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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

FY2007 EXPENDITURE ESTIMATES

Expenditure Estimates by Object Class

Code	Object Class	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007	Change over FY2006	
	TOTAL EXPENDITURE	\$9,251,697,352	\$10,046,055,520	\$10,046,055,520	\$10,578,179,040	\$532,123,520	5.3%
	Main Estimates						
	OPERATING EXPENDITURE	\$8,888,699,594	\$9,691,055,520	\$9,691,055,520	\$10,227,179,040	\$536,123,520	5.5%
	<i>RUNNING COSTS</i>	\$8,882,005,082	\$9,682,572,520	\$9,682,572,520	\$10,220,083,440	\$537,510,920	5.6%
1000	Expenditure on Manpower	\$17,191,033	\$19,913,900	\$19,913,900	\$19,178,500	-\$735,400	-3.7%
1200	Political Appointments	2,008,438	2,306,300	2,306,300	2,323,500	17,200	0.7
1500	Permanent Staff	15,181,715	17,544,300	17,544,300	16,536,300	-1,008,000	-5.7
1600	Temporary, Daily-Rated & Other Manpower	880	63,300	63,300	318,700	255,400	403.5

Expenditure Estimates by Object Class – continued

Code	Object Class	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007	Change over FY2006	
2000	Other Operating Expenditure	\$8,864,814,049	\$9,662,658,620	\$9,662,658,620	\$10,200,904,940	\$538,246,320	5.6%
2100	Supplies & Services	13,465,923	12,460,250	12,460,250	14,692,630	2,232,380	17.9
2300	Manpower Development	514,063	526,500	526,500	547,980	21,480	4.1
2400	Public Relations & Exercises	10,308,719	12,469,500	12,469,500	10,775,120	-1,694,380	-13.6
2800	Financial Claims & Legal Expenses	40,880	1,100,000	1,100,000	1,488,370	388,370	35.3
2900	Military Expenditure	8,840,484,463	9,636,102,370	9,636,102,370	10,173,400,840	537,298,470	5.6
	<i>TRANSFERS</i>	\$6,694,512	\$8,483,000	\$8,483,000	\$7,095,600	-\$1,387,400	-16.4%
3600	Subventions	6,694,512	8,483,000	8,483,000	7,095,600	-1,387,400	-16.4
	Development Estimates						
	DEVELOPMENT EXPENDITURE	\$362,997,758	\$355,000,000	\$355,000,000	\$351,000,000	-\$4,000,000	-1.1%
5100	Direct Development	362,997,758	355,000,000	355,000,000	351,000,000	-4,000,000	-1.1

Establishment List

Category/Personnel	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007
POLITICAL APPOINTMENTS	3	4	4	4
Minister	2	2	2	2
Minister of State	0	1	1	1
Parliamentary Secretary	1	1	1	1
PERMANENT STAFF	1,501	1,501	1,501	1,501
Accounting Profession	3	3	3	3
Administrative	12	12	12	12
Cleaner	5	5	5	5
Corporate Support	275	275	275	275
Driving	3	3	3	3
Education Service	9	9	9	9
Environmental Health (Senior) (New)	4	4	4	4
Estate Maintenance	4	4	4	4
Legal	9	9	9	9
Management Executive (Defence)	904	904	904	904
Management Support	2	2	2	2
Meteorological Service (2002)	4	4	4	4
Operations Support	90	90	90	90
Photographic Services	2	2	2	2
Psychological Services	7	7	7	7
Security	4	4	4	4
Shorthand Writers	25	25	25	25
Technical Support	138	138	138	138
Translator (2003)	1	1	1	1
TEMPORARY, DAILY-RATED AND OTHER MANPOWER	20	20	20	20
Artisan II	2	2	2	2
Artisan III	2	2	2	2
Semi-skilled II	8	8	8	8
Special Group A	3	3	3	3
Unskilled	5	5	5	5
TOTAL	1,524	1,525	1,525	1,525

FY2006 BUDGET

The total expenditure of the Ministry of Defence (MINDEF) in FY2006 is projected to be \$10.05 billion, an increase of \$794.36 million or 8.6% over the actual FY2005 expenditure of \$9.25 billion. The revised operating expenditure of \$9.69 billion is an increase of \$802.36 million or 9.0% over the actual FY2005 expenditure of \$8.89 billion. The increase is due to higher operating costs. The revised development expenditure is \$355 million. This is a decrease of \$8 million or 2.2% compared with the actual FY2005 expenditure of \$363 million. The decrease is mainly because a number of major construction projects are nearing completion.

FY2007 BUDGET

The total expenditure of MINDEF in FY2007 is projected to be \$10.58 billion, an increase of \$532.12 million or 5.3% over the revised FY2006 expenditure. Of this, \$10.23 billion or 96.7% is for operating expenditure and the balance of \$351 million or 3.3% is for development expenditure.

Operating Expenditure

The provision of \$10.23 billion for operating expenditure is an increase of \$536.12 million or 5.5% over the revised FY2006 expenditure.

A total sum of \$10.17 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 salaries and allowances of full-time national servicemen and operationally ready national servicemen. Compared with the revised FY2006 expenditure, the projected Armed Forces expenditure for FY2007 shows an increase of \$537.30 million or 5.6%.

Salaries of civilian personnel and operating costs of MINDEF HQ account for the remaining \$53.78 million or 0.5% of operating expenditure.

Development Expenditure

The projected development expenditure for FY2007 is \$351 million. The decrease in the development expenditure of \$4 million or 1.1% compared to the revised FY2006 expenditure is mainly attributed to lower requirements arising from the completion of some major construction projects.

Development Expenditure by Project

Project Title	Total Project Cost	Actual Expenditure up to end of FY2004	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007
DEVELOPMENT EXPENDITURE	\$362,997,758	\$355,000,000	\$355,000,000	\$351,000,000
Direct Development	362,997,758	355,000,000	355,000,000	351,000,000
National Defence Programme						
Armed Forces	362,997,758	355,000,000	355,000,000	351,000,000
