basis chosen by the reporting agency. Editorial footnotes identify Government enterprises and specify both gross and net expenditures in the fiscal year 1965.

According to the Office of Business Economics, the following Federal Government operations are classified as "Government enterprises" in national income accounts (August 8, 1966):

Alaska Railroad.
Army—Air Force Motion Picture Service.
Army—Air Force post exchanges.
Army—Air Force civilian post restaurant.
Bonneville Power Administration.
Commodity Credit Corporation.
Direct loan program of the Veterans' Administration.
Export-Import Bank.
Federal Deposit Insurance Corporation.
Federal Home Loan Bank Board.
Federal Housing Administration.
Federal intermediate credit banks.
Federal National Mortgage Association.
Federal Savings and Loan Insurance Corporation.
Housing and Home Finance Agency (Office of the Administrator):
- Liquidating programs.
- Urban renewal.
- Public facility loan program.
- Community disposal fund.
- College housing loan fund.

Marine post exchange.
Naval ships stores.
Naval exchanges.
Officers' and enlisted men's clubs.
Panama Canal Company (including railroad).
Post Office.
Regional banks for cooperatives.
Rural Electrification Administration.
St. Lawrence Seaway.
Southwest Power Administration.
Southeastern Power Administration.
Tennessee Valley Authority.

Analysis of economic impacts in the case of trust funds requires consideration of receipts as well as expenditures. Accordingly, agency responses were amended, as necessary after consultation, to include some discussion of the trust fund operations. The problem of relating trust fund transactions to the national income accounts is especially complicated for those which are considered Government enterprises.

Subdivision of Government expenditures into economic categories was not shown or was incomplete in some of the responses. Important cases of misclassification were corrected after consultation with respondents.

The treatment of research and development expenditures presented special complications, however, because of a recent change in the national income account concepts. Formerly, Government payments to private nonprofit institutions for research and development were classified as "transfer payments." In the revised system, they are considered Government purchases of goods and services.[4] The Bureau of the Budget circular calling for agency submissions for the 1967 budget did not incorporate this change, and respondents to the committee questionnaire were not all aware of it. Except for the National Institutes of Health and the National Science Foundation,

[4] For further comment, see the Survey of Current Business, August 1965, pp. 13-14.