

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.

FY2023 EXPENDITURE ESTIMATES

Expenditure Estimates by Object Class

Code	Object Class	Actual FY2021	Estimated FY2022	Revised FY2022	Estimated FY2023	Change Over FY2022	
	TOTAL EXPENDITURE	\$979,993,745	\$1,167,550,100	\$1,044,416,800	\$1,360,096,900	\$315,680,100	30.2%
	Main Estimates						
	OPERATING EXPENDITURE	\$951,278,431	\$1,025,878,400	\$1,013,392,300	\$1,228,468,400	\$215,076,100	21.2%
	<i>RUNNING COSTS</i>	<i>\$881,666,764</i>	<i>\$952,883,200</i>	<i>\$932,719,700</i>	<i>\$1,116,049,700</i>	<i>\$183,330,000</i>	<i>19.7%</i>
	Expenditure on Manpower	\$190,178,465	\$205,849,100	\$208,938,800	\$246,180,800	\$37,242,000	17.8%
1200	Political Appointments	1,932,785	2,426,400	2,818,000	2,893,400	75,400	2.7
1500	Permanent Staff	188,141,180	198,155,300	205,727,400	237,946,600	32,219,200	15.7
1600	Temporary, Daily-Rated & Other Staff	104,500	267,400	393,400	340,800	-52,600	-13.4
1800	Personnel Central Vote	0	5,000,000	0	5,000,000	5,000,000	n.a.
	Other Operating Expenditure	\$666,060,175	\$717,819,800	\$694,866,500	\$848,336,500	\$153,470,000	22.1%
2100	Consumption of Products & Services	659,352,471	699,390,200	687,441,100	829,636,300	142,195,200	20.7
2300	Manpower Development	4,446,795	6,051,100	5,396,600	6,368,900	972,300	18.0
2400	International & Public Relations, Public Communications	547,198	1,337,700	843,800	578,500	-265,300	-31.4
2600	Programmes Central Vote	334,392	10,000,000	0	10,000,000	10,000,000	n.a.
2700	Asset Acquisition	914,616	890,200	758,500	502,200	-256,300	-33.8
2800	Miscellaneous	464,703	150,600	426,500	1,250,600	824,100	193.2
	Grants, Subventions & Capital Injections to Organisations	\$25,428,124	\$29,214,300	\$28,914,400	\$21,532,400	-\$7,382,000	-25.5%
3100	Grants, Subventions & Capital Injections to Statutory Boards	25,428,124	28,820,000	28,820,000	20,960,000	-7,860,000	-27.3
3400	Grants, Subventions & Capital Injections to Other Organisations	0	394,300	94,400	572,400	478,000	506.4
	<i>TRANSFERS</i>	<i>\$69,611,667</i>	<i>\$72,995,200</i>	<i>\$80,672,600</i>	<i>\$112,418,700</i>	<i>\$31,746,100</i>	<i>39.4%</i>
3500	Social Transfers to Individuals	289,523	0	30,600	0	-30,600	-100.0
3800	International Organisations & Overseas Development Assistance	69,322,144	72,995,200	80,642,000	112,418,700	31,776,700	39.4

Code	Object Class	Actual FY2021	Estimated FY2022	Revised FY2022	Estimated FY2023	Change Over FY2022	
	OTHER CONSOLIDATED FUND OUTLAYS	\$2,360,445,101	\$3,111,800,000	\$7,531,976,000	\$8,011,244,300	\$479,268,300	6.4%
4200	Expenses on Investments	2,356,640,375	3,109,000,000	7,529,000,000	8,011,000,000	482,000,000	6.4
4600	Loans and Advances (Disbursement)	3,804,727	2,800,000	2,976,000	244,300	-2,731,700	-91.8
	Development Estimates						
	DEVELOPMENT EXPENDITURE	\$28,715,314	\$141,671,700	\$31,024,500	\$131,628,500	\$100,604,000	324.3%
5100	Government Development	28,715,314	141,671,700	31,024,500	131,628,500	100,604,000	324.3

Establishment List

Category/Personnel	Actual FY2021	Estimated FY2022	Revised FY2022	Estimated FY2023
POLITICAL APPOINTMENTS	2	2	3	3
Minister	2	2	2	2
Senior Minister of State	0	0	1	1
PERMANENT STAFF	1,977	2,116	2,187	2,189
Accounting Profession (2008)	60	63	63	63
Administrative	18	18	23	23
Corporate Support	21	21	21	21
Management Executive Scheme (2008)	838	971	1,041	1,043
Management Support Scheme (2008)	109	112	109	109
Operations Support	3	3	2	2
Singapore Customs Officer (2008)	627	627	627	627
Singapore Customs Specialist (2008)	301	301	301	301
OTHERS	1,951	2,167	2,167	2,167
Inland Revenue Authority of Singapore	1,951	2,167	2,167	2,167
TOTAL	3,930	4,285	4,357	4,359

FY2022 BUDGET

The revised total expenditure of the Ministry of Finance (MOF) in FY2022 is expected to be \$1.04 billion, excluding Expenses on Investments (EOI) and Loan & Advances. This is an increase of \$64.42 million or 6.6% compared to the actual FY2021 total expenditure of \$979.99 million.

The revised operating expenditure in FY2022 is expected to be \$1.01 billion, an increase of \$62.11 million or 6.5% over the actual FY2021 expenditure of \$951.28 million. The increase is mainly due to higher expenditure on manpower and other operational needs.

The revised development expenditure in FY2022 is expected to be \$31.02 million, an increase of \$2.31 million or 8.0% from the actual FY2021 development expenditure of \$28.72 million. This is mainly due to higher provision set aside for IT-related projects.

EOI in FY2022 is expected to be \$7.53 billion, which is \$5.17 billion or 219.1% higher than the actual amount incurred in FY2021. This expected increase is due to increased investment activities and volatile market conditions.

FY2023 BUDGET

Total expenditure for FY2023 is projected to be \$1.36 billion (excluding EOI), which comprises operating expenditure of \$1.23 billion and development expenditure of \$131.63 million. This is an increase of \$315.68 million or 30.2% from the revised FY2022 total expenditure of \$1.04 billion. EOI is projected to be \$8.01 billion.

Operating Expenditure

The projected FY2023 operating expenditure of \$1.23 billion is an increase of \$215.08 million or 21.2% over the revised FY2022 operating expenditure of \$1.01 billion.

The Inland Revenue Authority of Singapore Programme is projected to take up the largest share of operating expenditure (\$596.00 million or 48.5%). This is followed by the Finance Programme (\$296.60 million or 24.1%), Singapore Customs Programme (\$214.07 million or 17.4%), Shared Services Programme (\$69.25 million or 5.6%), and Accounting Services Programme (\$52.55 million or 4.3%).

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 \$596.00 million for FY2023.

b) Finance Programme

An operating expenditure of \$296.60 million is provided for the Finance Programme for FY2023. Of the total sum, \$133.86 million (45.1%) is for transfers as well as grants and subventions, \$86.64 million (29.2%) is for other operating expenditure, and \$76.09 million (25.7%) is for expenditure on manpower. The budgeted \$296.60 million is an increase of \$61.83 million or 26.3% from the revised FY2022 expenditure of \$234.76 million. The higher budgetary requirement for FY2023 is mainly attributed to (i) an increase in contributions to international organisations, (ii) higher expenditure on manpower, and (iii) provision set aside annually in Personnel and Programmes Central Vote.

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 FY2023 is projected to be \$214.07 million, an increase of \$33.45 million or 18.5% over the revised FY2022 expenditure of \$180.62 million. The increase is mainly due to higher IT systems operating costs.

Development Expenditure

Development expenditure for FY2023 is projected to be \$131.63 million, an increase of \$100.60 million or 324.3% over the revised FY2022 development expenditure of \$31.02 million. The increase is mainly due to provision set aside under Central Vote for New Projects.

Other Consolidated Fund Outlays

EOI in FY2023 is budgeted to be \$8.01 billion, which is \$479.27 million or 6.4% higher than the revised budget in FY2022. This expected increase is due to increased investment activities and volatile market conditions.

A provision of \$0.24 million is set aside for utility-related security deposits.

Total Expenditure by Programme

Code	Programme	Running Costs	Transfers	Operating Expenditure	Development Expenditure	Total Expenditure
M-A	Finance	184,266,900	112,330,000	296,596,900	106,986,000	403,582,900
M-C	Accounting Services	52,551,400	0	52,551,400	3,654,300	56,205,700
M-G	Shared Services	69,250,300	0	69,250,300	7,218,300	76,468,600
M-O	Singapore Customs	213,981,100	88,700	214,069,800	13,769,900	227,839,700
M-P	Inland Revenue Authority of Singapore	596,000,000	0	596,000,000	0	596,000,000
Total		\$1,116,049,700	\$112,418,700	\$1,228,468,400	\$131,628,500	\$1,360,096,900

Development Expenditure by Project

Project Title	Total Project Cost	Actual Expenditure Up to end of FY2020	Actual FY2021	Estimated FY2022	Revised FY2022	Estimated FY2023
DEVELOPMENT EXPENDITURE	...	...	\$28,715,314	\$141,671,700	\$31,024,500	\$131,628,500
<i>GOVERNMENT DEVELOPMENT</i>	...	...	<i>28,715,314</i>	<i>141,671,700</i>	<i>31,024,500</i>	<i>131,628,500</i>
Finance Programme						
Central Vote for New Projects	...	...	0	100,000,000	0	100,000,000
Minor Development Projects	...	...	1,972,873	5,520,300	2,671,300	3,849,000
New Projects	...	...	0	2,812,200	450,700	3,137,000
Accounting Services Programme						
Minor Development Projects	...	...	2,482,289	7,379,900	7,379,900	3,654,300
Shared Services Programme						
Minor Development Projects	...	...	729,951	3,236,700	3,348,100	7,218,300
Singapore Customs Programme						
Setup and Migration of eCustoms	4,802,500	0	479,654	0	699,100	2,196,800
New TradeXchange/TradeNet/eCustoms Project	155,861,900	112,109,777	9,338,030	6,368,900	4,666,600	5,032,400
Setting up of a Radiographic Scanning Station for Export Checks Operation at Tuas Megaport	6,573,000	1,182,598	3,542,327	1,963,100	573,100	524,100
Development and Implementation of International Connectivity on the National Trade Platform (NTP)	21,532,100	10,106,817	3,817,589	5,714,100	8,477,500	912,400
Minor Development Projects	...	...	5,880,818	7,375,600	2,758,200	5,104,200
Completed Projects	...	...	471,784	1,300,900	0	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 FY2020	Actual FY2021	Revised FY2022	Estimated FY2023
Stewardship of Public Good	Balanced Budget				
	Overall Fiscal Position as a % of GDP (5-year moving average)	-1.3	-1.5	-2.0	-2.2
	Fiscal Sustainability				
	Draw on Past Reserves	Yes ¹	Yes ¹	Yes ¹	No
	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)	88.6	107.6	110.4	NA
Inclusive and Sustainable Growth	Government expenditure as % of budgeted expenditure (excluding special transfers)	103.3	92.6	104.4	NA
	Conducive Business Environment				
	No. of Avoidance of Double Taxation Agreements (DTAs) Singapore has in force	88	93	93	NA
	% of companies incorporated within 15 minutes of payment	99.9%	99.9%	99.9%	99.9%
	Inclusive Growth				
	20 th percentile monthly nominal household income from work ² per household member among citizen employed households (real annual growth rate in parentheses) ³	\$1,299 (-1.8%)	\$1,404 (6.4%)	\$1,534 (4.0%)	NA
	Median monthly nominal household income from work ² per household member among citizen employed households (real annual growth rate in parentheses) ³	\$2,693 (-1.8%)	\$2,871 (4.4%)	\$3,105 (2.0%)	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 FY2020	Actual FY2021	Revised FY2022	Estimated FY2023
High Performance Government	Efficient and Effective Use of Resources				
	Cost per dollar of revenue collected by Singapore Customs	1.95 cents	1.74 cents	1.66 cents	1.84 cents
	Cost per dollar of tax collected by IRAS	0.82 cents	0.69 cents	0.68 cents	0.68 cents
	Efficient Government				
	% of requests for business profiles completed by ACRA within 15 minutes of payment	99.9%	99.9%	99.9%	99.9%
	% 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	99.8%	99.7%	99.6%	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)	97.1%	98.3%	98.1%	98.1%