



# REPUBLIC OF NAURU

## SUPPLEMENTARY ESTIMATES OF EXPENDITURE 2017-18

1<sup>ST</sup> AUGUST 2017

CIRCULATED BY  
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## **SUPPLEMENTARY APPROPRIATION 2017-18**

### **OVERVIEW**

The *Supplementary Appropriation Bill (No. 1 2017-18)* has come about due to a new requirement to provide a loan to Egigu and several budget expenditures being overlooked in the preparation of the original budget. There are no proposed changes to Revenue estimates.

The Supplementary Appropriation provides for a loan to Egigu Holdings Corporation (EHC) to provide cash for a new Egigu Procurement (EP) entity established in Australia. It provides for essential appropriations for the provision of meals for patients at the RoN Hospital, provision of expatriate salaries in Fisheries and the acquisition of vehicles in Finance, Customs and Women's Affairs. The appropriation is provided for new and extended buildings for the department of Home Affairs. In total, this represents a \$1.267 mil in outlays.

These increased outlays will be funded from a corresponding \$1.267 mil in savings identified in provisions for Consultants in Finance Other Payments.

Overall this Supplementary Appropriation does not increase overall outlays and as a result the original budget surplus of \$62K remains after these changes.

**Table 1: 2017-18 Domestic Budget Aggregates ('000)**

	<b>2017-18 Budget</b>	<b>2017-18 Revised Budget</b>	<b>Variance to Budget</b>
<b>Revenue</b>	129,703.6	129,703.6	0
<b>Expenditure</b>	129,640.4	129,640.4	0
<b>Budget Balance</b>	63.2	63.2	0

**EXPENDITURES**

The following expenditure increases are required in the budget.

**Head 11 Finance Secretariat**

*Impact on budget balance (\$,000)*

	2017-18
(2495) Plant & Equipment Purchases	35.0
<b>Total Impact on Budget</b>	<b>35.0</b>

Appropriation is provided within the Finance Secretariat head to purchase a vehicle for the Secretary of Finance.

**Head 16 Finance Other Payments**

*Impact on budget balance (\$,000)*

	2017-18
(2616) Subsidies to SoE's	500.0
(2055) Consultant's Fees	(1.267)
<b>Total Impact on Budget</b>	<b>(767.0)</b>

A loan is provided to EHC of \$500K for short-term cash needs associated with the provision of BRS supplies to the RPC's. Interest will be charged on the loan to ensure its rapid repayment.

Savings have been identified in the original provision for Consultant's fees associated with procurement activities in the original budget. The appropriation has been reduced by \$1.267 mil to fund the expenditures identified elsewhere in this Supplementary Budget.

**Head 17 Nauru Customs Office***Impact on budget balance (\$,000)*

	2017-18
(2495) Plant & Equipment Purchases	35.0
<b>Total Impact on Budget</b>	<b>35.0</b>

Appropriation is provided within the Nauru Customs Office head to purchase a vehicle for the Customs Service.

**Head 31 Fisheries***Impact on budget balance (\$,000)*

	2017-18
(2020) Salary Expatriate	180.0
<b>Total Impact on Budget</b>	<b>180.0</b>

The Fisheries department requires appropriation to provide for the salary of the Expatriate Fisheries Advisor engaged by the department.

**Head 51 Health***Impact on budget balance (\$,000)*

	2017-18
(2585) Rations	362.0
<b>Total Impact on Budget</b>	<b>362.0</b>

Provision for in-patient meals at the RoN Hospital was not provided within the original health budget. A further \$362K is appropriated for this purpose.

**Head 81 Home Affairs***Impact on budget balance (\$,000)*

	2017-18
(2495) Buildings & Structures	120.0
<b>Total Impact on Budget</b>	<b>120.0</b>

Capital spending is provided to the Home Affairs budget to construct an office for the Safe House and to extend the Youth Affairs division office of the department. In total the cost of these works is \$120K.

**Head 82 Women's Affairs**

*Impact on budget balance (\$,000)*

	2017-18
(2495) Plant & Equipment Purchases	35.0
<b>Total Impact on Budget</b>	<b>35.0</b>

Appropriation is provided within the Women's Affairs head to purchase a vehicle.

**Table 2: 2017-18 Supplementary Appropriation No.1– Revenues**

<b>Department</b>	<b>2017-18 Original Budget</b>	<b>Supplementary Budget No. 1</b>	<b>2017-18 Revised Budget</b>
03 - Chief Secretariat	43,350		43,350
04 - Post and Philately	18,100		18,100
07 - GON Warehouse	152,230		152,230
11 - Finance Secretariat	50,000		50,000
15 - Nauru Revenue Office	5,050,000		5,050,000
16 - Finance - Other Payments	26,338,337		26,338,337
17 - Nauru Customs Office (NCO)	17,146,357		17,146,357
21 - CIE	16,800		16,800
31 - Fisheries	44,542,726		44,542,726
41 - Police	65,000		65,000
42 - Department of Multicultural Affairs	25,582,000		25,582,000
43 - Justice - Secretariat	212,000		212,000
44 - Judiciary	102,250		102,250
45 - Border Control	2,849,840		2,849,840
51 - Education	3,000		3,000
61 - Health	45,650		45,650
62 - Sports	1,000		1,000
83 - Media Bureau	30,000		30,000
84 - Lands & Survey	10,000		10,000
85 - Lands Committee	2,000		2,000
91 - Transport Secretariat	3,275,188		3,275,188
93 - Maritime Transport	2,648,258		2,648,258
95 - ICT	1,519,560		1,519,560
<b>Total</b>	<b>129,703,646</b>		<b>129,703,646</b>

**Table 3: 2017-18 Supplementary Appropriation No.1– Expenditures**

<b>Department</b>	<b>2017-18 Original Budget</b>	<b>Supplementary Budget No.1</b>	<b>2017-18 Revised Budget</b>
01 - Presidency and State House	1,367,794		1,367,794
02 - Ministerial	9,421,117		9,421,117
03 - Chief Secretariat	12,616,958		12,616,958
04 - Post and Philately	136,023		136,023
05 - Audit	301,985		301,985
06 - Parliament	1,405,268		1,405,268
07 - GON Warehouse	382,223		382,223
08 - National Emergency Services	2,141,404		2,141,404
09 - Electoral Commission	323,773		323,773
11 - Finance Secretariat	1,883,470	35,000	1,918,470
13 - Bureau of Statistics	129,335		129,335
15 - Nauru Revenue Office	312,693		312,693
16 - Finance - Other Payments	38,879,765	(767,000)	38,112,765
17 - Nauru Customs Office (NCO)	412,090	35,000	447,090
21 - CIE	765,342		765,342
31 - Fisheries	1,940,362	180,000	2,120,362
41 - Police	2,339,953		2,339,953
42 - Department of Multicultural Affairs	9,541,815		9,541,815
43 - Justice - Secretariat	3,373,094		3,373,094
44 - Judiciary	1,546,929		1,546,929
45 - Border Control	1,078,667		1,078,667
46 - Correctional Services	499,535		499,535
51 - Education	8,229,440		8,229,440
52 - Youth Affairs	173,408		173,408
61 - Health	9,330,299	362,000	9,692,299
62 - Sports	225,612		225,612
63 - Department of Infrastructure development	78,236		78,236
71 - Foreign Affairs - Secretariat	937,209		937,209
72 - Foreign Affairs - Brisbane	869,949		869,949
73 - Foreign Affairs - Suva	515,047		515,047
74 - Foreign Affairs - New York	1,664,248		1,664,248
75 - Foreign Affairs - Taiwan	407,827		407,827
81 - Home Affairs	3,237,032	120,000	3,357,032
82 - Women's Affairs	185,671	35,000	220,671
83 - Media Bureau	356,639		356,639

<b>Department</b>	<b>2017-18 Original Budget</b>	<b>Supplementary Budget No.1</b>	<b>2017-18 Revised Budget</b>
84 - Lands & Survey	4,832,787		4,832,787
85 - Lands Committee	226,195		226,195
86 - Department of Land Management	90,406		90,406
91 - Transport Secretariat	2,463,761		2,463,761
93 - Maritime Transport	3,362,138		3,362,138
95 - ICT	1,654,879		1,654,879
	<b>129,640,378</b>	<b>0</b>	<b>129,640,378</b>