Government security spending

Cleveland, Ohio-based Freedonia Group, sees continued growth in government spending for a variety of electronic security products and systems in the years ahead. Their purchases of security products are projected to increase 7.7 percent per year through 2012, reaching a value of $2.6 billion. By 2017, government and institutions will spend $3.8 billion annually on security systems. The ongoing conversion away from manned security to more automated electronic equipment is driving some of that growth, say Freedonia analysts. Some of the main security spending categories include: access controls, alarms, CCTV surveillance units and contraband detection systems.

Freedonia's Electronic Security Systems report (study number 2332) explains: "In an attempt to maximize security effectiveness, the federal government, in particular, is expected to deploy advanced, high-end solutions such as biometric-based access controls, high tech explosives detection systems and intelligent CCTV systems."

ARRA has tentatively given a much-needed boost to the economy, and more relief may be on the way from Washington. Local and state government administrators are facing declining tax revenues and need to make tough budget choices.

Federal agencies, likewise, may face tighter budgets, even as President Barack Obama last month signed into law a $1.1 trillion bill that increases the budgets in many areas of the federal government by about 10 percent, including health, law enforcement and veterans' programs. The bill lumps together six of the 12 annual appropriations bills for the 2010 budget year that began October 1.

Talking about budget shortfalls, the CSG's CanagaRetna explained: "Unfortunately, there are no easy, permanent fixes in the short-term."

What do you think? Tell us in the comment box below.

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