

HEAD M

MINISTRY OF FINANCE

OVERVIEW

Mission Statement

To create a better Singapore through Finance.

Vision Statement

A forward-looking Ministry of Finance that advances leading ideas, drives synergies across government and ensures fiscal prudence and sustainability.

FY2022 EXPENDITURE ESTIMATES

Expenditure Estimates by Object Class

Code	Object Class	Actual FY2020	Estimated FY2021	Revised FY2021	Estimated FY2022	Change Over FY2021	
	TOTAL EXPENDITURE	\$950,404,300	\$2,067,248,900	\$1,109,741,000	\$1,167,550,100	\$57,809,100	5.2%
	Main Estimates						
	OPERATING EXPENDITURE	\$904,457,133	\$1,927,533,800	\$977,279,400	\$1,025,878,400	\$48,599,000	5.0%
	<i>RUNNING COSTS</i>	<i>\$827,924,944</i>	<i>\$1,853,438,600</i>	<i>\$906,728,900</i>	<i>\$952,883,200</i>	<i>\$46,154,300</i>	<i>5.1%</i>
	Expenditure on Manpower	\$173,026,100	\$202,982,200	\$193,106,600	\$205,849,100	\$12,742,500	6.6%
1200	Political Appointments	1,967,055	2,556,100	1,930,600	2,426,400	495,800	25.7
1500	Permanent Staff	170,954,256	195,095,100	185,914,600	198,155,300	12,240,700	6.6
1600	Temporary, Daily-Rated & Other Staff	104,790	331,000	261,400	267,400	6,000	2.3
1800	Personnel Central Vote	0	5,000,000	5,000,000	5,000,000	0	0.0
	Other Operating Expenditure	\$610,876,016	\$658,312,100	\$686,928,000	\$717,819,800	\$30,891,800	4.5%
2100	Consumption of Products & Services	605,397,057	639,781,500	669,702,600	699,390,200	29,687,600	4.4
2300	Manpower Development	3,559,082	6,699,900	5,388,700	6,051,100	662,400	12.3
2400	International & Public Relations, Public Communications	46,132	1,132,300	741,800	1,337,700	595,900	80.3
2600	Programmes Central Vote	0	10,000,000	10,000,000	10,000,000	0	0.0
2700	Asset Acquisition	1,734,294	568,600	896,100	890,200	-5,900	-0.7
2800	Miscellaneous	139,451	129,800	198,800	150,600	-48,200	-24.2
	Grants, Subventions & Capital Injections to Organisations	\$44,022,828	\$992,144,300	\$26,694,300	\$29,214,300	\$2,520,000	9.4%
3100	Grants, Subventions & Capital Injections to Statutory Boards	44,022,828	991,980,000	26,600,000	28,820,000	2,220,000	8.3
3400	Grants, Subventions & Capital Injections to Other Organisations	0	164,300	94,300	394,300	300,000	318.1

Code	Object Class	Actual FY2020	Estimated FY2021	Revised FY2021	Estimated FY2022	Change Over FY2021	
	<i>TRANSFERS</i>	\$76,532,189	\$74,095,200	\$70,550,500	\$72,995,200	\$2,444,700	3.5%
3800	International Organisations & Overseas Development Assistance	76,532,189	74,095,200	70,550,500	72,995,200	2,444,700	3.5
	OTHER CONSOLIDATED FUND OUTLAYS	\$4,259,619,545	\$5,840,200,000	\$2,911,200,000	\$3,111,800,000	\$200,600,000	6.9%
4200	Expenses on Investments	2,261,750,220	3,836,000,000	2,908,000,000	3,109,000,000	201,000,000	6.9
4600	Loans and Advances (Disbursement)	1,997,869,325	2,004,200,000	3,200,000	2,800,000	-400,000	-12.5
	Development Estimates						
	DEVELOPMENT EXPENDITURE	\$45,947,167	\$139,715,100	\$132,461,600	\$141,671,700	\$9,210,100	7.0%
5100	Government Development	45,947,167	139,715,100	132,461,600	141,671,700	9,210,100	7.0

Establishment List

Category/Personnel	Actual FY2020	Estimated FY2021	Revised FY2021	Estimated FY2022
POLITICAL APPOINTMENTS	3	3	2	2
Minister	3	3	2	2
PERMANENT STAFF	1,914	2,023	2,104	2,116
Accounting Profession (2008)	52	58	61	63
Administrative	19	19	18	18
Corporate Support	22	22	21	21
Management Executive Scheme (2008)	758	861	961	971
Management Support Scheme (2008)	137	137	112	112
Operations Support	3	3	3	3
Singapore Customs Officer (2008)	627	627	627	627
Singapore Customs Specialist (2008)	296	296	301	301
OTHERS	1,952	2,050	2,167	2,167
Inland Revenue Authority of Singapore	1,952	2,050	2,167	2,167
TOTAL	3,869	4,076	4,273	4,285

FY2021 BUDGET

The revised total expenditure of the Ministry of Finance (MOF) in FY2021 is expected to be \$1.11 billion, excluding Expenses on Investments (EOI) and Loan & Advances. This is an increase of \$159.34 million or 16.8% compared to the actual FY2020 total expenditure of \$950.40 million.

Revised operating expenditure in FY2021 is expected to be \$977.28 million, an increase of \$72.82 million or 8.1% over the actual FY2020 expenditure of \$904.46 million. The increase is mainly due to higher agency fee for tax scheme administration.

Revised development expenditure in FY2021 is expected to be \$132.46 million, an increase of \$86.51 million or 188.3% from the actual FY2020 development expenditure of \$45.95 million. This is primarily due to a sum of \$100 million being set aside in the Central Vote.

The EOI in FY2021 is expected to be \$2.91 billion, \$646.25 million higher than the actual amount incurred in FY2020. This expected increase is due to increased investment activities.

The Loans and Advances (Disbursement) in FY2021 is revised to \$3.20 million, which is \$1.99 billion lower than the actual amount incurred in FY2020. The decrease is mainly due to lower outlays for loans to support enterprises' access to credit amid COVID-19, given the improved financial situation.

FY2022 BUDGET

Total expenditure for FY2022 is projected to be \$1.17 billion (excluding EOI), which comprises operating expenditure of \$1.03 billion and development expenditure of \$141.67 million. This is an increase of \$57.81 million or 5.2% from the revised FY2021 total expenditure of \$1.11 billion. EOI is projected at \$3.11 billion.

Operating Expenditure

The projected FY2022 operating expenditure of \$1.03 billion is an increase of \$48.60 million or 5.0% over the revised FY2021 operating expenditure of \$977.28 million. The increase is mainly due to an increase in operating expenditure for the Finance Programme.

The Inland Revenue Authority of Singapore Programme is projected to take up the largest share of operating expenditure (\$488.10 million or 47.6%). This is followed by the Finance Programme (\$250.28 million or 24.4%), Singapore Customs Programme (\$182.26 million or 17.8%), Accounting Services Programme (\$52.73 million or 5.1%), and Shared Services Programme (\$52.50 million or 5.1%).

The highlights of the top three Programmes are as follows:

a) Inland Revenue Authority of Singapore Programme

The Inland Revenue Authority of Singapore (IRAS) is paid an agency fee to administer, assess, collect and enforce payment of income and property tax, goods and services tax (GST), stamp duties and other taxes on behalf of the Government. Based on the projected tax revenue collection, MOF has allocated an agency fee budget of \$488.10 million for FY2022.

b) Finance Programme

An operating expenditure of \$250.28 million is provided for the Finance Programme for FY2022. Of the total sum of \$250.28 million, \$102.11 million (40.8%) is for transfers as well as grants and subventions, \$81.29 million (32.5%) is for other operating expenditure, and \$66.88 million (26.7%) is for expenditure on manpower. The budgeted \$250.28 million is an increase of \$37.15 million or 17.4% from the revised FY2021 expenditure of \$213.13 million. The higher budgetary requirement for FY2022 is mainly attributed to an increase in other operating expenditure pertaining to IT and property management related projects.

c) Singapore Customs Programme

Singapore Customs collects customs and excise duties as well as GST on imported goods. It protects Government revenue by preventing leakage of duties and taxes. The department facilitates international trade by maintaining the integrity of Singapore's trading system through an appropriate trade regulatory system. The operating expenditure of Singapore Customs for FY2022 is projected to be \$182.26 million, an increase of \$2.43 million or 1.4% over the revised FY2021 expenditure of \$179.83 million.

Development Expenditure

Development expenditure for FY2022 is projected to be \$141.67 million, an increase of \$9.21 million or 7.0% over the revised FY2021 development expenditure of \$132.46 million. The increase is mainly due to higher provision set aside for consultancy services and IT-related projects.

Other Consolidated Fund Outlays

The EOI in FY2022 is expected to be \$3.11 billion, \$201.00 million higher than the revised expenditure in FY2021 of \$2.91 billion. Higher expenses are expected to be incurred with the growth in assets under management.

A provision of \$2.80 million is set aside for facility management for the Treasury.

Total Expenditure by Programme

Code	Programme	Running Costs	Transfers	Operating Expenditure	Development Expenditure	Total Expenditure
M-A	Finance	177,382,500	72,900,000	250,282,500	108,332,500	358,615,000
M-C	Accounting Services	52,730,000	0	52,730,000	8,680,800	61,410,800
M-G	Shared Services	52,502,400	0	52,502,400	3,236,700	55,739,100
M-O	Singapore Customs	182,168,300	95,200	182,263,500	21,421,700	203,685,200
M-P	Inland Revenue Authority of Singapore	488,100,000	0	488,100,000	0	488,100,000
Total		\$952,883,200	\$72,995,200	\$1,025,878,400	\$141,671,700	\$1,167,550,100

Development Expenditure by Project

Project Title	Total Project Cost	Actual Expenditure Up to end of FY2019	Actual FY2020	Estimated FY2021	Revised FY2021	Estimated FY2022
DEVELOPMENT EXPENDITURE	...	...	\$45,947,167	\$139,715,100	\$132,461,600	\$141,671,700
<i>GOVERNMENT DEVELOPMENT</i>	...	...	45,947,167	139,715,100	132,461,600	141,671,700
Finance Programme						
Central Vote for New Projects	...	...	0	100,000,000	100,000,000	100,000,000
Minor Development Projects	...	...	3,540,017	4,223,200	3,109,700	5,520,300
New Projects	...	...	0	2,866,700	893,800	2,812,200
Accounting Services Programme						
New Projects	...	...	0	1,097,600	0	1,300,900
Minor Development Projects	...	...	4,856,168	3,646,500	3,057,100	7,379,900
Shared Services Programme						
Minor Development Projects	...	...	313,681	4,104,600	1,485,600	3,236,700
Singapore Customs Programme						
New TradeXchange/TradeNet/eCustoms Project	155,861,900	98,714,391	13,395,386	8,459,300	9,737,900	6,368,900
Setting up of a Radiographic Scanning Station for Export Checks Operation at Tuas Megaport	6,573,000	0	1,182,598	3,435,800	1,766,600	1,963,100
Development and Implementation of International Connectivity on the National Trade Platform (NTP)	21,532,100	5,412,584	4,694,232	6,393,200	4,633,700	5,714,100
Minor Development Projects	...	...	4,922,157	3,323,000	6,457,800	7,375,600
Completed Projects	...	...	13,042,927	2,165,200	1,319,400	0

KEY PERFORMANCE INDICATORS

Desired Outcomes

- Stewardship of Public Good
- Inclusive and Sustainable Growth
- High Performance Government

Key Performance Indicators

Desired Outcome	Performance Indicator	Actual FY2019	Actual FY2020	Revised FY2021	Estimated FY2022
Stewardship of Public Good	Balanced Budget				
	Overall Fiscal Position as a % of GDP (5-year moving average)	0.7	-1.3	-1.8	-2.3
	Fiscal Sustainability				
	Draw on Past Reserves	No	Yes ¹	Yes ¹	Yes ¹
	Standard and Poor's / Moody's Sovereign Risk Rating	AAA / Aaa	AAA / Aaa	AAA / Aaa	AAA / Aaa
	Budget Marksmanship				
	Government operating revenue as % of budgeted revenue (excluding Net Investment Returns Contribution)	99.2	88.6	104.9	NA
Government expenditure as % of budgeted expenditure (excluding special transfers)	93.9	103.3	96.2	NA	
Inclusive and Sustainable Growth	Conducive Business Environment				
	No. of Avoidance of Double Taxation Agreements (DTAs) Singapore has in force	87	88	92	NA
	% of companies incorporated within 15 minutes of payment	99.9%	99.9%	99.9%	99.9%
	Inclusive Growth				
	20th percentile monthly nominal household income from work ² per household member among citizen employed households (real annual growth rate in parentheses) ³	\$1,326 (3.5%)	\$1,299 (-1.8%)	\$1,404 (6.3%)	NA
Median monthly nominal household income from work ² per household member among citizen employed households (real annual growth rate in parentheses) ³	\$2,749 (3.8%)	\$2,693 (-1.8%)	\$2,871 (4.5%)	NA	

¹ Required to support the Government's response to the COVID-19 pandemic.

² Household income from work refers to the sum of income received, including employers' CPF contributions, by working members of the household from employment and business. Employed households are those with at least one working person.

³ Numbers in parentheses are real annual growth rates (20th percentile deflated by lowest 20% income group CPI excluding imputed rental on owner-occupied accommodation, median deflated by middle 60% income group CPI excluding imputed rental on owner-occupied accommodation).

Desired Outcome	Performance Indicator	Actual FY2019	Actual FY2020	Revised FY2021	Estimated FY2022
High Performance Government	Efficient and Effective Use of Resources				
	Cost per dollar of revenue collected by Singapore Customs	1.74 cents	1.95 cents	1.75 cents	1.69 cents
	Cost per dollar of tax collected by IRAS	0.78 cents	0.82 cents	0.78 cents	0.80 cents
	Efficient Government				
	% of requests for business profiles completed by ACRA within 15 minutes of payment	99.9%	99.9%	99.0%	99.0%
	% of TradeNet declarations which have been approved / rejected within 10 minutes	99.9%	99.9%	99.6%	99.0%
	% of tax refunds issued by IRAS				
	- within 14 days	99.7%	99.8%	99.7%	99.6%
	- within 30 days	99.9%	99.9%	99.9%	99.9%
	% of payments from Ministries, Statutory Boards, and Organs of State to vendors completed within payment terms (typically 30 days)	98.0%	98.2%	98.3%	98.3%