

ACTUAL REVENUE & EXPENDITURE

Report 2018-19



Department of Finance
Government of Khyber Pakhtunkhwa





**Actual Revenue & Expenditure Report
2018-19**

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This report excludes figures for ex-FATA

Introduction: The Case for this Report

As Finance Minister, while developing our first post-election budget for Khyber Pakhtunkhwa in October 2018, two peculiarities stood out for me as both odd and suboptimal in the context of taking informed budgetary decisions:

1. Publicly available documentation on the budget almost always looked at forecast data from the budget, and mid-year revised forecasts, *but almost never at actual receipts and actual expenditure of a concluded year*. As I asked for actual data, I found it incredible that even public officials did not seem to have easy access to data on actual receipts and expenditure.
2. Current and development budgets were totally separately made, separately accounted for, and almost never thought of holistically, whereas there are very clear trade-offs in sectors like education and health about investment in existing facilities (from the current budget) and investment in new facilities (from the development budget).

This lack of emphasis on actual data has been historical, and it means a few things; suboptimal allocation decisions, since they are based on last year's budget and almost never on actuals; limited transparency, not just to the public, but also to senior bureaucracy as well as to political decision makers; and debate and criticism of budgets of poor quality, because the budget is not compared with actual numbers.

In Khyber Pakhtunkhwa, we are about to change that. This 1st edition of the “**Actual Revenue and Expenditure Report 2018-19**”, is perhaps the first time any government in Pakistan, provincial or federal, certainly in living memory, is transparently publishing data on what actually happens to the annual budget. We will do this every year and enshrine this in law. It has taken some time to finish this (we wanted this done by December), but since this is the first time this is being done, and to do it right, numbers and text have been both checked and rechecked multiple times, I hope that is excusable.

I also hope that the decision to do this is received in the spirit in which it has been taken. We are trying to set the standard, in line with Prime Minister Imran Khan's vision, of openness about government data, because we believe that transparency and constructive debate will improve future decision making, and will act as an accountability check on government.

With a greater and clearer understanding of the financial outlay of the province, this report can also help government position itself to make better choices and decisions to improve service delivery and spending, and consequently improve the lives and well-being of the citizens of Khyber Pakhtunkhwa.

Across 15 years of data, you will see a consistent observation. As shown in **Introduction – Table 1**, our budgets tend to overstate both expenditure and receipts, regardless of the period or whoever is in government. This is not a new phenomenon. In only 5 of 15 years of receipts data did actual receipts exceed the budget, and that in only 2 of those 5 years did actual expenditure surpass budgeted expenditure.

Introduction - Table 1

Variations in Receipts & Expenditure 2004-05 to 2018-19 - Actuals vs. Budget

Units: Rs. Bln

Year	Budgeted	Actual	Actual /	Budgeted	Actual	Actual /
	Receipts	Receipts	Budget	Expenditure	Expenditure	Budget
	Rs. Bln	Rs. Bln	%	Rs. Bln	Rs. Bln	%
2004-05	64.4	53.7	83%	67.3	61.8	92%
2005-06	75.7	81.5	108%	77.9	79.1	102%
2006-07	81.5	82.7	101%	85.3	84.8	99%
2007-08	102.3	89.8	88%	107.7	96.0	89%
2008-09	113.7	98.0	86%	113.7	106.9	94%
2009-10	131.4	140.3	107%	134.4	150.7	112%
2010-11	208.3	215.0	103%	208.3	194.7	93%
2011-12	232.8	226.4	97%	249.2	241.0	97%
2012-13	279.5	255.2	91%	303.0	269.1	89%
2013-14	298.0	307.7	103%	344.0	289.6	84%
2014-15	404.8	316.3	78%	404.8	352.1	87%
2015-16	487.9	406.4	83%	487.9	392.7	80%
2016-17	505.0	404.2	80%	505.0	458.2	91%
2017-18	603.0	493.2	82%	603.0	504.3	84%
2018-19	648.0	513.9	79%	618.0	520.8	84%
Total	4,236.2	3,684.4	87%	4,309.4	3,801.7	88%

Think of the implications; first, public and media perceptions are often based on budgeted figures, but actual data falls significantly and consistently short. Average receipts are 87% of the budget (Median: 88%); average expenditure is 88% (Median: 91%). This means that the debate on what is spent versus the

budget may be somewhat misleading, as far as figuring out whether the province is overspending versus available resources. As **Introduction – Table 2** shows, expenditure in the province is adjusted annually based on actual receipts coming in.

Introduction - Table 2

Surplus or Deficit? An analysis of actual expenditure shows that provincial spending is adjusted for incoming receipts.

Units: Rs. Bln

Year	Actual Receipts vs. Budget Expenditure				Actual Receipts vs. Actual Expenditure			
	Actual Receipts	Budget Expenditure	Reported Surplus	Reported Surplus	Actual Receipts	Actual Expenditure	Actual Surplus	Actual Surplus
	Rs. Bln	Rs. Bln	Rs. Bln	%	Rs. Bln	Rs. Bln	Rs. Bln	%
2004-05	53.7	67.3	-13.5	-25.2%	53.7	61.8	-8.1	-15.2%
2005-06	81.5	77.9	3.6	4.5%	81.5	79.1	2.4	3.0%
2006-07	82.7	85.3	-2.6	-3.2%	82.7	84.8	-2.1	-2.5%
2007-08	89.8	107.7	-17.9	-19.9%	89.8	96.0	-6.2	-6.9%
2008-09	98.0	113.7	-15.7	-16.0%	98.0	106.9	-8.9	-9.1%
2009-10	140.3	134.4	5.9	4.2%	140.3	150.7	-10.4	-7.4%
2010-11	215.0	208.3	6.7	3.1%	215.0	194.7	20.3	9.4%
2011-12	226.4	249.2	-22.8	-10.1%	226.4	241.0	-14.6	-6.4%
2012-13	255.2	303.0	-47.8	-18.7%	255.2	269.1	-13.9	-5.4%
2013-14	307.7	344.0	-36.3	-11.8%	307.7	289.6	18.2	5.9%
2014-15	316.3	404.8	-88.5	-28.0%	316.3	352.1	-35.9	-11.3%
2015-16	406.4	487.9	-81.5	-20.1%	406.4	392.7	13.7	3.4%
2016-17	404.2	505.0	-100.8	-24.9%	404.2	458.2	-54.0	-13.4%
2017-18	493.2	603.0	-109.8	-22.3%	493.2	504.3	-11.0	-2.2%
2018-19	513.9	618.0	-104.1	-20.3%	513.9	520.8	-11.0	-2.1%
Total	3,684.4	4,309.4	-624.9	-17.0%	3,684.4	3,801.7	-117.3	-3.2%

1 Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

Often, media comparisons on government expenditure compares it against the budget and declares that the government has a massive deficit. Indeed, this has been a constant theme of opposition lawmakers in both budget debates that I have been a part of. However, this is as untrue in the era of this government as it has been in the past. If government spending were fixed as proposed in the budget, then over the last fifteen years, expenditure would show a 17% deficit versus actual receipts (as shown in the left half of the table). Over the fifteen years, this deficit would have accumulated to Rs. 624.9 bln.

However, this is wrong. If you look at actual expenditure and actual receipts, in the right half of the same table, you will see that there is only a net deficit of - 3.2% of the budget, or Rs. 117.3 bln over 15 years. In short, what all governments have followed is a trend of overestimating receipts and expenditure in their budgets, but at the same time an adjustment of spending in line with actual resources.

This however cannot be best practice, because it means that from the very first day, provincial budgets cannot really be used to estimate the available resource outlay to the province. This will be across federating units in Pakistan. To plan and spend better, we will be changing this practice going forward.

We cannot undo the past, but we can set the foundation of better decision making going forward, by making the changes necessary. From now on, the Government of Pakhtunkhwa will publish actual receipts and expenditure data on an annual basis. This will set the foundation for the next level of transparency on budget data. This transparency will force us during the budget making process to think through the decisions we are making in greater detail, as never done before in Pakistan, and this will lead to better, more thought through decision making.

We are proud that once again Khyber Pakhtunkhwa is defining the standard on transparency and reform, not just for itself, but for the rest of Pakistan.



Taimur Khan Jhagra

Minister for Finance & Health

Chapter 1: An Overview of Receipts & Expenditure in 2018-19

This first ever “White Paper Update: Receipts & Expenditure Report” makes Khyber Pakhtunkhwa set the standard within Pakistan on budget transparency, by publishing a full record of its receipts and expenditure data for the previous year. It is arranged as follows.

- This First Chapter includes an overview of receipts and expenditure data.
- Chapter 2 details receipts.
- Chapter 3 details expenditure.
- Finally, Chapter 4 breaks down departmental budgets and shows departmental expenditure.

Table 1.1 shows receipts for 2018-19. Total receipts of Rs. 513.9 billion were 79% of budget estimates of Rs. 648 billion, but 4% greater than the 2017-18 receipts of Rs. 493.2 billion.

Table 1.2 shows expenditure for 2018-19. Total expenditure of Rs. 520.8 billion was 84% of the budget estimate of Rs. 617.8 billion, but 3% greater than 2017-18 expenditure of Rs. 504.3 billion.

Overall, these figures are consistent with the trend explained in the introductory note, showing that:

- Budgetary receipts and expenditure both tended to be consistently overestimated.
- There was modest growth in both receipts and expenditure, with both nominally at the highest figures ever. However, overall growth in the range of 3% for expenditure and 4% for receipts was modest, if consistent with the country’s economic performance through the year.
- Actual expenditure was managed in line with actual receipts, ensuring that there is no significant deficit in the budget, nor any surplus left behind.

Table 1.1
Overview of Receipts
Units: Rs. Bln

Head	2017-18			2018-19			Year-on-Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Total Receipts	603.0	493.2	82%	648.0	513.9	79%	7%	4%
Federal Transfers	389.9	363.5	93%	426.1	393.0	92%	9%	8%
Federal Tax Assignment	326.0	303.0	93%	360.5	327.9	91%	11%	8%
1 % for War on Terror	39.2	36.4	93%	43.3	39.4	91%	11%	8%
Straight Transfers	24.7	24.1	98%	22.3	25.7	115%	-10%	6%
Profit from Hydro Electricity (NHP)	35.8	41.6	116%	65.3	20.0	31%	82%	-52%
Net Hydel Profit	20.8	10.0	48%	28.8			38%	
Arrears of Net Hydel	15.0	4.7	31%	15.0	3.1	21%	0%	-34%
Net Hydel Profit (Previous arrears)		16.8		11.2	6.9	62%		-59%
Arrears of Net Hydel (M.O.U)		10.0		10.3	10.0	97%		0%
NHP as per AGN Kazi formula,(KCM)								
Provincial Own Receipts	45.2	31.3	69%	41.3	31.8	77%	-9%	2%
Provincial Tax Receipts	22.3	17.7	79%	23.8	19.9	84%	7%	12%
Provincial Non-Tax Receipts	22.9	13.5	59%	17.4	11.9	68%	-24%	-12%
Other Receipts	50.1	16.1	32%	44.3	21.0	47%	-12%	30%
Recovery of Investment & loans	0.3	0.1	31%	0.3	0.1	31%	0%	2%
Financing From HDF	15.0							
Domestic Loan	10.0			5.0			-50%	
Financing from Cash Balance	24.9	16.1	64%	39.0	20.9	54%	57%	30%
Grants from Federal Govt.		2.3			7.9			248%
Grants from Fed. Govt. (non-dev.)		0.0			0.2			237%
PSDP (Federal)		2.2			7.8			249%
Foreign Project Assistance	82.0	38.5	47%	71.1	40.1	0.6	-13%	4%

² Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

Table 1.2
Overview of Expenditure
Units: Rs. Bln

Head	2017-18			2018-19			Year-on-Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Total Expenditure	603.0	504.3	84%	617.8	520.8	84%	2%	3%
Current Revenue Expenditure	388.0	348.0	90%	429.8	369.0	86%	11%	6%
Salary (Provincial)	96.7	77.6	80%	116.0	86.0	74%	20%	11%
Salary (District)	121.4	120.9	100%	140.0	129.1	92%	15%	7%
Pension	53.0	56.1	106%	60.1	67.5	112%	13%	20%
Subsidy	2.9	2.9	100%	2.9	2.9	100%	0%	0%
Investment & Committed Contribution	28.0	17.0	61%	7.5			-73%	
Interest Payments	8.0	7.2	90%	9.0	10.3	115%	13%	44%
Local Councils	5.2	2.2	43%	6.7	4.0	60%	29%	80%
O&M and Contingency	51.9	52.7	102%	64.5	58.9	91%	24%	12%
District Non-Salary	21.0	11.4	54%	23.1	10.2	44%	10%	-10%
Capital Expenditure	7.0	7.3	104%	8.0	8.8	110%	14%	20%
Development Expenditure	208.0	148.9	72%	180.1	143.0	79%	-13%	-4%
ADP (Provincial)	98.0	97.0	99%	79.6	83.7	105%	-19%	-14%
ADP (Districts)	28.0	10.3	37%	29.4	17.0	58%	5%	64%
Development Grants (PSDP Federal)		3.1			2.2			-30%
Foreign Project Assistance	82.0	38.5	47%	71.1	40.1	56%	-13%	4%

¹ Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

Chapter 2: Receipts in Detail 2018-19

In this section, a detailed breakdown is given on revenue the government of Khyber Pakhtunkhwa receives. Total receipts of Rs. 513.9 billion in 2018-19 were 4.2% greater than figures for 2017-18, but only 79.3% of the 2018-19 budgeted figure of Rs. 648 billion.

Table 2.1
Overview of Receipts
Units: Rs. Bln

Head	2017-18			2018-19			Year-on-Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Total	603.0	493.2	81.8%	648.0	513.9	79.3%	7.5%	4.2%
Federal Tax Assignments	326.0	303.0	92.9%	360.5	327.9	91.0%	11%	8%
1 % for War on Terror	39.2	36.4	92.9%	43.3	39.4	91.0%	11%	8%
Straight Transfers	24.7	24.1	97.7%	22.3	25.7	115.0%	-10%	6%
Profit from Hydro Electricity (NHP)	35.8	41.6	116.1%	65.3	20.0	30.6%	82%	-52%
Provincial Own Receipts	45.2	31.3	69.2%	41.3	31.8	77.1%	-9%	2%
Other Receipts	50.1	16.1	32.2%	44.3	21.0	47.5%	-12%	30%
Grants from Federal Govt.	0.0	2.3	0.0%	0.0	7.9	0.0%		248%
Foreign Project Assistance	82.0	38.5	47.0%	71.1	40.1	56.0%	-13%	4%

A few key conclusions from Table 2.1:

- The reliance of the provincial budget on Federal Tax Assignments, or FBR performance. These make up 64% of total receipts of 513.9 bln for the year.
- The importance of the Rs 1% war on terror funding to enable Khyber Pakhtunkhwa to maintain a balanced budget.
- How the erratic nature of NHP transfers contribute massively to the shortfall in receipts versus the budget, with only Rs. 20 bln received against a budgeted Rs. 65.3 bln.
- The need to work on increasing provincial own receipts (tax and non-tax revenue), which only make up Rs. 31.8 bln, or 6% of the provincial revenue base.

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Federal Transfers

Table 2.2 shows four key categories of federal transfers, that make up Rs. 413 bln, or over 80% of total expenditure of Rs. 513.9 billion for the year.

Table 2.2
Federal Transfers Units: Rs Bln

Head	2017-18			2018-19			Year-on-Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Total Federal Transfers	425.6	405.0	95%	491.4	413.0	84%	15%	2%
Federal Tax Assignment	326.0	303.0	93%	360.5	327.9	91%	11%	8%
Sales Tax	132.0	120.5	91%	139.8	126.4	90%	6%	5%
Taxes on Income	128.7	115.5	90%	139.5	124.6	89%	8%	8%
Custom Duties	47.3	49.5	104%	59.9	56.6	94%	27%	14%
Federal Excise	17.8	17.1	96%	20.7	20.0	97%	17%	17%
Capital Value Tax (CVT)	0.2	0.4	170%	0.5	0.3	65%	135%	-11%
1% of Divisible Pool for War on Terror	39.2	36.4	93%	43.3	39.4	91%	11%	8%
Straight Transfers	24.7	24.1	98%	22.3	25.7	115%	-10%	6%
Royalty on Crude Oil	10.9	12.2	113%	9.1	16.1	176%	-16%	32%
Royalty on Natural Gas	9.6	7.8	81%	9.0	7.9	88%	-6%	1%
Gas Development Surcharge	2.5	2.3	90%	1.7	0.2	11%	-34%	-92%
Excise Duty on Natural Gas	1.7	1.9	107%	2.5	1.5	58%	46%	-21%
NHP	35.8	41.6	116%	65.3	20.0	31%	82%	-52%
Net Profit from Hydel Power Generation	20.8	10.0	48%	28.8	0.0	0%	38%	-100%
Arrears of Net Hydel Profit	15.0	4.7	31%	36.5	20.0	55%	143%	325%

The entire difference in 2018-19 federal budgeted and actual receipts is made up within the shortfall of FBR collection (with a Rs. 32.6 bln shortfall), and NHP payments (Rs. 45.3 billion shortfall). Given that all provinces and federating units depend massively on FBR collection for the bulk of receipts, perhaps it is time to rethink how the federal government can use provincial government support to boost up FBR tax collection.

More so, the gap in NHP payments highlights how crucial predictability in this head is; the 1% given to Khyber Pakhtunkhwa, straight transfers of oil and gas revenue, NHP and provincial revenue all add up to give the province of Khyber Pakhtunkhwa the fiscal space to operate, and a variation in any of these would significantly impact the budgetary balance of the province.

⁴ Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

Provincial Receipts

Table 2.3 shows total provincial receipts of Rs. 31.8 bln, marginally higher than 2017-18's Rs. 31.3 billion, but still well below the 2018-19 target of Rs. 41.3 bln. This is primarily because while tax receipts increase, albeit modestly, non-tax receipts actually fall from Rs. 13.5 billion to Rs. 11.9 billion. This should clearly be an area of focus for government.

Also interesting to notice is that the total provincial receipts of Rs. 31.8 billion make up only 6% of the total provincial receipts of Rs. 513.9 billion. However, if we add receipts for NHP (Rs. 20 bln) and for straight transfers (Rs. 25.7 bln), then it can be said that the province generated Rs. 77.5 bln, or 15% of its revenue in all, due to its own resources, or payments made to it in lieu of them.

Table 2.3

Provincial Receipts: Overview

Units: Rs. Bln

Head	2017-18			2018-19			Year-on-Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Provincial Own Receipts	45.2	31.3	69%	41.3	31.8	77%	-9%	2%
Provincial Tax Receipts	22.3	17.7	79%	23.8	19.9	84%	7%	12%
Provincial Non-Tax Receipts	22.9	13.5	59%	17.4	11.9	68%	-24%	-12%

To look at how the province can think about its tax and non-tax receipts in a better way, it is worth looking at the details on each count.

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Provincial Tax Receipts

Direct Taxes consist of agriculture tax, property tax, tax on transfer of property, land revenue, etc. Collection from agriculture remains low as is the case nationally, despite it being a basis for 40% of the national economy and 60% of the workforce. The reason for this, particularly in Khyber Pakhtunkhwa, is that most agriculture properties in the province are under the threshold of taxable income. And with increasing population, the size of land holdings will continue to decrease. Unless agriculture income tax is reformed, collection is expected to remain low. Direct taxes all together form such a small part that it is important to see how value can be maximised or streamlined from each of the big direct tax heads. While from a growth perspective, the numbers are fine, however in absolute numbers, they remain small.

An example would be Urban immovable property tax, more commonly referred to as property tax. While it increased by 42%, it is still considerably short of the actual potential of collection of property tax in the province. The city of Mumbai, in our neighbouring country India collects more property tax than all of Pakistan does. Property tax in Mumbai equalled approximately PKR 50B in 2018-19. Property tax in the entire province of KP amounted to PKR 1.2B. So, there is an opportunity for the province to raise collection here and greater effort has to be made to reach what would be fair value for property tax in the province.

Out of a total of PKR 19 Billion collection, KPRA alone collected more than 50%. The Khyber Pakhtunkhwa Revenue Authority (KPRA) collected Rs. 10.3B as General Sales Tax (GST) on services. However, it was PKR 500 million less than the previous year's collection. This shortfall was a result of the suspension of taxes collected from the telecommunication (telecom) sector because of Supreme court's order. If telecom taxes are put aside, KPRA's collection increased by 47%. There are only 5 heads under which over PKR 1B tax is collected, Urban immovable property tax, land revenue, GST, Motor vehicle tax and stamp duty.

Table 2.4
Provincial Tax Revenue
Units: Rs. Mln

Head	2017-18			2018-19			Year-on-Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Total Provincial Taxes	24,600.0	17,729.4	72%	23,000.0	19,800.0	86%	-7%	12%
Total Direct Taxes	4,089.1	3,200.0	78%	4,700.0	5,270.0	112%	15%	65%
Land Revenue	2,012.1	1,350.9	67%	2,550.0	2,861.2	112%	27%	112%
Urban Immovable Property Tax (UPIT)	1,200.0	889.1	74%	1,000.0	1,259.1	126%	-17%	42%
Urban CVT Provincial	300.0	394.0	131%	340.0	454.9	134%	13%	15%
Tax on Profession, Trades & Callings	300.0	307.0	102%	350.0	398.1	114%	17%	30%
Tax on Transfer of Property (Reg.)	189.0	134.3	71%	270.0	217.5	81%	43%	62%
Tax from Agriculture Income/Land	88.0	66.2	75%	110.0	79.3	72%	25%	20%
Total Indirect Taxes	21,500.0	14,500.0	67%	19,100.0	14,952.8	78%	-11%	3%
GST on Services (KPRA)	16,700.0	10,916.9	65%	15,000.0	10,353.7	69%	-10%	-5%
Motor Vehicle Tax + R. Permit + Fitness	2,000.0	1,657.0	83%	1,995.0	1,844.6	92%	0%	11%
Stamp Duty	900.0	1,200.0	133%	1,200.0	1,539.5	128%	33%	28%
Infrastructure Development Cess	1,100.0	184.9	17%	400.0	148.6	37%	-64%	-20%
Electricity duty / fee	780.9	500.0	64%	500.0	100.0	20%	-36%	-80%
Provincial Excise	41.8	25.4	61%	30.0	60.4	201%	-28%	138%
Entertainment Tax	0.0	0.0	NA	0.0	0.8	NA	NA	NA
Hotel Tax / Real Estate Dealers / Electronic Media / Others	0.0	100.0	NA	0.0	510.1	NA	NA	410%

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6 Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

Provincial Non-Tax Receipts

Non tax revenue makes up approximately a third of provincial own source revenue. Heads under Non-tax revenue can be described as having one of three purposes. One is regulatory, the other is to collect cost, and the third is to generate a certain amount of revenue.

In areas such as Higher Education and Health, it is important to look at the revenue generated vs the cost incurred, with the objective of actually trying to make the cost of delivery sustainable. The government can subsidize to the extent that it has resources, but unless the cost is sustainable, limiting of resources will limit the quality of service. So, the purpose of these departments is not to generate revenue for the government, but so far what is lacking in any province, is a comparison of the cost incurred on a specific department, and the cost recovered by it. These need to be aligned based on the quality of service delivered, and because this is not done, the service delivery is poor. And that's why a report like this is important, so such conversations can be had.

Total Non-Tax receipts approximated to PKR 12B. Law and Order remained the largest single head for non-tax collection under civil administration and community services, nearing PKR 2B. Tourism has a significantly higher ceiling than present collection, and the government's plan of outsourcing government assets in popular tourist destinations is a step in the right direction to increase revenue.

In economic services, mineral development is the largest source of revenue for the province. Mineral development also remains the largest source of non-tax revenue across all sectors. In fact, law and order, and mineral development are the only heads which gather over a billion rupees annually in Non-Tax revenue.

Table 2.5
Provincial Non Tax Revenue
 Units: Rs. Mln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Total Non-Tax Receipts	22,908.2	13,291.6	58%	17,439.1	11,908.5	68%	-35%	-10%
Income from Property & Enterprises and Own Hydel Generation	4,766.4	3,246.4	68%	3,886.4	1,138.0	29%	-36%	-65%
Civil Administration	2,304.1	2,532.3	110%	3,266.6	2,378.5	73%	28%	-6%
Law and Order	2,133.9	1,919.0	90%	2,635.0	1,965.4	75%	26%	2%
General Administration	170.2	613.3	360%	631.6	413.2	65%	61%	-33%
Community Services	1,204.8	569.7	47%	1,080.0	522.3	48%	-28%	-8%
Building, Communication & PBMC.	735.0	350.6	48%	660.0	318.9	48%	-25%	-9%
Public Health (water charges)	450.0	205.4	46%	400.0	187.8	47%	-33%	-9%
KPHA	230.0	0.0	0%	250.0	0.0	0%	11%	
Local Government	19.8	13.7	69%	20.0	15.7	79%	11%	15%
Social Services*	1,450.4	1,531.5	106%	2,037.2	1,717.6	84%	43%	12%
Economic Services*	12,801.1	2,996.9	23%	6,784.6	3,521.8	52%	-58%	18%
Miscellaneous	381.4	2,414.8	633%	384.3	2,630.3	684%	48%	9%

*Detailed in Table 2.6

Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

Table 2.6
Socail and Economic Services
 Units: Rs. Mln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Social Services Total	1,450.4	1,531.0	106%	2,037.1	1,717.6	84%	40%	12%
Autonomous Health Institutes	1,266.8	0.0	0%	1,227.3	0.0	0%	-3%	-
Health Department	638.2	712.9	112%	1,102.2	778.8	71%	73%	9%
Higher Education, Archives & Libraries	428.5	576.1	134%	521.0	639.4	123%	22%	11%
Printing + Registration Renewal of Printing Press	205.4	122.3	60%	205.4	171.2	83%	0%	40%
Elementary & Secondary Education	60.0	38.4	64%	70.0	39.1	56%	17%	2%
Tourism Department	50.0	47.2	94%	60.0	48.7	81%	20%	3%
Culture Department	50.0	21.7	43%	60.0	29.5	49%	20%	36%
Technical Education.	15.2	12.4	82%	15.2	10.8	71%	0%	-13%
Museums	3.1	0.0	0%	3.3	0.0	0%	6%	-
Economic Services Total	12,801.3	2,996.4	23%	6,784.5	3,521.8	52%	-47%	18%
Housing	8,215.0	0.0	0%	1,000.0	0.0	0%		
Mineral Development	2,677.7	2,048.1	76%	4,215.7	2,367.3	56%	57%	16%
Environment (Forests & Wildlife)	880.0	218.2	25%	537.0	138.2	26%	-39%	-37%
Irrigation	574.7	348.8	61%	590.0	375.6	64%	3%	8%
Agriculture	212.0	170.3	80%	194.5	405.5	208%	-8%	138%
Livestock & Dairy Development	132.9	114.7	86%	141.8	126.2	89%	7%	10%
Fisheries	70.0	69.4	99%	75.0	73.9	99%	7%	6%
Industries	38.0	25.8	68%	29.4	34.1	116%	-23%	32%
Manpower Management	1.0	1.1	110%	1.1	1.0	91%	10%	-9%

⁷ Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

Grants, Assistance, & Financing from Past Savings

Table 2.7 Consists of grants, assistance, and financing from past savings. For the year 2018-19 this comes around to Rs. 69B against budgeted amount of Rs. 110B. This was however significantly more than 2017-18 amount of Rs. 47B, in fact by 47%. The biggest chunk in actual terms in this head is that of foreign project assistance, which continues to play an important part in the development portfolio of the province. Nearly PKR 17B came as grants, against which there is no liability to be paid. PKR 23 came in the form of loans.

Table 2.7

Development Receipts

Units: Rs. Bln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Total	106.9	47.0	44%	110.1	69.0	63%	3%	47%
Special Federal Grant PSDP	0.0	2.2		0.0	7.8		-	249%
Non-Development Grants	0.0	0.05		0.0	0.2		-	237%
Foreign Project Assistance	82.0	38.5	47%	71.1	40.1	56%	-13%	4%
Foreign Loan	52.6	22.3	42%	44.3	23.3	52%	-16%	4%
Foreign Grants	29.4	16.2	55%	26.8	16.9	63%	-9%	4%
Financing from Past Savings	24.9	6.2	25%	39.0	20.9	54%	57%	238%

⁸ Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

Chapter 3: Expenditure in Detail 2018-19

There are 4 major heads of Expenditure: Current Revenue, Current Capital, Development Revenue and Development Capital.

- **Current Revenue Expenditure** includes the expenditures on the regulatory functions of the government and provision of social and economic services.
- **Current Capital Expenditure** consists of loans raised, loans repaid and contributions made to fund Government liabilities.
- **Development Revenue Expenditure** pertains to most expenses of a project other than brick and mortar; including employees related expenses, purchase of transport, machinery and equipment, operating expenses, research and development, training etc.
- **Development Capital Expenditure** is the capital investment under the development programs for roads, buildings, irrigation sectors, etc.

Each is broken down in this chapter to greater detail to present a clearer picture of expenditure incurred by the province. The overall figures for both 2017-18 and 2018-19 are reflected in Table 3.1

Table 3.1
Details of Provincial Expenditure

Units: Rs. Bln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Total	603.0	504.3	84%	618.0	520.8	84%	2%	3%
Total Current	395.0	355.3	90%	438.0	377.7	86%	11%	6%
Current Revenue	388.0	348.0	90%	430.0	369.0	86%	11%	6%
Current Capital	7.0	7.3	104%	8.0	8.8	110%	14%	20%
Total Development	208.0	148.9	72%	180.0	143.0	79%	-13%	-4%
Development Revenue	33.6	29.6	88%	17.2	18.8	109%	-49%	-37%
Development Capital	174.4	119.3	68%	162.8	124.2	76%	-7%	4%

Total actual spending for the year 2018-19 was Rs. 520.8 billion, against total revenue receipts of Rs. 513.9 billion. The overall increase is primarily based on expenditure under current revenue, which is the single largest head and consists of 70% of overall expenditure budget. This is because it includes salaries and pensions, the increase in which squeezes not only the development budget but also the non-salary expenditure which the province needs to improve existing infrastructure, provide essential medicine for patients, and textbooks for children. Salaries and pensions account for 54% of all government expenditure, amounting to PKR 282.6B. In a year where total revenue increased a modest 4%, salaries and pensions increased a total of 11% from the year before. Nearly thrice the rate of revenue increase. With salaries and pensions increasing from 50% of total expenditure budget in 2017-18 to 54% in 2018-19, unless mitigated, this will leave an ever-shrinking space for development expenditure in the province. This can clearly be seen with the 13% decrease in budget estimates of the

9 Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

ADP. In a difficult year where development budget was squeezed by increasing current expenditure, where there was a challenge of throw forward, as well as a challenge of a mid-year budget, through considerable effort, the government managed to maintain development spending.

Current Expenditure

Expenditure under Current Revenue increased from Rs. 348 billion to Rs. 368 billion, a 6% increase. Within this, salaries increased by 8% year on year. This includes all salaries, provincial as well as at district level. It is worth noting that actual salary increases lower than budget salary increases. This is because of the practice of budgeting salary against every sanctioned post, whether filled or vacant. This creates a distortion in the budget and is something that can be looked at.

Another expenditure head that increased considerably was pensions; from Rs. 56.1 billion in 2017-18 to Rs. 67.4 billion in 2018-19, showing a substantial 18% increase. This was on top of the 29% increase in the previous year from 2016-17. In the year 2010-11 Pension stood at Rs. 10.5B. 2018-19 figures show 6 times increase within a decade, which is entirely unsustainable. The rate of increase in the pension bill is alarming and needs to be mitigated, because if left unchecked, it will continue eating up a sizeable chunk of potential development expenditure. Reforms in pension will create fiscal space that will help improve service delivery for the citizens of the province. They will also allow greater development expenditure. Both of these benefit the people who don't work in government. A government's primary responsibility is towards the 92% of people who aren't in government.

It is also important to note that debt servicing, which is talked about in alarming terms, at PKR 10.3B, is only about two percent of the total expenditure of the province. KP government's Debt portfolio is very conservative, balanced and any discussions on debt that suggest otherwise, are ill-informed.

Table 3.2
Expenditure Details under Current Revenue
 Units: Rs. Bln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Total	388.0	348.0	90%	430.0	369.0	86%	11%	6%
Salary	218.0	198.5	91%	256.0	215.1	84%	17%	8%
O&M, Contingencies & District Non -Salary	72.9	64.1	88%	87.8	69.1	79%	20%	7%
Pension	53.0	56.1	106%	60.1	67.5	112%	13%	18%
Subsidies	2.9	2.9	100%	2.9	2.9	100%	0%	0%
Grant to Local Councils	5.2	2.2	42%	6.7	4.0	60%	29%	83%
Debt servicing	8.0	7.2	90%	9.0	10.3	115%	13%	44%
Committed Contributions/Investment	28.0	17.0	61%	7.5			-73%	

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Share of Local Government

Table 12 below shows the share of local government. Of the total salary expense of PKR 215.1B, share of transfer to local government, that is district salaries, was PKR 129.1B. This includes health and education which are the largest components of district salaries. This was a 6% increase from the previous year.

District ADP increased from Rs. 10.9 billion to Rs. 17 billion (56%), emphasizing the government's commitment to development expenditure at all levels. This is equivalent to allocations of all of rural Punjab, which is three times the size of Khyber Pakhtunkhwa.

¹⁰ Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

Table 3.3
Share of Local Government
 Units: Rs. Bln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Total	175.6	158.5	90%	199.2	160.3	80%	13%	1%
Salary	121.4	121.4	100%	140.0	129.1	92%	15%	6%
Non Salary	21.0	21	100%	23.1	10.2	44%	10%	-51%
Grant to Local Councils	5.2	5.2	100%	6.7	4.0	60%	29%	-23%
District ADP	28.0	10.9	39%	29.4	17.0	58%	5%	56%

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Current Expenditure of Capital Accounts

Current Expenditure of Capital Accounts consist primarily of Loan repayments. These include Repayment of Foreign Loans, Loans & Advances to Provincial Government Employees, write off loans & Advances to Provincial Government Employees.

Total portfolio of current capital expenditure increased from Rs. 7.3 billion to Rs. 8.8 billion, an increase of 13%. There were no loans written off in 2017-18, or 2018-19. Total loans and advances granted to provincial government employees also saw a substantial decrease, from Rs. 580 million to Rs. 180 million, a nearly 70% decrease. Repayments for Foreign loans was the principle expense under the current capital head, increasing from Rs. 6.7 billion in 2017-18 to Rs. 8.6 billion, a year on year increase of 31%. Repayment of loans however remains a very small portion of the province's total expenses.

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Table 3.4
Current Expenditure of Capital Accounts

Units: Rs. MIs

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
Total	7,000.0	7,291.2	104%	8,000.0	8,780.6	110%	14%	20%
Repayment of Foreign Loans	6,410.0	6,718.6	105%	7,790.0	8,600.0	110%	22%	28%
Loans & Advances to Provincial Government Employees	580.0	572.6	99%	200.0	180.6	90%	-66%	-68%
Write off Loans & Advances to Provincial Govt. Employees	10.0			10.0				

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¹² Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

Development Expenditure by Sector

During 2018-19, Rs. 143 Billion was expensed under development spending. There are 28 sectors that underspent their allocation while 7 went over budget in their allocation. While province budget utilization is consistently high, however the capacity for individual projects is very different. Certain sectors are above a hundred percent showing a greater capacity to absorb, while there are other sectors that don't spend so efficiently. This is typically because project approvals and project implementation capacity tend to be weak. Therefore, the province optimizes utilization by reallocating where spending is slow. However, this means that by taking this consideration in the budget process, the government can improve allocation and spend decisions and consequently limit the need for mid-year reallocations.

A similar pattern can be seen in the Foreign portfolio, where there is significant capacity across the board to increase spending. This is because there are significantly more committed funds than expensed. This lack of utilization is typically because the foreign funded portfolio has not been monitored and tracked at a high enough level. The foreign funded portfolio clearly shows the potential to increase utilization by more closely tracking and management of the portfolio. The provincial government intends to do that with increased oversight by identifying and removing bottlenecks and expedite spending.

Another pressing concern for the government was the throw forward. The overall throw forward was over six years, and there are departments with throw forwards higher than eight years. This means that if no new projects were added, it would still have taken the province over six years to complete the existing ADP with the present development budget. It also means that through the last year, spending would have been disbursed between the projects. The situation on the throw forward was unsustainable and hence the provincial effort in the budget 19-20 to rationalize the ADP was essential. This data shows how necessary that rationalization process was.

Table 3.5
Sector-wise Allocation & Expense of Development Budget 2018-19
Units: Rs. Mln

S. No	Department	No. of Projects	Total Cost	Allocation	Actuals	% Expended from Total Allocation
1	Special Initiatives	2	480.0	422.0	1,567.0	371%
2	Local Government	37	52,969.3	4,823.0	6,368.8	132%
3	Housing	8	3,556.5	348.0	434.2	125%
4	Higher Education	65	63,166.9	4,873.4	6,073.6	125%
5	Water	175	116,441.4	8,520.8	10,139.0	119%
6	Law & Justice	35	16,559.3	880.0	991.4	113%
7	Roads	308	174,541.3	14,623.0	16,258.9	111%
8	Drinking Water & Sanitation	50	37,919.8	3,427.0	3,321.9	97%
9	Forestry	29	11,955.9	2,866.0	2,713.6	95%
10	Social Welfare	22	1,228.0	297.0	255.8	86%
11	Industries	17	25,846.0	1,638.9	1,402.6	86%
12	ST&IT	14	1,807.0	393.0	333.0	85%
13	Building	46	7,936.6	938.0	780.1	83%
14	Food	18	2,370.5	472.0	361.4	77%
15	Sports, Tourism, Archaeology, Culture & Youth Affairs	67	28,608.4	2,503.0	1,903.0	76%
16	Elementary & Secondary Education	70	112,381.6	16,083.2	11,780.7	73%
17	Auqaf, Hajj, Religious & Minority Affairs	20	1,637.0	400.0	280.2	70%

S. No	Department	No. of Projects	Total Cost	Allocation	Actuals	% Expended from Total Allocation
18	Health	102	99,168.6	11,863.5	8,170.8	69%
19	Board of Revenue	6	7,846.3	458.0	310.9	68%
20	Urban Development	33	83,145.4	4,054.1	2,685.2	66%
21	Relief and Rehabilitation	28	8,758.1	1,428.0	933.5	65%
22	Agriculture	40	21,189.3	3,482.8	2,080.7	60%
23	Districts ADP	3	29,345.0	29,345.0	16,920.3	58%
24	Home	51	23,650.0	3,274.0	1,613.1	49%
25	Multi Sectoral Development	38	105,084.9	11,140.8	5,133.6	46%
26	Mines & Minerals	7	1,918.7	401.0	144.5	36%
27	Excise, Taxation & Narcotics Control	4	712.0	201.0	52.6	26%
28	Information	7	3,819.0	145.0	32.8	23%
29	Finance	9	28,141.1	6,198.0	1,307.5	21%
30	Transport	8	76,738.4	39,247.4	7,219.3	18%
31	Energy & Power	45	219,727.5	4,092.3	375.5	9%
32	Labour	4	385.0	137.2	11.6	8%
33	Population Welfare	7	2,408.5	577.2	11.8	2%
34	Environment	5	1,594.3	446.3	5.0	1%

Chapter 4: Departmental Expenditure 2018-19

Table 4.1 below, shows the overall departmental budgets, broken down in to three key components:

- Current
- Development
- Foreign Project Assistance (FPA)

It also shows the budget estimates and the actual data over the last two years. Breaking down expenditure information at a department level can provide useful insight for having conversations between stakeholders that can lead to improved decision making.

Considering two of the largest departments, education and health, where a lot of narrative focuses on the development budget. What is actually important is the current budget through which delivery happens in terms of number of service delivery personnel, i.e. teachers, doctors, nurses, paramedic staff, etc. Add to these the non-salary expenses which includes supplies such as text books, medicines, as well as class rooms repair etc. and one begins to understand the greater importance of current expenditure in such departments, where service delivery to the general public is their *raison d'etre*. *In fact, the current spend on education, which includes teacher salaries, in itself is greater than the overall expenditure of any other department in the province. Therefore, it is important to look at these departments in an integrated manner, and through this report, all stakeholders including the public can now do so. So, for the first time a conversation can happen about what the province is actually getting out of a department as a whole.*

By looking at individual departments, insights can also be made on revenue generation departments, such as mines and minerals or excise and taxation, with respect to their revenue to cost ratio. Is a ratio of 2 to 1 or 3 to 1 satisfactory when other government agencies like KPRA can generate PKR 18B against a cost of PKR 0.4B, a ratio of nearly 45 to 1? More emphasis and effort need to be made to increase revenue generation to realize full potential in these sectors.

One of the intents of this exercise is to understand exactly how and where can expenses be incurred that best facilitate the citizens of Khyber Pakhtunkhwa. This level of details will allow the provincial government to closely look at where such expenditure can be streamlined. Only by looking at the province's finances holistically, will the government be able to improve financial management and continue to remain a citizen-centric government.

Table 4.1 (1 of 7)
Department wise Expenditure
Units: Rs. Mln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
ELEMENTARY & SECONDARY EDUCATION	114,004.4	116,040.9	102%	125,333.4	119,147.0	95%	10%	3%
Current	92,538.1	104,903.0	113%	108,190.5	105,801.4	98%	17%	1%
Development	15,171.9	9,399.8	62%	10,096.8	8,122.6	80%	-33%	-14%
FPA	6,294.4	1,738.1	28%	7,046.2	5,223.0	74%	12%	200%
HEALTH	67,038.5	63,435.9	95%	76,795.1	64,697.4	84%	15%	2%
Current	50,262.0	53,538.4	107%	64,357.1	57,722.3	90%	28%	8%
Development	12,301.8	7,940.9	65%	8,391.6	6,811.8	81%	-32%	-14%
FPA	4,474.7	1,956.6	44%	4,046.5	163.4	4%	-10%	-92%
HOME & TRIBAL AFFAIRS, POLICE & JAILS	47,566.3	43,211.5	91%	55,293.1	48,227.8	87%	16%	12%
Current	43,412.6	40,817.1	94%	52,019.0	45,202.5	87%	20%	11%
Development	2,412.0	1,317.4	55%	1,560.0	1,613.1	103%	-35%	22%
FPA	1,741.6	1,077.1	62%	1,714.0	1,412.2	82%	-2%	
TRANSPORT & MASS TRANSIT	45,825.8	26,609.5	58%	39,587.9	25,348.4	64%	-14%	-5%
Current	262.9	152.8	58%	340.5	220.2	65%	29%	44%
Development	176.0	4,405.2	2503%	7,115.0	7,045.4	99%	3943%	60%
FPA	45,386.9	22,051.5	49%	32,132.4	18,082.8	56%	-29%	-18%

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¹³ Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

Table 4.1 (2 of 7)
Department wise Expenditure
Units: Rs. Mln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
COMMUNICATION & WORKS	29,040.2	27,372.5	94%	23,486.0	26,348.6	112%	-19%	-4%
Current	6,604.3	5,185.3	79%	7,046.7	6,093.6	86%	7%	18%
Development	16,589.3	21,813.5	131%	11,020.4	17,323.1	157%	-34%	-21%
FPA	5,846.6	373.8	6%	5,419.0	2,931.9	54%	-7%	
HIGHER EDUCATION, ARCHIVES AND LIBRARIES	18,732.9	12,330.6	66%	18,798.2	16,625.3	88%	0%	35%
Current	11,993.8	8,649.0	72%	13,924.8	10,025.1	72%	16%	16%
Development	6,320.0	3,495.9	55%	4,125.0	6,072.8	147%	-35%	74%
FPA	419.1	185.8	44%	748.4	527.4	70%	79%	
PLANNING & DEVELOPMENT AND BUREAU OF STATISTICS	18,666.9	19,972.1	107%	16,935.2	14,802.1	87%	-9%	-26%
Current	337.1	317.5	94%	601.3	411.6	68%	78%	30%
Development	10,398.9	11,503.9	111%	7,438.0	5,663.7	76%	-28%	-51%
FPA	7,930.9	8,150.7	103%	8,895.9	8,726.9	98%	12%	
LOCAL GOVERNMENT AND RURAL DEVELOPMENT	16,131.6	18,063.0	112%	11,290.4	12,214.2	108%	-30%	-32%
Current	6,578.1	5,552.2	84%	5,922.5	5,719.5	97%	-10%	3%
Development	5,601.4	10,533.4	188%	3,476.9	6,269.3	180%	-38%	-40%
FPA	3,952.0	1,977.4	50%	1,891.0	225.5	12%	-52%	
AGRICULTURE, LIVESTOCK, FISHERIES AND COOPERATIVES	12,560.4	8,233.5	66%	12,203.1	9,309.7	76%	-3%	13%
Current	6,965.5	5,833.4	84%	7,715.9	6,245.9	81%	11%	7%
Development	4,296.1	2,256.3	53%	3,577.4	3,028.0	85%	-17%	34%
FPA	1,298.8	143.8	11%	909.8	35.8	4%	-30%	

¹ Expenditure Report 2018-19 is being published for the first time. Variations are expected on account of differences in calculation methods.

Table 4.1 (3 of 7)
Department wise Expenditure
Units: Rs. Mln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
IRRIGATION	12,141.6	12,075.7	99%	12,626.6	14,549.7	115%	4%	20%
Current	3,762.5	3,738.4	99%	4,088.5	4,140.8	101%	9%	11%
Development	7,077.0	8,295.8	117%	5,662.3	8,266.4	146%	-20%	0%
FPA	1,302.1	41.5	3%	2,875.8	2,142.5	75%	121%	
PUBLIC HEALTH ENGINEERING	11,079.4	10,908.5	98%	10,975.0	11,709.8	107%	-1%	7%
Current	4,423.8	5,391.5	122%	5,742.7	6,807.0	119%	30%	26%
Development	6,655.6	5,516.9	83%	5,132.3	4,902.8	96%	-23%	-11%
FPA	0.1	0.0	0%	100.0	0.0	0%	98920%	
REVENUE & ESTATE	7,633.8	4,433.8	58%	8,273.2	4,999.3	60%	8%	13%
Current	6,946.4	4,070.9	59%	7,790.5	4,679.4	60%	12%	15%
Development	687.4	363.0	53%	482.7	319.9	66%	-30%	-12%
RELIEF REHABILITATION AND SETTLEMENT	7,189.4	2,393.1	33%	8,362.6	2,413.8	29%	16%	1%
Current	4,974.4	1,521.2	31%	6,934.6	1,480.2	21%	39%	-3%
Development	2,215.0	871.9	39%	1,428.0	933.5	65%	-36%	7%
FPA								
ADMINISTRATION OF JUSTICE	7,009.9	7,915.6	113%	7,380.4	7,787.7	106%	5%	-2%
Current	5,596.5	6,330.9	113%	6,500.4	6,796.4	105%	16%	7%
Development	1,365.0	1,584.7	116%	880.0	991.4	113%	-36%	-37%
FPA	48.5	0.0	0%					

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Table 4.1 (4 of 7)

Department wise Expenditure

Units: Rs. Mln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
INDUSTRIES, COMMERCE, STATIONERY & PRINTING AND TECHNICAL EDUCATION	6,917.3	3,656.7	53%	4,823.5	3,949.2	82%	-30%	8%
Current	2,906.7	2,337.8	80%	3,184.6	2,546.5	80%	10%	9%
Development	1,641.0	1,053.8	64%	1,058.0	957.2	90%	-36%	-9%
FPA	2,369.6	265.2	11%	580.9	445.5	77%	-75%	
ESTABLISHMENT & ADMINISTRATION	5,843.8	4,494.4	77%	6,714.3	3,802.6	57%	15%	-15%
Current	5,843.8	4,494.4	77%	6,714.3	3,802.6	57%	15%	-15%
ENVIRONMENT & FORESTRY (WILDLIFE)	4,916.2	5,941.0	121%	6,551.1	5,251.3	80%	33%	-12%
Current	2,851.7	2,341.0	82%	3,238.1	2,608.3	81%	14%	11%
Development	2,064.5	3,600.1	174%	2,903.6	2,643.0	91%	41%	-27%
FPA				409.3	0.0	0%		
SPORTS, CULTURE, TOURISM, ARCHAEOLOGY & MUSEUMS	4,064.1	3,339.5	82%	4,097.2	3,075.2	75%	1%	-8%
Current	721.9	572.1	79%	979.3	689.8	70%	36%	21%
Development	3,342.2	2,767.3	83%	3,112.9	2,385.4	77%	-7%	-14%
FPA	0.0		0%	5.0	0.0	0%	49900%	

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Table 4.1 (5 of 7)
Department wise Expenditure
Units: Rs. Mln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
ZAKAT, USHR, SOCIAL WELFARE, SPECIAL EDUCATION AND WOMEN EMPOWERMENT	2,671.8	1,821.9	68%	2,706.1	2,171.1	80%	1%	19%
Current	1,848.5	1,267.9	69%	2,196.9	1,653.3	75%	19%	30%
Development	723.3	441.7	61%	509.1	517.8	102%	-30%	17%
FPA	100.0	112.2	112%				-100%	
POPULATION WELFARE	1,923.1	1,465.0	76%	2,498.6	1,668.3	67%	30%	14%
Current	1,692.5	1,389.3	82%	1,890.4	1,626.4	86%	12%	17%
Development	230.6	75.7	33%	180.0	41.9	23%	-22%	-45%
FPA				428.2	0.0	0%		
ENERGY & POWER	1,555.7	617.8	40%	4,412.7	782.0	18%	184%	27%
Current	90.6	60.4	67%	141.4	95.2	67%	56%	58%
Development	675.5	133.7	20%	471.0	513.6	109%	-30%	284%
FPA	789.7	423.7	54%	3,800.3	173.3	5%	381%	
EXCISE & TAXATION	1,385.6	708.8	51%	1,356.2	936.3	69%	-2%	32%
Current	1,073.6	675.5	63%	1,155.2	883.7	76%	8%	31%
Development	312.0	33.3	11%	201.0	52.6	26%	-36%	58%
MINES & MINERAL DEVELOPMENT	1,182.1	437.7	37%	1,347.8	829.8	62%	14%	90%
Current	560.1	307.4	55%	946.8	685.3	72%	69%	123%
Development	622.0	130.2	21%	401.0	144.5	36%	-36%	11%
FPA								

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Table 4.1 (6 of 7)
Department wise Expenditure
Units: Rs. Mln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
AUQAF, HAJJ, RELIGIOUS & MINORITY AFFAIRS	737.3	415.5	56%	583.1	419.0	72%	-21%	1%
Current	99.6	158.6	159%	122.3	105.3	86%	23%	-34%
Development	637.7	256.9	40%	460.8	313.7	68%	-28%	22%
SCIENCE & TECHNOLOGY AND INFORMATION TECHNOLOGY	714.0	274.2	38%	514.6	410.4	80%	-28%	50%
Current	96.0	68.3	71%	121.6	77.7	64%	27%	14%
Development	618.0	205.9	33%	393.0	332.7	85%	-36%	62%
FPA								
HOUSING	580.7	66.0	11%	391.7	468.3	120%	-33%	610%
Current	38.7	27.3	70%	43.7	34.2	78%	13%	25%
Development	542.0	38.7	7%	348.0	434.2	125%	-36%	1022%
INFORMATION AND PUBLIC RELATION	539.0	1,216.1	226%	622.5	303.4	49%	15%	-75%
Current	358.5	289.4	81%	477.4	270.6	57%	33%	-6%
Development	180.5	926.7	513%	145.1	32.8	23%	-20%	-96%
LABOUR	530.6	303.0	57%	602.7	362.6	60%	14%	20%
Current	405.3	286.7	71%	465.6	324.5	70%	15%	13%
Development	85.3	6.0	7%	55.0	11.6	21%	-36%	95%
FPA	40.0	10.3	26%	82.2	26.5	32%	105%	
INTER PROVINCIAL COORDINATION	56.5	36.5	64%	56.7	37.5	66%	0%	3%
Current	56.5	36.5	64%	56.7	37.5	66%	0%	3%

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Table 4.1 (7 of 7)
 Department wise Expenditure
 Units: Rs. Mln

Head	2017-18			2018-19			Year on Year increase	
	Budget Estimates	Actuals	Actuals as % of Budget	Budget Estimates	Actuals	Actuals as % of Budget	BE v BE	Act v Act
FOOD	87,659.5	10,518.0	12%	93,742.0	14,292.1	15%	7%	36%
Current	86,927.5	10,359.7	12%	93,270.0	13,930.7	15%	7%	34%
Development	732.0	158.3	22%	472.0	361.4	77%	-36%	128%
FINANCE, TREASURIES & LOCAL FUND AUDIT	2,937.1	2,173.0	74%	8,347.6	4,494.7	54%	184%	107%
Current	1,341.1	1,102.5	82%	2,149.6	3,187.1	148%	60%	189%
Development	1,591.0	1,070.5	67%	6,193.0	1,307.5	21%	289%	22%
FPA	5.0	0.0	0%	5.0		0%	0%	

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Two departments, that is food and finance, are listed separately as expenditure in these departments are accounted differently. Most of the current expenditure in food is for the purchase of wheat and that is done from Account 2 of the province rather than Account 1, which is the principle account used for provincial expenditure.

Expenditure of Finance department includes an additional head that includes loan repayments, pensions, investments, etc.

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