these two programs.) All DHUD programs reported in the human resources survey entailed gross Federal expenditures of more than $2,579 million in fiscal 1965.[12]

In the case of programs considered "Government enterprises" for purposes of national income accounts, only the net expenditure (or, more accurately, the net excess of their expenditures over their revenue) is carried in the Government accounts. This procedure and the significance of gross and net amounts are considered further in part II of this report. Here it may be noted that the responses to question 10 in the human resources inquiry record both the gross and net expenditures for the following DHUD programs: College housing, public facility loans, FNMA special assistance functions, and FHA.

(vi) Civil Service Commission: The present report includes programs of Federal employees' and annuitants' health benefits and group life insurance. These are treated in the social welfare series as private employee benefit plans.

Retirement and survivorship annuities paid to Federal personnel and their families are included in both compilations. Also included in both reports are Government employees' education and training programs, with obligations or expenditures of $1.5 million by the Civil Service Commission and $34.2 million by other Federal agencies in fiscal 1965.

Items covered only in the human resources survey comprised more than $500 million of Federal expenditures in fiscal 1965.

(vii) Tennessee Valley Authority: Inclusion of several activities of the Tennessee Valley Authority results in a net negative expenditure of some $50 million in the human resources total. This is because the program designated "regional supply of electric power" had income of $295 million against expenses of $240 million, resulting in net receipts of $55 million (negative expenditures) in fiscal 1965. Net expenditures for other TVA programs reported in the survey were $4.5 million. (Gross amounts are not stated.)

The regional electric power program is barely inside, if not outside, the borderline of the area of Government activity described as programs relating to human resources. The response from the TVA to the committee's inquiry emphasizes that human resource development was a basic objective of the original TVA program and that the regional supply of electric power has served this objective. In further studies seeking to delimit more precisely the scope of the human resources concept, it will be necessary to examine the implications of including or excluding a natural resource program, such as regional power development. Also, if such programs are within the complex of human resources programs, it becomes necessary to settle on an appropriate fiscal measurement. Yearly amounts of net receipts, gross receipts, or gross expenditures may none of them serve as properly representative sums to include in a compilation that aims to summarize investments and other expenditures for human resources.

Despite such reservations, in this initial report on pertinent Federal Government programs, the TVA regional electric power program is reported in part III and included (in terms of negative expenditures)

[12] The complete total of gross expenditures is $2,579 million plus program expenditures financed by applying proceeds from urban renewal loan repayments and from FNMA secondary market operations. Treatment of the FNMA secondary market operation transactions is complicated by the fact that part of the financing is from business and individual sources rather than government.