



REPUBLIC OF NAURU

SUPPLEMENTARY ESTIMATES OF EXPENDITURE 2014-15

19 AUGUST 2014

CIRCULATED BY
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SUPPLEMENTARY APPROPRIATION 2014-15

OVERVIEW

The *Supplementary Appropriation Bill (No. 1) 2014-15* makes a number of further adjustments to the 2014-15 Budget estimates of expenditure to provide for events which were unanticipated at the time the 2014-15 Budget as well as other items, which were not included in the Budget bills for various reasons.

The total expenditure in this Supplementary Budget amounts to **\$4,166,100** and can be broken up into 2 groups.

I. The first of which are accounted for under these four items:

- **\$400,00** for Transport to cater for Repairs & Maintenance of all Government vehicles and Procurement of Government vehicles;
- **\$835,800**: \$232,800 for Finance Other Payments to cater for the replenishment of the Contingency Fund and \$103,000 to cater for Insurance for staff travel and insurance for Government Buildings. \$500,000 has also been sought from Ronphos for the certification of the Mooring system;
- **\$114,700** for Finance Public Debt to cater for payment of South Pacific Commission outstanding membership fees;
- **\$300,000** for Chief Secretary to cater for Expatriate Housing costs

TOTAL of \$1,650,500 increase in expenditure.

These additional expenditures are affordable and been made available due to increase in revenue from Fisheries licence fees. This equates to \$1,650,500.

II. The second group of expenditures will be refunded during the financial year and therefore have zero impact on the surplus. These are:

- **\$1,500,000** to Nauru Airlines for the new freighter. This will be refunded to Government before the end of the financial year by the Nauru Air Corporation.
- **\$637,500** to Police for the set up and recurring costs of the Community Liaison Officers and contract of Nauru Lifeguards. To be refunded by Australia.
- **\$378,100** to Justice for the new Deputy Operations Managers, along with Refugee Settlement Group and their setup and recurring costs. To be refunded by Australia.

TOTAL of \$2,515,600.

Table 1: 2014-15 Domestic Budget Aggregates ('000)

	2014-15 Budget	2014-15 Revised Budget*	Variance to revised Budget
Revenue	99,375.0	103,541.1	4,166.1
Expenditure	98,965.4	103,131.5	4,166.1
Budget Balance	409.6	409.6	0

- Revised 2014-15 Budget includes *Supplementary Appropriation Act (No. 1) 2014-15*

DOMESTIC EXPENDITURES**Head 3 – Chief Secretariat***Impact on budget balance (\$)*

	2014-15
(2155) House Rental	300,000
Total Impact on Budget	300,000

The Government has allocated an additional **\$300,000** to fund expenditure for extra house rental for expatriate employees from Education and Health. Due to the shortage of local teachers and nurses, Government will be seeking expatriates within the region to take up these posts. Accommodation at the hotels is at capacity. Education requires accommodation for a minimum of seven new teachers. Health is seeking accommodation for its two new doctors arriving soon. NET IMPACT, **INCREASE OF \$300,000.**

Head 12 – Finance Public Debt*Impact on budget balance (\$)*

	2014-15
(2515) Debt Repayments	114,700
Total Impact on Budget	114,700

The Government has allocated an additional **\$114,700** to fund for membership fees with the South Pacific Commission. NET IMPACT, **INCREASE OF \$114,700.**

Head 16 Finance Other Payments*Impact on budget balance (\$)*

	2014-15
(2615) Subsidies and Donations	2,000,000
<i>(2615) Subsidies and Donations</i>	<i>-1,500,000</i>

(2565) Insurance	103,000
(2999) Contingency Fund	232,800
Total Impact on Budget	835,800

The Government has allocated an additional **\$1,500,000** to cater for the purchase of a new Nauru Airlines Freighter. Nauru Airlines have agreed to repay this amount before the end of the financial year. Government has also set aside **\$500,000** for the certification of the Mooring system. An allocation of **\$103,000** is also requested to cater for insurance for staff travel as well as for the Government Buildings. Government will also be replenishing the Contingency fund of **\$232,800**, as it is a legal requirement. NET IMPACT, **INCREASE OF \$835,800**.

Head 41 Police

Impact on budget balance (\$)

	2014-15
(2235) Special Projects	637,500
<i>(2235) Special Projects</i>	<i>-637,500</i>
Total Impact on Budget	0

The Government has allocated an additional **\$637,500** towards Special Projects under Police to cater for the newly established Community Liaison Officers' recurring and establishment costs. There is also an allocation set aside under Special Projects to cater for the Nauru Lifeguards. This will be refunded by DIBP later in the year, as per the MOU between Australian and Nauru. NET IMPACT, **ZERO**.

Head 43 – Justice Secretariat

Impact on budget balance (\$)

	2014-15
(2025) Allowances Staff Contract	378,100
<i>(2025) Allowances Staff Contract</i>	<i>-378,100</i>
Total Impact on Budget	0

The Government has allocated an additional **\$378,100** toward Justice to cater for Contract Employees working under the Settlement Programme for the Refugees and Deputy Operational Managers at the RPC sites. This expenditure caters for recurring costs and establishment expenses for these employees. This will be refunded by DIBP later in the year, as per the MOU between Australia and Nauru. NET IMPACT, **ZERO**.

Head 92 Land Transport*Impact on budget balance (\$)*

	2014-15
(2200) Repairs & Maintenance Motor Vehicles	200,000
(2495) Plant & Equipment Purchases	200,000
Total Impact on Budget	400,000

The Government has allocated **\$400,000** to cater for outsourcing costs of repairs and maintenance for all Government vehicles and procurement of new Government vehicles. NET IMPACT, **INCREASE OF \$400,000**.

Table 2: 2014-15 Supplementary Appropriation – Revenues

2014-15 Budget	Dept No.	Department Description	2014-15 Supplementary Budget 1	2014-15 Revised Budget
-	01	PRESIDENCY & STATE HOUSE (Including GIO)	-	-
-	02	MINISTERIAL	-	-
29,700	03	CHIEF - SECRETARIAT	-	29,700
66,220	04	POST AND PHILATELY	-	66,220
	05	AUDIT	-	-
	06	PARLIAMENT	-	-
	07	GoN WAREHOUSE	-	-
41,000	11	FINANCE - SECRETARIAT	-	41,000
-	12	FINANCE - PUBLIC DEBT	-	-
-	13	BUREAU OF STATISTICS	-	-
14,706,266	15	NAURU REVENUE OFFICE	-	14,706,266
39,997,804	16	FINANCE - OTHER PAYMENTS	1,500,000	41,497,804
127,750	21	CIE (Commerce, Industry & Environment)	-	127,750
16,861,228	31	FISHERIES	1,650,500	18,511,728
10,000	41	POLICE	637,500	647,500
84,018	43	JUSTICE - SECRETARIAT	378,100	462,118
12,000	44	JUDICIARY	-	12,000
19,595,110	45	BORDER CONTROL	-	19,595,110
	46	CORRECTIONAL SERVICES	-	-
105,036	51	EDUCATION	-	105,036
-	52	YOUTH AFFAIRS	-	-
28,200	61	HEALTH	-	28,200
2,500	62	SPORTS	-	2,500
-	71	FOREIGN AFFAIRS - SECRETARIAT	-	-
-	72	FOREIGN AFFAIRS - BRISBANE	-	-
-	73	FOREIGN AFFAIRS - SUVA	-	-
-	74	FOREIGN AFFAIRS - NEW YORK	-	-
-	75	FOREIGN AFFAIRS - TAIWAN	-	-
-	81	HOME AFFAIRS	-	-
-	82	WOMEN'S AFFAIRS	-	-
50,000	83	MEDIA BUREAU	-	50,000
2,793,897	84	LANDS & SURVEY	-	2,793,897
2,000	85	LANDS COMMITTEE	-	2,000
-	86	LAND MANAGEMENT	-	-
-	91	TRANSPORT - SECRETARIAT	-	-
16,000	92	LANDS TRANSPORT	-	16,000
1,000,461	93	MARITIME TRANSPORT	-	1,000,461
2,509,733	94	DCA (Department of Civil Aviation)	-	2,509,733
1,336,038	95	ICT	-	1,336,038
-	96	FIRE & RESCUE	-	-
99,374,961		TREASURY REVENUE TOTAL:	4,166,100	103,541,061

Table 3: 2014-15 Supplementary Appropriation – Expenditures

Budget	Dept No.	Department Description	2014-15 Supplementary Budget 1	2014-15 Revised Budget
889,420	01	PRESIDENCY & STATE HOUSE (Including GIO)	-	889,420
1,385,336	02	MINISTERIAL	-	1,385,336
13,261,022	03	CHIEF - SECRETARIAT	300,000	13,561,022
140,059	04	POST AND PHILATELY	-	140,059
244,553	05	AUDIT	-	244,553
909,986	06	PARLIAMENT	-	909,986
110,839	07	GoN WAREHOUSE	-	110,839
1,413,057	11	FINANCE - SECRETARIAT	-	1,413,057
5,563,574	12	FINANCE - PUBLIC DEBT	114,700	5,678,274
79,853	13	BUREAU OF STATISTICS	-	79,853
385,838	15	NAURU REVENUE OFFICE	-	385,838
35,353,167	16	FINANCE - OTHER PAYMENTS	2,335,800	37,688,967
496,706	21	CIE (Commerce, Industry & Environment)	-	496,706
1,361,325	31	FISHERIES	-	1,361,325
1,525,557	41	POLICE	637,500	2,163,057
2,544,686	43	JUSTICE - SECRETARIAT	378,100	2,922,786
1,511,139	44	JUDICIARY	-	1,511,139
332,578	45	BORDER CONTROL	-	332,578
403,998	46	CORRECTIONAL SERVICES	-	403,998
7,079,007	51	EDUCATION	-	7,079,007
95,366	52	YOUTH AFFAIRS	-	95,366
6,058,305	61	HEALTH	-	6,058,305
277,165	62	SPORTS	-	277,165
701,424	71	FOREIGN AFFAIRS - SECRETARIAT	-	701,424
701,409	72	FOREIGN AFFAIRS - BRISBANE	-	701,409
430,592	73	FOREIGN AFFAIRS - SUVA	-	430,592
1,329,699	74	FOREIGN AFFAIRS - NEW YORK	-	1,329,699
276,739	75	FOREIGN AFFAIRS - TAIWAN	-	276,739
1,624,190	81	HOME AFFAIRS	-	1,624,190
81,669	82	WOMEN'S AFFAIRS	-	81,669
322,509	83	MEDIA BUREAU	-	322,509
6,418,307	84	LANDS & SURVEY	-	6,418,307
167,824	85	LANDS COMMITTEE	-	167,824
150,845	86	LAND MANAGEMENT	-	150,845
76,838	91	TRANSPORT - SECRETARIAT	-	76,838
876,791	92	LANDS TRANSPORT	400,000	1,276,791
1,594,512	93	MARITIME TRANSPORT	-	1,594,512
1,336,029	94	DCA (Department of Civil Aviation)	-	1,336,029
1,034,559	95	ICT	-	1,034,559
418,931	96	FIRE & RESCUE	-	418,931
98,965,403		TREASURY EXPENSE TOTAL:	4,166,100	103,131,503