PERSONAL SERVICES AND BENEFITS

Obligations for personal services and benefits are estimated at about $43.7 billion in fiscal 1968. Object class 11, "Personnel compensation," consists mainly of direct payments for personal services rendered to the Government. It also includes payments to some non-Federal personnel (for instance, employees of the National Guard who are State employees).

Most of the obligations for object class 12, "Personnel benefits," represent contributions to Federal civilian employee trust funds and cash allowances paid to certain civilian and military employees. In 1968, for example, $1,140 million will be paid by employer agencies to the civil service retirement and disability fund; $189.1 million will be paid to the employees health benefits fund; and $62.4 million will be paid to the employees life insurance fund. These amounts are in addition to employee contributions.

Object class 13, "Benefits for former personnel," covers pensions, annuities, and other benefits due former employees or their survivors paid directly from employing agency accounts to the beneficiary. Benefits paid from retirement trust funds financed from employer and/or employee contributions and premiums are classified under object class 42, "Insurance claims and indemnities."

These figures are not precisely the same as similarly labeled amounts in special analysis C (civilian employment in the executive branch) of the 1968 budget because (*a*) detailed object schedules are not provided in the budget appendix for items proposed for separate transmittal; (*b*) costs included in annexed budgets are not tabulated here; and (*c*) these figures include certain payments for non-Federal employees as noted above.