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நிதி, திட்டமிடல் அமைச்சு

MINISTRY OF FINANCE AND PLANNING

මහලේකම් කාර්යාලය, තොළඹ 01.	செயலகம், கொழும்பு 01.	The Secretariat, Colombo 01 .
ශීු ලංකාව.	இலங்கை	Sri Lanka
කාර්යාලය அலுவலகம் Office 2484500 2484600 2484700	ෆැක්ස් பெக்ஸ் Fax	ලවව් අඩවය බ්භාப්නපட් Website
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My No. } BDA/965/1/508	Your No.	Date

Budget Circular No: 141

To all Secretaries to the Ministries / Chief Secretaries of the Provincial Councils/Heads of the Departments/ Chairmen of Corporations, Statutory Boards & Government Owned Companies.

Public Expenditure Management During the Balance Period of 2008

The Cabinet of Ministers has decided on 05.11.2008 to manage public expenditure very strictly during the balance period of 2008, taking into consideration the effects on public expenditure management caused by recent adverse trends in the world economy, the impact on government revenue on account of substantial reduction of duties and taxes on essential food items and fuel owing to rapid increase of prices of fuel and essential food items recently, and the additional costs incurred on certain government expenditure such as national security and fertilizer subsidy. Accordingly, it is emphasized that the following measures be adhered to in incurring public expenditure during the balance period of 2008.

- (a). To freeze with immediate effect, all the supplies and services which are not committed up to now.
- (b). To stop all the constructions which are not started up to now and to stop purchase of capital goods including machinery and equipment, and vehicles.
- (c). Not to create any additional commitment on recurrent expenditure.
- (d). To defer incurring of expenditure on all other recurrent and capital till the end of the balance period of this year.
- O2. You are earnestly requested to pay your personal attention to the above proposed measures and to extend your fullest co-operation for public expenditure management.

Sgd: S. Abeysinghe

Secretary

Ministry of Finance and Planning

Copy to: Auditor General: You may please note that there would be some savings from the provisions made for 2008 for certain Departments and Ministries