



REPUBLIC OF NAURU

SUPPLEMENTARY ESTIMATES OF EXPENDITURE 2017-18

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CIRCULATED BY
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SUPPLEMENTARY APPROPRIATION 2017-18

OVERVIEW

The *Supplementary Appropriation Bill (No. 3 2017-18)* is required to accommodate a Cabinet decision to have the revenue associated with the Telecom Tax credited to the Nauru Revenue Office instead of as currently with the Department of ICT. This change has no impact on expected revenues.

The Supplementary also implements a further Cabinet decision to transfer the balance of appropriated funds from the Post & Philately service (Head 04) to the President's Office for the payment of staff redundancies.

It is proposed to reduce appropriation in the current year associated with the *Nauru Community Housing Scheme* to fund a range of additional expenditure measures that have arisen.

These include the replenishment of the \$100 thousand dollars provided from Finance Other payments made to Tonga following the recent cyclone. A further \$665 thousand dollars is provided to the recently established *Nauru Regional Processing Centre Corporation (NRPCC)* for engagement of consultant's. The department of Correctional Services has further appropriation of \$120 thousand dollars to accommodate recently approved allowances and prisoner rations.

Further appropriations have been made to the Foreign Affairs Secretariat to pay \$75 thousand in outstanding membership arrears to the Commonwealth Secretariat. The Foreign Affairs Embassy in Taiwan is also provided a further \$62 thousand dollars for local and business travel.

Overall this Supplementary Appropriation increases overall outlays by approximately \$124 thousand dollars. This equates with the estimated budget surplus after the passage of *Supplementary Appropriation No.2* last year. Therefore, following the passage of this Supplementary Appropriation there is an expected budget balance of approximately zero¹.

¹ The actual balance is estimated to be \$39 (Table 1)

Table 1: 2017-18 Domestic Budget Aggregates

	2017-18 Budget	2017-18 Revised Budget	Variance to Budget
Revenue	129,703,646	155,348,665	25,645,019
Expenditure	129,640,377	155,348,626	25,708,249
Budget Balance	63,269	39	(63,230)

REVENUES

The following revenue changes are required to the budget.

95 ICT (Revenue decrease)

	2017-18
95-1190 (Telecom Tax)	(1,512,000)
Total impact on budget	(1,512,000)

15 Nauru Revenue Office (Revenue increase)

	2017-18
15-1190 (Telecom Tax)	1,512,000
Total impact on budget	1,512,000

There is no overall effect on revenue from this change. It is an administrative change that can only be undertaken through Supplementary appropriation.

EXPENDITURES

The following expenditure increases are required in the budget.

Head 01 President's Office**01 Presidency**

	2017-18
01-2015 - Salary Local	21,414
Total impact on budget	21,414

The balance of appropriated funds from Head 04 have been transferred to the President's Office to pay staff redundancies from the Post Office.

Head 02 Ministerial**02 Ministerial**

	2017-18
02 - 2220 Nauru Community Housing	(900,000)
Total impact on budget	(900,000)

The appropriation provided for the *Nauru Community Housing Scheme* has been reduced by \$900 thousand dollars to fund most of the additional expenditure sought in this Supplementary appropriation.

Head 04 Post and Philately

04 Post & Philately	
	2017-18
04-2015 - (Salary - Local)	8,266
04-2050 - (Uniforms & Protective Clothing)	(500)
04-2105 - (Official Celebrations)	(500)
04-2130 - (Printing & Stationery)	(3,000)
04-2135 - (Stores)	(491)
04- 2165 - (Office Rental)	(15,637)
04-2200 - (R&M - Motor Vehicles)	(1,500)
04-2315 - (Electricity)	(8,000)
04-2595 - (Carriage of Mail)	(52)
Total impact on budget	(21,414)

The balance of appropriated funds for the operation of the Post & Philately department have been transferred to the President's Office.

Head 16 Finance Other Payments

16 Finance Other Payments	
	2017-18
16-2616 (Subsidies to SoE's)	100,000
Total impact on budget	100,000

The amount used to fund a donation to Tonga for the recent cyclone made from the provision for subsidies to SoE's is replenished in this Supplementary.

Head 18 NRPCC

18 NRPCC	
	2017-18
18-2055 (Consultants fees)	665,520
Total impact on budget	665,520

A further provision is made to the recently established corporation for the engagement of consultants.

Head 46 Correctional Services

46 Correctional Services	
	2017-18
46-2015 (Salary-local)	110,687
46-2585 Rations)	10,000
Total impact on budget	120,687

Appropriation is provided to the department of Correctional Services to accommodate a Cabinet decision to pay a *Risk and Special Allowance* to officers of the department. The payment is to be back-dated to 3rd of October 2017. A further \$10 thousand dollars is also provided for in-mate rations.

Head 71 Foreign Affairs Secretariat

71 Foreign Affairs Secretariat	
	2017-18
71-2370 (Membership fees & Subscriptions)	75,000
Total impact on budget	75,000

Further appropriation is provided to the Foreign Affairs Secretariat to pay for arrears of the Commonwealth Secretariat membership.

Head 75 Foreign Affairs Taiwan

75 Foreign Affairs Taiwan	
	2017-18
75-2070 (Travel Staff)	18,392
75-2075 (Travel Business)	44,101
Total impact on budget	62,493

The embassy in Taiwan has increased further funding for local and business travel for this financial year.

Table 2: 2017-18 Supplementary Appropriation No.3– Revenues

Department	2017-18 Original Budget	Supplimentary Budget No.1 & No.2	Supplementary Budget No.3	2017-18 Revised Budget
03 - Chief Secretariat	(43,350)	0		(43,350)
04 - Post and Philately	(18,100)	0		(18,100)
07 - GON Warehouse	(152,230)	0		(152,230)
11 - Finance Secretariat	(50,000)	0		(50,000)
15 - Nauru Revenue Office	(5,050,000)	(13,300,000)	(1,512,000)	(19,862,000)
16 - Finance - Other Payments	(26,338,337)	0		(26,338,337)
17 - Nauru Customs Office (NCO)	(17,146,357)	0		(17,146,357)
18 - Nauru Regional Processing Centre (NRPCC) Corporation	0	(14,000,000)		(14,000,000)
21 - CIE	(16,800)	0		(16,800)
31 - Fisheries	(44,542,726)	1,654,981		(42,887,745)
41 - Police	(65,000)	0		(65,000)
42 - Department of Multicultural Affairs	(25,582,000)	0		(25,582,000)
43 - Justice - Secretariat	(212,000)	0		(212,000)
44 - Judiciary	(102,250)	0		(102,250)
45 - Border Control	(2,849,840)	0		(2,849,840)
51 - Education	(3,000)	0		(3,000)
61 - Health	(45,650)	0		(45,650)
62 - Sports	(1,000)	0		(1,000)
83 - Media Bureau	(30,000)	0		(30,000)
84 - Lands & Survey	(10,000)	0		(10,000)
85 - Lands Committee	(2,000)	0		(2,000)
91 - Department of Transport	(3,275,188)	0		(3,275,188)
93 - Maritime Transport	(2,648,258)	0		(2,648,258)
95 - ICT	(1,519,560)	0	1,512,000	(7,560)
	(129,703,646)	(25,645,019)		(155,348,665)

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

Department	2017-18 Original Budget	Supplimentary Budget No.1 & No.2	Supplementary Budget No.3	2017-18 Revised Budget
01 - Presidency and State House (including GIO)	1,367,794	550,000	21,414	1,939,208
02 - Ministerial	9,421,117	996,476	(900,000)	9,517,593
03 - Chief Secretariat	12,616,958	1,200,000		13,816,958
04 - Post and Philately	136,023	0	(21,414)	114,609
05 - Audit	301,985	0		301,985
06 - Parliament	1,405,268	0		1,405,268
07 - GON WareHouse	382,223	0		382,223
08 - National Emergency Services	2,141,404	0		2,141,404
09 - Electoral Commission	323,773	0		323,773
11 - Finance Secretariat	1,883,470	191,247		2,074,717
12 - Finance -Public Debt	0	2,300,000		2,300,000
13 - Bureau of Statistics	129,335	0		129,335
15 - Nauru Revenue Office	312,693	0		312,693
16 - Finance - Other Payments	38,879,765	9,722,200	100,000	48,701,965
17 - Nauru Customs Office (NCO)	412,090	35,000		447,090
18 - Nauru Regional Processing Centre (NRPCC) Corporation	0	1,149,500	665,520	1,815,020
21 - CIE	765,342	0		765,342
31 - Fisheries	1,940,362	180,000		2,120,362
41 - Police	2,339,953	0		2,339,953
42 - Department of Multicultural Affairs	9,541,815	1,500,000		11,041,815
43 - Justice - Secretariat	3,373,094	0		3,373,094
44 - Judiciary	1,546,929	0		1,546,929
45 - Border Control	1,078,667	0		1,078,667
46 - Correctional Services	499,535	0	120,687	620,222
51 - Education	8,229,440	0		8,229,440
52 - Youth Affairs	173,408	0		173,408
61 - Health	9,330,299	3,586,944		12,917,243
62 - Sports	225,612	1,671,000		1,896,612
63 - Department of Infrastructure Development	78,236	1,515,000		1,593,236
71 - Foreign Affairs - Secretariat	937,209	0	75,000	1,012,209
72 - Foreign Affairs - Brisbane	869,949	282,980		1,152,929
73 - Foreign Affairs - Suva	515,047	115,132		630,179
74 - Foreign Affairs - New York	1,664,248	434,070		2,098,318
75 - Foreign Affairs - Taiwan	407,827	0	62,493	470,320
81 - Home Affairs	3,237,032	120,000	0	3,357,032
82 - Women's Affairs	185,671	35,000		220,671
83 - Media Bureau	356,639	0		356,639
84 - Lands & Survey	4,832,787	0		4,832,787
85 - Lands Committee	226,195	0		226,195
86 - Department of Land Management	90,406	0		90,406
91 - Department of Transport	2,463,761	0		2,463,761
93 - Maritime Transport	3,362,138	0		3,362,138
95 - ICT	1,654,879	0		1,654,879
	129,640,377	25,584,549	123,700	155,348,626