

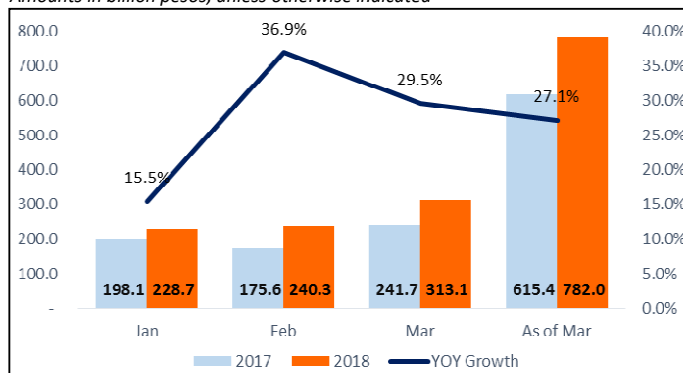
## HIGHLIGHTS OF NATIONAL GOVERNMENT DISBURSEMENT PERFORMANCE<sup>1</sup>

### MARCH 2018

National Government spending continued to accelerate in March 2018, reaching P313.1 billion and higher by P71.3 billion or nearly 30 percent year-on-year. This sustains the significant monthly annual growth rates posted starting in January this year, bringing the total disbursements for the first quarter to P782.0 billion, up by P167 billion or 27.1 percent from the comparable period a year ago.

The robust public spending recorded in March was a result of the substantial outlays from the following expenditures:

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



- Subsidy increased by P26.8 billion or by more than 300 percent to reach P35.2 billion, owing to the first batch of releases for health insurance premiums of senior citizens enrolled in the *National Health Insurance Program* of the PHIC (P15.1 billion) and the first of a series of cash download of P4.3 billion for the Tax Reform Cash Transfer Project under the Land Bank for some 1.8 million existing CCT beneficiary households. Other significant releases to GOCCs include the P3.4 billion subsidy to NIA for its irrigation projects, P1.8 billion to NFA for its rice importation program, and P1.5 billion power subsidy to Subic Bay Metropolitan Authority.
- Infrastructure and other capital expenditures maintained its strong growth, surging by 32.4 percent to reach P63.4 billion in March 2018 due mostly to check floats and payments of accounts payables for the implementation of road infrastructure projects of the DPWH, completed construction of police stations by DILG-PNP, and repairs and rehabilitation of school facilities as well as purchase of office fixtures and furniture in various DepEd schools nationwide.
- Personnel services grew by P16.2 billion or 23.1 percent year-on-year to close at P86.3 billion. Aside from the increase in the pay of both civilian, and military and uniformed personnel, the release of the 2016 PBB to qualified DepEd employees, and the transfer of funds to the Development Bank of the Philippines for the salaries and allowances of poll watchers for the 2018 SK and Barangay Elections<sup>2</sup> also contributed to higher PS expense.

For the first three months of the year, disbursements grew by 27.1 percent to reach P782.0 billion, largely propelled by infrastructure and other capital outlays (P157.1 billion; 33.7 percent y-o-y), and personnel services (P206.6 billion; 22.6 percent y-o-y) expenditures. Compared to program, disbursements exceeded the P755.8 billion target for the first quarter of 2018 by P26.2 billion or 3.5 percent mainly due to encashment of check floats or disbursements from checks issued in the latter part of 2017 (e.g., retirement and gratuity claims), and settlements of accounts payable, specifically those infrastructure projects already completed in prior years.

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<sup>1</sup> The DBM is still awaiting complete submissions of accountability reports for Q1 2018 from agencies as an input to our assessment report. The full report will be published as soon as it becomes available.

<sup>2</sup> Per MOA with the COMELEC. Funds were transferred in advance to facilitate the necessary administrative arrangements (e.g., opening and validation of accounts). Actual crediting to individual accounts will be made after the conduct of elections.