1965	22	17	287	28	39	1	31	86	37

[a] Including allocations for pensions.
SOURCE: Reports of Israel Railways.

Railway revenue expanded as a result of the upward revision of tariffs for both passenger and freight traffic, and totalled IL 23 million. The rise in costs (which amounted to approximately IL 37 million) was mainly due to wage increases. There was a growth of approximately IL 4 million in both the operating and overall deficit of the railway. It should be noted that part of the increase in 1965 was of an accounting nature only, since in the course of the year wage differentials were paid on account of the previous year. This resulted in overstating the deficit for 1965, and understating it in 1964.

Owing to the method of fixing the tariff structure on the one hand and of calculating depreciation and interest costs on the other, the accounting deficit of the railway does not have clear economic significance. The freight rates largely serve as a means of subsidizing branches requiring rail services—the branches enjoy rates set below the actual cost to the railway. A factor subsidy of this sort distorts the financial position of both the enterprises concerned and of the railway, and leads to the inefficient allocation of the means of production.

Depreciation and interest are calculated on the basis of historical rather than replacement cost, and the interest rate used in the calculation is lower than the real rate.

In view of these deficiencies in the railway's revenue and expenditure data, it is hard to determine whether the railway is really running at a loss and is unprofitable to the economy, or whether the deficit is merely of an accounting nature and is not a deficit in the economic sense.

3. International Transport Services

International transport services include shipping, aviation, seaports, and airports. In maritime shipping cargo transport accounts for the overwhelming share of output (close to 90 percent), while in air transport passenger conveyance predominates (about 85 percent). Altogether, real output of international transport services rose by 14–15 percent.

One of the striking differences between domestic and international transport services is the fact that the former are not traded in the world market, i.e. they are not importable. It follows that they are either produced in the local market or are not consumed at all. International transport services, on the other hand, are traded in the world market, so that there is also the possibility of importing them. In actual fact, the Israeli shipping and aviation companies are in direct competition with foreign lines. A large part of their business is transacted in foreign currency, and if the cost of the dollar saved is higher than IL 3, their books are liable to show losses. No detailed examination has been made lately of the cost of the dollar saved from the activities of these companies. A general examination shows that in air transportation, at

least, the cost of the dollar saved is certainly lower than IL 4. This is not higher than in many other export branches, and it is undoubtedly lower than the figure in a large number of branches producing for the local market.

Tourism to Israel has become an increasingly important export industry in recent years. Owing to the relatively great distance between Israel and the potential tourist centers, travel expenses to and from this country make up a large part of the tourist's budget. For this reason great importance attaches to the passenger transport rates in encouraging tourism. Two years ago group flights were introduced as a substitute for charter flights, with a number of qualifications enabling certain groups of tourists—mainly from Scandinavia—to fly to Israel on a charter basis.

Group flights are cheaper than ordinary flights but more expensive than charter flights. From the viewpoint of the national economy, the aim is to attain the maximum income from air transport and tourism together. No data are yet available which would make it possible to reach an unequivocal conclusion as to the optimum policy here.

In 1965 total tourist arrivals rose by 18 percent, with the number coming by air falling slightly below this—16 percent.

(a) *Shipping*

Israel's maritime fleet was considerably enlarged in 1965, when a net total of 11 vessels, including four tankers, were added. There was a particularly striking rise in the carrying capacity of the tankers (by approximately two-thirds). The carrying capacity of the cargo vessels rose at a much more moderate, but still rather high, rate—about 21 percent (see Table XIV-6).

Table XIV-6

ISRAEL'S MERCHANT FLEET, BY TYPE OF SHIP, TONNAGE, AND AGE, 1964–65

Type of ship	No. of ships		Deadweight or gross registered tonnage		Percent change in carrying capacity[a]	Average age (years)	
	1964	1965	1964	1965		1964	1965
Passenger	5	6	59,389	67,239	12	3.7	4.3
Mixed (cargo-passenger)	2	2	17,173	17,173	—	9.5	10.5
Cargo	78	84	701,299	736,739	21	5.4	5.9
Tankers	7	11	190,258	333,735	78	5.5	4.7
Total	92	103	968,119	1,164,896	—	5.4	5.5

[a] The carrying capacity of a cargo ship is calculated by multiplying the deadweight tonnage by the speed, and that of a passenger ship by multiplying the passenger capacity by the speed.
SOURCE: Based on data of Zim Israel Navigation Co. Ltd. and the Shipping and Ports Division of the Ministry of Transport.

Shipping revenues from the conveyance of freight and passengers and from the chartering of ships rose by about 15 percent. But costs went up by 6–7 percent, so that the real growth in output came to only 8 percent.

The maritime cargo market saw a strengthening of the trend which manifested itself in 1964: haulage rates on tramp vessels rose by about 12 percent, while for ships plying regular routes the increase was slightly lower. Real output in the transport of dry cargo and oil was about 8 percent higher in 1965. The fact that the expansion of the carrying capacity of Israel's freighters exceeded the growth in real output signifies a decline in their utilization rate. This may have been connected with the difficulties of running-in new ships until their full commercial operation. In 1965 as well, there was a slight increase in the share of cargoes transported between foreign ports in total cargo volume.

The share of total import and export cargoes carried in Israeli bottoms dropped from 43.4 percent in 1964 to 40.9 percent. The decrease took place entirely in export cargoes, the figure for import cargoes holding steady.

Table XIV–7

NO. OF PASSENGERS CARRIED BY ISRAELI SHIPS, BY ROUTE, 1964–65

Route	1964	1965	Of which in chartered ships		Share of Israeli ships in total (%)		Percent increase or decrease (–) in no. of passengers on Israeli ships in 1965
			1964	1965	1964	1965	
Mediterranean	91,243	76,994	21,331	14,073	56.5	53.0	–15.6
North America	13,983	12,361	—	—	83.8	76.7	–11.6
South America	2,195	2,316	—	—	100.0	100.0	5.5
Turkey and Black Sea	337	74	—	—	4.3	1.0	–78.0
Total	107,758	91,745	21,331	14,073	57.3	53.6	–14.9

SOURCE: Zim Israel Navigation Co. Ltd.

Output in passenger transport fell off slightly, but revenue from the chartering of ships more than doubled. All told, output of the shipping industry rose, as already noted, by 8 percent.

(b) *Ports*

The output of Israel's ports increased by nearly 11 percent in 1965, a slightly higher rate than in the previous year. At the beginning of the year port

Table XIV–8

CARGO AND PASSENGER TRAFFIC THROUGH ISRAEL'S PORTS, 1964–65

	1964				1965					Percent increase or decrease (–) from 1964 to 1965
	Haifa	Jaffa-Tel Aviv	Eilat	Total	Haifa	Jaffa-Tel Aviv	Ashdod	Eilat	Total	
Import cargo ('000 tons)										
Grain (bulk)	843	—	—	843	907	—	—	—	907	7.6
Minerals (bulk)	96	—	—	96	67	—	—	—	67	–30.2
Chemicals and edible oils (liquid)	53	—	—	53	60	—	—	—	60	13.2
General cargo	1,049	370	68	1,487	1,138	226	19	54	1,437	3.4
Total import cargo	2,041	370	68	2,479	2,172	226	19	54	2,471	0.3
Export cargo ('000 tons)										
Citrus	475	17	8	500	*575*	*33*	*4*	*8*	*620*	*24.0*
Cement	95	—	20	115	*8*	—	—	*12*	*20*	*–82.6*
Minerals (bulk)	373	—	55	428	*663*	—	—	*146*	*809*	*89.0*
Chemicals and edible oils (liquid)	23	—	—	23	*23*	—	—	—	*23*	—
General cargo	288	2	50	340	297	—	—	66	363	6.8
Total export cargo	1,254	19	133	1,406	1,566	33	4	232	1,835	17.2
Total cargo volume	3,295	389	201	3,885	3,738	259	23	286	4,306	10.8
Passenger traffic ('000)										
Incoming	133.0	0.1	0.2	133.3	132	0.3	—	—	132.3	–1
Outgoing	108.2	—	0.1	108.3	125	—	—	0.1	125.1	16
Total	241.2	0.1	0.3	241.6	257	0.3	—	0.1	257.4	7

* Excluding crude oil and refined petroleum products.
SOURCE: Israel Ports Authority.

charges were raised, and on an annual average they were 8–9 percent higher than in 1964.

The volume of cargo handled totalled 4,306,000 tons, compared with 3,885,000 tons the year before. All of the increase was in export cargoes; in import cargoes there was even a slight decline. As a result, the relative share of export cargoes rose to 43 percent, as against 36 percent in the two preceding years.

Most of the decline in import cargoes was in the bulk transport of minerals, while the figures for grain and general cargo were higher than in 1964. The growth of export cargoes was accounted for by citrus and mineral products.

Ashdod Port commenced operations toward the end of the year, but cargo volume handled by year's end was very small.

The relative share of cargo handled by the various ports changed slightly in 1965, that of Haifa and Eilat rising and that of Jaffa and Tel Aviv declining. The growth in the share of Eilat Port was entirely due to the larger export of minerals, while that of Haifa Port was connected with increased shipments of both minerals and citrus. With the expanded operation of Ashdod Port during 1966, Jaffa and Tel Aviv Ports will be shut down.

Investment in ports was about 10 percent lower than in 1964. This was due to the completion of the first stages of Ashdod Port.

(c) *International civil aviation*

Real output of El Al Israel Airlines rose by about 29 percent. This rate was much higher than in the two preceding years (5 percent in 1963 and 14 percent in 1964), and similar to that of the years in which El Al's air fleet was being augmented by the acquisition of Boeing jets.

A large part of the incremental output in the year reviewed resulted from the greater share of chartered planes in the company's total operations. Whereas in 1964 they accounted for less than 1 percent of the total figure, in 1965 the proportion went up to nearly 9 percent.

There was also a substantial growth of approximately 18 percent in the output of the company's own equipment. This was made possible by the more efficient utilization of equipment on the one hand, and larger demand for air services on the other.

The number of hours flown by El Al's own planes was about 10 percent higher in 1965, so that their average daily utilization rate went up (see Table XIV–10).

The stronger demand for flight services resulted in a substantial rise in the passenger load factor—from 57.0 percent in 1964 to 60.1 percent in 1965. The growth was particularly striking on the transatlantic route, where the number of passengers carried by the company was some 42 percent greater, bringing up the passenger load factor from 58.5 to 63.2 percent.

Table XIV–9

OUTPUT AND UTILIZATION OF EL AL AIRCRAFT, 1964–65

	Unit	1964		1965		Percent increase or decrease (–) from 1964 to 1965
		Total	Of which in chartered planes (%)	Total	Of which in chartered planes (%)	
Available seat-km.	'000	1,811,251	8,028	2,225,955	195,363	22.9
Revenue passenger-km.	'000	1,031,783	5,928	1,337,086	128,991	29.6
Passenger load factor	%	57.0	73.8	60.1	66.0	—
Available ton-km.[a]	'000	212,335	1,162	254,083	22,108	19.7
Revenue ton-km.	'000	116,566	776	150,169	13,583	28.8
Ton-km. load factor	%	54.9	66.8	59.1	61.4	—

[a] Passenger and cargo.
SOURCE: El Al Israel Airlines.

The changes in utilization rates have considerable bearing on the company's profits, the percentage of value added from its operations, and the cost of the value-added dollar. Barring changes in fares and in input prices, the company's profits and the percentage of value added may be expected to advance and the cost of the value-added dollar to decline.

Table XIV–10

AVERAGE DAILY UTILIZATION OF EL AL AIRCRAFT, 1964–65

(hours)

	Boeing 707			Boeing 720-B			Britannia		
	1963	1964	1965	1963	1964	1965	1963	1964	1965
Annual average	8.8	9.7	10.7	7.5	8.7	9.2	3.9	4.1	3.6
Peak-season average	12.1	13.0	14.6	10.4	12.3	12.3	5.9	6.8	5.2
Off-season average	5.0	6.5	7.3	3.3	5.8	5.8	2.2	2.1	1.8

SOURCE: El Al Israel Airlines.

As regards fares, average revenue per passenger-km. probably declined somewhat in 1965 (by 12 percent according to a preliminary estimate), owing to a slight reduction in regular flight fares on the transatlantic route and a rise in the share of passengers enjoying reduced rates (group and charter flights).

Since financial data on El Al's operations in the year 1965/66 were not available at the time of this report, it was not possible to ascertain developments in

respect of expenditures or the amount of profit, percentage of value added, and the cost of the value-added dollar. The company wound up the 1964/65 fiscal year with a profit of about IL 700,000.

4. Investment

Investment in transportation and communications in 1965 aggregated approximately IL 562 million at current prices, about 13 percent less than in 1964. The contraction occurred primarily in the shipping industry, where

Table XIV–11

INVESTMENT IN TRANSPORTATION AND COMMUNICATIONS, BY BRANCH AND TYPE OF ASSET, 1964–65

(IL million, at 1964 prices)

Branch	1964			1965			Percent increase or decrease (–)
	Bldgs.	Equipment	Total	Bldgs.	Equipment	Total	
Land transport							
Railway	7.1	4.2	11.3	9.2	6.7	15.9	41
Buses	—	23.3	23.3	—	24.0	24.0	3
Other vehicles	—	158.0	158.0	—	147.8	147.8	–6
Roads	71.8	—	71.8	90.8	—	90.8	26
Total	78.9	185.5	264.4	100.0	178.5	278.5	5
Shipping and air transport							
Ships	—	173.3	173.3	—	91.5	91.5	–47
Aircraft	—	1.8	1.8	—	–2.1	–2.1	—
Total	—	175.1	175.1	—	89.4	89.4	–49
Other branches							
Ports	56.9	6.5	63.4	48.5	8.8	57.3	–10
Airports	2.1	2.9	5.0	1.2	1.8	3.0	–40
Communications[a]	20.2	93.0	113.2	27.8	80.1	107.9	–5
Storage and miscellaneous[b]	3.7	1.3	5.0	5.1	1.2	6.3	26
Total	82.9	193.7	186.6	82.6	91.9	174.5	–6
Grand total	161.8	464.2	626.1	182.6	359.8	542.4	–13

[a] Including communication and traffic equipment.
[b] Including transportation services of local authorities.
Source: Central Bureau of Statistics.

there was a very steep decline—from IL 173 million in 1964 to IL 92 million. This was connected to some degree with the completion of part of the maritime fleet expansion program. This program extends over a number of years, and the chance timing of the delivery of a ship at the end of one year or at the beginning of the next results in a sharp fluctuation in the volume of annual investment in the branch. No investment was made in 1965 in civil aviation.

Capital outlay on domestic transport services rose by about 5 percent. The increase was concentrated in the railway and in highway construction, while investment in vehicles moved down in comparison with 1964.

Investment in Israel Railways amounted to about IL 17 million, as against some IL 11 million in 1964. The main outlay was on the laying of the Dimona–Oron track for the haulage of minerals.

Investment in vehicles, as stated, was down about 5 percent. All of the decline was in passenger cars, whereas the figure for commercial vehicles and trucks was actually higher than in the previous year. The lower expenditure on cars is attributable to the higher taxes introduced in the summer of 1964.

In contrast to the smaller investment in vehicles, there was a substantial increase in highway construction, outlay here totalling nearly IL 96 million at current prices.

Investment in ports declined by approximately 10 percent during the year, owing to the completion of the first stages of the deep-water port at Ashdod. The contraction of port investment was limited to structures, while outlay on equipment increased.

Examination of aggregate investment in transportation and communications, by type of asset, shows a growth of about 13 percent in structures; the decrease during the year occurred entirely in equipment, particularly ships.