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MINISTRY OF DEFENCE

OVERVIEW

Mission Statement

The mission of the Ministry of Defence (MINDEF) and the Singapore Armed Forces (SAF) is to enhance Singapore's peace and security through deterrence and diplomacy, and should these fail, to secure a swift and decisive victory over the aggressor.

To achieve this mission, MINDEF will strengthen the military, manpower and technological edge of the SAF, whilst fostering close relations with friendly countries in the region and beyond through greater dialogue, confidence building and co-operation.

Desired Outcomes

- A safe and secure environment where Singapore's territorial integrity and sovereignty are protected and preserved.
- Safe and secure access to Singapore's air and sea lines of communications.
- A strong network of defence ties in the region and beyond.
- Committed National Servicemen who are dedicated to Total Defence.
- An operationally ready and well-equipped SAF that can deal with a broad range of threats to Singapore's security.
- A highly skilled, professional and technologically advanced SAF.

FY2017 EXPENDITURE ESTIMATES

Expenditure Estimates by Object Class

Code	Object Class	Actual FY2015	Estimated FY2016	Revised FY2016	Estimated FY2017	Change over FY2016	
	TOTAL EXPENDITURE	\$13,102,582,934	\$13,967,000,000	\$13,839,000,000	\$14,206,805,500	\$367,805,500	2.7%
	Main Estimates						
	OPERATING EXPENDITURE	\$12,671,644,455	\$13,296,000,000	\$13,296,000,000	\$13,612,805,500	\$316,805,500	2.4%
	<i>RUNNING COSTS</i>	<i>\$12,663,416,458</i>	<i>\$13,287,401,700</i>	<i>\$13,287,996,700</i>	<i>\$13,604,442,000</i>	<i>\$316,445,300</i>	<i>2.4%</i>
	Expenditure on Manpower	\$17,254,956	\$17,225,500	\$17,800,700	\$17,983,500	\$182,800	1.0%
1200	Political Appointments	1,461,632	2,028,100	2,188,800	2,250,700	61,900	2.8
1500	Permanent Staff	15,793,325	15,197,400	15,611,900	15,732,800	120,900	0.8
	Other Operating Expenditure	\$12,646,161,502	\$13,270,176,200	\$13,270,196,000	\$13,586,458,500	\$316,262,500	2.4%
2100	Consumption of Products & Services	12,246,511	22,572,000	20,734,400	20,734,400	0	0.0
2300	Manpower Development	182,368	323,000	302,500	270,500	-32,000	-10.6

Code	Object Class	Actual FY2015	Estimated FY2016	Revised FY2016	Estimated FY2017	Change over FY2016	
2400	International & Public Relations, Public Communications	46,459,863	39,416,500	39,016,500	19,386,500	-19,630,000	-50.3
2800	Miscellaneous	0	1,667,000	1,680,100	1,667,000	-13,100	-0.8
2900	Military Expenditure	12,587,272,760	13,206,197,700	13,208,462,500	13,544,400,100	335,937,600	2.5
	<i>TRANSFERS</i>	<i>\$8,227,997</i>	<i>\$8,598,300</i>	<i>\$8,003,300</i>	<i>\$8,363,500</i>	<i>\$360,200</i>	<i>4.5%</i>
3600	Transfers to Institutions & Organisations	8,227,997	8,598,300	8,003,300	8,363,500	360,200	4.5
	Development Estimates						
	DEVELOPMENT EXPENDITURE	\$430,938,479	\$671,000,000	\$543,000,000	\$594,000,000	\$51,000,000	9.4%
5100	Government Development	430,938,479	671,000,000	543,000,000	594,000,000	51,000,000	9.4
	OTHER DEVELOPMENT FUND OUTLAYS	\$0	\$0	\$128,000,000	\$245,000,000	\$117,000,000	91.4%
5500	Land-Related Expenditure	0	0	128,000,000	245,000,000	117,000,000	91.4

Establishment List

Category/Personnel	Actual FY2015	Estimated FY2016	Revised FY2016	Estimated FY2017
POLITICAL APPOINTMENTS	3	3	3	3
Minister	1	1	2	2
Senior Minister of State	2	2	1	1
PERMANENT STAFF	279	279	279	279
Administrative	12	12	12	12
Education Service (2008)	10	10	10	10
Language Executive Scheme (2008)	1	1	1	1
Legal	10	10	10	10
Management Executive Scheme (2008)	186	186	186	186
Management Support Scheme (2008)	60	60	60	60
TOTAL	282	282	282	282

FY2016 BUDGET

The total expenditure of the Ministry of Defence (MINDEF) in FY2016 is projected to be \$13.84 billion, an increase of \$736.42 million or 5.6% over the actual FY2015 expenditure of \$13.10 billion.

Operating Expenditure

The revised operating expenditure of \$13.30 billion is an increase of \$624.36 million or 4.9% over the actual FY2015 operating expenditure of \$12.67 billion. The increase is due to higher military expenditure.

Development Expenditure

The revised development expenditure is \$543 million, an increase of \$112.06 million or 26.0% over the actual FY2015 development expenditure of \$430.94 million. The increase is mainly attributed to higher construction requirements arising from major development works.

Other Development Fund Outlays

Land-related Expenditure

A sum of \$128 million is allocated for land-related expenditure to make land available for development needs.

FY2017 BUDGET

The total expenditure of MINDEF in FY2017 is projected to be \$14.21 billion, an increase of \$367.81 million or 2.7% from the revised FY2016 expenditure. Of this, \$13.61 billion or 95.8% is for operating expenditure and the balance of \$594 million or 4.2% is for development expenditure.

Operating Expenditure

The provision of \$13.61 billion for operating expenditure represents an increase of \$316.81 million or 2.4% from the revised FY2016 operating expenditure.

A total sum of \$13.54 billion or 99.5% of the operating expenditure goes towards the Armed Forces. This includes payment for the purchase of military equipment, maintenance of equipment and camps, and the allowances and salaries of full-time national servicemen, operationally ready national servicemen and regular servicemen. Compared with the revised FY2016 expenditure, the projected Armed Forces expenditure for FY2017 shows an increase of \$335.94 million.

Salaries of civilian personnel and operating costs of MINDEF HQ account for the remaining \$68.41 million or 0.5% of operating expenditure.

Development Expenditure

The projected development expenditure for FY2017 is \$594 million, an increase of \$51 million or 9.4% from the revised FY2016 development expenditure. The increase is mainly attributed to higher construction requirements arising from major development works.

Other Development Fund Outlays

Land-related Expenditure

A sum of \$245 million would be allocated for land-related expenditure to make land available for development needs.

Total Expenditure by Programme

Code	Programme	Running Costs	Transfers	Operating Expenditure	Development Expenditure	Total Expenditure
JA	National Defence	13,604,442,000	8,363,500	13,612,805,500	594,000,000	14,206,805,500
	Total	\$13,604,442,000	\$8,363,500	\$13,612,805,500	\$594,000,000	\$14,206,805,500

Development Expenditure by Project

Project Title	Total Project Cost	Actual Expenditure up to end of FY2014	Actual FY2015	Estimated FY2016	Revised FY2016	Estimated FY2017
DEVELOPMENT EXPENDITURE	...	...	\$430,938,479	\$671,000,000	\$543,000,000	\$594,000,000
GOVERNMENT DEVELOPMENT	...	...	430,938,479	671,000,000	543,000,000	594,000,000
National Defence Programme						
Armed Forces	...	...	430,938,479	671,000,000	543,000,000	594,000,000

Other Development Fund Outlays

Project Title	Total Project Cost	Actual Expenditure up to end of FY2014	Actual FY2015	Estimated FY2016	Revised FY2016	Estimated FY2017
OTHER DEVELOPMENT FUND OUTLAYS	...	...	\$0	\$0	\$128,000,000	\$245,000,000
LAND-RELATED EXPENDITURE	...	...	0	0	128,000,000	245,000,000
National Defence Programme						
Armed Forces	...	...	0	0	128,000,000	245,000,000