

**PRESS RELEASE**

**ESTIMATES OF EXPENDITURE AND REVENUE FOR 2017-2018**

**LAI D IN PARLIAMENT**

Government's Budget, setting out the Estimates of Expenditure and Revenue for the financial year 2017-2018, was today laid in Parliament.

**Overview**

It is estimated that Government's total expenditure for the financial year 2017-2018, on the accrual basis, will be \$4,549.5 million. When converted to the cash basis, total expenditure is \$4,486.7 million, an increase of \$246.0 million or 5.8% over the revised figure for 2016-2017. Of the amount approved for the 2017-2018 financial year, \$3,091.5 million represents current expenditure, while \$1,395.2 million represents capital expenditure and amortisation.

Expenditure on goods and services is expected to increase by \$10.1 million to \$421.4 million. Current transfers are projected to decrease by \$29.3 million or 2.5% to \$1,129.4 million.

The repayment of principal and interest on Government's debt is expected to account for \$1.8 billion compared to the revised projection of \$1.7 billion.

On the accrual basis, current revenue for the next fiscal year is projected at \$2,963.2 million. On the cash basis, current revenue is projected at \$2,938.2 million, an increase of 4.7% over the revised revenue of \$2,806.9 million for the financial year ending March 2017.

When amortization of \$1,126.5 million is taken into account, a deficit of \$422.0 million on the cash basis is expected, representing 4.4% of GDP.

On the accrual basis, the deficit is expected to be \$191.8 million or 2.0% of GDP. The primary balance is projected to be a surplus of \$276.0 million on the cash basis and \$83.0 million on the accrual basis.

The Estimates for the 2017-2018 fiscal year include provision for the following activities:

- (i) A current subvention of \$146.3 million is being provided to the Queen Elizabeth Hospital;
- (ii) Subventions of \$87.7 million and \$8.6 million have been provided to the Barbados Tourism Marketing Inc. and the Barbados Tourism Product Authority respectively;

- (iii) Amounts of \$25.03 million and \$4.96 million have been provided to enable the preservation of investments made in CLICO International Life Insurance Limited and British American Life Insurance Company (Barbados) Limited respectively;
- (iv) \$8.0 million and \$7.1 million has been provided for the CAF Road Rehabilitation Programme and The IDB Road Rehabilitation Programme respectively;
- (v) Grant funding of \$15.0 million is expected to be received as budgetary support and also to assist in carrying out the following programmes:
  - Renewable Energy Program;
  - Refurbishment of the Gymnasium;
  - Higher Education Development
- (vi) A current subvention of \$26.6 million and a capital subvention of \$2.4 million have been provided to the Sanitation Service Authority;
- (vii) An amount of \$13.5 million has been provided for the Public Sector Smart Energy Programme;
- (viii) An amount of \$12.1 million has been provided to the Barbados Drug Service for the purchase of drugs;
- (ix) A current subvention of \$71.3 million has been provided to the University of the West Indies;
- (x) A current subvention of \$19.0 million has been provided to the Welfare Department;
- (xi) Skills for the Future programme under the Ministry of Education, Science, Technology and Innovation has been provided with an amount of \$11.0 million;
- (xii) \$45.9 million has been provided for the redevelopment of Sam Lord's Castle;

- (xiii) \$15.0 million has been provided to bring to account projects of the Barbados Water Authority funded by the IDB, CDB and the Canadian Commercial Corporation.