

SGBT OPENING STATEMENT
PressCon on NG October Fiscal Performance
18 November 2009

Good afternoon everyone.

The national government incurred a budget deficit of P28.5 billion in October compared to the deficit of P9 billion during the same month last year, due largely to weak revenue collection which was adversely affected by the economic slowdown.

Total revenues amounted to P85.6 billion, down by 7.6% compared to last year. Of total revenues, the Bureau of Internal Revenue (BIR) collected P54.9 billion, lower by 3.6% compared to the same month last year. The Bureau of Customs (BOC) accounted for P18.5 billion, lower by 25.8% from the previous year, due mainly to a sharp decline in imports. The Bureau of Treasury posted an income of P4.1 billion while Other Offices which included privatization generated P8 billion.

Total expenditures for the month amounted to P114.1 billion, an improvement of 12.3% compared to the same month last year. The growth in expenditures was offset by the nearly 20% reduction in interest payments for the month due mainly to lower rates.

Given the October performance, the budget deficit for the first ten months has reached P266.1 billion.

Total revenues for the period amounted to P925.4 billion, a decline of 4.8% compared to last year. BIR collection reached P612 billion, down by 5.1% compared to last year while the BOC collected P183.9 billion, a decline of 15.7% during the same period last year. The BTr registered an income of P56.3 billion while Other Offices posted P73.2 billion in revenues.

Expenditures for the ten-month period reached P1.19 trillion, up by 15.1% compared to last year. Net of interest payments, expenditures grew by 20.4%.

In closing, we realize that we have already breached our full-year deficit ceiling of P250 billion as of end-October.

But we will continue to work harder and endeavor to be more effective in implementing our tax administration measures. We hope that Congress will still support us in our proposed revenue enhancement measures that would bring in sustainable sources of revenues for the government. Thank you.