

## HEAD J

### MINISTRY OF DEFENCE

#### OVERVIEW

##### Mission Statement

To enhance Singapore's peace and security, and should deterrence and diplomacy 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

#### FY2006 EXPENDITURE ESTIMATES

##### Expenditure Estimates by Object Class

Code	Object Class	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006	Change over FY2005	
	TOTAL EXPENDITURE	\$8,620,327,975	\$9,259,000,000	\$9,259,000,000	\$10,046,055,520	\$787,055,520	8.5%
	Main Estimates						
	OPERATING EXPENDITURE	\$8,243,331,026	\$8,896,000,000	\$8,896,000,000	\$9,691,055,520	\$795,055,520	8.9%
	<i>RUNNING COSTS</i>	\$8,236,756,724	\$8,889,220,910	\$8,887,516,660	\$9,682,572,520	\$795,055,860	8.9%
1000	Expenditure on Manpower	\$17,459,913	\$19,247,800	\$20,248,900	\$19,913,900	-\$335,000	-1.7%
1200	Political Appointments	2,275,130	2,113,400	2,306,300	2,306,300	0	0.0
1500	Permanent Staff	15,143,941	17,071,500	17,879,300	17,544,300	-335,000	-1.9
1600	Temporary, Daily-Rated & Other Manpower	40,843	62,900	63,300	63,300	0	0.0

**Expenditure Estimates by Object Class - continued**

Code	Object Class	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006	Change over FY2005	
2000	Other Operating Expenditure	\$8,219,296,811	\$8,869,973,110	\$8,867,267,760	\$9,662,658,620	\$795,390,860	9.0%
2100	Supplies & Services	11,232,565	11,773,010	12,530,240	12,460,250	-69,990	-0.6
2300	Manpower Development	439,202	352,900	526,500	526,500	0	0.0
2400	Public Relations & Exercises	5,435,764	10,002,900	12,048,710	12,469,500	420,790	3.5
2800	Financial Claims & Legal Expenses	1,131,325	1,060,000	1,100,000	1,100,000	0	0.0
2900	Military Expenditure	8,201,057,955	8,846,784,300	8,841,062,310	9,636,102,370	795,040,060	9.0
	<i>TRANSFERS</i>	\$6,574,302	\$6,779,090	\$8,483,340	\$8,483,000	-\$340	0.0%
3600	Subventions	6,574,302	6,779,090	8,483,340	8,483,000	-340	0.0
	Development Estimates						
	<b>DEVELOPMENT EXPENDITURE</b>	<b>\$376,996,949</b>	<b>\$363,000,000</b>	<b>\$363,000,000</b>	<b>\$355,000,000</b>	<b>-\$8,000,000</b>	<b>-2.2%</b>
5100	Direct Development	376,996,949	363,000,000	363,000,000	355,000,000	-8,000,000	-2.2

## Establishment List

Category/Personnel	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006	
<b>POLITICAL APPOINTMENTS</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>(3)</b>	<b>4</b>
Minister	1	1	2	(2)	2
Minister of State	2	2	1	(0)	1
Parliamentary Secretary	1	1	1	(1)	1
<b>PERMANENT STAFF</b>	<b>1,501</b>	<b>1,501</b>	<b>1,501</b>	<b>(1,501)</b>	<b>1,501</b>
Accounting Profession	3	3	3	(3)	3
Administrative	12	12	12	(12)	12
Cleaner	5	5	5	(5)	5
Corporate Support	275	275	275	(275)	275
Driving	3	3	3	(3)	3
Education Service	9	9	9	(9)	9
Environmental Health (Senior) (New)	4	4	4	(4)	4
Estate Maintenance	4	4	4	(4)	4
Legal	9	9	9	(9)	9
Management Executive (Defence)	904	904	904	(904)	904
Management Support	2	2	2	(2)	2
Meteorological Service (2002)	4	4	4	(4)	4
Operations Support	90	90	90	(90)	90
Photographic Services	2	2	2	(2)	2
Psychological Services	7	7	7	(7)	7
Security	4	4	4	(4)	4
Shorthand Writers	25	25	25	(25)	25
Technical Support	138	138	138	(138)	138
Translator (2003)	1	1	1	(1)	1
<b>TEMPORARY, DAILY-RATED AND OTHER MANPOWER</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>(20)</b>	<b>20</b>
Artisan II	2	2	2	(2)	2
Artisan III	2	2	2	(2)	2
Semi-skilled II	8	8	8	(8)	8
Special Group A	3	3	3	(3)	3
Unskilled	5	5	5	(5)	5
<b>TOTAL</b>	<b>1,525</b>	<b>1,525</b>	<b>1,525</b>	<b>(1,524)</b>	<b>1,525</b>

Figures in brackets shown in the "Revised FY2005" column of the Establishment List denote actual staff strength.

**FY2005 BUDGET**

The total expenditure of the Ministry of Defence (MINDEF) in FY2005 is projected to be \$9.26 billion, an increase of \$638.67 million or 7.4% over the actual FY2004 expenditure of \$8.62 billion. The revised operating expenditure of \$8.90 billion is an increase of \$652.67 million or 7.9% over the actual FY2004 expenditure of \$8.24 billion. The increase is due to higher operating costs. The revised development expenditure is \$363 million. This is a decrease of \$14 million or 3.7% compared with the actual FY2004 expenditure of \$377 million. The decrease in the development expenditure is mainly because a number of major construction projects are nearing completion.

**FY2006 BUDGET**

The total expenditure of MINDEF in FY2006 is projected to be \$10.05 billion, an increase of \$787.06 million or 8.5% over the revised FY2005 expenditure. Of this, \$9.69 billion or 96.5% is for operating expenditure and the balance of \$355 million or 3.5% is for development expenditure.

***Operating Expenditure***

The provision of \$9.69 billion for operating expenditure represents an increase of \$795.06 million or 8.9% over the revised FY2005 expenditure.

A total sum of \$9.64 billion or 99.4% 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 salaries and allowances of full-time national servicemen and operationally ready national servicemen. Compared with the revised FY2005 expenditure, the projected Armed Forces expenditure for FY2006 shows an increase of \$795.04 million or 9.0%.

Salaries of civilian personnel and operating costs of MINDEF HQ account for the remaining \$54.95 million or 0.6% of operating expenditure.

***Development Expenditure***

The projected development expenditure for FY2006 is \$355 million. The decrease in the development expenditure of \$8 million or 2.2% over the revised FY2005 expenditure is mainly attributed to lower requirements arising from the completion of some major construction projects.

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***Development Expenditure by Project***


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Project Title	Total Project Cost	Actual Expenditure up to end of FY2003	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006
<b>DEVELOPMENT EXPENDITURE</b>	...	...	<b>\$376,996,949</b>	<b>\$363,000,000</b>	<b>\$363,000,000</b>	<b>\$355,000,000</b>
Direct Development	...	...	376,996,949	363,000,000	363,000,000	355,000,000
<b>National Defence Programme</b>						
Armed Forces	...	...	376,996,949	363,000,000	363,000,000	355,000,000

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