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TRENDS AND PATTERNS OF THE NATIONAL BUDGET
FROM 1986 TO 1996

THESIS

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**Trends and Patterns of the National Budget
From 1986 to 1996**

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ABSTRACT

DE LAS ALAS ARLENE H., "Trends and Pattern of the National Budget from 1986 to 1996", B. S. Thesis, Bachelor of Science in Business Management major in Economics, Cavite State University, Indang, Cavite, April 1998, Adviser: Dr. Luzviminda A. Rodrin.

The study was conducted to analyze the trends and patterns of the national budget, specifically to determine the level and size of the national budget from 1986 to 1996; to determine the level and share of the major sectors of the government in the national budget; identify the major factors affecting the level and distribution of the national budget as perceived by the government personnel and ascertain the relationship of the national budget and Medium-Term Philippine Development Plan.

The fiscal year 1986 national budget has the highest growth rate while the fiscal year 1992 national budget decline to about -2.61 percent. The debt service fund always posted the highest share except for the fiscal year 1996 with social services getting the highest allocation.

Among the factors affecting the level of the national budget, foreign exchange rate and population were found significant at 0.05 level. The major factors affecting the distribution of national budget were the government projects and priorities.

The generation of more productive employment and poverty alleviation was significant at 0.01 level with an R^2 of .99. This means that there is significant relationship between national budget and generation of more productive employment and poverty alleviation.

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TRENDS AND PATTERNS OF THE NATIONAL BUDGET FROM 1986 TO 1996 1/

Arlene H. De las Alas

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INTRODUCTION

Budgets are inclusive list of proposed expenditures and expected receipts of any person, enterprise, or a government for a definite period, usually one year. Budget estimates are based on the expenditure, and receipts of a similar previous period, modified by any expected changes (Encyclopedia Americana, 1986).

A national budget is the government's estimate of its income and expenditure. It is what the government plans to spend for its program and projects, and where the money will come from. It is based on what the government plans to spend during the year and the sources of what it hopes to have as funds, either from the revenues or from borrowing, with which to finance such expenditure.

The national budget is a financial translation of programs and projects that best promote the development of the country. Through the budget, the government can put into action its plans and policies (DBM, 1994).