HEAD Z

FINANCIAL TRANSFERS

OVERVIEW

Mission Statement

To make appropriations to various Government Funds, Trust Funds, other approved Schemes and expenditures.

FY2009 EXPENDITURE ESTIMATES

Expenditure Estimates by Object

Code	Object	Actual FY2007	Estimated FY2008	Revised FY2008	Estimated FY2009	Change over FY2008	
	TOTAL OUTLAYS	**$4,751,979,958**	**$10,701,911,000**	**$12,486,648,400**	**$14,181,655,000**	**$1,695,006,600**	**13.6%**
	Main Estimates						
	OTHER CONSOLIDATED FUND OUTLAYS	**$4,751,979,958**	**$10,701,911,000**	**$12,486,648,400**	**$14,181,655,000**	**$1,695,006,600**	**13.6%**
4511	Transfer to Revolving Fund	50,000,000	40,000,000	112,955,500	51,696,000	-61,259,500	-54.2
4513	Transfer to Development Fund	2,560,087,300	5,260,000,000	4,970,024,400	7,979,000,000	3,008,975,600	60.5
4522	Transfer to Medical Endowment Funds	200,000,000	600,000,000	600,000,000	200,000,000	-400,000,000	-66.7
4523	Transfer to Lifelong Learning Endowment Fund	100,000,000	800,000,000	800,000,000	100,000,000	-700,000,000	-87.5
4524	Transfer to Community Care Endowment Fund	0	200,000,000	200,000,000	0	-200,000,000	-100.0
4591	Transfer to CPF Top-Up Schemes	1,200	220,000,000	226,230,600	0	-226,230,600	-100.0
4592	Transfer to Other Schemes	1,340,135,888	2,781,911,000	4,777,437,900	5,450,959,000	673,521,100	14.1
4593	Transfer to Other Funds	501,755,570	800,000,000	800,000,000	400,000,000	-400,000,000	-50.0

FY2008 BUDGET

The revised FY2008 estimated outlay is $12.49 billion. Of this, a sum of $7.40 billion is for Special Transfers and the balance for transfer to the Development Fund ($4.97 billion) to meet future development outlays, and the Revolving Fund ($112.96 million) for topping up of various Advance Accounts.

The revised FY2008 estimated outlay is higher than the actual FY2007 outlay by $7.74 billion or 162.8%. This is primarily attributed to measures announced in Budget 2009 as part of the Resilience Package. This includes payment under the new Jobs Credit scheme ($1.13 billion) which provides cash credits to businesses based on the wages of their employees on CPF payroll. Besides this, citizens will also receive additional payments of GST Credits and Senior Citizens' Bonus in March 2009 ($580 million) as well as payments to low-income workers ($33 million) under a one-off Workfare Income Supplement Special Payment Scheme.

The higher outlay can also be attributed to outlays on surplus sharing measures announced at Budget 2008 such as the Growth Dividends ($865 million), additional top-ups to the Post-Secondary Education Accounts ($300 million) of those aged 7 to 20 and Medisave top-ups for the elderly ($226 million). As announced by the Prime Minister at the National Day Rally in August 2008, the Government has also provided an additional support package amounting to $256 million to further help low and middle-income Singaporeans at a time of higher costs of living. The package comprises a 50% increase in the remaining instalment of Growth Dividends ($190 million) and an additional payment of the Utilities-Save (U-Save) rebates ($65 million) to be given out in FY2008.

Apart from the surplus sharing and additional assistance measures, fund transfers to the National Research Fund ($800 million), Lifelong Learning Endowment Fund ($800 million), ElderCare Fund ($400 million), Community Care Endowment Fund ($200 million), and funds for payouts under the CPF Deferment & Voluntary Deferment Bonus ($350 million) and LIFE Bonus ($260 million) accounted for the rest of the increase. This, however, is offset by decreases in outlays on the Workfare Income Supplement Scheme which is now funded from Ministry of Manpower's budget.

FY2009 BUDGET

The total outlay under Financial Transfers for FY2009 is projected to be $14.18 billion. This is for Special Transfers ($6.15 billion), transfers to the Development Fund ($7.98 billion) to meet future development outlays, and the Revolving Fund ($51.70 million) for topping up of various Advance Accounts.

Of the Special Transfers of $6.15 billion, a sum of $3.91 billion is for part of the Resilience Package announced at Budget 2009. This includes payment under the Jobs Credit scheme ($3.38 billion) and provision for Government's share of loans loss under the Special Risk-Sharing Initiative for bank credit ($388 million). A sum of $100 million is also set aside to provide the Workfare Income Supplement Special Payment to low-income workers. Furthermore, additional rebates for HDB rentals and service & conservancy charges ($24 million), as well as transport vouchers to low-income Singaporeans ($7 million) will be given out as part of the Resilience Package, on top of what was committed in Budget 2007. Additional assistance to needy families (provided through the Citizens' Consultative Committees ComCare Fund, Self-Help Groups, and Voluntary Welfare Organisations) will be increased by $18 million, on top of what was committed in Budget 2008.

Apart from this, a sum of $1.54 billion is also set aside for (a) the GST Offset Package announced in Budget 2007 comprising GST Credits ($460 million), Senior Citizens' Bonus ($121 million), rebates for utilities, service & conservancy charges and rentals to eligible households ($167 million), and transport vouchers to low-income Singaporeans ($3.30 million); and (b) CPF Deferment & Voluntary Deferment Bonus ($450 million), LIFE Bonus ($260 million), R&D incentive for start-up enterprises ($50 million), SME Rebate Scheme ($21.25 million), and additional assistance to needy families ($4.25 million) which were announced in Budget 2008.

The remaining provision of $0.70 billion is for transfers to National Research Fund ($400 million), Lifelong Learning Endowment Fund ($100 million), ElderCare Fund ($100 million), and Medical Endowment Fund ($100 million).