

local communities. Some of the employment will be local as a result of an increase in the volume of business of material suppliers.

The economic impact also can be far-reaching, going as far as the source of raw materials such as the forests and mines and including processing, prefabricating, and marketing and transporting of the finished or semifinished product.

Another important aspect of the rural housing loan program is that it provides an added incentive for the development of industry and at the same time facilitates the enlargement of farms of those who choose agriculture as a vocation. The availability of housing credit to families in low- and moderate-income levels may enable them to move from small uneconomic farm units to localities near nonfarm employment opportunities. This also gives their families ready access to community facilities that would not be available to them in more remote areas. Furthermore, the released farmland would be available for the enlargement of other farms in the area, thus enabling those who remain in agriculture to increase their incomes by enlarging their units.

10. Economic classification of program expenditures. (See table 2.)

Program: Rural housing program.

Department or agency, and office or bureau: Department of Agriculture; Farmers Home Administration.

TABLE 2.—*Economic classification of program expenditures for fiscal year 1965*

[In millions of dollars]

Federal Government:	
Transfer payments to individuals.....	2.2
Loans to individuals.....	132.7
Total, Federal expenditures.....	134.9

Rural Community Development Service

RURAL AREAS DEVELOPMENT PROGRAM

PART I. DESCRIPTION OF THE PROGRAM

1. Objectives

The Rural Community Development Service has the responsibility to plan for better coordinated and more comprehensive solutions to the problems of rural residents and rural communities.

The Rural Community Development Service operates as a staff arm of the Secretary of Agriculture and under the general direction and supervision of the Assistant Secretary for Rural Development and Conservation. It is responsible for—

(a) Providing leadership within the Department of Agriculture in formulating plans and evaluating operations pertaining to development of natural and human resources in rural communities, with the goal of achieving coordination and consistency in USDA programs so as to promote the optimum development, use and conservation of resources, and the equitable distribution of benefits;

(b) Formulating plans for and evaluating operations of the "outreach" services to be performed by operating USDA agencies in order to help non-USDA Federal agencies to reach persons as effectively in rural communities as in other communities;