

HUMAN RESOURCES PROGRAMS

[Amounts in millions]

Value of housing:	
FHA-insured mortgages.....	104.5
VA-guaranteed mortgages.....	.5
Total housing value.....	105.0
Other goods and services.....	5.9
Total contribution to gross national product.....	110.9
Ratio to \$678,000,000,000 GNP, 1965 (percent).....	.016

It should be noted that although many of FNMA's mortgage purchases are applicable to existing housing, it is assumed that such purchases serve to release private funds for the generation of new housing. In addition, FNMA's contribution to the gross national product may be duplicated by the FHA and VA to the extent of the separate value of housing applicable to the mortgages insured or guaranteed by those instrumentalities as detailed above, and, as a consequence, allowance should be made for such duplications.

(h) *Other data or comments relevant to economic impacts of special assistance functions.*—FNMA's activities under the special assistance functions involved the purchase of 2,179 mortgages covering 8,929 housing units for a total mortgage value of \$99.7 million during 1965. Using the measurement provided by the U.S. Department of Labor, it is estimated that these purchasing activities generated 19.7 million man-hours of employment providing \$59.1 million in wages for the year. The foregoing is applicable to FHA-insured and VA-guaranteed mortgages as follows:

[Dollar amounts in millions]

Category	FHA mortgages	VA mortgages
Mortgages purchased.....	2,144	35
Housing units.....	8,894	35
Amount.....	\$99.3	\$0.4
Employment:		
Hours.....	19,568,337	84,927
Amount.....	\$58.8	\$0.3

10. *Economic classification of program expenditures.* (See table 4.)

Program: Special assistance functions.

Department or agency, and office or bureau: Department of Housing and Urban Development; Federal National Mortgage Association.

TABLE 4.—*Economic classification of program expenditures for fiscal year 1965*

[Dollars in thousands]

Categories	Federal Government expenditures
Purchases of goods and services:	
Wages and salaries.....	1,391
Other (administrative expense).....	222
Mortgage servicing fees.....	4,336
Legal services.....	343
Other categories:	
Operating costs:	
Interest on borrowings from Treasury.....	42,875
Provision for losses.....	1,182
Miscellaneous expenses.....	276
Program costs: Mortgage purchases.....	99,619
Total program and operating expenditures ¹	150,244

¹ The special assistance functions produce receipts from earnings of interest, fees, and other income, and from sales of mortgages and participations, repayments, and other liquidations of the mortgage portfolio. These receipts exceeded expenditures by \$375,849,000 for the year.

NOTE.—In the national income accounts these operations are classified as a government enterprise and treated as such.