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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.

FY2019 EXPENDITURE ESTIMATES

Expenditure Estimates by Object Class

Code	Object Class	Actual FY2017	Estimated FY2018	Revised FY2018	Estimated FY2019	Change Over FY2018	
	TOTAL EXPENDITURE	\$14,175,614,619	\$14,762,100,500	\$14,762,100,500	\$15,468,621,400	\$706,520,900	4.8%
	Main Estimates						
	OPERATING EXPENDITURE	\$13,581,904,166	\$14,238,100,500	\$14,238,100,500	\$14,964,421,400	\$726,320,900	5.1%
	<i>RUNNING COSTS</i>	<i>\$13,574,163,713</i>	<i>\$14,230,119,700</i>	<i>\$14,230,002,900</i>	<i>\$14,955,959,400</i>	<i>\$725,956,500</i>	<i>5.1%</i>
	Expenditure on Manpower	\$18,168,262	\$17,963,800	\$19,254,000	\$18,471,100	-\$782,900	-4.1%
1200	Political Appointments	2,031,284	1,982,800	2,522,500	2,437,200	-85,300	-3.4
1500	Permanent Staff	16,136,977	15,981,000	16,731,500	16,033,900	-697,600	-4.2

Code	Object Class	Actual FY2017	Estimated FY2018	Revised FY2018	Estimated FY2019	Change Over FY2018	
	Other Operating Expenditure	\$13,555,995,451	\$14,212,155,900	\$14,210,748,900	\$14,937,488,300	\$726,739,400	5.1%
2100	Consumption of Products & Services	12,136,427	24,811,700	25,412,600	18,267,000	-7,145,600	-28.1
2300	Manpower Development	146,031	248,100	194,400	164,400	-30,000	-15.4
2400	International & Public Relations, Public Communications	18,722,386	19,386,500	19,386,500	29,996,500	10,610,000	54.7
2800	Miscellaneous	0	2,158,000	2,000,000	2,000,000	0	0.0
2900	Military Expenditure	13,524,990,607	14,165,551,600	14,163,755,400	14,887,060,400	723,305,000	5.1
	<i>TRANSFERS</i>	<i>\$7,740,453</i>	<i>\$7,980,800</i>	<i>\$8,097,600</i>	<i>\$8,462,000</i>	<i>\$364,400</i>	<i>4.5%</i>
3600	Transfers to Institutions & Organisations	7,740,453	7,980,800	8,097,600	8,462,000	364,400	4.5
	OTHER CONSOLIDATED FUND OUTLAYS	\$0	\$0	\$0	\$16,785,400	\$16,785,400	n.a.
4600	Loans and Advances (Disbursement)	0	0	0	16,785,400	16,785,400	n.a.
	Development Estimates						
	DEVELOPMENT EXPENDITURE	\$593,710,453	\$524,000,000	\$524,000,000	\$504,200,000	-\$19,800,000	-3.8%
5100	Government Development	593,710,453	524,000,000	524,000,000	504,200,000	-19,800,000	-3.8
	OTHER DEVELOPMENT FUND OUTLAYS	\$199,999,931	\$237,000,000	\$217,500,000	\$257,600,000	\$40,100,000	18.4%
5500	Land-Related Expenditure	199,999,931	237,000,000	217,500,000	257,600,000	40,100,000	18.4

Establishment List

Category/Personnel	Actual FY2017	Estimated FY2018	Revised FY2018	Estimated FY2019
POLITICAL APPOINTMENTS	3	3	3	3
Minister	2	2	1	1
Senior Minister of State	1	1	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	10	11	11	11
Management Executive Scheme (2008)	186	185	185	185
Management Support Scheme (2008)	60	60	60	60
TOTAL	282	282	282	282

FY2018 BUDGET

The total expenditure of the Ministry of Defence (MINDEF) in FY2018 is projected to be \$14.76 billion, an increase of \$586.49 million or 4.1% over the actual FY2017 expenditure of \$14.18 billion.

Operating Expenditure

The revised operating expenditure of \$14.24 billion is an increase of \$656.20 million or 4.8% over the actual FY2017 operating expenditure of \$13.58 billion. The increase is due to higher military expenditure.

Development Expenditure

The revised development expenditure is \$524.00 million, a decrease of \$69.71 million or 11.7% over the actual FY2017 development expenditure of \$593.71 million. The decrease is mainly attributed to lower construction requirements arising from major development works.

Other Development Fund Outlays

Land-related Expenditure

A revised sum of \$217.50 million is allocated for land-related expenditure to make land available for development needs.

FY2019 BUDGET

The total expenditure of MINDEF in FY2019 is projected to be \$15.47 billion, an increase of \$706.52 million or 4.8% over the revised FY2018 expenditure. Of this, \$14.96 billion or 96.7% is for operating expenditure and the balance of \$504.20 million or 3.3% is for development expenditure.

Operating Expenditure

The provision of \$14.96 billion for FY2019 operating expenditure represents an increase of \$726.32 million or 5.1% from the revised FY2018 operating expenditure.

A total sum of \$14.89 billion or 99.5% of the FY2019 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 FY2018 expenditure, the projected Armed Forces expenditure for FY2019 shows an increase of \$723.31 million.

Salaries of civilian personnel and operating costs of MINDEF HQ account for the remaining \$77.36 million or 0.5% of operating expenditure.

Development Expenditure

The projected development expenditure for FY2019 is \$504.20 million, a decrease of \$19.80 million or 3.8% from the revised FY2018 development expenditure.

Other Consolidated Fund Outlays

Loans and Advances (Disbursement)

A sum of \$16.79 million is projected for advance disbursements to meet operational requirements.

Other Development Fund Outlays

Land-Related Expenditure

A sum of \$257.60 million will be allocated for land-related expenditure to make land available for development needs.

Total Expenditure by Programme

Code	Programme	Running Costs	Transfers	Operating Expenditure	Development Expenditure	Total Expenditure
J-A	National Defence	14,955,959,400	8,462,000	14,964,421,400	504,200,000	15,468,621,400
	Total	\$14,955,959,400	\$8,462,000	\$14,964,421,400	\$504,200,000	\$15,468,621,400

Development Expenditure by Project

Project Title	Total Project Cost	Actual Expenditure Up to end of FY2016	Actual FY2017	Estimated FY2018	Revised FY2018	Estimated FY2019
DEVELOPMENT EXPENDITURE	\$593,710,453	\$524,000,000	\$524,000,000	\$504,200,000
<i>GOVERNMENT DEVELOPMENT</i>	<i>593,710,453</i>	<i>524,000,000</i>	<i>524,000,000</i>	<i>504,200,000</i>
National Defence Programme						
Armed Forces	593,710,453	524,000,000	524,000,000	504,200,000

Other Development Fund Outlays

Project Title	Total Project Cost	Actual Expenditure Up to end of FY2016	Actual FY2017	Estimated FY2018	Revised FY2018	Estimated FY2019
OTHER DEVELOPMENT FUND OUTLAYS	\$199,999,931	\$237,000,000	\$217,500,000	\$257,600,000
<i>LAND-RELATED EXPENDITURE</i>	<i>199,999,931</i>	<i>237,000,000</i>	<i>217,500,000</i>	<i>257,600,000</i>
National Defence Programme						
Armed Forces	199,999,931	237,000,000	217,500,000	257,600,000