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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.

FY2021 EXPENDITURE ESTIMATES

Expenditure Estimates by Object Class

Code	Object Class	Actual FY2019	Estimated FY2020	Revised FY2020	Estimated FY2021	Change Over FY2020	
	TOTAL EXPENDITURE	\$14,149,995,620	\$15,085,600,500	\$13,630,600,500	\$15,360,300,100	\$1,729,699,600	12.7%
	Main Estimates						
	OPERATING EXPENDITURE	\$13,668,877,871	\$14,544,400,500	\$13,352,400,500	\$14,802,600,100	\$1,450,199,600	10.9%
	<i>RUNNING COSTS</i>	<i>\$13,658,730,643</i>	<i>\$14,535,304,800</i>	<i>\$13,343,900,500</i>	<i>\$14,793,577,500</i>	<i>\$1,449,677,000</i>	<i>10.9%</i>
	Expenditure on Manpower	\$16,085,706	\$18,597,900	\$16,425,400	\$17,992,900	\$1,567,500	9.5%
1200	Political Appointments	2,618,998	2,509,900	1,937,400	2,069,900	132,500	6.8
1500	Permanent Staff	13,466,708	16,088,000	14,238,000	14,923,000	685,000	4.8
1600	Temporary, Daily-Rated & Other Staff	0	0	250,000	1,000,000	750,000	300.0

Code	Object Class	Actual FY2019	Estimated FY2020	Revised FY2020	Estimated FY2021	Change Over FY2020	
	Other Operating Expenditure	\$13,642,644,937	\$14,516,706,900	\$13,327,475,100	\$14,775,584,600	\$1,448,109,500	10.9%
2100	Consumption of Products & Services	13,275,711	18,267,000	18,267,000	17,227,000	-1,040,000	-5.7
2300	Manpower Development	255,979	223,400	223,400	207,200	-16,200	-7.3
2400	International & Public Relations, Public Communications	28,242,345	19,389,000	15,218,500	14,518,500	-700,000	-4.6
2800	Miscellaneous	0	2,000,000	2,000,000	2,000,000	0	0.0
2900	Military Expenditure	13,600,870,901	14,476,827,500	13,291,766,200	14,741,631,900	1,449,865,700	10.9
	<i>TRANSFERS</i>	<i>\$10,147,228</i>	<i>\$9,095,700</i>	<i>\$8,500,000</i>	<i>\$9,022,600</i>	<i>\$522,600</i>	<i>6.1%</i>
3600	Transfers to Institutions & Organisations	10,147,228	9,095,700	8,500,000	9,022,600	522,600	6.1
	OTHER CONSOLIDATED FUND OUTLAYS	\$5,642,303	\$16,755,000	\$7,246,500	\$11,665,100	\$4,418,600	61.0%
4600	Loans and Advances (Disbursement)	5,642,303	16,755,000	7,246,500	11,665,100	4,418,600	61.0
	Development Estimates						
	DEVELOPMENT EXPENDITURE	\$481,117,749	\$541,200,000	\$278,200,000	\$557,700,000	\$279,500,000	100.5%
5100	Government Development	481,117,749	541,200,000	278,200,000	557,700,000	279,500,000	100.5
	OTHER DEVELOPMENT FUND OUTLAYS	\$251,258,032	\$348,000,000	\$180,000,000	\$350,000,000	\$170,000,000	94.4%
5500	Land-Related Expenditure	251,258,032	348,000,000	180,000,000	350,000,000	170,000,000	94.4

Establishment List

Category/Personnel	Actual FY2019	Estimated FY2020	Revised FY2020	Estimated FY2021
POLITICAL APPOINTMENTS	3	3	3	3
Minister	1	1	1	1
Senior Minister of State	2	2	2	2
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	11	11	15	15
Management Executive Scheme (2008)	185	185	185	185
Management Support Scheme (2008)	60	60	56	56
TOTAL	282	282	282	282

FY2020 BUDGET

The total expenditure of the Ministry of Defence (MINDEF) in FY2020 is projected to be \$13.63 billion, a decrease of \$519.40 million or 3.7% over the actual FY2019 expenditure of \$14.15 billion.

Operating Expenditure

The revised operating expenditure of \$13.35 billion is a decrease of \$316.48 million or 2.3% over the actual FY2019 operating expenditure of \$13.67 billion. The decrease is due to lower military expenditure, mainly as a result of the impact of COVID-19.

Development Expenditure

The revised development expenditure is \$278.20 million, a decrease of \$202.92 million or 42.2% over the actual FY2019 development expenditure of \$481.12 million. The decrease is mainly attributed to lower construction requirements as a result of the impact of COVID-19.

Other Consolidated Fund Outlays

Loans and Advances (Disbursement)

A revised sum of \$7.25 million is projected for advance disbursements to meet operational requirements.

Other Development Fund Outlays

Land-related Expenditure

A sum of \$180.00 million is allocated for land-related expenditure to make land available for development needs.

FY2021 BUDGET

The total expenditure of MINDEF in FY2021 is projected to be \$15.36 billion, an increase of \$1.73 billion or 12.7% over the revised FY2020 expenditure. Of this, \$14.80 billion or 96.4% is for operating expenditure and the balance of \$557.70 million or 3.6% is for development expenditure.

Operating Expenditure

The provision of \$14.80 billion for FY2021 operating expenditure represents an increase of \$1.73 billion or 10.9% from the revised FY2020 operating expenditure.

A total sum of \$14.74 billion or 99.6% of the FY2021 operating expenditure goes towards the Armed Forces. This includes payments 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 FY2020 expenditure, the projected Armed Forces expenditure for FY2021 shows an increase of \$1.45 billion.

Salaries of civilian personnel and operating costs of MINDEF HQ account for the remaining \$60.97 million or 0.4% of operating expenditure.

Development Expenditure

The projected development expenditure for FY2021 is \$557.70 million, an increase of \$279.50 million or 100.5% from the revised FY2020 development expenditure. The increase is mainly attributed to higher construction requirements for development works, including projects previously affected by COVID-19.

Other Consolidated Fund Outlays*Loans and Advances (Disbursement)*

A sum of \$11.67 million is projected for advance disbursements to meet operational requirements.

Other Development Fund Outlays*Land-Related Expenditure*

A sum of \$350.00 million, an increase of \$170.00 million or 94.4% from the revised FY2020 land-related expenditure, will be allocated for land-related expenditure to make land available for development needs. The increase is mainly due to higher infrastructure development requirements.

Total Expenditure by Programme

Code	Programme	Running Costs	Transfers	Operating Expenditure	Development Expenditure	Total Expenditure
J-A	National Defence	14,793,577,500	9,022,600	14,802,600,100	557,700,000	15,360,300,100
	Total	\$14,793,577,500	\$9,022,600	\$14,802,600,100	\$557,700,000	\$15,360,300,100

Development Expenditure by Project

Project Title	Total Project Cost	Actual Expenditure Up to end of FY2018	Actual FY2019	Estimated FY2020	Revised FY2020	Estimated FY2021
DEVELOPMENT EXPENDITURE	\$481,117,749	\$541,200,000	\$0	\$0
<i>GOVERNMENT DEVELOPMENT</i>	481,117,749	541,200,000	0	0
Completed Projects	481,117,749	541,200,000	0	0

Other Development Fund Outlays

Project Title	Total Project Cost	Actual Expenditure Up to end of FY2018	Actual FY2019	Estimated FY2020	Revised FY2020	Estimated FY2021
OTHER DEVELOPMENT FUND OUTLAYS	\$251,258,032	\$348,000,000	\$0	\$0
<i>LAND-RELATED EXPENDITURE</i>	251,258,032	348,000,000	0	0
Completed Projects	251,258,032	348,000,000	0	0