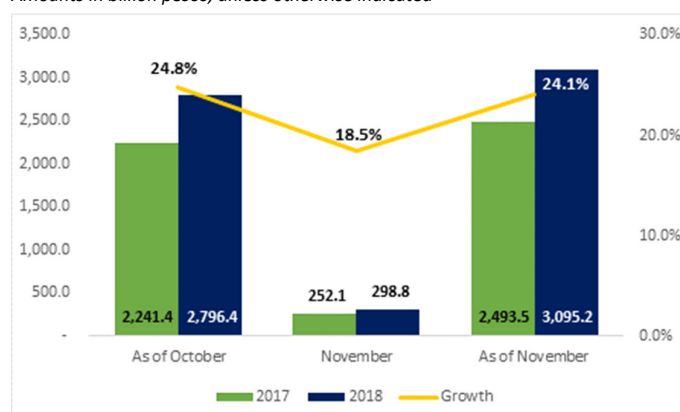


NATIONAL GOVERNMENT DISBURSEMENT PERFORMANCE

AS OF NOVEMBER 2018

National Government disbursements grew 18.5 percent for the month of November 2018 to reach nearly P299.0 billion. Spending for the month was once again sustained by faster Infrastructure and Other Capital Outlays and higher Personnel Services (PS) expenditures, combining for about 94.0 percent of the P46.7 billion (18.5 percent) increase recorded in November this year. Spending as of end-November 2018 thus reached P3.1 trillion, 24.1 percent more than the levels for the comparable period last year.

Figure 1. National Government Disbursements for the Period Indicated
Amounts in billion pesos, unless otherwise indicated



NCA disbursements amounted to P263.4 billion in November 2018, increasing by P45.0 billion

or 20.5 percent year-on-year to drive government spending. Meanwhile, Non-NCA disbursements, which consisted largely of interest payments and net lending, grew by only P1.8 billion or 5.4 percent year-on-year mainly due to lower advances to government corporations. Year-to-date, NCA disbursements reached P2,598.0 billion, up by P543.7 billion or 26.5 percent. This is twice the growth of Non-NCA disbursements, which grew 13.2 percent (P58.0 billion) to reach P497.2 billion as of end-November 2018.

Table 1. Comparison of NCA and Non-NCA Disbursements, 2017-2018

Amounts in billion pesos, unless otherwise indicated

Particulars	As of October				November				As of November			
	2017	2018	Inc/(Dec)		2017	2018	Inc/(Dec)		2017	2018	Inc/(Dec)	
			Amt	%			Amt	%			Amt	%
NCA	1,835.8	2,334.6	498.8	27.2	218.5	263.4	44.9	20.5	2,054.3	2,598.0	543.7	26.5
% of Eff. NCA	90.7%	95.0%			83.0%	90.4%			89.8%	94.6%		
Non-NCA	405.6	461.8	56.2	13.8	33.6	35.4	1.8	5.4	439.2	497.2	58.0	13.2
TOTAL	2,241.4	2,796.4	555.0	24.8	252.1	298.8	46.7	18.5	2,493.5	3,095.2	601.7	24.1

Memo Item

NCAs issued effective for the month, net of Trust Liabilities, gross of Working Fund.

	As of October	November	As of November
2017	2,024.3	263.2	2,287.5
2018	2,456.3	291.3	2,747.7

Allotment Releases

As of November 2017: 3,166.4 billion or 94.5% of the P3,350.0 billion obligation program
As of November 2018: 3,633.7 billion or 96.5% of the P3,767.0 billion obligation program

Sources: Bureau of the Treasury and DBM-Budget Technical Bureau

Allotment Releases

As of-end November 2018, total allotment releases reached P3,633.7 billion, equivalent to 96.5 percent of the total P3,767.0 billion obligation program for the year. For the month of November 2018, allotment releases amounted to P29.4 billion, composed largely of the following: i) P8.5 billion to the DPWH for the implementation of Basic Educational Facilities Program and for payment of Right-of-Way claims; P4.4 billion to the DepEd for the requirements of filling of positions and other PS benefits; P3.6 billion subsidy and equity to government corporations; P3.3 billion to various line agencies from the Pension and Gratuity Fund for pension, retirement gratuity and terminal leave benefits; and P2.1

billion to various line agencies from the Miscellaneous Personnel Benefits Fund for the requirements of filling of positions and other PS benefits.

Year-on-Year Performance

For the Month of November 2018

Disbursements for the month of November 2018 reached P298.8 billion, P46.7 billion or 18.5 percent more than the previous year's level. The expansion is mainly credited to the 43.6 percent growth in Infrastructure Spending and 25.3 percent increase in Personnel Services expenditures.

Infrastructure and Other Capital Outlays reached P62.9 billion up from P43.8 billion in November last year largely due to completed road infrastructure projects of the DPWH, repair and rehabilitation of school building and facilities of the DepEd and some SUCs, and acquisition of medical equipment as part of the Health Facilities Enhancement Program of the DOH.

PS totaled to P122.4 billion from the previous year's level of P97.6 billion mainly on account of the release of the year-end bonus, equivalent to one-month basic salary, of both the civilian, and military and uniformed personnel; creation and filling of positions in the DepEd, DILG-PNP and DOH; and release of pension, retirement and gratuity benefits, as well as monetization of leave credits in various agencies.

Interest payments, on the other hand, amounted to P24.7 billion, P4.1 billion higher year-on-year owing to coupon and discount payments for the BTr-issued bonds. Meanwhile, subsidies to government corporations reached P8.1 billion, P2.1 billion more than the previous year's level largely due to releases to the NIA for payment of completed irrigation projects and to the PEZA for power subsidy to qualified PEZA-registered firms.

For the Period January to November 2018

As of November 30, 2018, total NG disbursements already reached P3,095.2 billion, P601.7 billion or 24.1 percent more than the levels recorded for the same period in 2017. The substantial increase was largely credited to the faster infrastructure spending which reached P728.1 billion (49.7 percent year-on-year) and increased PS expense which amounted to P884.7 billion (23.4 percent year-on-year) due to higher pay of government workforce and faster rate of filling of positions by various agencies.

Table 2. National Government Disbursements for the Month of November
Amounts in billion pesos, unless otherwise indicated

Expenditure Class	November		Increase/(Decrease)	
	2017	2018	Amt	%
CURRENT OPERATING EXP.	194.5	225.5	31.0	15.9
Personnel Services	97.6	122.4	24.7	25.3
MOOE	37.2	34.9	(2.3)	(6.3)
Subsidy	6.0	8.1	2.1	35.6
Allotment to LGUs	32.5	34.9	2.3	7.2
Interest Payments	20.6	24.7	4.1	19.8
Tax Expenditure Fund	0.6	0.7	0.1	12.4
CAPITAL OUTLAYS	54.4	72.3	17.9	32.8
Infra and Other CO	43.8	62.9	19.1	43.6
Equity	1.3	0.1	(1.2)	(93.0)
Capital Transfers to LGUs	9.3	9.3	(0.1)	(0.7)
NET LENDING	3.2	1.0	(2.2)	(68.6)
TOTAL	252.1	298.8	46.7	18.5

Table 3. National Government Disbursements for the Period January to November
Amounts in billion pesos, unless otherwise indicated

Expenditure Class	January to November		Increase/(Decrease)	
	2017	2018	Amt	%
CURRENT OPERATING EXP.	1,874.6	2,210.1	335.6	17.9
Personnel Services	716.7	884.7	168.0	23.4
MOOE	403.1	470.1	67.1	16.6
Subsidy	99.9	134.5	34.6	34.7
Allotment to LGUs	357.5	385.3	27.8	7.8
Interest Payments	290.0	320.0	30.0	10.4
Tax Expenditure Fund	7.4	15.5	8.1	108.8
CAPITAL OUTLAYS	619.1	878.5	259.5	41.9
Infra and Other CO	486.5	728.1	241.6	49.7
Equity	4.7	4.0	(0.7)	(15.8)
Capital Transfers to LGUs	127.9	146.5	18.6	14.6
NET LENDING	(0.1)	6.5	6.6	(5,861.9)
TOTAL	2,493.5	3,095.2	601.7	24.1

Outlook for the Rest of the Year

Per report of allotment releases as of end-November 2018, only P133.3 billion or just 3.5 percent of the P3,767.0 billion obligation program for the year remains to be released with only one more month left for the fiscal year of 2018. While line agencies still have the month of December to request and obligate the remaining balance, it is unlikely that the full amount will be disbursed during the month. Its impact may therefore extend up to the first quarter of next year. However, disbursements for the month of December are still expected to be strong on account of payment for progress billings of infrastructure projects, completed and delivered goods and services, and release of other PS benefits.