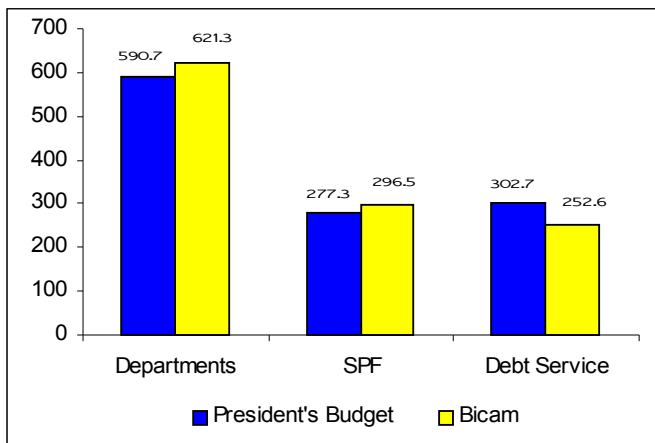


CONGRESSIONAL AMENDMENTS TO THE PRESIDENT'S PROPOSED BUDGET FOR FY 2009

For fiscal year 2009, the Executive Department submitted to Congress an expenditure program amounting to P1,491.0 billion. Of this amount, 58% or P868.0 billion needed congressional approval (new appropriations) as the remaining 42% is already covered by existing statutes (i.e., automatic appropriations for debt service, internal revenue allotment, retirement and life insurance premiums).

Figure 1 shows that under the Bicameral report, budget allocation for departments and special purpose funds were increased – by P30.6 billion and P19.2 billion, respectively. To offset these increases, interest payment was reclassified from automatic appropriations to new appropriations and was subsequently reduced by P50.1 billion. In effect, Congress did not expand the budget pie as mandated by law (Section 25, Article VI).

PROPOSED VS. CONGRESS-APPROVED BUDGET (IN BILLION PESOS)



Sources of basic data: 2009 NEP and BICAM Report

It may be recalled that for FY 2008, the budgets of some departments/SPFs were also augmented out of the P25 billion cut in interest payments. Similarly, debt service was reclassified under new appropriations.

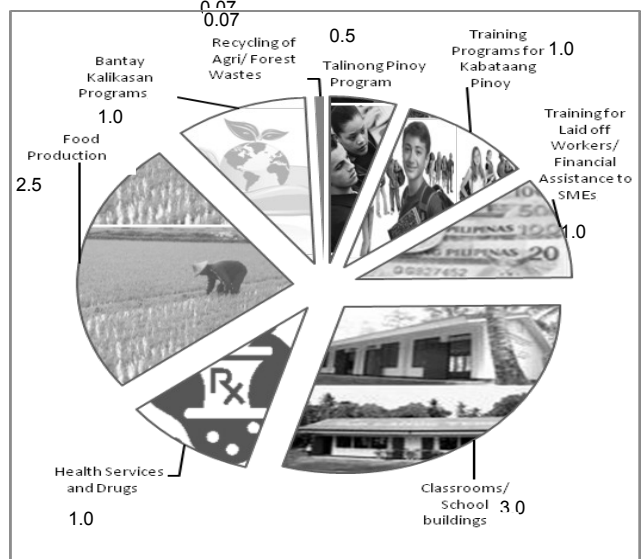
Through the exercise of her veto power, however, the President restored the automaticity of debt service but left the agency budget increases untouched.

Facts in figures

Congressional Planning and Budget Department
House of Representatives
February 2009 (No. 3)

A new expenditure item was also introduced by Congress in the 2009 budget specifically the Economic Stimulus Fund worth P10 billion. The budget is primarily intended for construction of schools, food production, skills enhancement, environmental protection, etc.

ECONOMIC STIMULUS FUND (IN BILLION PESOS)



Source of basic data: BICAMERAL Report

Compared with the original proposal of the President, at least eight agencies/SPFs received sizeable increases in their budgets (DPWH, ALGU, DepEd, PDAF, AFMP, DOTC, Support to GOCCs, and SUCs). On the other hand, the budgets for the Department of Agrarian Reform (DAR) and Miscellaneous Personnel Benefits Fund were reduced (see comparative table).

WHERE THE P50 BILLION CUT IN INTEREST PAYMENTS WILL GO...

PARTICULARS	Proposed Budget	BICAM	Increase / (Decrease)	
			Amount	%
DEPARTMENTS	590,660.9	621,274.5	30,613.7	5.2
Department of Public Works and Highways	112,364.7	129,890.0	17,525.3	15.6
Department of Education	154,683.6	158,210.1	3,526.5	2.3
Department of Transportation and Communications	22,428.9	25,002.1	2,573.2	11.5
State Universities and Colleges	21,167.2	22,829.1	1,661.9	7.9
Department of Interior and Local Government	61,664.4	62,937.5	1,273.1	2.1
Congress of the Philippines	6,167.6	7,369.3	1,201.7	19.5
Other Executive Offices	4,184.1	4,885.6	701.5	16.8
Department of Health	27,208.4	27,876.2	667.8	2.5
Department of Foreign Affairs	11,989.0	12,598.5	609.5	5.1
Department of Justice	6,531.1	7,063.1	531.9	8.1
The Judiciary	12,175.0	12,680.0	505.0	4.1
Department of Environment and Natural Resources	12,026.9	12,391.1	364.2	3.0
Department of Labor and Employment	6,657.3	7,011.3	354.0	5.3
Department of Science and Technology	5,342.1	5,675.1	333.0	6.2
Department of Tourism	1,716.0	2,002.4	286.3	16.7
Department of Trade and Industry	2,696.3	2,925.3	229.0	8.5
Office of the Ombudsman	1,097.1	1,326.0	228.9	20.9
Autonomous Regions	9,249.0	9,449.0	200.0	2.2
Department of Social Welfare and Development	10,451.5	10,623.5	172.0	1.6
Commission on Audit	3,746.1	3,866.1	120.0	3.2
Department of National Defense	56,376.1	56,483.1	107.0	0.2
Department of Energy	522.7	591.7	69.0	13.2
Commission on Elections	5,384.2	5,439.7	55.5	1.0
Office of the President	2,972.6	3,010.2	37.6	1.3
National Economic and Development Authority	2,257.0	2,282.0	25.0	1.1
Civil Service Commission	581.3	602.3	21.0	3.6
Commission on Human Rights	237.3	255.3	18.0	7.6
Department of Agriculture	3,600.2	3,615.2	15.0	0.4
Office of the Press Secretary	914.2	924.2	10.0	1.1
Department of Finance	12,580.0	12,587.0	7.0	0.1
Department of Agrarian Reform	10,684.9	7,868.5	(2,816.4)	(26.4)
Office of the Vice-President	180.5	180.5	-	-
Department of Budget and Management	821.6	821.6	-	-
Joint Legislative-Executive Councils	1.8	1.8	-	-
SPECIAL PURPOSE FUNDS	579,957.9	549,044.2	(30,913.7)	(5.3)
Economic Stimulus Fund	-	10,070.0	10,070.0	-
Allocations to Local Government Units	21,093.8	25,317.9	4,224.1	20.0
Priority Development Assistance Fund	6,240.0	9,665.0	3,425.0	54.9
Agriculture and Fisheries Modernization Prog.	41,284.1	44,474.6	3,190.5	7.7
Budgetary Support to Government Corporations	17,183.4	18,953.1	1,769.7	10.3
International Commitment Fund	1,588.2	1,595.2	7.0	0.4
Miscellaneous Personnel Benefits Fund	31,030.3	27,530.3	(3,500.0)	(11.3)
Interest Payments a/	302,650.0	252,550.0	(50,100.0)	(16.6)
Unprogrammed Fund	75,970.2	75,970.2	-	-
Pension and Gratuity Fund	71,067.8	71,067.8	-	-
AFP Modernization Program	5,000.0	5,000.0	-	-
Calamity Fund	2,000.0	2,000.0	-	-
DepEd-School Building Program	2,000.0	2,000.0	-	-
E-Government Fund	1,000.0	1,000.0	-	-
General Fund Adjustments	1,000.0	1,000.0	-	-
Contingent Fund	800.0	800.0	-	-
National Unification Fund	50.0	50.0	-	-
TOTAL NEW APPROPRIATIONS	1,170,618.8	1,170,318.8	(300.0)	(0.0)

a/ Under the NEP, interest payments was treated as automatic appropriation but was re-classified as new appropriation under the BICAM Report.

Sources: 2009 NEP, BICAM Report