

GOVERNMENT CURRENT EXPENDITURE

The Size and Growth of Current Expenditure

"It is common knowledge that governments of today have grown more intimately involved in the social and economic life of nations practically all over the world."¹ Such an involvement was due to the fact that "in the period after the war, the governments of the under-developed countries of the region could not but assume a direct responsibility for pulling their economies out from a long-drawn stagnation. The vicious circle of low productivity, low incomes and low savings could not be broken by private enterprise alone."² The acceptance of such a position by the state has entailed a great increase in expenditure as can be seen from Diagram 2-1 showing government expenditure in Malaya during the period 1950-1962. This is not only true in the case of the Federation of Malaya but in other countries as well, e.g. India, Japan and Indonesia as shown in Table 2-1.

This state of affairs in Malaya and India shows that we have come a long way since the time of J.B. Say who held that "the very best of all plans of finance is to spend a little".³ This idea was held widely because it was "imagined by early economists that most of the private expenditure which taxation checked was productive, while all public expenditure, which taxes paid for, was unproductive."⁴ But we now know that "the only economic test of the productiveness of any expenditure is its productiveness of economic welfare, and public expenditure on education and health is often more productive in this sense than private expenditure on luxuries....."⁵

In 1950, Federal Government expenditure⁶ totalled \$340 million. Ten years later, the figure amounted to \$856 million or nearly 252% of the old figure. In the same period revenue has increased from \$443 million to \$1,069 million, i.e. 241% of the 1950 figure. This shows that expenditure has increased by slightly greater proportions.

¹U.N. Economic Survey of Asia and the Far East, 1960. Bangkok. Page 53 (Hereafter referred to as U.N. Survey)

²Ibid., page 54.

³H. Dalton. Principles of Public Finance. London: Routledge & Kegan Paul Ltd., 1961, page 5.

⁴Ibid., page 6.

⁵Ibid., page 6.

⁶Federal Government refers to the Government of the Federation of Malaya and its expenditure refers to the amounts as shown in its Financial Statements.

DIAGRAM 2-1

Million FEDERAL GOVERNMENT ORDINARY EXPENDITURE 1950-62

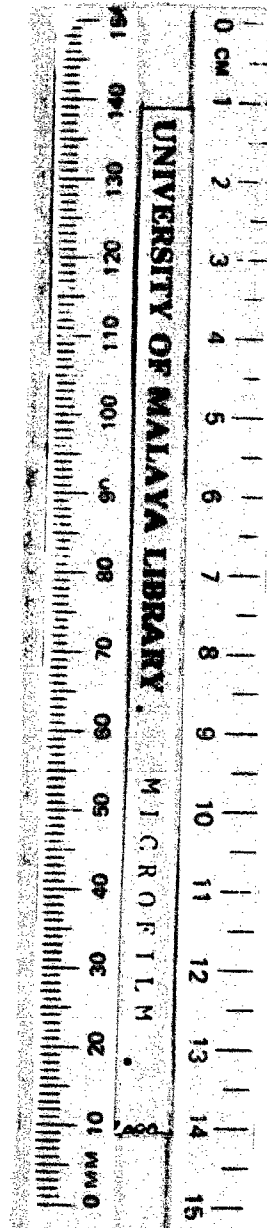
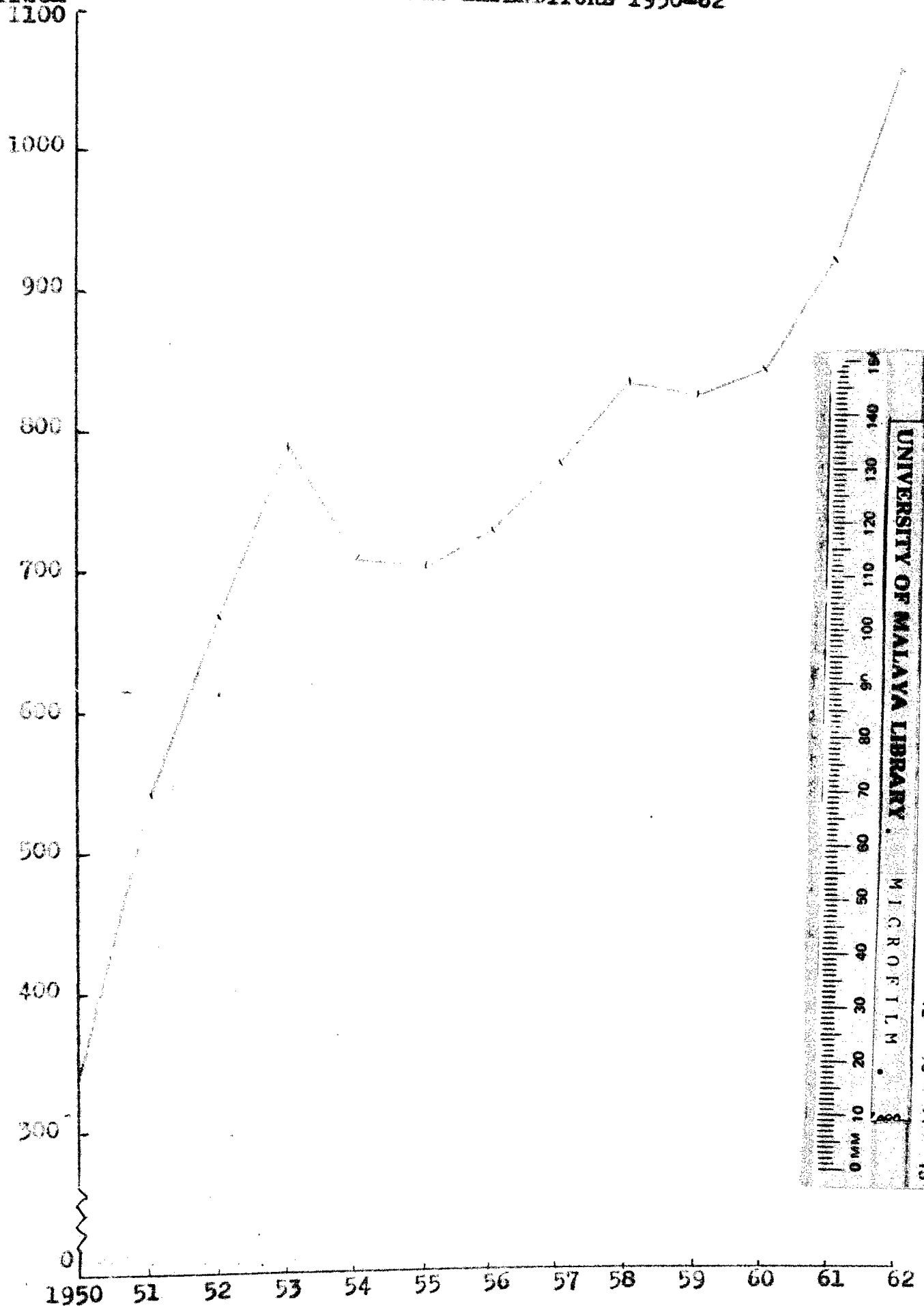


TABLE 2-1

INDICES OF GROWTH OF GOVERNMENT EXPENDITURE
AND GOVERNMENT REVENUE, 1958, IN SELECTED
COUNTRIES, (1950=100), AT CURRENT PRICES.

Country (1)	Govt. Expenditure (2)	Govt. Revenue (3)
Fed. of Malaya	245	140
India	237	168
Indonesia	332	225
Japan	287	253
Singapore	355	238

Source: U.N. Survey, op. cit., page 67.

1-1951 = 100.

The growth of government expenditure⁷ in the Federation of Malaya, India, Indonesia and Japan during the period 1950-1958 may be seen from Table 2-1. "Expenditure in 1958 had increased in real terms in all the countries of the region. For many of them the increase in expenditure was greater than that in revenue. Not only did expenditure increase in absolute terms, but it took a larger share of the expanded national product in 1958."⁸ This is shown in Table 2-II.

The growth of public expenditure in Malaya has been a product not only of expansion in the scope of the traditional functions of government but also of the assumption of new responsibilities. "..... It has tended to accompany the growth in National Income although rising a little faster."⁹ In 1953, government expenditure in Malaya represented such a high proportion of Gross National Product (GNP) because there was a sharp rise in expenditure on the emergency then. The table shows that government expenditure

⁷The word 'government' refers to the U.N. definition of it and includes in addition to the central government, local government and state governments for the Federation of Malaya and India, for other countries it includes only central government. 'Govt. expenditure' as distinguished from Federal Govt. expenditure includes current and capital transfer payments but excludes inventory charges.

⁸U.N. Survey, op. cit., page 66. ⁹Ibid., page 69.

in Malaya has on the whole increased during the period 1950-1957. It increased from 9% of GNP in 1950 to 19% in 1957. Since Singapore was included up to 1953, we cannot definitely say that Malaya's expenditure increased as rapidly as the figures suggest. However, between 1955 and 1957 the share of expenditure in the GNP increased only slightly. So we can only indicate that Malaya's expenditure has grown but it is difficult to conclude that the rate of growth of expenditure was greater in the earlier period than in the later years.

TABLE 2-II

GOVERNMENT EXPENDITURE, 1950-1958, IN
SELECTED COUNTRIES.
(PER CENT OF GROSS NATIONAL PRODUCT)

Country	1950	1951	1952	1953	1954	1955	1956	1957	1958
Federation of Malaya ¹	9	11	15	19	--	18	20	19	--
India ²	99	9	10	10	12	14	14	16	16
Indonesia	--	16	19	18	16	15	14	15	20
Japan	24	23	26	26	26	26	24	25	26

Source: U.K. Survey, op. cit., page 67.

¹Including Singapore up to 1953.

²Net National Product.

In this chapter the discussion on Federal Government expenditure will be with reference to expenditure on social services such as public health and education; general services such as defence and administration and community services. The last item includes Public Works and Communications. The allocation of money by the Federal Government to the states will also be dealt with.

Expenditure on Social Services

The expenditure of public money reflects "the utilisation of resources by and through the government and involves the weighting of alternate means to promote the

public good."¹⁰ The government must decide what share of the total expenditure shall go to each of the competing demands - education, defence, administration and so on. "Each of these must be weighed against all the rest in the light of some conception of the common good, with due allowance for political and other considerations."¹¹

In allocating funds to social services government encounters the problem of 'choosing' between economic development and social welfare. This results from the fact that "in the newly developing countries of Asia the knowledge of and contact with advanced social welfare schemes in the developed countries, have created a demand for social services from the masses at a time when resources are also required for economic development."¹²

Expenditure on social services in Malaya did not constitute a large portion of Federal Government outlay before Independence. This was so because the state governments were responsible for running the services and the Federal Government only made good the deficit in the state budgets. Prior to 1955 the cost of the medical services was borne by the states "although in practice it was met from the general balancing grant given to all states by the Federal Government."¹³ In that year, however, "new financial arrangements were made whereby the state was paid the estimated cost of running the medical services."¹⁴ With the attainment of Independence, "health services became a wholly Federal matter except for preventive measures in the municipalities."¹⁵ In 1958 expenditure on medical services for the first time appeared only in the accounts of the Federal Government and not also in those of the state governments. Diagram 2-II shows Federal Government expenditure on medical services during the period 1958-1963. It shows a steady increase in the absolute amount from 1958 onwards. But if we see Table 2-III we can see that although the absolute amount has increased, yet the amount expressed as a percentage of Federal Government expenditure has declined. This shows that increase in expenditure on medical services has not kept pace with the overall increase in total expenditure. This, however,

¹⁰U.W.Survey, op.cit.,page 65

¹¹Ibid., page 65.

¹²Ibid., page 77.

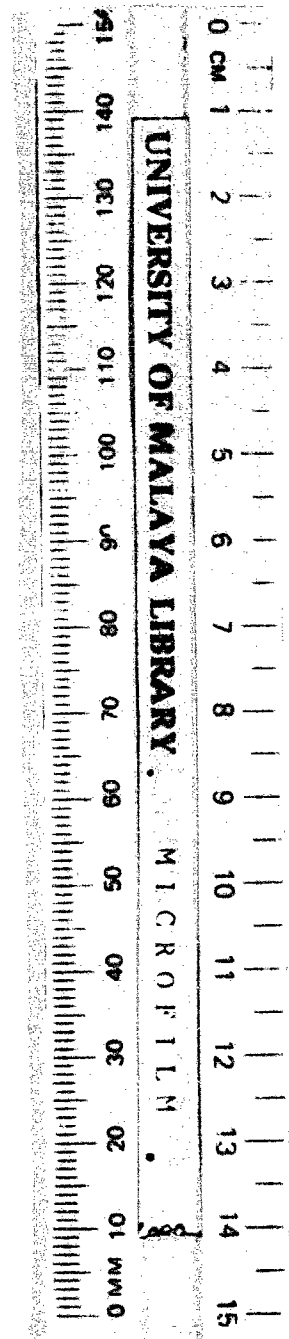
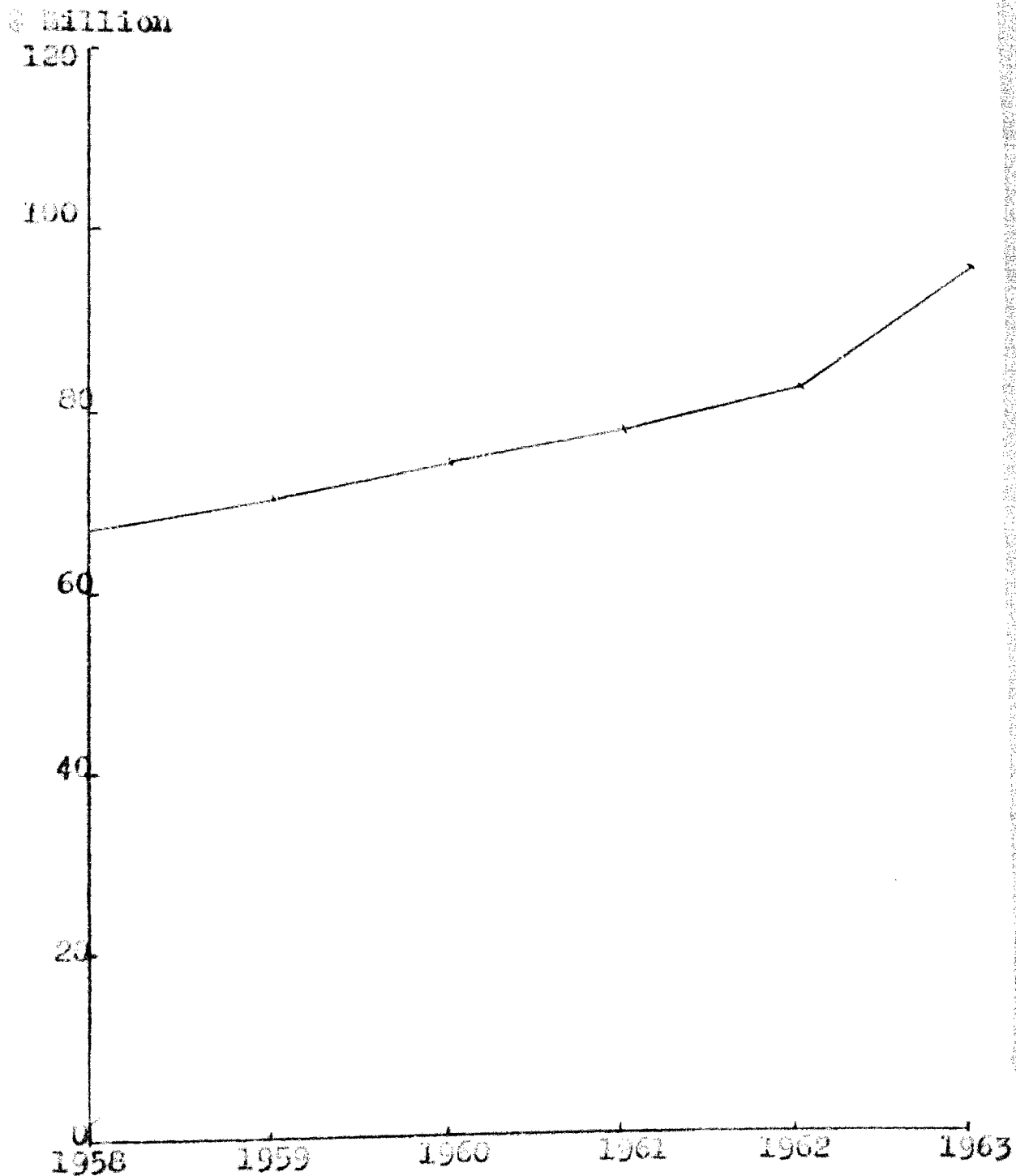
¹³Federation of Malaya. Official Year Book, Volume II 1962. KL.Government Printer 1962, page 336.

¹⁴Ibid., page 336

¹⁵Ibid., page 336.

DIAGRAM 2-11

FEDERAL GOVERNMENT EXPENDITURE ON
MEDICAL SERVICES, 1958-1963.



Does not mean that the per capita expenditure on medical services has declined. In fact the per capita expenditure in 1962 stood at nearly \$11/= compared with \$10/= in 1958.

TABLE 2-III

FEDERAL GOVERNMENT EXPENDITURE ON
MEDICAL SERVICES 1958-1963
(IN MILLION DOLLARS)

Year (1)	Total Expenditure (2)	Expenditure on Medical Services (3)	(3) as a % (2) (4)
1958	848	67.3	7.9
1959	838	70.3	8.4
1960	856	74.7	8.7
1961	939	78.3	8.3
1962	1,072	83.1	7.8
1963*	1,112	96.8	8.7

Source: Financial Statements of the Federation of Malaya 1958-1962.

*1963 figures are revised estimates.

"Until 1957 when the Federal Constitution came into force, education in general was a matter reserved to the state governments whose policies were..... loosely co-ordinated, chiefly (by the Federal Government) by means of financial control."16 Funds were allocated by the Federal Government to the states to cover the cost of the schools. In such a system, the state governments formulated their policies in the light of their respective interests and the policies so arrived at were not necessarily best for the Federation as a whole. As the drawbacks of this system were recognised, i.e. since such an arrangement was not conducive to the creation of a cohesive system of national education the Federal Government assumed control over education in the hope of correcting such an anomaly.

16Year Book, op. cit., page 348.

This head of expenditure has grown rapidly over the last few years. Such an increase in the total outlay in education has been brought about because the Malayan Government has "attempted not only to keep pace with the estimated increase in school age population, but also to increase the actual enrolment in schools."¹⁷ We can see from diagram 2-III that expenditure increased sharply in 1962. This was the result of the introduction of free primary education in all assisted schools in the same year. "Common syllabuses were drawn up for use in all schools so that whatever language medium is used all pupils learn the same things in the same way with the object of fostering a national Malayan outlook."¹⁸ The Federal Government feels that money spent on education is well-spent if such an outlay helps to create a national outlook in the citizens of tomorrow. As a result of its decision to introduce free primary education in 1962 expenditure increased from \$184 million in 1961 to \$218.5 million i.e. an increase of 19%. In 1957 expenditure on education totalled \$123 million but in 1962 i.e. five years later, the figure has increased to \$218.5 million. This shows that in just five years expenditure on education has nearly doubled.

In allocating expenditure to various ends the governments "have had to exercise a choice, in using the limited resources at their disposal, between..... social investment and economic investment."¹⁹ In line with this implication the Finance Minister, in presenting the Supply Bill for 1961, pointed out that expenditure on education should be governed by the availability of finance, subject to the overall needs of the economy as a whole. While the national needs are more pressing in the technical and professional fields and although the expenditure in this field has been increasing rapidly yet we are no nearer the mark in meeting the shortage of such personnel. The rate of growth in the cost of education has increased so rapidly that it is far in excess of the growth of the national income and of the population. Further, we should remember that however essential it is to improve our educational facilities and consequently to raise the productive capacity of our youthful population, we must always bear in mind the need to keep our rate of progress in line with the financial resources available. Table 2-IV shows that Federal Government expenditure on education has increased very markedly over the years under consideration.

¹⁷U.N. Survey, op. cit., page 80.

¹⁸Year Book, op. cit., page 353.

¹⁹U.N. Survey, op. cit., page 57.

DIAGRAM 2-III

FEDERAL GOVERNMENT EXPENDITURE ON EDUCATION, 1958-1963

\$ Million

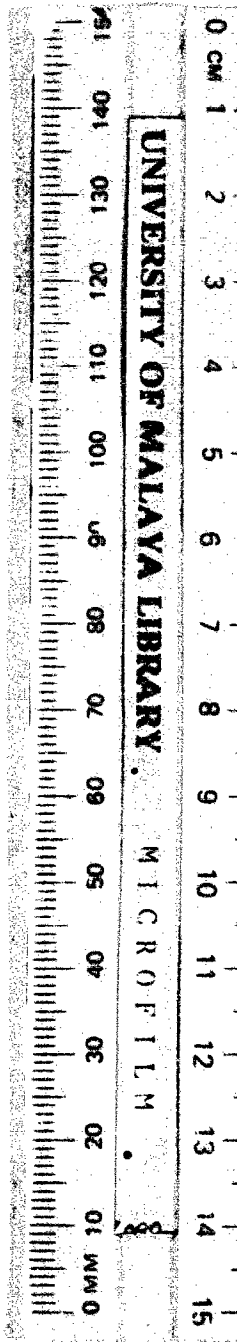
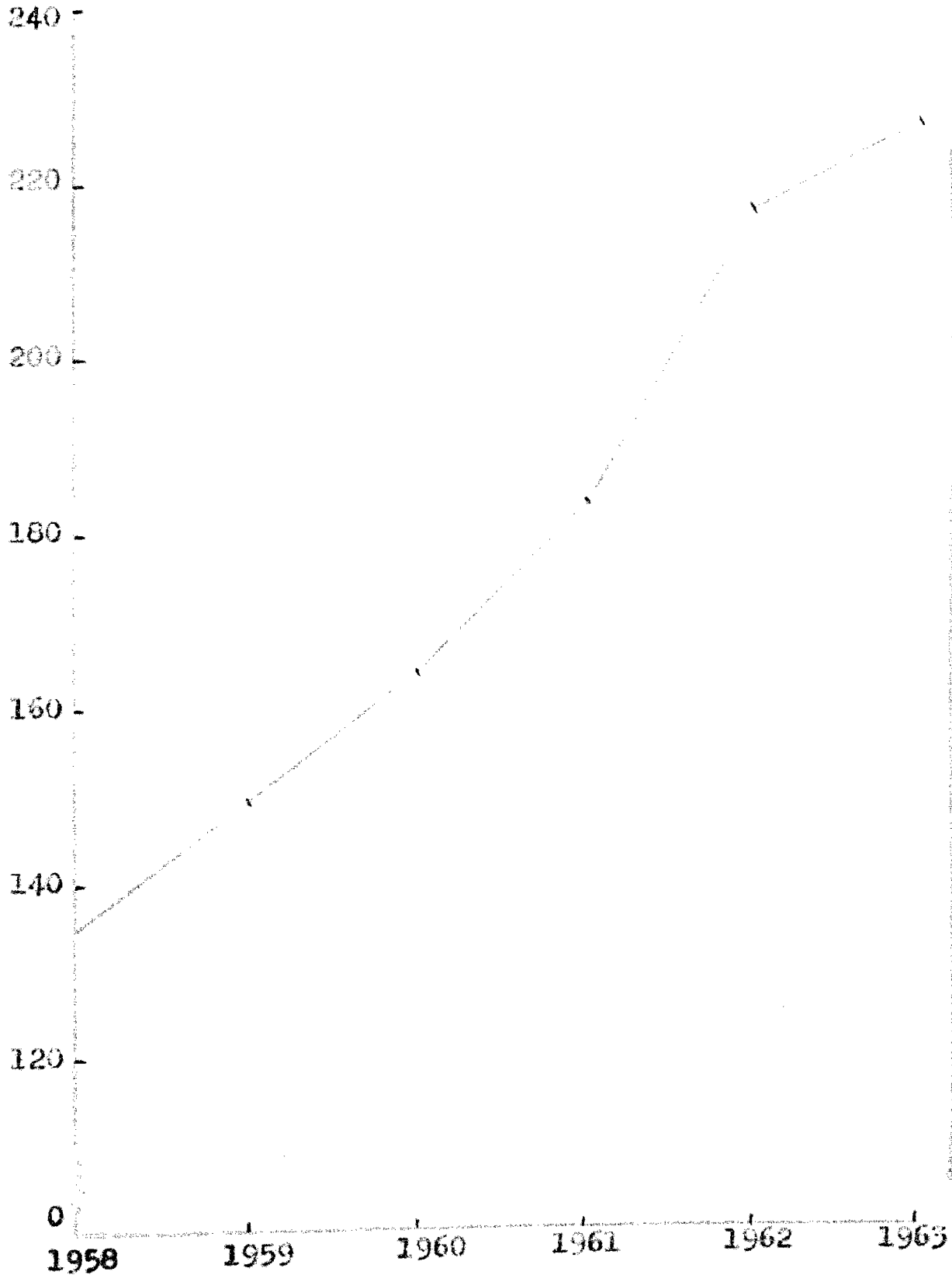


TABLE 2-IV

FEDERAL GOVERNMENT EXPENDITURE
ON EDUCATION 1958-1963.
(IN MILLION DOLLARS)

Year (1)	Total Expenditure (2)	Expenditure on Education (3)	(3) as a % of (2) (4)
1958	848	135.2	16.0
1959	838	150.0	17.9
1960	856	165.0	19.3
1961	939	184.0	19.6
1962	1,072	218.5	20.4
1963*	1,112	230.0	20.7

Source: Financial Statements of the Federation of Malaya 1958-1962.

*1963 figures are revised estimates.

The increase in expenditure on social services during the last decade has been quite marked. In 1955 Federal Government expenditure on education amounted to \$86 million and that on medical and health services totalled \$56 million. The corresponding figures for 1962 were \$219 million and \$83 million respectively, i.e. expenditure on these two services increased from \$142 million in 1955 to \$302 million in 1962 - an increase of 114%. In 1955 they amounted to 20% of ordinary budget expenditure but represented 28% in 1962.

Though the percentage of Federal Government expenditure incurred in providing the social services is quite substantial yet Malaya does not compare very favourably with other countries of the Economic Commission For Asia And Far East (ECAFE). This can be seen from Table 2-V. "In terms of government resources devoted to social services, Ceylon, Japan, and the Philippines rank foremost among the countries of the region. Social services accounted for 38% of government outlay in Ceylon, 32% in the Philippines and 30% in Japan."20 The corresponding figure for Malaya was only 25%.

However, we can see from Table 2-VI that the percentage of expenditure devoted to social services has been increasing steadily over the last few years.

The case of Ceylon, where such a large proportion of government expenditure is devoted to social services, "illustrates the pressures that are building up in many countries of the (ECAPF) region in favour of taking out a larger proportion of the national product in the form of a higher level of living and using up in the process the wherewithal for development."²¹ The experts of the ECAPF caution that "while a good case can be made for giving high priority to expenditure on social services..... the countries of the region would be well advised to keep down to the minimum such..... expenditure which favour.... consumption at the expense of development or investment."²² These words sum up the dilemma facing any government today in the allocation of expenditure to meet conflicting ends of social services and economic development.

Outlays for Community Services

Under expenditure on community services, outlays for services like the public works and communications are included. Expenditure under this head has been growing in line with the overall increase in total expenditure. It is more of a capital nature i.e. these projects have been carried out not under the development plan but as current expenditure to improve existing facilities like roads, extension of telephone system or the introduction of direct dialing therein. Expenditure on such a scale has resulted in the present system of transportation and communications which is of a very high order compared to some of the other South East Asian countries. The total expenditure on these services is shown in Table 2-VII. Though the absolute amount has increased yet we can see that the percentage share of the total outlay allocated to these services has not increased.

Expenditure on General Services

These services include defence, administration, justice and so on. Expenditure on these services "has been growing in line with the growth in total expenditure. The growth is more marked in the field of public administration, while defence outlays have shown irregular movements depending on the security problems encountered."²³

²¹U.N. Survey, op.cit., page 80

²²Ibid., page 80.

²³Ibid., page 81.

TABLE 2-V

**FUNCTIONAL DISTRIBUTION OF GOVERNMENT EXPENDITURE,
1958, IN SELECTED COUNTRIES**

Item (1)	Ceylon (2)	Fed. of Malaya (3)	Japan* (4)	Philippines (5)
<u>Percent of Gross National Product</u>				
Government Expenditure	26	19**	25	11
<u>Percent of Total Government Expenditure</u>				
(1) Economic Services of which:	31	20	44	33
Agriculture	11	7	11	11
Transport- ation & Com- munications	14	8	15	17
Industry	6	5	14	3
(2) Social Services of which:	38	25	30	32
Education	15	15	7	24
Health	9	7	2	6
Social Welfare#	14	3	17	2
(3) General Services of which:	17	44	12	26
Defence	5	16	7	15
(4) Others of which:	14	11	14	9
Interest on Debts	3	4	3	2
Pensions	5	—	—	—

Source: U.N. Survey, op.cit., page 79.

*Total and defence expenditures are actuals; the rest are derived from a reclassification of the 1957 budget estimates.

**1957.

#Including food subsidies in Ceylon.

TABLE 2-VI

**FEDERAL GOVERNMENT EXPENDITURE
ON SOCIAL SERVICES, 1959-1963.
(IN MILLION DOLLARS)**

Year (1)	Total Expenditure (2)	Expenditure on Social Services (3)	(3) as a % of (2) (4)
1959	838	223.6	26.6
1960	856	243.2	28.4
1961	939	265.9	28.3
1962	1,072	305.4	28.5
1963*	1,112	335.1	30.1

Source: Financial Statements of the Federation of Malaya 1959-1963.

*1963 figures are revised estimates.

TABLE 2-VII

**FEDERAL GOVERNMENT EXPENDITURE ON
COMMUNITY SERVICES, 1959-1963
(IN MILLION DOLLARS)**

Year (1)	Total Expenditure (2)	Expenditure on Community Services (3)	(3) as a % of (2) (4)
1959	838	55.0	6.6
1960	856	58.6	6.8
1961	939	66.2	7.0
1962	1,072	69.8	6.5
1963*	1,112	76.7	6.9

Source: Financial Statements of the Federation of Malaya 1959-1963.

*1963 figures are revised estimates.

The reason for the increase in public administration outlays have been the increase in population and "in per capita consumption of the administrative services provided by the government."²⁴ Another factor contributing to the volume of administrative outlays "has been that of the growing claims of representation abroad, with the increase in the number of embassies, legations and consulates and of international conferences at all levels and in all fields."²⁵ For example, expenditure on external affairs of the Federation Government increased from \$4.9 million in 1958 to \$6.3 million in 1962, i.e. expenditure in this field increased by 28.6% in just four years' time.

The ECAFE experts feel that "the growth in the expenditure on general administration is out of proportion to the growth in functions."²⁶ The main constituent of the rise in such spending has been the wage bill in the public service, e.g. personal emoluments in 1950 cost the Federal Government \$109 million but the amount had increased to \$256 million in 1961, or 235% of the old figure. For 1962 this item amounted to \$268 million, i.e. there was a further increase of about 5% over the 1961 figure. An idea of the magnitude in the growth of administrative costs can be obtained from Table 2-VIII. The increase may be due in part to the annual increments paid to all members of the public service, but it could also be due to the fact "that the numbers have swollen in accordance with Parkinson's Law by which administration continues to grow on its own irrespective of the functions to be performed."²⁷

Defence outlays have for a long time now constituted a large proportion of the Federal Government expenditure. This has been due to the fact that a lot of expenditure was necessary in the fight against the communists. Such expenditure was classified as emergency expenditure and appeared regularly in the Federal budget from 1948 onwards. With the official ending of the emergency in 1961, expenditure on this item has gone down a great deal, but it still accounts for \$20 - 30 million annually mainly for operations on the Malayan-Thai border. Such expenditure is now included under the item Defence and Security. Though the amount allocated to Defence has decreased relative to the time of the emergency yet it still accounts for a major portion of Federal Government expenditure. From Table 2-IX we can see that this category of expenditure has formed a high percentage of Government outlay in the Federation of Malaya for many years. In comparison with other countries shown in the Table the percentage of government expenditure devoted to defence in Malaya has fluctuated between 15% and 25% over the period

24U.N. Survey, op. cit., page 81. 25Ibid., page 81.

26Ibid., page 82. 27Ibid., page 82.

1951-1958. It is only in Japan that a small portion of government expenditure is devoted to defence. In case of India and Indonesia, the percentage has varied between 13 and 20%. Even in the Philippines the percentage was in the region of 14 - 20%. This shows that government expenditure on defence in Malaya has been rather high. Table 2-X shows that the percentage of defence expenditure in Malaya is rising again. This has been made necessary because the Malayan Government assumed full defence responsibility after the attainment of independence in 1957 while in previous years a share of the expenditure was borne by the United Kingdom. Also the estimate for 1963 shows that 24% of Federal Government expenditure is for defence. This is rather high compared to the last three years' percentage. Such a large outlay is necessary because of the need to bolster our defences in the face of Indonesian confrontation.

TABLE 2-VIII

FEDERAL GOVERNMENT EXPENDITURE
ON ADMINISTRATION, 1959-1963
(IN MILLION DOLLARS)

Year (1)	Total Expenditure (2)	Expenditure on Administration (3)	(3) as a % of (2) (4)
1959	838	296	35
1960	856	318	37
1961	939	376	40
1962	1,072	385	36
1963*	1,112	349	31

Source: Monthly Statistical Bulletin of the States of Malaya, Dept. of Statistics, May, 1964,

*1963 figures are revised estimates.

The ECAFE experts are of the opinion that "governments have been forced to increase the volume of their resources devoted to defence in the same proportion as they have increased their outlays on social and economic development."28 This could be the result of the tense situation in the area, e.g. Indonesia-Malaysia dispute has resulted in a large increase in our defence expenditure.

ANNUAL PERCENTAGE CHANGES, 1950-1958
IN DEFENSE EXPENDITURES

Country	1950	1951	1952	1953	1954	1955	1956	1957	1958
	<u>Percent of Total Government Expenditure</u>								
Federation of Malaya	2	24	25	23	21	18	15	16	16
India	20	20	19	19	17	14	13	15	13
Indonesia	---	16	13	18	16	13	14	15	20
Japan	12	9	9	9	8	7	7	7	7
Philippines	15	19	20	18	17	16	14	14	15
	<u>Percent of Gross National Product</u>								
Federation of Malaya	---	---	---	---	---	3.3	2.9	3.1	---
India*	1.9	1.9	1.9	1.9	2.1	1.9	1.9	2.4	2.1
Indonesia	---	3.0	3.7	4.5	3.8	3.2	3.0	3.6	6.2
Japan	2.8	2.1	2.2	2.3	2.2	1.8	1.6	1.8	1.7
Philippines	1.7	2.1	2.3	2.0	1.9	1.8	1.7	1.7	1.7

Source: U.N. Survey, op. cit., page 83.

*Net National Product.

TABLE 2-X

**FEDERAL GOVERNMENT EXPENDITURE
ON DEFENCE, 1959-1963
(IN MILLION DOLLARS)**

Year (1)	Total Expenditure (2)	Expenditure on Defence (3)	(3) as a % of (2) (4)
1959	838	200.3	24
1960	856	174.1	20
1961	939	167.6	18
1962	1,072	172.3	16
1963*	1,112	267.4	24

Source: Financial Statements of the Federation of Malaya 1959-1962.

*1963 figures are revised estimates.

Allocation of Funds to States

Allocation of money by the federal government to the regional or state governments is an outstanding feature of a federal form of government. Allocation of money by the federal government in such a system is necessary because most of the revenue is collected by it, like income tax, export and import duties, etc. and the independent sources of revenue available to the states may not be sufficient to match the expenditure incurred by them in carrying out their responsibilities.

There are certain principles underlying the present system of revenue allocation in the Federation. The first is that the states should have independent sources of revenue. In pursuance of this principle - entertainment duty, certain excise duties, revenue from land, mines excluding revenue from minerals and also revenue from forests accrues to the states. In addition they also derive their revenue from various fees including payments for specific services like water supplies. Since revenue from these sources is never sufficient to maintain all the services performed by them, therefore the Federal Constitution provides for the payment by the Federal Government of certain other annual grants to the states.

The second principle involves the question of delegation. On the basis of this principle, a state has a claim on some part of the revenue which is derived directly from it. This source of revenue refers to Article 110 Clause 3 of the Constitution which states that each state must receive "on such terms and conditions as Parliament may by law provide 10% of the export duty on tin produced in the state."²⁹ Since 1962, the States have also obtained a share of the export duty on iron ore. Prior to that there was no export duty on this mineral as the states had collected royalties on it. Further, by virtue of this principle the states also receive the state road grant. It is "calculated with reference to road mileage..... i.e. by multiplying the average cost..... of maintaining a mile of road..... by the mileage of state roads."³⁰ This has been calculated at \$4,500/- per mile.

The third principle underlying the system of revenue allocation to the states involves the principle of need. It is actually based on the size of population of a state. If one state has a bigger population compared to another, then the first would get more in the form of a grant from the Federal Government under this principle. This grant known as the Capitation Grant is paid on the basis of the size of adult population in a state. It is fixed on a sliding scale as follows: "\$15/- per person for the first 50,000 of the population of the state, \$10/- per person for the next 200,000 and \$4/- per person for the remainder."³¹

The allocation of revenue by the Federal Government to the various states involves a substantial sum of the former's expenditure. This can be seen from Table 2-XI. As against other items in the Federal Government expenditure this commitment has not grown in line with the general increase in its expenditure, e.g. in 1958 it formed 7.5% of its outlay. Four years later, i.e. in 1962 it accounted for 6.5%. Although over the period 1958-1962 ^{total outlay} had increased by 80%, allocation to states increased only by a small amount.

In summing up, we can say that the absolute amount of Federal Government expenditure has increased quite rapidly over the period under consideration. This is shown in Column 3 of Table 2-XII. This trend has come about as a result of increasing expenditure which results from a greater number of commitments. But if we look at Column 4 of the same table the trend does not seem to be very definite when government expenditure is shown as a percentage of GNP.

²⁹R.H. Hickling - An Introduction to the Federal Constitution, K.L., Government Printer, 1960, page 49.

³⁰Ibid., page 49.

³¹Ibid., page 49.

This could be due to the fact that although government expenditure tends to follow any increase or decrease in GNP there seems to be a time lag before any change in government expenditure is apparent. On the whole, however, the absolute figure tends to keep on increasing every year.

TABLE 2-II

ALLOCATION OF FUNDS TO STATES BY
THE FEDERAL GOVERNMENT 1958-1962

Year (1)	Total Expenditure (In Million \$) (2)	Allocation to States (In Million \$) (3)	(3) as a % of (2) (4)
1958	848	63.5	7.5
1959	838	63.5	7.6
1960	856	62.2	7.3
1961	939	63.7	6.8
1962	1,072	69.8	6.5

Source: Monthly Statistical Bulletin of the States of Malaya, Dept. of Statistics, May, 1964.

TABLE 2-III

FEDERAL GOVERNMENT EXPENDITURE 1958-1962
(IN MILLION DOLLARS)

Year (1)	G.G.P. (2)	Government Expenditure. (3)	(3) as a % of (2) (4)
1958	4,703	848	18.03
1959	5,200	838	16.12
1960	5,665	856	15.11
1961	5,604	939	16.75
1962	5,786	1,072	18.52

Source; For GNP figures see Interim Review of Development in Malaya Under the Second Five Year, A.C. Government Printer, December, 1963, page 10. For Government expenditure, refer to Financial Statements of the Federation of Malaya 1958-1962.