

Pakistan federal budget of 2011-2012

The **Pakistan federal budget of 2011-2012** was presented in the National Assembly with a total outlay of 3.767 trillion rupees for fiscal year 2011-12. Budget was prepared in accordance with the budgeting and accounting classification system that has been approved by the Government of Pakistan as an integral part of the New Accounting Model. The three years medium-term indicative budget ceilings for the current and development budgets were issued to all Principal Accounting Officers of the Federal Government. A new budget preparation method, called the 'Output Based Budgeting' has been introduced, which presents the federal budget by services and effects of services on target population and links these with performance indicators and targets over the 3 year period. The budget was called 'Pro-poor budget' by the parliamentarians.

Overview

The budget 2011-12 has the following main salient features:

- The total outlay of budget 2011-12 is Rs 2,767 billion. This size is 14.2% higher than the size of budget estimates 2010-11.
- The resource availability during 2011-12 has been estimated at Rs 2,463 billion against Rs 2,256 billion in the budget estimates of 2010-11.
- Net revenue receipts for 2011-12 have been estimated at Rs 1,529 billion indicating an increase of 11% over the budget estimates of 2010-11.
- The provincial share in federal revenue receipts is estimated at Rs 1,203 billion during 2011-12 which is 16.4% higher than the budget estimates for 2010-11.
- The capital receipts (net) for 2011-12 have been estimated at Rs 396 billion against the budget estimates of Rs 325 billion in 2010-11 i.e. an increase of 11%.
- The external receipts in 2011-12 are estimated at Rs 414 billion. This shows an increase of 7.1% over the budget estimates for 2010-11.
- The overall expenditure during 2011-12 has been estimated at Rs 2,767 billion of which the current expenditure is Rs 2,315 billion and development expenditure at Rs 452 billion. Current expenditure shows an increase of less than 1% over the revised estimates of 2010-11, while development expenditure will increase by 64.4% in 2011-12 over the revised estimates of 2010-11.
- The share of current expenditure in total budgetary outlay for 2011-12 is 83.7%

as compared to 89.7% in revised estimates for 2010-11.

- The expenditure on General Public Services (inclusive of debt servicing transfer payments and superannuation allowance) is estimated at Rs 1,660 billion which is 71.1% of the current expenditure.
- The size of Public Sector Development Programme (PSDP) for 2011-12 is

Rs 730 billion. While for Other Development Expenditure an amount of Rs 97 billion has been allocated. The PSDP shows an increase of 58% over the revised estimates 2010-11.

- The provinces have been allocated an amount of Rs 430 billion for budget estimates 2011-12 in their PSDP as against Rs 373 billion in 2010-11.
- An amount of Rs 10 billion has been allocated to Earthquake Reconstruction and Rehabilitation Authority (ERRA) in the PSDP 2011-12.
- Interest Payments Rs. 791 billion, Repayment of Foreign Loans Rs. 243 billion. Subsidies Rs.166 billion.

Classification	Budget 2010-11 (PKR in millions)	Revised 2010-11 (PKR in millions)	Budget 2011-12 (PKR in millions)
RESOURCES	2,256,278	2,107,150	2,463,292
Internal Resources	1,869,659	1,817,325	2,049,363
Revenue Receipts (Net)	1,377,350	1,238,188	1,528,829
Capital Receipts (Net)	325,384	459,332	395,652
Estimated Provincial Surplus	166,925	119,805	124,882
External Resources	386,620	289,824	413,929
EXPENDITURE	2,422,823	2,559,367	2,766,816
Current Expenditure	1,997,892	2,295,921	2,314,859
Federal PSDP	290,000	196,000	300,000
Development Loans & Grants to Provinces	31,385	21,929	54,871
Other Development Expenditure	123,545	45,517	97,085
Est. Operational Shortfall in PSDP	(20,000)	0	0
BANK BORROWING	166,544	452,217	303,524

Revenue receipt

Receipts	Rs. in Trillion
Tax Revenue	2,074
Non - Tax Revenue	657.9
Revenue Receipts (Gross)	2,732.1
Revenue Receipts (Net)	1,528.8

Allocation to provincial governments

Allocation of shares to the provincial governments are as follows.

Provinces	percentage
Balochistan	9.09%
Khyber Pakhtunkhwa	14.62%
Punjab	80.74%
Sindh	24.55%

Additional resources to be allocated for Khyber Pakhtunkhwa and Balochistan for development and to meet the expenses on war on terror, respectively. Any shortfall in Balochistan's amount shall be made up by the Federal Government from Federal Government's resources.