

HEAD M

MINISTRY OF FINANCE

OVERVIEW

Mission Statement

To create a better Singapore through Finance.

Vision Statement

A forward looking MOF that advances leading ideas, drives synergies across government and ensures fiscal prudence.

FY2013 EXPENDITURE ESTIMATES

Expenditure Estimates by Object Class

Code	Object Class	Actual FY2011	Estimated FY2012	Revised FY2012	Estimated FY2013	Change over FY2012	
	TOTAL EXPENDITURE	\$646,775,106	\$824,915,500	\$672,436,000	\$902,342,600	\$229,906,600	34.2%
	Main Estimates						
	OPERATING EXPENDITURE¹	\$616,892,620	\$692,997,500	\$639,817,800	\$766,726,900	\$126,909,100	19.8%
	<i>RUNNING COSTS</i>	<i>\$601,156,600</i>	<i>\$624,051,400</i>	<i>\$603,852,700</i>	<i>\$666,664,300</i>	<i>\$62,811,600</i>	<i>10.4%</i>
	Expenditure on Manpower	\$117,682,800	\$136,616,100	\$132,934,300	\$144,959,700	\$12,025,400	9.0%
1200	Political Appointments	1,334,859	1,101,300	1,547,700	1,860,400	312,700	20.2
1500	Permanent Staff	115,848,871	130,068,700	130,805,700	137,664,300	6,858,600	5.2
1600	Temporary, Daily-Rated & Other Staff	499,071	446,100	580,900	435,000	-145,900	25.1
1800	Personnel Central Vote	0	5,000,000	0	5,000,000	5,000,000	n.a.
	Other Operating Expenditure	\$481,427,630	\$487,435,300	\$464,539,600	\$515,204,600	\$50,665,000	10.9%
2100	Consumption of Products & Services	471,804,865	465,193,500	447,412,300	493,518,000	46,105,700	10.3
2300	Manpower Development	4,616,294	6,868,800	6,421,400	6,498,300	76,900	1.2
2400	International & Public Relations, Public Communications	3,572,770	4,577,200	4,988,600	4,212,200	-776,400	-15.6
2600	Programmes Central Vote	730,725	10,000,000	5,000,000	10,000,000	5,000,000	100.0
2700	Asset Acquisition	605,552	643,400	579,900	787,100	207,200	35.7
2800	Miscellaneous	97,424	152,400	137,400	189,000	51,600	37.6
	Grants, Subventions & Capital Injections to Organisations	\$2,046,170	\$0	\$6,378,800	\$6,500,000	\$121,200	1.9%
3400	Grants, Subventions & Capital Injections to Other Organisations	2,046,170	0	6,378,800	6,500,000	121,200	1.9

¹ Estimated FY2013 includes \$93,010,200 statutory expenditure (Subvention).

Code	Object Class	Actual FY2011	Estimated FY2012	Revised FY2012	Estimated FY2013	Change over FY2012	
	TRANSFERS	\$15,736,020	\$68,946,100	\$35,965,100	\$100,062,600	\$64,097,500	178.2%
3500	Social Transfers to Individuals	84,004	90,000	225,000	200,000	-25,000	-11.1
3600	Transfers to Institutions & Organisations	0	15,000,000	3,457,000	0	-3,457,000	-100.0
3800	International Organisations & Overseas Development Assistance	15,652,017	53,856,100	32,283,100	99,862,600	67,579,500	209.3
	OTHER CONSOLIDATED FUND OUTLAYS	\$915,787,531	\$1,685,000,000	\$1,191,000,000	\$1,177,000,000	-\$14,000,000	-1.2%
4200	Expenses on Investments	915,787,531	1,685,000,000	1,191,000,000	1,177,000,000	-14,000,000	-1.2
	Development Estimates						
	DEVELOPMENT EXPENDITURE	\$29,882,485	\$131,918,000	\$32,618,200	\$135,615,700	\$102,997,500	315.8%
5100	Government Development	23,847,024	131,918,000	32,618,200	135,615,700	102,997,500	315.8
5200	Grants & Capital Injections to Organisations	6,035,461	0	0	0	0	0.0

Establishment List

Category/Personnel	Actual FY2011	Estimated FY2012	Revised FY2012	Estimated FY2013
POLITICAL APPOINTMENTS	2	3	3	3
Minister	1	2	2	2
Minister of State	1	1	1	1
PERMANENT STAFF	1,588	1,773	1,761	1,753
Accounting Profession (2008)	19	39	46	46
Administrative	14	20	20	20
Corporate Support	281	303	123	116
Management Executive Scheme (2008)	316	408	337	338
Management Support Scheme (2008)	234	190	429	428
Operations Support	8	8	8	7
Shorthand Writers	5	5	4	4
Singapore Customs Officer (2008)	454	516	510	510
Singapore Customs Specialist (2008)	257	284	284	284
OTHERS	1,862	1,923	1,919	1,959
Inland Revenue Authority of Singapore	1,862	1,923	1,919	1,959
TOTAL	3,452	3,699	3,683	3,715

FY2012 BUDGET

The total expenditure of the Ministry of Finance (MOF) in FY2012 is expected to be \$672.44 million excluding Expenses on Investments (EOI). This is an increase of \$25.66 million or 4.0% compared to the actual FY2011 expenditure of \$646.78 million

Operating expenditure in FY2012 is expected to be \$639.82 million, an increase of \$22.93 million or 3.7% over the actual FY2011 expenditure of \$616.89 million. This is mainly due to increase in funding for integrated government projects and contributions to International Organisations. Development expenditure in FY2012 is expected to be \$32.62 million, an increase of \$2.74 million or 9.2% over the actual FY2011 expenditure of \$29.88 million. The increase is mainly due to implementation of new development projects under Singapore Customs.

EOI in FY2012 is expected to be \$1.19 billion, an increase of \$0.27 billion or 29.3% over the actual FY2011 expenditure of \$0.92 billion due to higher interest expenses and agency fees.

FY2013 BUDGET

Total expenditure for FY2013 is projected to be \$902.35 million (excluding EOI) which comprises an Operating Expenditure of \$766.73 million and Development Expenditure of \$135.62 million. This is an increase of \$229.91 million or 34.2% from the FY2012 revised expenditure of \$672.44 million. EOI is projected at \$1.18 billion.

Operating Expenditure

The projected operating expenditure of \$766.73 million is an increase of \$126.91 million or 19.8% over the revised FY2012 operating expenditure of \$639.82 million.

The Inland Revenue Authority of Singapore programme is projected to take up the largest share of the operating expenditure (\$380.70 million or 49.7%). This is followed by the Finance programme (\$192.39 million or 25.1%), Singapore Customs programme (\$99.52 million or 13.0%), Shared Services programme (\$36.59 million or 4.8%), Integration Programme (\$29.98 million or 3.9%), Accounting Services (\$22.62 million or 2.9%) and Centre for Public Project Management Programme (\$4.93 million or 0.6%).

The highlights of the more significant programmes are as follows:

a) Inland Revenue Authority of Singapore Programme

Inland Revenue Authority of Singapore is paid an agency fee to administer, assess, collect and enforce payment of income and property tax, goods and services tax (GST), stamp duties and other taxes on behalf of Government. Based on the projected tax revenue collection, MOF has allocated an agency fee budget of \$380.70 million for FY2013.

b) Finance Programme

An operating expenditure of \$192.39 million is provided for the Finance Programme for FY2013. Of the total sum of \$192.39 million, \$106.30 million (55.3%) is for transfers including grants and subventions, \$45.07 million (23.4%) is for other operating items and \$41.02 million (21.3%) is for Expenditure on Manpower. The budgeted \$192.39 million is an increase of \$72.91 million or 61.0% over the revised FY2012 expenditure of \$119.48 million. The higher requirement in FY2013 is mainly attributed to (i) an increase in contributions to International Organisations by \$64.12 million and (iii) a provision of \$10 million in the Central Votes to fund new operating expenditure needs in the course of the year.

c) Singapore Customs Programme

Singapore Customs collects customs and excise duties as well as GST on imported goods. It protects Government revenue by preventing leakage of duties and taxes. The department facilitates international trade by maintaining the integrity of Singapore's trading system through an appropriate trade regulatory system. The operating expenditure of Singapore Customs for FY2013 is projected to be \$99.52 million, an increase of \$1.61 million or 1.6% over the revised FY2012 expenditure of \$97.91 million. The higher requirement for FY2013 is mainly attributed to the continuous effort for new initiatives to enhance supply chain security and strategic goods control, and upgrade staff competency and enforcement capability.

Development Expenditure

Development expenditure for FY2013 is projected to be \$135.62 million, an increase of \$103 million or 315.8% over the revised FY2012 development expenditure of \$32.62 million. The increase is mainly due to an amount of \$100 million being set aside in the Project Central Vote.

Expenses on Investments

The FY2013 provision for EOI of \$1.18 billion is a decrease of \$0.01 billion or 0.8% over the revised FY2012 estimates of \$1.19 billion as interest expenses are expected to be lower.

Total Expenditure by Programme

Code	Programme	Running Costs	Transfers	Operating Expenditure	Development Expenditure	Total Expenditure
MA	Finance	92,583,800	99,802,600	192,386,400	107,462,200	299,848,600
MC	Accounting Services	22,417,400	200,000	22,617,400	2,660,000	25,277,400
MG	Shared Services	36,589,700	0	36,589,700	2,134,600	38,724,300
MO	Singapore Customs	99,457,900	60,000	99,517,900	18,059,900	117,577,800
MP	Inland Revenue Authority of Singapore	380,700,000	0	380,700,000	0	380,700,000
MQ	Integration	29,980,400	0	29,980,400	5,229,000	35,209,400
MR	Centre for Public Project Management	4,935,100	0	4,935,100	70,000	5,005,100
Total		\$666,664,300	\$100,062,600	\$766,726,900	\$135,615,700	\$902,342,600

Development Expenditure by Project

Project Title	Total Project Cost	Actual Expenditure up to end of FY2010	Actual FY2011	Estimated FY2012	Revised FY2012	Estimated FY2013
DEVELOPMENT EXPENDITURE	...	...	\$29,882,485	\$131,918,000	\$32,618,200	\$135,615,700
<i>GOVERNMENT DEVELOPMENT</i>	...	...	<i>23,847,024</i>	<i>131,918,000</i>	<i>32,618,200</i>	<i>135,615,700</i>
Finance Programme						
eCitizen Portal Revamp	10,995,000	193,119	3,456,742	4,958,700	5,532,900	909,400
Strategic Finance Transformation	2,451,000	0	388,734	2,059,000	591,700	56,000
Central Vote for New Projects	...	...	0	100,000,000	0	100,000,000
Minor Development Projects for GCIO	...	...	0	42,200	0	3,105,800
Minor Development Projects	...	...	1,042,556	586,100	1,038,300	571,300
New Projects	...	...	0	710,000	87,800	2,819,700
Accounting Services Programme						
NFS@Gov Upgrade	5,911,500	0	0	0	295,600	2,660,000
Shared Services Programme						
Minor Development Projects	...	...	792,881	1,400,000	100,000	2,134,600
Singapore Customs Programme						
InfoPort	36,220,000	3,724,132	152,864	300,000	300,000	100,000
Setting up of Radiographic Scanning Stations	26,300,000	0	392,033	12,174,000	7,054,500	12,813,800
New Customs Operation Command (COC) Building	3,420,000	0	0	0	0	825,100
Minor Development Projects	...	...	5,271,381	1,317,300	4,487,800	4,321,000
Integration Programme						
Integration Programme Budget-Development	0	239,815	1,158,671	1,518,600	9,248,200	5,229,000
Centre for Public Project Management Programme						
Minor Development Projects	...	...	0	0	0	70,000
Completed Projects	...	...	11,191,163	6,852,100	3,881,400	0
<i>GRANTS & CAPITAL INJECTIONS TO ORGANISATIONS</i>	...	...	<i>6,035,461</i>	<i>0</i>	<i>0</i>	<i>0</i>
Completed Projects	...	...	6,035,461	0	0	0

KEY PERFORMANCE INDICATORS

Desired Outcomes

- Sound Public Finances
- Growth with Opportunities for All
- High Performance Government

Key Performance Indicators

Desired Outcome	Performance Indicator	Actual FY2010	Actual FY2011	Revised FY2012	Estimated FY2013
Sound Public Finances	Government Revenue				
	Government operating Revenue as % of GDP	14.5	15.5	16.1	14.9
	Government Expenditure				
	Government Expenditure (Ministry and Departments only) as a % of GDP	14.3	14.1	14.6	14.5
	Fiscal Sustainability				
	Draw on Past Reserves	No	No	No	No
	Standard and Poor's Sovereign Risk Rating	AAA	AAA	AAA	AAA
	Budget Marksmanship				
	Government Operating Revenue as % of budgeted revenue (excluding Net Investment Income Contribution)	113.1	106.1	103.9	NA
	Government Expenditure as % of budgeted expenditure (excluding special transfers)	97.8	98.9	99.6	NA
Growth with Opportunities for All	Conducive Business Environment				
	Institute for Management Development World Competitiveness Yearbook: 'Real Corporate Taxes do not discourage entrepreneurial Activity'	3 rd	3 rd	4 th (actual)	Top 4
	World Economic Forum (WEF) Global Enabling Trade Report – 'Border Administration'	1 st	NA ²	1 st (actual)	Top 3
	World Bank 'Doing Business' Report – Ease of Doing Business	1 st	1 st	1 st (actual)	Top 3
	World Bank 'Doing Business' Report – Starting a Business	4 th	4 th	4 th (actual)	Top 4

² The WEF Global Enabling Trade Report was not released in 2011.

Desired Outcome	Performance Indicator	Actual FY2010	Actual FY2011	Revised FY2012	Estimated FY2013
Inclusive Growth					
	20 th Percentile Monthly Nominal Household Income from work ³ per Household Member Among Resident Employed Households	889 (5.1%) ⁴	971 (6.9%) ⁴	1,020 (1.5%) ⁴	NA
	Median Monthly Nominal Household Income from work ³ per Household Member Among Resident Employed Households	1,848 (3.4%) ⁴	1,994 (3.9%) ⁴	2,127 (3.0%) ⁴	NA
High Performance Government					
Efficient and Effective Use of Resources					
	Cost per dollar of revenue collected by Singapore Customs (Unit of Measurement in cents)	1.19	1.16	1.15	1.15
	Cost per dollar of tax collected by IRAS (Unit of Measurement in cents)	0.87	0.78	0.81	0.86
Integrated Government					
	World Economic Forum Global Information Technology Report's Government Usage and Readiness Sub-indices	Readiness: 1 st Usage: 3 rd	Social Impact ⁵ : 3 rd Usage: 2 nd	Top 3	Top 3
	Quality of e-services:				
	% of citizens who are overall				
	- very satisfied (rating of 5 and above on a 6 point scale)	53	56	60	65
	- satisfied (rating of 4 and above on a 6 point scale) ⁶	NA	94	95	95
	% of businesses who are overall				
	- very satisfied (rating of 5 and above on a 6 point scale) ⁶	NA	53	55	60
	- satisfied (rating of 4 and above on a 6 point scale) ⁶	NA	90	93	95
Efficient Government					
	% of requests for business profiles provided by ACRA within 30 minutes of payment	93.5 ⁷	92.7	92.3	95.0
	% of TradeNet declarations processed within 10 minutes by Singapore Customs	99.9	99.9	99.0	99.0
	% of tax refunds processed by IRAS				
	- within 14 days	97.6	98.8	99.0	98.5
	- within 30 days	99.9	99.9	99.9	99.9

³ Household income from work refers to the sum of income received, including employers' CPF contributions, by working members of the household from employment and business. Employed households are those with at least one working person.

⁴ Numbers in parenthesis are real annual growth rates (20th percentile deflated by lowest 20% income group (B20) CPI excluding owner-occupied accommodation, median deflated by middle 60% income group (M60) CPI excluding owner-occupied accommodation).

⁵ The report's sub-indicators were changed for FY2011. As such, the targets were amended accordingly to align with the past sub-indicators as far as possible.

⁶ New performance indicators tracked from FY2011 onwards.

⁷ Figures for Actual FY2010 improved from 92.7% to 93.5% after discounting for system downtime for maintenance purpose.