



REPUBLIC OF NAURU

2020-21 BUDGET
AND
ESTIMATES OF REVENUE AND EXPENDITURE

BUDGET PAPER NO 1
BUDGET STRATEGY AND OUTLOOK

CIRCULATED BY

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MINISTER FOR FINANCE OF THE REPUBLIC OF NAURU

ON THE OCCASION OF THE BUDGET 2020-21

4 JUNE 2020

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Conventions used in this document:

- All amounts are expressed in Australian dollars, unless otherwise stated
- Due to rounding, there may be minor discrepancies in the totals shown in tables
- Exchange rate conversions assume USD1=AUD1.6 unless otherwise stated.

2020-21 BUDGET

BUDGET PAPER NO 1: BUDGET STRATEGY AND OUTLOOK

BUDGET OVERVIEW

The 2020-21 Budget has been framed against a highly uncertain short and medium term outlook impacted by the coronavirus pandemic and the future of the Regional Processing Centre (RPC).

The economy is expected to contract over the next year by 1.7 per cent of GDP, in light of the global downturn and wind-down of the RPC. Accordingly, Government revenues will decline and expenditure restraint is required to ensure that Government can work within its means and adjust to lower levels of income into the future.

To mitigate the risks to future prosperity, government initiatives must focus on improving the productivity of its investments in social and economic infrastructure, diversify the sources of economic growth and government revenue, resolve barriers to international financial markets, and maintain a sustainable level of essential services.

As the economy adjusts, the Government is committed to alleviating cost of living pressures for households, mitigating risks to food and supply security for Nauru, and investing in local capacity to improve Nauru's resilience and future opportunity.

Nauru is in a period of economic transition, and the 2020-21 Budget has been framed to start the adjustment process.

BUDGET AGGREGATES

An overview of the budget aggregates for 2018-19, 2019-20 and 2020-21 is shown in Table 1.

Table 1: Overview of budget aggregates year to date (at 29 May 2020)

	2018-19 Preliminary Actual	2019-20 Approved Budget	2019 Supp Bills	2019-20 Revised Budget	2019-20 YTD Actual & Commitments	2019-20 Forecast	2020-21 Approved Budget
	\$	\$	\$	\$	\$	\$	\$
Revenue	229,600,058	146,030,911	103,571,935	249,602,846	256,000,003	264,242,135	210,483,272
Expenditure	207,011,640	145,716,127	103,053,936	248,770,063	219,232,733	248,770,063	210,444,381
Balance	22,588,418	314,784	517,999	832,783	36,767,269	15,472,072	38,891

Overall performance in 2019-20 has been strong, with the expected decline from RPC activity and the impact of the coronavirus pandemic on travel related income streams and expenditure, more than offset by improved fishing, taxation and RPC related revenues. Expenditure levels have been lower than expected, leading to a forecast surplus balance at the end of the year.

In 2020-21, revenue is expected to be impacted by the decline in economic activity related to the coronavirus pandemic and travel restrictions, as well as the continued reduction in RPC activity

towards ‘enduring capability’. Expected expenditure has reduced in light of lower revenues, consistent with implementation of the Government’s fiscal rule to achieve at least a balanced budget.

2019-20 BUDGET PERFORMANCE

The 2019-20 budget was framed against significant uncertainty as to the future of the RPC and in the context of an election in August 2019. During the year, a new agreement was reached with Australia on an extension to RPC arrangements up to 30 June 2020. This provided a significant uplift in expected revenue that was able to be recognised in supplementary appropriations through the year.

Table 2 summarises the impact of supplementary appropriations through the year

Table 2: 2019-20 Supplementary Appropriations

	Revenue \$	Expenditure \$	Balance \$
2019-20 Approved Budget	146,030,911	145,716,127	314,784
Supplementary Appropriation No 1	4,100,000	4,090,019	9,981
Supplementary Appropriation No 2	7,727,194	7,559,033	168,161
Supplementary Appropriation No 3	56,933,332	56,653,842	279,490
Supplementary Appropriation No 4	17,672,789	17,672,172	617
Supplementary Appropriation No 5	17,138,620	17,078,871	59,749
2019-20 Revised Budget	249,602,846	248,770,064	832,783

Note: may not sum due to rounding

POLICY PRIORITIES FOR 2020-21

Nauru is in a period of economic transition. As the level of RPC activity winds down to an ‘enduring capability’, Nauru must seek to diversify its economy and sources of economic growth. Through this transition, the Government is committed to improving the resilience of the economy through addressing the productivity of social and economic infrastructure, resolving barriers to international financial markets, mitigating risks to food and supply security, alleviating cost of living pressures for households and maintaining government services at sustainable levels.

The Government’s policy priorities for 2020-21 include:

- Responsible economic management and macro-economic stability
- Cost of living and safety net initiatives
- Investment in infrastructure
- Maintaining government services
- Coronavirus response.

ECONOMIC OUTLOOK

The Treasury uses the IMF World Economic Outlook to inform its forecasts of economic activity. Economic activity in Nauru is expected to moderate over the rest of 2020 due to the COVID-19 pandemic, and recover in 2021 as global economic activity increases.

Table 3: Key Economic Indicators

Item	2018-19	2019-20	2020-21
Real GDP Growth (per cent change)	1	-1.7	1.3
Nominal GDP (\$A million)	167.4	164.6	169.1
Consumer prices (period average, per cent change)	3.9	1.5	1.7

Source: IMF World Economic Outlook April 2020

Prior to the pandemic, growth had slowed to 1 per cent (y/y) in 2019 from reduced phosphate mining, a moderation in fishing revenues and a slowdown in RPC activities.

As of May 2020, there were no confirmed cases of COVID-19 in Nauru and the IMF baseline assumption is that there is no local outbreak of the pandemic.

The April 2020 World Economic Outlook projects growth at -1.7 percent in 2020. The projection reflects a decline in port construction activity from supply chain disruptions, a contraction in services from the departure of expatriate workers and the negative impact of domestic containment measures that include a near-total ban on international flights and strict quarantining of all entering passengers.

Factors mitigating the growth impact of the pandemic include the softening of commodity prices, particularly fuel, and the significant size of the public sector as a source of aggregate demand and employment. This includes the impact of the Government's fiscal response to the pandemic.

Growth is expected to recover in 2021 as local and global containment measures ease, and construction and fishing activities resume. The decline in fuel and other commodity prices will alleviate pressure on the external accounts in 2020. Price increases are expected to be less than 2 per cent.

Risks to the outlook are skewed to the downside, given the implications of a Covid-19 outbreak in Nauru, and the capacity of the health sector to manage it.

External downside risks include a more protracted global slowdown from the pandemic that would further hamper demand for fishing licenses and negatively impact fiscal revenues. Volatility in global commodity prices could raise additional downside risks for fishing activity.

Nauru has been investing significantly in infrastructure and port development projects. Extended containment efforts and supply chain disruptions could delay these projects further with a stronger-than-expected impact on domestic activity.

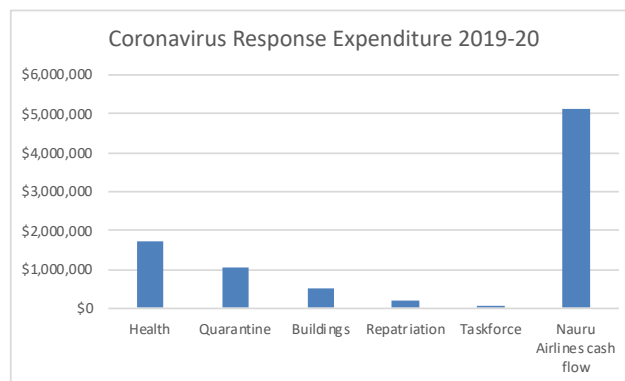
BOX 1: CORONAVIRUS RESPONSE

This box provides an overview of the Government's response to the Coronavirus pandemic.

On 16 March 2020, the Government implemented a State of Emergency and adopted a Capture and Contain policy to manage its response to the Coronavirus pandemic. This included restricting passenger flights to once every two weeks, and a compulsory hotel quarantine for all arriving passengers.

A Taskforce was established to coordinate the Government's response, with an initial budget of \$3.7 million (more detail in Table 26). The Government also provided emergency cash flow support to Nauru Airlines of \$5.1 million. Government operations continued as normal.

The chart below summarises expenditure by the Taskforce. These include health preparedness (medical equipment and supplies, testing facilities, consumables and PPE), quarantine costs (accommodation, food, security and administration), building work, repatriation and Taskforce costs. These initiatives are expected to continue into 2020-21.



In 2020-21, the Government is committing \$18.5 million to the Covid-19 response. This includes \$6 million for the Covid-19 Taskforce to cover:

- Health preparedness, including medical equipment and supplies, PPE, testing and other medical consumables (\$2 million)
- Quarantine costs such as accommodation, food, security and administration costs (\$2 million)
- Essential building works to upgrade various hospital facilities, including new acute ward, isolation, paediatrics and maternity ward improvements, flood control and improved procurement and storage of supplies (\$1.2 million)
- Repatriation and freight subsidies and other costs (\$0.4 million)
- Taskforce running costs (\$0.4 million).

In addition, the Government is also mitigating risks to food and supply security, by ensuring:

- regular air services for passengers and freight, through support for Nauru Airlines (\$9.2 million in additional cash flow through the CSO and freighter refurbishment contribution)
- regular sea freight services through the wet lease ship charter (\$2.1m) and Port charges CSO (\$1.2 million).

The total expected Government commitment in 2020 is expected to be in the order of \$27.4 million. \$6.8 million in donor support has been received to offset these costs: \$4.1 million from Australia, \$1.7 million from ROC Taiwan, \$0.5 million from ADB, \$0.5 million from New Zealand and \$0.03 from Japan.

FISCAL STRATEGY AND OUTLOOK

This section outlines Nauru's approach to fiscal management, and the medium-term fiscal strategy.

MEDIUM TERM FISCAL STRATEGY

The Government is committed to public financial management reform to support the efficient and effective allocation of public money. A key component is the need for macro-economic stability and responsible fiscal management. Accordingly, Nauru considers its annual budget settings in a medium-term context that takes account of key fiscal risks.

Nauru's medium-term outlook is highly uncertain, given its dependency on the future of the RPC. Current agreements between Nauru and Australia are short term, which makes future planning difficult. To support managing these risks, Nauru frames its annual budget to achieve:

- Macro-economic stability – ensuring an orderly adjustment process, with realistic estimates of expected revenue and expenditure that are adjusted through the year as better information becomes available, with expenditure reflecting Government policy priorities
- Progress against National Sustainable Development Strategy goals
- Prioritised investment in infrastructure, linked to the priorities identified in the Nauru Integrated Infrastructure Strategic Plan
- Improved efficiency and effectiveness in SOE operations
- Value for money expenditure.

Nauru's medium-term fiscal strategy is to maintain macro-economic stability through responsible budget management by achievement of:

- Three Fiscal responsibility ratios
- Contributions to the Nauru Intergenerational Trust Fund
- Resolution and management of debt liabilities to improve debt sustainability
- Infrastructure investment consistent with NIISP
- Improved SOE performance
- Sustainable government operations.

FISCAL RESPONSIBILITY RATIOS

Consistent with the Government's public financial management reform commitments, the Government has adopted the following fiscal responsibility ratios.

- Budget balance must be positive as a share of GDP – that is, the budget must be in surplus
- Personnel as a proportion of current expenditure must be below 30 per cent
- Fiscal cash buffer of two months non-RPC expenditure.

Performance against these ratios is summarised in the tables below.

Table 4: Fiscal responsibility ratios

Measure	Target	2018-19 Prelim Actual	2019-20 Revised Budget	2019-20 Actual	2020-21 Budget
Fiscal balance to GDP	not negative as % of GDP	14%	0.51%	22.34%	0.02%
Personnel cost ratio	Personnel cost to current expenditure <30%	24%	22%	18%	28%

Table 5: Fiscal cash buffer requirements

	Treasury available funds (\$)			
	Requirement (\$)	at 1 July 2019	at 30 Dec 2019	2020-21 Budget
Fiscal cash buffer at 30 June 2019	19,095,272	84,692,499		
Fiscal cash buffer at 30 December 2020	30,379,007		150,347,725	
Fiscal cash buffer for 2020- 21 Budget	31,565,083			124,541,242
<i>of which held in cash buffer funds</i>		11,092,498	25,212,945	29,245,854

NAURU INTERGENERATIONAL TRUST FUND (NTF)

The level of Government contributions to the Nauru Intergenerational Trust Fund (NTF) is set each budget consistent with the Memorandum of Understanding with Australia that underpins the Fund's operations. It is then updated in August following confirmation of actual revenue receipts.

In 2020-21, the contribution is assessed at \$23.3 million, or 10.1 per cent of 2019-20 adjusted revenue. A prepayment of \$6.7 million was made towards this obligation in 2019-20, leaving the outstanding balance of \$16.6 million to be appropriated in 2020-21.

Total contributions to date, and the composition of contributors to the trust fund is shown in Table 6.

Table 6: Nauru Trust Fund contributions

	ADB \$000	Australia \$000	Nauru \$000	New Zealand \$000	Taiwan \$000	Total \$000
To Mar - 18	2,634	9,928	42,174	1,855	10,635	67,226
To Jun - 18	2,634	12,067	42,174	1,855	10,635	69,365
To Sep - 18	2,634	12,067	59,132	1,855	10,635	86,323
To Dec - 18	2,634	12,067	59,132	1,855	10,635	86,323
To Mar - 19	2,634	12,067	59,132	1,855	13,438	89,126
To Jun - 19	2,634	13,567	61,705	2,796	13,438	94,140
To Sep - 19	2,634	13,567	61,705	2,796	13,438	94,140
To Dec - 19	2,634	13,567	70,253	2,796	13,438	102,688
To Mar - 20	2,634	13,567	75,409	2,796	16,445	110,851
To Jun - 20	2,634	16,437	85,581	3,736	16,445	124,833
Share	2.1%	13.2%	68.6%	3.0%	13.2%	100.0%

The Fund investment objectives are to achieve a return on inflation of more than 4.5 per cent over rolling ten year periods, and to have a risk of negative returns of no more than four years in every 20 years. With the global economic downturn related to Covid-19, the Fund is experiencing its first negative return year since its establishment. Investments at 31 March 2020 were valued at \$116.3 million, and the investment return for the year to 31 March 2020 was -4.3 per cent.

INFRASTRUCTURE PROJECTS

The 2020-21 Budget includes investment in infrastructure projects that have been assessed against the priority matrix identified in the NIISP. The aim is to achieve at least 50 per cent of agreed infrastructure investment initiatives from this plan. Proposed projects to be advanced in 2020-21 are listed below. All projects are priority projects in the NIISP.

- \$15.7 million towards completion of a new Port for Nauru
- \$2.6 million to continue with the Tank Farm refurbishment
- \$0.5 million towards repair and maintenance of classrooms
- \$1.2 million for health infrastructure, including new acute ward, isolation, paediatrics and maternity ward improvements, flood control and improved storage of supplies.

Projects to repair the ship moorings and resurface the runway are expected to be pursued with assistance from donors.

DONOR COMMITMENTS

Donor commitments are explained in more detail in Budget Paper No 2, and the Development Fund Projections Statement.

The Government anticipates Development Fund revenue and expenditure of \$22.4 million in 2020-21 up from an estimated \$14.9 million revenue and \$9.0 million expenditure in 2019-20. This does not include Aid-in-Kind contributions, estimated at \$84.3 million in 2020-21, compared with an estimated \$56.7 million in 2019-20.

The 2020-21 estimate reflects \$14.7 million in funds carried over from 2019-20 and \$7.6 million in expected new funds for 2020-21.

KEY FISCAL RISKS

The key fiscal risks for Nauru relate to the uncertainty around the future of the RPC, the world economic outlook and the impact of Covid-19.

One of the impacts of Covid-19 has been on the Port Project (see Box 2 for more detail). It is now expected to be delayed by up to twelve months. Key impacts of this include:

- Increased costs for GON in kind contributions to the project, including Project Management Units cost, CHEC lease cost and aggregate supply costs
- expenditure on repairing the damaged mooring, which can no longer wait for the project to be completed
- Increased expenditure on tug hire costs to support safe loading and unloading of vessels
- Port Contract-related costs payable to the CHEC as a result of any contract suspension
- Storage costs for plant and equipment scheduled to arrive in December 2020,
- Opportunity cost of lower prices for the sale of fuel due to a delay in tendering of the fuel supply contract, as well as securing better value sea freight services.

Total costs for a twelve month delay from completion at the end of 2020 to the end of 2021 could be in the order of \$18.9 million.

BOX 2: NAURU PORT PROJECT

The Nauru Sustainable Climate Resilient Project (known as the Port Project) is a grant aid project co-financed by the Asian Development Bank (ADB), the Green Climate Fund, The Government of Australia and the Government of Nauru. The Government of Japan is also contributing equipment for the new Port, such as reach stackers, trucks, tractors, lifting equipment and a tug boat.

The Government of Nauru's in-kind contribution includes supply of aggregate and sand, counterpart staff in the Project Management Unit, a revolving maintenance fund, land leases, taxes and duties as well as audit fees. The estimated value of the Government's contribution is summarised in the table below.

As of May 2020, the total estimated cost of the project was \$144 million, of which donors have contributed \$99.7 million (69 per cent), and Nauru is estimated to contribute \$44.3 million (31 per cent). All donor funds are committed.

Nauru's contribution is split between project costs managed through the ADB and Government in-kind contributions. The \$22.9 million in project contributions will be returned to the Government if it is not spent by the project. To date, it has not been committed and remains available to cover project costs. Any future project variations, or project costs for delays, will need to be met from this contribution.

The current estimate for Government in kind contributions is \$21.5 million. This is based on a completion date of early 2021. If the project is delayed until end 2021, Government in-kind costs will increase.

Port Contribution	USD	AUD
Project contribution	7,700,000	12,320,000
Contingency contribution	6,600,000	10,560,000
<i>Subtotal (project)</i>		<i>22,880,000</i>
Government In Kind cost estimates		
Maintenance fund	4,500,000	7,200,000
Duty exemption		1,102,500
PAN CSO		1,183,500
Project costs		2,224,633
NRC risk mitigation		1,648,000
Aggregate and sand		8,093,194
<i>Subtotal (in-kind)</i>		<i>21,451,827</i>
Total estimated GON contribution		44,331,827

The Port Project meets the NSDS strategy to refurbish and develop port infrastructure for vessel handling and to develop regular sea freight services.

ASSUMPTIONS & SENSITIVITY ANALYSIS

The key assumption underpinning the preparation of the 2020-21 Budget is that the RPC will maintain operations at similar levels to 2019-20 until December 2020.

The sensitivity of the budget estimates to a change in the expected duration of current arrangements is illustrated in Box 3. The 2019-20 Approved Budget assumed the RPC would close by the end of 2019 and move to an 'enduring capability'. However, a new agreement was reached with Australia that extended arrangements to 30 June 2020.

The impact of the new agreement was to increase revenues related to the RPC by around 180 per cent. This change underpinned *Supplementary Appropriation Act 2019-20 No 3*. A similar impact could be expected if the agreement is extended again.

However, if 'enduring capability' means a lower level of support than Nauru has enjoyed to date, this will require a significant adjustment in government operations. Such an adjustment will take time.

Box 3: REGIONAL PROCESSING CENTRE RELATED REVENUES

The RPC is the most significant driver of activity in Nauru, contributing to over half of government revenues. It is a key fiscal risk for Nauru.

The table below illustrates the scale of the risk, bringing together all the revenue lines that can be mainly attributed to the RPC and the level of economic activity that it generates. Without the RPC, these lines would be reduced by between 90 to 100 percent.

Many of the lines are significantly reduced in 2020-21 due to uncertainty around RPC arrangements. The exception is dividends, which reflects activity levels in 2019-21.

The current agreement between Nauru and Australia has been extended to December 2020, and this is reflected in the revenue estimates.

Description	2018-19 Preliminary Actual	2019-20 Approved Budget	2019-20 Revised Budget	2019-20 YTD Actual	2019-20 Forecast	2020-21 Approved Budget
	\$	\$	\$	\$	\$	\$
1015 - Income from Investments & Dividends-Others	1,746,867	-	1,542,649	2,250,330	2,250,330	7,150,000
1330 - Visa Check up	8,621	10,008	10,008	10,371	10,371	6,505
1335 - Visa Fees - RPC	831,200	5,600,000	2,600,000	1,899,000	1,899,000	480,000
1580 - Visa Fees - RPC Resettlement	16,574,430	3,600,000	13,600,000	15,358,434	15,358,434	3,600,000
1577 - DJBC - Operations	5,449,692	4,800	3,053,284	3,369,827	3,369,827	2,289,963
1578 - DJBC - Reimbursable Costs	16,880,850	2,397,474	20,343,599	18,933,723	20,343,599	15,257,699
1598 - Hosting Fee	-	-	-	-	-	36,983,331
1475 - Miscellaneous Revenue	5,755,107	5,034,100	30,138,455	31,915,444	31,915,444	7,370,900
1495 - Service Fees	27,035,253	3,780,470	20,134,100	17,785,198	20,134,100	10,088,678
1590 - Employment/Non-resident Withholding Tax	17,531,292	17,700,000	17,700,000	17,556,646	17,700,000	9,200,000
1591 - Business Profit Tax	22,199,748	13,800,000	37,500,000	42,884,858	42,884,858	22,280,000
Total	114,013,059	51,926,852	146,622,095	151,963,832	155,865,964	114,707,076
Share of total government revenue	50%	36%	59%	59%	59%	54%

In recognition of Covid-19 travel restrictions, the 2020-21 Budget provides limited provisions for business travel and the hosting of international meetings and conferences, for example, the Micronesia Presidents' Summit and PILON meetings. When these restrictions ease, Government will need to reconsider the budget provisions for these items. This could increase travel outlays by up to 75 per cent, depending on when the restrictions ease. Similarly, fees to host events will also increase.

BUDGET PRIORITIES

This section outlines key budget priorities for 2020-21.

The budget aggregates are summarised in the table below.

Table 7: Budget aggregates year to date (29 May 2020)

	2018-19 Preliminary Actual	2019-20 Approved Budget	2019 Supp Bills	2019-20 Revised Budget	2019-20 YTD Actual & Commitments	2019-20 Forecast	2020-21 Approved Budget
	\$	\$	\$	\$	\$	\$	\$
Revenue	229,600,058	146,030,911	103,571,935	249,602,846	256,000,003	264,242,135	210,483,272
Expenditure	207,011,640	145,716,127	103,053,936	248,770,063	219,232,733	248,770,063	210,444,381
Balance	22,588,418	314,784	517,999	832,783	36,767,269	15,472,072	38,891

2019-20 PERFORMANCE

The 2019-20 Budget was framed in uncertainty about the future of the RPC, and the implementation of the hybrid model of operations. The overall objective was to allocate adequate budgetary provisions necessary to sustain core government operations, continue to develop infrastructure, especially construction of the new port and NUC solar farm, as well as build resilience through making further investments to the Fiscal Cash Buffer and Nauru Intergenerational Trust Fund.

The initial approved budget anticipated modest revenue, with expenditure tailored to fit the expected inflows. In the event, a new agreement was reached with Australia just before the election, that extended the RPC for twelve months until 30 June 2020. This enabled the new incoming Government to recognise significant additional revenue in supplementary appropriations and progress new policy priorities through the rest of the year.

As of budget, the fiscal responsibility ratios have been met, and the 2019-20 budget is expected to finish in a surplus position. This reflects more revenue than expected being collected especially in fisheries and business tax.

2020-21 BUDGET PRIORITIES

The 2020-21 Budget has also been framed in uncertainty about the future of the RPC, with the current agreement being extended until 31 December 2020. Negotiations are ongoing with Australia as to arrangements beyond that. In addition, the impact of the Coronavirus Pandemic on world economic growth as well as a potential outbreak on Nauru adds further uncertainty.

To mitigate the risks to future prosperity, government initiatives must focus on improving the productivity of its investments in social and economic infrastructure, diversify the sources of economic growth and government revenue, resolve barriers to international financial markets, and maintain a sustainable level of essential services.

As the economy adjusts, the Government is committed to alleviating cost of living pressures for households, mitigating risks to food and supply security for Nauru, and investing in local capacity to improve Nauru's resilience and future opportunity.

Nauru is in a period of economic transition. 2019-20 has likely been a high point in government revenue collections, and they are unlikely to be as high into the future. The Government is mindful on the need to prepare for the future and smooth the adjustment to lower income.

The 2020-21 Budget has been framed to start the transition. This means:

- maintaining macro-economic stability
- easing cost of living pressures, especially for the most disadvantaged
- improving the productivity of social and economic infrastructure
- maintaining government services
- addressing Covid-19.

MACROECONOMIC STABILITY THROUGH RESPONSIBLE ECONOMIC MANAGEMENT

The Government remains committed to responsible economic management, with key initiatives in the 2020-21 budget framed against a medium-term fiscal strategy, and including:

- Retention of the three fiscal responsibility ratios
 - Budget balance
 - Personnel expenditure to current expenditure of less than 30 per cent
 - Cash buffer of up to two months adjusted expenditure held in the Government's bank account
- Maintenance of Nauru Trust Fund contributions at 10.1 per cent of non-pass through 2019-20 estimated revenue – a contribution of \$23.3 million, of which \$6.7 million has been prepaid in 2019-20, and \$16.6 million will be paid in 2020-21
- Undertaking a tax policy review in partnership with PFTAC to diversify sources of revenue and ensure long term sustainability and efficiency of revenue streams. This is expected to include new goods and excise taxes to replace import tax arrangements that will be impacted by Pacer Plus. Key principles of the reform include that any changes must be revenue neutral, simple, efficient and effective
 - Import duty on cigarettes and alcohol will be increased by 20 per cent from 1 July 2020
- Customs modernisation and the implementation of Pacer Plus
- Implementation of public financial management reform, including outsourced internal audit, upgrades to the financial management system and completion of outstanding whole of government financial statements
- Resolution of long-term government debt, with a stocktake and reconciliation of current debt obligations and a plan to address debt sustainability and facilitate access to donor and market financing in the future
 - \$6.8 million has been provided to resolve outstanding debts, including Bank of Nauru (BON) liquidation payments to Nauru Phosphate Royalties Trust for a Ronwan distribution (\$5.8 million) and BON bank book deposit holders (\$1 million)
- \$8.9 million has been provided in the fiscal cash buffer to cover any urgent or unforeseen events that might arise in 2020-21.

COST OF LIVING AND SAFETY NET

The Government is concerned to ease cost of living pressures for households, especially for the most disadvantaged. Initiatives in this budget include:

- \$5.6 million has been provided for Nauru Community Housing to support continued investment in improving and increasing Nauru's housing stock
- \$2 million has been provided to the Department of Infrastructure Development to invest in new house construction, including provision of roofing to concrete slabs delivered in 2019-20 and commencement of a Smart Village Pilot
- \$7.2 million has been provided for a new Community Service Obligation (CSO) regime with key SOEs to supplement their income in recognition of the cost of providing affordable electricity, regular air-freight services and keeping Port user charges at affordable rates. The CSO revenue should support the SOEs to at least break even, and have flow on benefits to customers.
 - The Nauru Utilities Corporation (NUC) CSO will provide a discounted residential life-line pre-pay tariff for up to 200 kw/hrs, supporting reductions in residential tariff rates.
 - In 2020-21, the residential pre-pay lifeline tariff will be reduced from 25c to 22c, reducing the monthly household electricity bill by 12 per cent from \$50 to \$44 for customers that rely on this tariff
 - The pre-pay residential tariff will also fall from 50 cents kw/hr to 47 cents, and the post-pay residential tariff will be reduced from 50 cents to 48 cents a kw/hr. All other tariffs will remain the same
 - NUC will also explore opportunities to improve household energy efficiency, as well as continue to reduce the carbon intensity of the energy it generates, through progressing the construction of additional solar generating capacity
 - Nauru Airlines Corporation (NAC) will provide regular and affordable air freight services with a once weekly freighter service from Brisbane or Fiji at pre-Covid-19 rates. This CSO will cover the empty return journey for freight services, to ensure the service continues to be provided despite travel restrictions related to Covid-19
 - Nauru Maritime and Port Authority (NMPA) will keep stevedoring and wharf charges at pre-Covid-19 levels to support sea freight affordability. The CSO will support NMPA to fully recover its costs through revenues.
- \$0.7 million is provided for a new Back to School payment of \$50 per child per term, to ensure that parents can purchase necessary school items to outfit children with uniforms, shoes and other items to be 'school ready'. This is available for students enrolled in Nauru who have a good school attendance record.
- Aged and disability pensions will be increased by \$50 a fortnight from 1 July 2020, bringing the total provided for these pensions to \$5.5 million for 2020-21.

INFRASTRUCTURE

The Government is pursuing the following infrastructure related initiatives in 2020-21. All these projects are listed as priorities in the Nauru Integrated Infrastructure Strategic Plan.

- \$15.7 million is provided in 2020-19 for the Port Project, now expected to be completed by the end of 2021.
- \$2.6 million is provided to continue the Tank Farm refurbishment
- \$1.2 million has been provided through the Covid-19 Taskforce to support improved health facilities, including a new acute ward, flood mitigation, paediatric ward, oxygen plant expansion and hospital warehouse and stores
- \$0.5 million is provided to repair classrooms and improve school facilities
 - Seven new school buses have also been purchased to support children to get to school.
- \$1 million is provided to Nauru Rehabilitation Corporation (NRC) to support land clearing.

The Government is also exploring repairing the Port mooring system to mitigate risks to loading and unloading ships until the new Port is constructed. This is expected to cost in the order of \$6.8 million, and may be pursued with donor assistance. It is also working with Australia on a project to resurface the aerodrome runway.

The Government will also commence a re-tender of the fuel supply contract for Nauru. The testing of the market for operation and supply for fuel supplies will ensure Nauru obtains the best value fuel by international standards.

This process will commence in June 2020 with new arrangements finalised to coincide with completion of the Port Project.

Nauru has now converted to supply of cleaner 10 parts ppm (low sulphur) diesel fuel, to be rolled out to the retail market in June 2020. This along with the new Port and additional solar power coming on line will assist Nauru in meeting its global commitment to reducing greenhouse gas emissions.

MAINTAINING GOVERNMENT SERVICES

Notwithstanding the uncertain economic environment, the Government will continue to provide business as usual services to the public.

Public service salaries will be increased in 2020-21. This is the first increase since 1 July 2018. It includes providing significant increases in teacher salaries to support improved learning outcomes, as well as risk and hazard allowances for those exposed to medical or hygiene risks.

From 29 June 2020, the Government will increase the minimum amount paid in the public service to at least meet the 'basic wage' as defined by the Nauru Bureau of Statistics at \$351 per fortnight (\$9,126 a year). The basic wage is calculated based on the cost of living considering essential items.

The current gross pay for Band 1 employees is \$339.96 a fortnight, inclusive of 5 per cent superannuation (\$8,838.96 a year).

After a review of salaries to lift the minimum and to remove discrepancies between salary bands, the following increases to the public service pay bands have been agreed:

- Band 1: 10 per cent
- Band 2 to 4: 8 per cent
- Band 5 to 6: 6 per cent

- Band 7 to 17: 8 per cent.

After the change, the gross basic salary (inclusive of superannuation) will be \$373.97 a fortnight inclusive of 5 per cent superannuation (\$9,723.22 a year).

In addition to the overall pay increase, the Government has increased allowances for front line staff, including, medical staff, cleaners, immigration, quarantine, customs and police officers. Teachers and medical staff have also received additional pay increases related to their qualifications.

Gross fortnightly pay for a selection of positions is shown in Table 8.

Table 8: Public service wage overview

Item	Current Gross Pay		New Pay Scale		Change
	Fortnight	Annual	Fortnight	Annual	
	\$	\$	\$	\$	
Basic wage	351.00	9,126.00			
Band 1	339.96	8,838.96	373.97	9,723.22	10%
Police constable	407.76	10,601.76	471.08	12,248.08	16%
Graduate nurse (certificate)	454.20	11,809.20	571.64	14,862.64	26%
Graduate nurse (degree and diploma)	483.50	12,571.00	617.37	16,051.62	28%
Teacher (certificate)	521.68	13,563.68	571.64	14,862.64	10%
Teacher (diploma)	552.17	14,356.42	617.37	16,051.62	12%
Teacher (degree)	552.17	14,356.42	666.64	17,332.64	21%

There is no pay increase for staff in the Department of Multicultural Affairs or for those staff that receive special salaries.

Other initiatives include:

- \$3.3 million provided to hire tug-boats to support ship loading and unloading
- \$3.1 million is provided for Clean and Green community clean-up projects
- \$0.2 million is provided to capture Nauruan language for future generations, address petrol sniffing, support early childhood community workshops, implement domestic violence legislation, undertake disability awareness sessions, etiquette training for children and a National Aroeni Day to support cultural diversity
- Investment in the safe house is underway, to ensure that it is 'safe' and fit for purpose
- Investment to improve Nauruan passports to be able to be scanned in international airports
- Measures to improve the efficiency and effectiveness of SOEs including:
 - Implementation of the Public Enterprise Act 2019
 - The new CSO framework to recognise the social obligations Government requires of some SOEs
 - \$4.5 million in cashflow support for Nauru Airlines to convert one of its aircraft to a freighter.

The Government is also investing in health services with the following measures:

- \$2.5 million in additional funds to increase health salaries and allowances for existing and new medical staff, including the return of Cuban doctors. This will bring total staff salary costs to \$7.2 million, and should reduce the need for overseas medical referrals.

- \$0.3 million is provided to strengthen primary health care services, to reduce the burden of non-communicable diseases and reverse NCD complications.
- Improvements to local health implementation capacity through revamping the Nauru Health Professional Training Institute to commence Island delivery of nursing and public health training in partnership with universities in Fiji and Australia.

Increased investment in health preparedness and critical infrastructure is being provided through the Covid-19 Taskforce.

The 2020-21 budget also includes measures for education to improve learning outcomes. These are explained in more detail in Box 4.

CORONAVIRUS RESPONSE

The Coronavirus pandemic has created significant uncertainty for Nauru, both in terms of the economic impact as well as the health and human impact of a potential outbreak. The Government's Capture and Contain strategy has so far ensured that Nauru remains Covid-19 free.

A dedicated Covid-19 Taskforce has been established to coordinate and manage the Government's response to pandemic. This Taskforce will continue into 2020-21, with \$6 million provided in the budget to support:

- Health preparedness, including medical equipment and supplies, PPE and improved procurement and storage of supplies (\$2.0 million)
- Quarantine costs, including accommodation, food, security and administration costs (\$2.0 million)
- Essential building works to upgrade various hospital facilities, including new acute ward, isolation, paediatrics and maternity ward improvements, flood control and improved procurement and storage of supplies (\$1.2 million)
- Repatriation, freighter and other costs (\$0.4 million)
- Taskforce running costs (\$0.4 million).

In addition, the Government is mitigating risks to food supply and delivery by ensuring that there is at least one air-freight service a week, and regular sea freight services at reasonable cost. This includes \$2.1 million for a wet-lease charter to provide reliable and affordable sea freight services.

The outlook for 2020-21 is highly uncertain, with RPC arrangements only confirmed until December 2020, and the full impact of the Coronavirus Pandemic yet to be seen.

The 2020-21 Budget has been framed to support Nauru to manage this uncertainty and improve its resilience through responsible economic management, easing cost of living pressures, especially for the most disadvantaged, improving the productivity of social and economic infrastructure, maintaining government services and responding effectively to Covid-19.

The 2020-21 Budget builds on the strong performance in 2019-20. The expected surplus balance at the end of 2019-20 will be used to build up cash reserves at the bank. These, together with the existing cash buffer provisions should ensure Nauru has sufficient liquidity to manage the uncertainties in the year ahead.

BOX 4: ACHIEVING BETTER LEARNING OUTCOMES

The Government is committed to supporting children obtain a good education, and achieving National Sustainable Development Strategy aspirations to empower citizens through education. Unfortunately learning outcomes are not where they need to be – school attendance is on average 40 per cent, teacher student ratios are poor, classrooms are over-crowded and often in poor repair, supplies arrive late.

The Government is committed to removing these obstacles to learning, and the 2020-21 Budget includes measures to improve learning outcomes:

- \$0.8 million increase in teacher salaries and allowances for caretakers and toilet cleaners. This should help to attract Nauruan teachers back to the classroom, and reward those that advance their education. This will help the student-teacher ratio
- Provision of nutritious school lunches with continuation of the school lunch program (rations \$2.2 million)
- A new back to school payment of \$50 per child per term, to ensure that parents can purchase necessary school items to outfit children with uniforms, shoes and other items to be 'school ready' (\$0.7 million in 2019-20)
- Purchase of 7 new school buses to get children to school on time (\$0.9 million)
- \$0.5 million is provided to repair classrooms and improve school facilities
- \$0.3 million for school supplies, to ensure that books and learning materials are available to students at all school levels
- \$0.1 million for the NEAT scheme to support students that complete year 12.
- Increase in scholarships to \$2.2 million to allow funding for an additional 17 students to bring the total to 30 students sponsored by the Government of Nauru to study in Fiji or Australia: 20 year 8 student scholarships (10 each in Australia and Fiji), five for year 9 in Australia, and five for year 12 in Australia.

Donors are also supporting the sector, with Australia and New Zealand working together with Nauru on a new design for the Development Funding Agreement, expected to be completed by December 2020. Current DFAs have been extended until then. Australia also sponsors an additional five year 9 scholarships. This brings the total number of Nauruan student, sponsored to complete high school abroad to 35.

The Government is also investing in supporting youth to learn key life skills with investment in adult learning including:

- \$0.03 million is provided for a \$150 weekly study allowance for up to 15 students participating in the Life Skills program, supporting full-time attendance by students. This is an eight-month program including two months of work experience. The Life Skills Program targets youth who either drop-out of school or are unemployed, creating an opportunity to learn basic English, maths and office work skills, such as computing, as well as vocational skills such as carpentry welding, sewing and art.

REVENUE

This section provides an overview of revenue performance in 2019-20 and expected revenue for 2020-21.

In 2020-21, revenue is expected to be lower than in 2019-20 reflecting RPC uncertainty, the global economic outlook and the impact of Covid-19.

Table 9: Revenue aggregates

Description	2018-19 Preliminary Actual	2019-20 Revised Budget	2019-20 YTD Actual	2019-20 Forecast	2020-21 Approved Budget	2019-20 Budget to 2020-21 Change
	\$	\$	\$	\$	\$	%
Dividends	1,746,867	1,542,649	2,250,330	2,250,330	7,150,000	363%
Fishing licences	71,373,771	63,007,577	73,106,961	73,106,961	54,530,000	-13%
Import duties	17,867,967	14,654,707	16,290,965	16,290,965	16,136,746	10%
Visa fees	20,290,613	18,210,008	19,343,274	19,343,274	5,986,505	-67%
Tax	41,892,320	57,500,000	62,776,358	62,919,712	33,480,000	-42%
Non-Tax	65,138,606	81,171,351	76,805,135	80,563,913	75,360,021	-7%
Grants	11,289,912	13,516,554	5,426,980	9,766,980	17,840,000	32%
Total	229,600,058	249,602,846	256,000,003	264,242,135	210,483,272	-16%

In 2019-20 revenue collections were stronger than expected for all categories, except non-tax revenue and grants. This reflected a smaller than expected impact of Covid-19 on fisheries and taxation revenue, and a change in timing of the ADB policy based grant from 2019-20 to 2020-21.

REVENUE MEASURES

In 2020-21 the Government is seeking to reform its tax arrangements, and increase import duty on cigarettes and alcohol by 20 per cent from 1 July 2020.

FISHERIES REVENUE

Fishing revenues performed strongly in 2019-20 but are expected to decline in 2020-21 due to the global economic downturn and the resultant impact on demand for fishing licences and fishing days.

Table 10: Fishing Revenue

Description	2018-19 Preliminary Actual	2019-20 Revised Budget	2019-20 YTD Actual	2019-20 Forecast	2020-21 Approved Budget
	\$	\$	\$	\$	\$
1055 - Support Vessel Charges	278,483	205,755	326,526	326,526	230,000
1071 - Purse Seine Revenue - Licensing	1,447,472	1,159,711	1,735,140	1,735,140	1,300,000
1072 - Purse Seine Revenue - Fishing Days	69,647,816	61,642,111	71,045,295	71,045,295	53,000,000
Total Fisheries Revenue	71,373,771	63,007,577	73,106,961	73,106,961	54,530,000

TAX REVENUE

Total tax revenue is expected to be lower in 2020-21, reflecting the uncertainty around the RPC operations and global economic outlook due to Covid-19.

In 2019-20 tax revenue performance was better than expected due to higher RPC activity.

Table 11: Tax Revenue

Description	2018-19 Preliminary Actual	2019-20 Revised Budget	2019-20 YTD Actual	2019-20 Forecast	2020-21 Approved Budget
	\$	\$	\$	\$	\$
1190 - Telecom Tax	2,161,281	2,300,000	2,334,854	2,334,854	2,000,000
1590 - Employment/Non-resident Withholding Tax	17,531,292	17,700,000	17,556,646	17,700,000	9,200,000
1591 - Business Profit Tax	22,199,748	37,500,000	42,884,858	42,884,858	22,280,000
Total Tax Revenue	41,892,320	57,500,000	62,776,358	62,919,712	33,480,000

CUSTOMS DUTIES

Customs duties are expected to increase in 2020-21, reflecting the increase in import duty on tobacco and alcohol offsetting the expected reduction in fuel related duties due to lower world oil prices.

Table 12: Customs Duties

Description	2018-19 Preliminary Actual	2019-20 Revised Budget	2019-20 YTD Actual	2019-20 Forecast	2020-21 Approved Budget
	\$	\$	\$	\$	\$
1140 - Customs and Excise Duty - Tobacco	5,338,101	4,772,288	5,104,379	5,104,379	5,726,746
1145 - Customs and Excise Duty - Alcohol	1,133,629	1,460,000	1,422,135	1,422,135	2,040,000
1150 - Customs and Excise Duty - Sugar	851,084	642,419	806,045	806,045	920,000
1155 - Customs and Excise - Machinery/Vehicle/Equip.	1,096,543	680,000	953,582	953,582	830,000
1160 - Customs and Excise Duty - Other	2,676,933	2,800,000	2,236,429	2,236,429	2,100,000
1165 - Customs and Excise Duty - Petrol Sales	2,238,392	2,200,000	2,105,623	2,105,623	1,800,000
1170 - Customs and Excise Duty - Diesel Sales	4,323,557	2,000,000	3,662,772	3,662,772	2,700,000
1175 - Customs and Excise Duty - JetA1	209,729	100,000	-	-	20,000
Total Customs and Excise Duty Revenue	17,867,967	14,654,707	16,290,965	16,290,965	16,136,746

VISA REVENUE

Visa revenues are expected to reduce significantly in 2020-21 due to the wind down of the RPC.

Table 13: Visa Revenue

Description	2018-19 Preliminary Actual	2019-20 Revised Budget	2019-20 YTD Actual	2019-20 Forecast	2020-21 Approved Budget
	\$	\$	\$	\$	\$
1330 - Visa Check up	8,621	10,008	10,371	10,371	6,505
1335 - Visa Fees - RPC	831,200	2,600,000	1,899,000	1,899,000	480,000
1575 - Visa Fees (Other Business)	2,876,362	2,000,000	2,075,469	2,075,469	1,900,000
1580 - Visa Fees - RPC Resettlement	16,574,430	13,600,000	15,358,434	15,358,434	3,600,000
Total Visa Fees	20,290,613	18,210,008	19,343,274	19,343,274	5,986,505

GRANTS, DIVIDENDS AND FINANCING

Expected revenue from grants and dividends is higher in 2020-21, reflecting dividends from State Owned Enterprises including the Post Office, Eigigu Holdings Corporation and Eigigu Solutions Corporation, as well as returns from the investment in Digicel.

General Budget Support income is higher due to a change in the timing of the payment of the ADB policy-based grant related to the Improving Public Investment Management Program. This is now expected in July 2020 rather than June 2020.

Table 14: Grants, Dividends and Financing

Description	2018-19 Preliminary Actual	2019-20 Revised Budget	2019-20 YTD Actual	2019-20 Forecast	2020-21 Approved Budget
	\$	\$	\$	\$	\$
1015 - Income from Investments & Dividends-Others	1,746,867	1,542,649	2,250,330	2,250,330	7,150,000
1660 - General Budget Support	4,256,757	13,516,554	5,426,980	9,766,980	17,840,000
1901 - Exim Loan Equipment Receipt	7,033,156	-	-	-	-
Total Grants, Dividends and Financing	13,036,780	15,059,203	7,677,310	12,017,310	24,990,000

NON TAX REVENUE

Total non-tax revenue collections are expected to be similar to 2020-21. Lower income from travel related lines is expected to be offset by other income, especially hosting fees. These relate to the hosting of the RPC, and were previously included in miscellaneous revenue.

Table 15: Non Tax Revenue

Description	2018-19 Preliminary Actual	2019-20 Revised Budget	2019-20 YTD Actual	2019-20 Forecast	2020-21 Approved Budget
	\$	\$	\$	\$	\$
1121 - Curator fees	175,562	5,000	21,448	21,448	5,000
1215 - Licenses-Drivers etc	80,345	100,000	95,022	95,022	80,000
1220 - Corporation Fees and Licenses	177,625	130,000	119,850	119,850	120,000
1225 - Licenses-Trading	345,604	280,000	532,410	532,410	500,000
1230 - Liquor Licensing Board	28,629	28,500	15,528	15,528	16,000
1235 - Gaming / Bingo Licenses	378,173	420,000	219,666	219,666	280,000
1260 - Birth Certificate	26,410	15,505	23,971	23,971	22,000
1265 - Death Certificate	720	340	780	780	650
1270 - Marriage Certificate	3,050	1,730	2,830	2,830	2,800
1300 - Registration Fees-Motor Cars	68,207	68,709	77,353	77,353	68,000
1305 - Registration Fees-Motorcycles	4,965	6,036	5,815	5,815	5,500
1310 - Vehicle/Insurance Fees	182,313	-	244,290	244,290	200,000
1325 - Passport Fees and Photographs	315,117	180,000	162,580	162,580	170,000
1340 - Police Clearance	49,095	45,000	50,960	50,960	40,000
1360 - D.C.A-Pax Levy	1,845,600	1,871,520	872,075	872,075	580,000
1365 - D.C.A.-Departure Taxes	1,746,500	1,780,740	748,600	748,600	500,000
1370 - D.C.A.-Air Navigation Fees	984,842	902,652	326,563	326,563	220,000
1375 - D.C.A.-Landing Fees	1,073,036	1,106,664	629,580	629,580	250,000
1380 - D.C.A.-Rental Fees	133,098	133,728	122,548	122,548	46,000
1400 - Port Fees	1,239,511	224,989	357,684	357,684	-
1420 - Warehouse sales	30,158	-	-	-	-
1475 - Miscellaneous Revenue	5,755,107	30,138,455	31,915,444	31,915,444	7,370,900
1480 - Bus Services	2,364	1,200	1,595	1,595	1,200
1485 - Quarantine Fees	46,650	60,000	37,696	37,696	36,000
1490 - Court Fines and Fees	855,118	15,000	18,784	18,784	17,000
1495 - Service Fees	27,035,253	20,134,100	17,785,198	20,134,100	10,088,678
1500 - Sale of Maps	9,820	-	10,190	10,190	7,000
1520 - Food Handler Check up	6,000	4,800	6,440	6,440	6,000
1525 - PO Box Rentals	-	-	240	240	-
1530 - Philatelic Bureau Sales	-	-	1,330	1,330	-
1540 - Advertising Revenue	6,044	30,000	6,534	6,534	30,000
1550 - Canteen Fees	500	-	-	-	-
1555 - Spectacles,Drugs etc	880	1,000	2,045	2,045	2,000
1565 - Medical Services	4,401	4,800	3,315	3,315	2,300
1577 - DJBC - Operations	5,449,692	3,053,284	3,369,827	3,369,827	2,289,963
1578 - DJBC - Reimbursable Costs	16,880,850	20,343,599	18,933,723	20,343,599	15,257,699
1596 - Traffic Infringements	-	-	-	-	50,000
1597 - TVET Course Fees	-	-	-	-	30,000
1598 - Hosting Fee	-	-	-	-	36,983,331
1675 - Repayment of Business loans(CIE)	750	-	-	-	-
1700 - National/District Roll Sales	3,600	8,000	5,470	5,470	2,000
1705 - Electoral Various Fees	193,020	76,000	77,750	77,750	80,000
Total Non Tax Revenue	65,138,606	81,171,351	76,805,135	80,563,913	75,360,021

TABLE 16: REVENUE BY DEPARTMENT

Department	2018-19 Prior Year Actual \$	2019-20 Current Year Revised Budget \$	2019-20 Actual Year to Date \$	2019-20 Forecast \$	2020-21 Approved Budget \$
03 - Chief Secretariat	224,716	46,075	140,019	140,019	41,450
04 - Post and Philately	0	0	1,570	1,570	0
07 - GON WareHouse	30,158	0	0	0	0
09 - Electoral Commission	198,162	86,000	113,650	113,650	84,000
11 - Finance Secretariat	1,357,411	10,000	0	0	10,000
12 - Finance -Public Debt	7,039,659	0	0	0	0
15 - Nauru Revenue Office	42,350,638	58,020,000	63,091,046	63,234,400	33,840,000
16 - Finance - Other Payments	8,348,989	16,756,554	7,832,082	12,172,082	24,230,000
17 - Nauru Customs Office (NCO)	17,868,127	14,654,707	16,290,965	16,290,965	16,136,746
18 - Nauru Regional Processing Centre (NRPCC) Corporation	27,000,000	20,100,000	19,768,318	22,117,220	10,067,050
21 - CIE	5,750	7,500	4,875	4,875	5,000
31 - Fisheries	72,233,015	63,007,577	73,206,324	73,206,324	54,530,000
41 - Police	50,895	46,800	92,635	92,635	91,800
42 - Department of Multicultural Affairs	40,222,775	66,325,548	66,632,454	68,042,330	66,672,993
43 - Justice - Secretariat	698,611	415,000	674,208	674,208	625,000
44 - Judiciary	29,845	15,000	18,784	18,784	17,000
45 - Border Control	3,238,659	2,240,000	2,275,745	2,275,745	2,106,000
50 - Directorate of TVET	26,900	58,500	26,394	26,394	30,000
51 - Education	500	0	0	0	0
61 - Health	49,880	47,008	37,840	37,840	36,533
62 - Sports	15,000	0	2,800	2,800	0
81 - Home Affairs	0	0	24,041	24,041	0
83 - Media Bureau	6,044	30,000	6,534	6,534	30,000
84 - Lands & Survey	9,820	7,000	10,190	10,190	7,000
85 - Lands Committee	3,480	2,000	2,090	2,090	2,000
91 - Transport Secretariat	6,072,969	5,903,769	3,070,769	3,070,769	1,910,700
93 - Maritime Transport	1,316,307	271,159	417,857	417,857	0
95 - ICT	1,200,918	1,552,649	2,258,814	2,258,814	10,000
99 - Balance Sheet	830	0	0	0	0
Total	229,600,058	249,602,846	256,000,003	264,242,135	210,483,272

TABLE 17: REVENUE BY NATURAL ACCOUNT

Account	2018-19 Prior Year Actual \$	2019-20 Current Year Revised Budget \$	2019-20 Actual Year to Date \$	2019-20 Forecast \$	2020-21 Approved Budget \$
1015 - Income from Investments & Dividends-Others	1,746,867	1,542,649	2,250,330	2,250,330	7,150,000
1055 - Support Vessel Charges	278,483	205,755	326,526	326,526	230,000
1071 - Purse Seine Revenue - Licensing	1,447,472	1,159,711	1,735,140	1,735,140	1,300,000
1072 - Purse Seine Revenue - Fishing Days	69,647,816	61,642,111	71,045,295	71,045,295	53,000,000
1121 - Curator fees	175,562	5,000	21,448	21,448	5,000
1140 - Customs and Excise Duty - Tobacco	5,338,101	4,772,288	5,104,379	5,104,379	5,726,746
1145 - Customs and Excise Duty - Alcohol	1,133,629	1,460,000	1,422,135	1,422,135	2,040,000
1150 - Customs and Excise Duty - Sugar	851,084	642,419	806,045	806,045	920,000
1155 - Customs and Excise - Machinery/Vehicle/Equip.	1,096,543	680,000	953,582	953,582	830,000
1160 - Customs and Excise Duty - Other	2,676,933	2,800,000	2,236,429	2,236,429	2,100,000
1165 - Customs and Excise Duty - Petrol Sales	2,238,392	2,200,000	2,105,623	2,105,623	1,800,000
1170 - Customs and Excise Duty - Diesel Sales	4,323,557	2,000,000	3,662,772	3,662,772	2,700,000
1175 - Customs and Excise Duty - JetA1	209,729	100,000	0	0	20,000
1190 - Telecom Tax	2,161,281	2,300,000	2,334,854	2,334,854	2,000,000
1215 - Licenses-Drivers etc	80,345	100,000	95,022	95,022	80,000
1220 - Corporation Fees and Licenses	177,625	130,000	119,850	119,850	120,000
1225 - Licenses-Trading	345,604	280,000	532,410	532,410	500,000
1230 - Liquor Licensing Board	28,629	28,500	15,528	15,528	16,000
1235 - Gaming / Bingo Licenses	378,173	420,000	219,666	219,666	280,000
1260 - Birth Certificate	26,410	15,505	23,971	23,971	22,000
1265 - Death Certificate	720	340	780	780	650
1270 - Marriage Certificate	3,050	1,730	2,830	2,830	2,800
1300 - Registration Fees-Motor Cars	68,207	68,709	77,353	77,353	68,000
1305 - Registration Fees-Motorcycles	4,965	6,036	5,815	5,815	5,500
1310 - Vehide/Insurance Fees	182,313	0	244,290	244,290	200,000
1325 - Passport Fees and Photographs	315,117	180,000	162,580	162,580	170,000
1330 - Visa Check up	8,621	10,008	10,371	10,371	6,505
1335 - Visa Fees - RPC	831,200	2,600,000	1,899,000	1,899,000	480,000
1340 - Police Clearance	49,095	45,000	50,960	50,960	40,000
1360 - D.C.A-Pax Levy	1,845,600	1,871,520	872,075	872,075	580,000
1365 - D.C.A.-Departure Taxes	1,746,500	1,780,740	748,600	748,600	500,000
1370 - D.C.A.-Air Navigation Fees	984,842	902,652	326,563	326,563	220,000
1375 - D.C.A.-Landing Fees	1,073,036	1,106,664	629,580	629,580	250,000
1380 - D.C.A.-Rental Fees	133,098	133,728	122,548	122,548	46,000
1400 - Port Fees	1,239,511	224,989	357,684	357,684	0
1420 - Warehouse sales	30,158	0	0	0	0
1475 - Miscellaneous Revenue	5,755,107	30,138,455	31,915,444	31,915,444	7,370,900
1480 - Bus Services	2,364	1,200	1,595	1,595	1,200
1485 - Quarantine Fees	46,650	60,000	37,696	37,696	36,000
1490 - Court Fines and Fees	855,118	15,000	18,784	18,784	17,000
1495 - Service Fees	27,035,253	20,134,100	17,785,198	20,134,100	10,088,678
1500 - Sale of Maps	9,820	0	10,190	10,190	7,000
1520 - Food Handler Check up	6,000	4,800	6,440	6,440	6,000
1525 - PO Box Rentals	0	0	240	240	0
1530 - Philatelic Bureau Sales	0	0	1,330	1,330	0
1540 - Advertising Revenue	6,044	30,000	6,534	6,534	30,000
1550 - Canteen Fees	500	0	0	0	0
1555 - Spectacles,Drugs etc	880	1,000	2,045	2,045	2,000
1565 - Medical Services	4,401	4,800	3,315	3,315	2,300
1575 - Visa Fees (Other Business)	2,876,362	2,000,000	2,075,469	2,075,469	1,900,000
1577 - DJBC - Operations	5,449,692	3,053,284	3,369,827	3,369,827	2,289,963
1578 - DJBC - Reimbursable Costs	16,880,850	20,343,599	18,933,723	20,343,599	15,257,699
1580 - Visa Fees - RPC Resettlement	16,574,430	13,600,000	15,358,434	15,358,434	3,600,000
1590 - Employment/Non-resident Withholding Tax	17,531,292	17,700,000	17,556,646	17,700,000	9,200,000
1591 - Business Profit Tax	22,199,748	37,500,000	42,884,858	42,884,858	22,280,000
1596 - Traffic Infringements	0	0	0	0	50,000
1597 - TVET Course Fees	0	0	0	0	30,000
1598 - Hosting Fee	0	0	0	0	36,983,331
1660 - General Budget Support	4,256,757	13,516,554	5,426,980	9,766,980	17,840,000
1675 - Repayment of Business loans(CIE)	750	0	0	0	0
1700 - National/District Roll Sales	3,600	8,000	5,470	5,470	2,000
1705 - Electoral Various Fees	193,020	76,000	77,750	77,750	80,000
1901 - Exim Loan Equipment Receipt	7,033,156	0	0	0	0
Total	229,600,058	249,602,846	256,000,003	264,242,135	210,483,272

EXPENDITURE

Expenditure in the 2020-21 Budget is expected to be lower than 2019-20, reflecting the impact of the uncertainty around the RPC, and the need for expenditure restraint to meet the fiscal responsibility ratios.

Table 18: Expenditure Aggregates

Description	2018-19 Preliminary Actual \$	2019-20 Revised Budget \$	2019-20 YTD Actual \$	2020-21 Approved Budget \$	2019-20 Budget to 2020-21 Change %
Personnel	36,338,601	43,467,245	30,665,506	44,489,279	2%
Government Travel	5,375,847	8,745,541	7,349,729	2,556,955	-71%
Subsidies & Donations	22,311,627	46,549,375	45,938,484	20,916,602	-55%
Government Operations	77,462,565	83,536,393	72,951,223	76,124,736	-9%
Capital Expenditure	20,776,552	23,460,684	20,874,845	18,260,271	-22%
Social Benefits	12,626,253	14,760,270	13,703,457	15,082,397	2%
Other	412,610	683,287	410,510	693,715	2%
Non-expense items	31,707,583	27,567,268	27,338,980	32,320,426	17%
Total	207,011,640	248,770,063	219,232,733	210,444,381	-15%

PERSONNEL COSTS

Personnel costs are expected to be higher in 2020-21 reflecting the public service wage increase.

Table 19: Personnel costs

Description	2018-19 Preliminary Actual \$	2019-20 Revised Budget \$	2019-20 YTD Actual \$	2020-21 Approved Budget \$
2005 - Salaries & Allowances - (MP's)	996,228	1,707,706	1,309,060	1,260,698
2010 - HE Salary & Allowances	100,032	105,034	93,491	105,034
2015 - Salary - Local	20,410,691	25,977,937	18,138,365	27,974,432
2020 - Salary Expatriate	8,669,984	9,476,302	6,772,963	9,702,826
2025 - Allowances - Staff Contract	1,702,546	1,550,103	1,121,387	1,380,394
2026 - Directors Fees	14,070	34,500	12,600	39,300
2035 - Overtime - local	784,219	1,043,199	739,294	664,104
2040 - Staff Training	845,341	1,185,553	694,326	1,020,661
2041 - Prep & Orientation of Seasonal Workers	-	-	-	100,000
2045 - Recruitment	30,991	43,500	14,996	30,000
2050 - Uniforms & Protective Clothing	280,057	324,872	234,511	244,874
2072 - Meals and Drinks - Staff	88,126	185,623	155,104	134,040
2651 - GON Contributions	2,416,316	1,832,916	1,379,411	1,832,916
Total Personnel Expenditure	36,338,601	43,467,245	30,665,506	44,489,279

GOVERNMENT TRAVEL

A key change in 2020-21 is the reduction in government travel. This reflects Covid-19 travel restrictions.

Table 20: Government Travel

Description	2018-19 Preliminary Actual \$	2019-20 Revised Budget \$	2019-20 YTD Actual \$	2020-21 Approved Budget \$
2070 - Travel - Staff	530,390	634,326	461,381	596,210
2075 - Travel - Business	4,845,458	8,111,215	6,888,347	1,960,745
Total Government Travel Expenditure	5,375,847	8,745,541	7,349,729	2,556,955

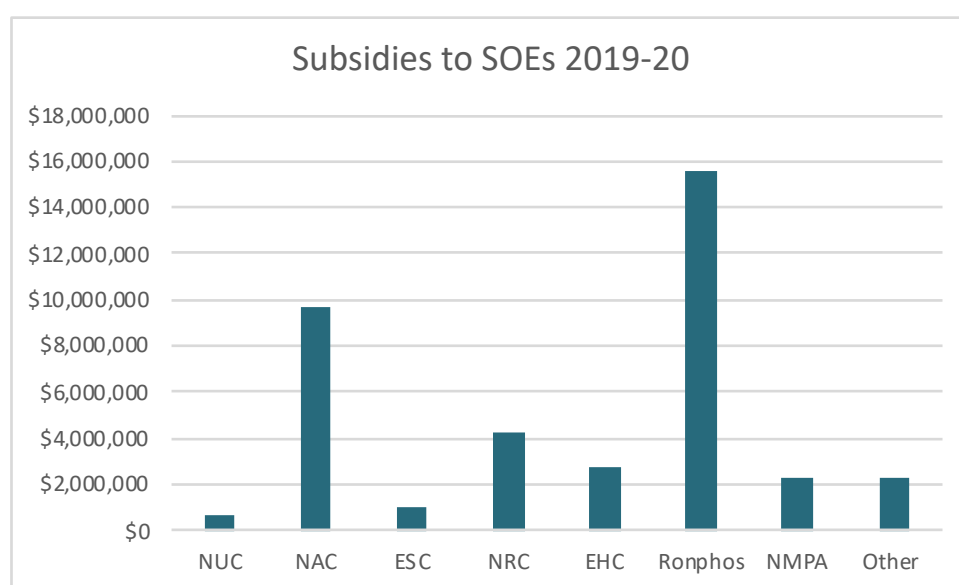
SUBSIDIES AND DONATIONS

Subsidies and donations are lower in 2020-21 reflecting the final grant payment to NUC for the ADB Solar Farm project in 2019-20, and lower expected subsidies for SOEs in 2020-21.

Table 21: Subsidies and Donations

Description	2018-19 Preliminary Actual \$	2019-20 Revised Budget \$	2019-20 YTD Actual \$	2020-21 Approved Budget \$
2376 - Equity Purchases	8,900,000	9,500,000	9,500,000	-
2615 - Other Subsidies & Donations	2,167,456	4,000	2,469	-
2616 - Subsidies to SOEs	10,653,834	33,857,027	33,791,507	18,465,560
2617 - Donations - local	590,337	3,084,817	2,643,057	2,344,000
2618 - Donations - overseas	-	103,531	1,451	107,042
Total Subsidies & Donations	22,311,627	46,549,375	45,938,484	20,916,602

Subsidies and grants (2616) were paid to nearly all SOEs during 2019-20, mainly to cover ex-gratia staff payments, support cash flow, provide initial capital and payment of debt arrears. For Nauru Airlines the support included grants for C-checks for aircraft engines and Covid-19 related cash flow support. Total payments for the year to date are shown in the chart below.



CAPITAL EXPENDITURE

Expenditure is lower in 2020-21 due to the decision to bring forward plant and equipment expenditure, such as the purchase of vehicles, into 2019-20. The increase in buildings and structures reflects in large part the provision for the Port Project.

Table 22: Capital Expenditure

Description	2018-19 Preliminary Actual \$	2019-20 Revised Budget \$	2019-20 YTD Actual \$	2020-21 Approved Budget \$
2480 - Medical Equipment	311,260	293,400	266,575	115,000
2495 - Plant & Equipment Purchases	2,444,346	8,812,405	7,041,352	1,143,744
2496 - Buliding & Structures	16,439,291	12,909,257	12,276,599	16,519,527
2580 - Public Works	1,581,655	1,445,622	1,290,319	482,000
Total Capital Expenditure	20,776,552	23,460,684	20,874,845	18,260,271

SOCIAL BENEFITS

Expenditure in 2020-21 on social benefits has been boosted by the new Back to School measure and pension increase.

Table 23: Social Benefits

Description	2018-19 Preliminary Actual \$	2019-20 Revised Budget \$	2019-20 YTD Actual \$	2020-21 Approved Budget \$
2220 - Nauru Community Housing	6,784,128	7,600,000	7,556,343	5,650,000
2390 - Social Welfare - Birth Claims	33,500	192,000	99,700	192,000
2395 - Social Welfare - Death Claims	156,720	260,000	202,000	238,000
2396 - Back to School Support	-	-	-	739,800
2400 - Social Services - Aged Pensions	2,075,950	3,119,418	2,981,078	3,865,000
2405 - Social Services - Super Contributors	84,632	130,000	87,710	100,000
2410 - Social Services - Super Ex MP's	956,390	-	-	-
2420 - Social Services - Disability Payments	835,370	1,134,000	954,486	1,625,000
2440 - Scholarships - School & Trade	1,699,563	2,324,852	1,822,141	2,672,597
Total Social Benefits	12,626,253	14,760,270	13,703,457	15,082,397

OTHER

Expenditure in 2020-21 in Other is similar to 2019-20.

Table 24: Other

Description	2018-19 Preliminary Actual \$	2019-20 Revised Budget \$	2019-20 YTD Actual \$	2020-21 Approved Budget \$
2565 - Insurance	386,269	574,740	368,013	579,591
2570 - Bank Charges	26,342	58,873	37,839	56,636
2690 - Foreign exchange gains/losses	-	49,674	4,658	57,488
Total Other	412,610	683,287	410,510	693,715

NON-EXPENSE ITEMS

Expenditure in 2020-21 on non-expense items is expected to be higher than 2019-20, in part reflecting the funding to NPRT for the Ronwan capital re-distribution from balances available from the Bank of Nauru liquidation. The fiscal cash buffer provision is used through the year to cover urgent and unforeseen expenditure priorities.

The 2020-21 contribution to the Intergenerational Nauru Trust Fund for 2020-21 is assessed as \$23.3 million based on 10.1 per cent of adjusted 2019-20 revenue. This assessment will be adjusted and confirmed in August 2020, following confirmation of actual revenue receipts in 2019-20. A pre-payment of \$6.7 million was made towards this obligation in 2019-20.

Table 25: Non-expense Items

Description	2018-19 Preliminary Actual	2019-20 Revised Budget	2019-20 YTD Actual	2020-21 Approved Budget
	\$	\$	\$	\$
2545 - Debt Repayments - Other	3,447,260	-	-	5,833,334
2650 - Trust Fund	14,572,309	23,921,732	23,921,732	16,585,947
2652 - Fiscal Cash Buffer	5,330,000	195,536	-	8,901,145
2680 - BON Liquidation- Payment	824,859	2,750,000	2,717,248	1,000,000
2801 - Exim Loan Equipment Expenditure	7,033,155	-	-	-
2802 - Loan Expenditure Account	500,000	700,000	700,000	-
Total Non-expense items	31,707,583	27,567,268	27,338,980	32,320,426

GOVERNMENT OPERATIONS

Expenditure is lower in 2020-21 on Government Operations (see Table 27), mainly reflecting lower planned expenditure on overseas medical referrals, salaries-other contracts, membership fees and subscriptions, legal fees and official celebrations.

As part of the debt action plan, long-outstanding arrears for membership fees and subscriptions (ICAO) were addressed in 2019-20. The process of addressing arrears in membership fees and subscriptions as well as overseas medical treatment is expected to continue in 2020-21.

In 2019-20, the Contingency fund was used to support the Government's coronavirus pandemic response. The Contingency fund is only available for urgent and unforeseen circumstances, consistent with section 64 of the Constitution of Nauru.

A provision of \$3.5 million was made through the Contingency Fund in 2019-20 for the Covid-19 response. Table 26 provides information on where the contingency funding was expended, and the budget for 2020-21.

Table 26: Covid-19 Taskforce expenditure

Item	2019-20 Actual Year to Date \$	2020-21 Approved Budget \$
Health Preparedness		
<i>Screening</i>		
Medical Equipment	638,380	
Test Kits and Consumables	298,631	
<i>Clinical</i>		
PPEs	663,556	
Supplies	118,773	
Subtotal Health Preparedness	1,719,340	2,000,000
Quarantine		
Accommodation	693,487	
Security	217,072	
Housekeeping	12,120	
Catering	84,141	
Supplies	2,413	
ESC Managed Services	15,404	
Building Works	288,477	
Subtotal Quarantine	1,313,113	2,000,000
National		
Taskforce	47,630	400,000
Repatriation and freight	174,294	400,000
Subtotal National	221,924	800,000
Total Contingency Expenditure	3,254,377	
Total Contingency Budget	3,500,000	
Hospital building works	240,000	1,200,000
Total Budget allocated	3,740,000	6,000,000

Table 27: Government Operations

Description	2018-19 Preliminary Actual \$	2019-20 Revised Budget \$	2019-20 YTD Actual \$	2020-21 Approved Budget \$
2030 - Salaries Other contracts	27,372,493	28,980,250	27,227,121	24,045,646
2055 - Consultants fees	5,708,896	2,050,703	1,539,727	1,943,336
2060 - Legal Fees - External	143,552	1,009,030	535,233	537,500
2061 - Incorporation fees	2,575	-	-	-
2100 - Entertainment	766,463	757,779	591,820	779,049
2105 - Official Celebrations	358,957	1,231,207	1,009,689	547,564
2110 - Protocol	85,284	125,660	99,147	90,000
2130 - Printing & Stationery	640,086	685,735	403,031	789,258
2132 - TVET Supplies	525,222	250,000	105,291	-
2135 - Stores	427,481	536,310	343,446	487,379
2155 - House Rental	4,802,028	5,126,607	4,606,357	6,791,743
2160 - Land Rental	7,550,058	8,444,083	7,622,992	7,368,307
2165 - Office Rental	418,781	714,738	547,753	762,257
2185 - R&M - Buildings	1,545,772	1,630,050	976,109	853,690
2190 - R&M - Office Equipment	70,942	181,501	114,594	209,148
2191 - R&M Medical Equipment	82,841	175,966	165,695	100,000
2195 - R&M - Office Premises	55,543	96,660	79,940	20,253
2200 - R&M - Motor Vehicles	300,607	572,124	462,027	537,305
2205 - R&M - Plant	182,925	2,077,266	1,919,544	2,727,671
2210 - R&M - Aerodrome	118,581	113,300	92,641	60,000
2225 - Agricultural Supplies	13,745	23,680	22,207	21,000
2230 - Publicity and Awareness	-	14,803	4,622	28,800
2255 - Warehouse Procurement	85,205	-	-	-
2275 - Purchase of Petrol	583,767	555,484	435,915	607,744
2280 - Purchase of Diesel	922,193	799,135	654,967	926,639
2290 - Purchase of Fuel - Other	1,703	10,793	4,224	10,793
2315 - Utilities	3,686,165	4,172,000	3,559,173	4,693,549
2330 - Telephone / Internet	2,246,620	2,246,349	1,911,629	2,193,235
2350 - Freight	1,957,647	1,600,000	1,009,656	1,500,000
2370 - Membership Fees & Subscriptions	700,467	2,842,264	2,398,809	1,115,819
2372 - Nauru Radio Supplies	11,687	7,000	6,925	10,300
2373 - Media TV Supplies	23,700	31,487	14,546	19,000
2375 - ICT Supplies	60,927	79,900	74,780	50,202
2460 - Medical Expenses	11,846	41,468	28,404	80,825

Table 27 contd: Government Operations (contd)

Description	2018-19 Preliminary Actual \$	2019-20 Revised Budget \$	2019-20 YTD Actual \$	2020-21 Approved Budget \$
2461 - Primary Health Care Services	52,599	27,731	13,402	303,400
2462 - NCD Control & Health Promotion	-	10,000	6,759	43,600
2463 - Environmental Health and Food safety	70,085	50,000	27,561	10,000
2464 - Management Monitoring & Evaluation	2,772	20,000	15,530	31,000
2467 - Drugs and Medicines	800,000	705,000	698,519	750,000
2468 - Dental Supplies	69,417	55,000	46,778	50,000
2469 - Dialysis Supplies	120,884	250,000	248,706	350,000
2471 - Medical Consumable	699,050	650,000	648,557	790,000
2472 - Laboratory supplies	399,283	273,000	264,037	248,000
2473 - Radiology Supplies	19,996	20,000	9,320	20,000
2474 - Clinical Education Supplies	19,266	20,000	3,900	20,000
2475 - Overseas Medical Treatment	5,030,374	5,579,654	5,314,373	2,000,000
2560 - Educational Expenses - Special	30,112	186,100	140,410	198,293
2575 - Local Transport	954,089	1,592,897	1,188,872	1,236,363
2585 - Rations	2,557,796	2,949,600	2,618,365	2,889,284
2590 - Correctional Services Supplies	6,823	10,000	7,473	10,000
2600 - Postage	3,515	24,619	2,744	20,649
2605 - Library/Periodicals	-	2,000	-	-
2610 - Survey Supplies	1,215	4,794	2,890	1,500
2611 - Children Education Toys and Learning Supplies	-	-	-	332,022
2620 - Lease & Charter Payments	55,689	90,014	75,254	66,686
2625 - Family Court Expenses	3,000	4,600	3,000	6,000
2630 - Safe House	133,153	179,660	177,231	196,660
2695 - 50th Anniversary Independence	4,819,189	-	-	-
2700 - Deportee Revomal	12,008	10,140	360	20,000
2705 - NEAT Scheme	137,495	134,500	133,420	123,268
2998 - COVID 19 Taskforce	-	-	-	6,000,000
2999 - Contingency fund	-	3,503,751	2,735,748	500,000
Total Government Operations	77,462,565	83,536,393	72,951,223	76,124,736

TABLE 28: EXPENDITURE BY DEPARTMENT

Natural Account	2018-19 Prior Year Actual	2019-20 Current Year Revised Budget	2019-20 Actual Year to Date	2020-21 Approved Budget
	\$	\$	\$	\$
01 - Presidency and State House (including GIO)	1,349,754	3,394,583	2,954,866	1,848,704
02 - Ministerial	14,239,620	13,966,837	13,262,340	8,816,585
03 - Chief Secretariat	16,402,882	20,526,264	14,867,906	17,631,670
05 - Audit	313,786	395,168	281,632	333,514
06 - Parliament	1,508,122	2,250,390	1,800,384	954,986
07 - GON Warehouse	256,198	(0)	0	0
08 - National Emergency Services	1,459,993	1,527,975	1,357,467	1,481,242
09 - Electoral Commission	443,160	493,527	388,710	354,617
11 - Finance Secretariat	1,787,318	2,347,711	1,795,237	2,384,130
12 - Finance -Public Debt	10,480,415	0	0	0
13 - Bureau of Statistics	87,592	139,444	109,084	142,953
15 - Nauru Revenue Office	391,556	513,709	362,042	484,213
16 - Finance - Other Payments	64,092,090	96,580,266	93,345,445	86,398,812
17 - Nauru Customs Office (NCO)	370,893	535,099	335,300	704,541
18 - Nauru Regional Processing Centre (NRPCC) Corporation	5,345,677	1,720,841	1,273,566	1,380,343
21 - CIE	641,973	1,268,272	1,054,374	1,036,452
31 - Fisheries	2,151,271	3,490,507	2,774,411	2,349,944
41 - Police	2,478,850	2,838,001	2,575,192	3,324,176
42 - Department of Multicultural Affairs	26,652,705	27,226,421	23,593,576	19,673,538
43 - Justice - Secretariat	2,683,345	3,858,866	2,587,679	3,531,685
44 - Judiciary	1,777,607	1,888,056	1,348,728	1,260,649
45 - Border Control	892,644	1,000,417	689,737	950,294
46 - Correctional Services	830,260	730,860	658,114	872,658
50 - Directorate of TVET	1,052,532	878,686	463,863	445,583
51 - Education	8,954,461	10,465,815	8,541,127	11,541,216
52 - Youth Affairs	131,892	174,467	158,346	229,964
61 - Health	14,908,435	17,007,018	14,946,182	15,040,755
62 - Sports	885,884	1,797,014	1,546,294	660,801
63 - Department of Infrastructure Development	2,431,210	3,063,862	2,675,100	2,883,774
71 - Foreign Affairs - Secretariat	933,320	1,736,276	1,076,626	1,217,776
72 - Foreign Affairs - Brisbane	893,479	1,283,316	808,082	1,117,338
73 - Foreign Affairs - Suva	521,050	819,716	509,847	714,180
74 - Foreign Affairs - New York	2,087,659	2,910,858	2,235,633	2,398,303
75 - Foreign Affairs - Taiwan	466,242	536,236	294,134	486,228
76 - Foreign Affairs- Geneva	56,080	798,331	522,588	855,242
77 - High Commission India	0	274,950	0	144,350
78 - High Commission Canberra	0	436,486	43,325	571,746
81 - Home Affairs	3,676,167	4,183,305	3,669,086	4,383,248
82 - Women's Affairs	256,929	319,017	278,913	283,493
83 - Media Bureau	420,839	574,851	487,357	546,627
84 - Lands & Survey	5,345,076	5,957,639	5,787,609	5,822,293
85 - Lands Committee	226,297	214,912	188,528	302,171
86 - Department of Land Management	78,476	85,752	83,024	98,522
91 - Transport Secretariat	2,391,816	3,051,685	2,385,048	2,509,055
93 - Maritime Transport	2,140,953	375,984	346,486	0
95 - ICT	2,405,035	5,011,462	4,703,799	2,129,634
97 - Telecom	109,974	119,214	65,947	146,378
99 - Balance Sheet	120	0	0	0
Total	207,011,640	248,770,063	219,232,733	210,444,381

TABLE 29: EXPENDITURE BY NATURAL ACCOUNT

Natural Account	2018-19 Prior Year Actual	2019-20 Current Year Revised Budget	2019-20 Actual Year to Date	2020-21 Approved Budget
	\$	\$	\$	\$
2005 - Salaries & Allowances - (MP's)	996,228	1,707,706	1,309,060	1,260,698
2010 - HE Salary & Allowances	100,032	105,034	93,491	105,034
2015 - Salary - Local	20,410,691	25,977,937	18,138,365	27,974,432
2020 - Salary Expatriate	8,669,984	9,476,302	6,772,963	9,702,826
2025 - Allowances - Staff Contract	1,702,546	1,550,103	1,121,387	1,380,394
2026 - Directors Fees	14,070	34,500	12,600	39,300
2030 - Salaries Other contracts	27,372,493	28,980,250	27,227,121	24,045,646
2035 - Overtime - local	784,219	1,043,199	739,294	664,104
2040 - Staff Training	845,341	1,185,553	694,326	1,020,661
2041 - Prep & Orientation of Seasonal Workers	0	0	0	100,000
2045 - Recruitment	30,991	43,500	14,996	30,000
2050 - Uniforms & Protective Clothing	280,057	324,872	234,511	244,874
2055 - Consultants fees	5,708,896	2,050,703	1,539,727	1,943,336
2060 - Legal Fees - External	143,552	1,009,030	535,233	537,500
2061 - Incorporation fees	2,575	0	0	0
2070 - Travel - Staff	530,390	634,326	461,381	596,210
2072 - Meals and Drinks - Staff	88,126	185,623	155,104	134,040
2075 - Travel - Business	4,845,458	8,111,215	6,888,347	1,960,745
2100 - Entertainment	766,463	757,779	591,820	779,049
2105 - Official Celebrations	358,957	1,231,207	1,009,689	547,564
2110 - Protocol	85,284	125,660	99,147	90,000
2130 - Printing & Stationery	640,086	685,735	403,031	789,258
2132 - TVET Supplies	525,222	250,000	105,291	0
2135 - Stores	427,481	536,310	343,446	487,379
2155 - House Rental	4,802,028	5,126,607	4,606,357	6,791,743
2160 - Land Rental	7,550,058	8,444,083	7,622,992	7,368,307
2165 - Office Rental	418,781	714,738	547,753	762,257
2185 - R&M - Buildings	1,545,772	1,630,050	976,109	853,690
2190 - R&M - Office Equipment	70,942	181,501	114,594	209,148
2191 - R&M Medical Equipment	82,841	175,966	165,695	100,000
2195 - R&M - Office Premises	55,543	96,660	79,940	20,253
2200 - R&M - Motor Vehicles	300,607	572,124	462,027	537,305
2205 - R&M - Plant	182,925	2,077,266	1,919,544	2,727,671
2210 - R&M - Aerodrome	118,581	113,300	92,641	60,000
2220 - Nauru Community Housing	6,784,128	7,600,000	7,556,343	5,650,000
2225 - Agricultural Supplies	13,745	23,680	22,207	21,000
2230 - Publicity and Awareness	0	14,803	4,622	28,800
2255 - Warehouse Procurement	85,205	0	0	0
2275 - Purchase of Petrol	583,767	555,484	435,915	607,744
2280 - Purchase of Diesel	922,193	799,135	654,967	936,639
2290 - Purchase of Fuel - Other	1,703	10,793	4,224	10,793
2315 - Utilities	3,686,165	4,172,800	3,559,173	4,693,549
2330 - Telephone / Internet	2,246,620	2,246,349	1,911,629	2,193,235
2350 - Freight	1,957,647	1,600,000	1,009,656	1,500,000
2370 - Memberships Fees & Subscriptions	700,467	2,842,264	2,398,809	1,115,819
2372 - Nauru Radio Supplies	11,687	7,000	6,925	10,300
2373 - Media TV Supplies	23,700	31,487	14,546	19,000
2375 - ICT Supplies	60,927	79,900	74,780	50,202
2376 - Equity Purchases	8,900,000	9,500,000	9,500,000	0
2390 - Social Welfare - Birth Claims	33,500	192,000	99,700	192,000
2395 - Social Welfare - Death Claims	156,720	260,000	202,000	238,000
2396 - Back to School Support	0	0	0	739,800
2400 - Social Services - Aged Pensions	2,075,950	3,119,418	2,981,078	3,865,000
2405 - Social Services - Super Contributors	84,632	130,000	87,710	100,000
2410 - Social Services - Super Ex-MPs	956,390	0	0	0
2420 - Social Services - Disability Payments	835,370	1,134,000	954,486	1,625,000
2440 - Scholarships - School & Trade	1,699,563	2,324,852	1,822,141	2,672,597
2460 - Medical Expenses	11,846	41,468	28,404	80,825
2461 - Primary Health Care Services	52,599	27,731	13,402	303,400
2462 - NCD Control & Health Promotion	0	10,000	6,759	43,600
2463 - Environmental Health and Food safety	70,085	50,000	27,561	10,000
2464 - Management Monitoring & Evaluation	2,772	20,000	15,530	31,000
2467 - Drugs and Medicines	800,000	705,000	698,519	750,000
2468 - Dental Supplies	69,417	55,000	46,778	50,000
2469 - Dialysis Supplies	120,884	250,000	248,706	350,000
2471 - Medical Consumable	699,050	650,000	648,557	790,000
2472 - Laboratory supplies	399,283	273,000	264,037	248,000
2473 - Radiology Supplies	19,996	20,000	9,320	20,000
2474 - Clinical Education Supplies	19,266	20,000	3,900	20,000
2475 - Overseas Medical Treatment	5,030,374	5,579,654	5,314,373	2,000,000
2480 - Medical Equipment	311,260	293,400	266,575	115,000
2495 - Plant & Equipment Purchases	2,444,346	8,812,405	7,041,352	1,143,744
2496 - Building & Structures	16,439,291	12,909,257	12,276,599	16,519,527
2545 - Debt Repayments - Other	3,447,260	0	0	5,833,334
2560 - Educational Expenses - Special	30,112	186,100	140,410	198,293
2565 - Insurance	386,269	574,740	368,013	579,591
2570 - Bank Charges	26,342	58,873	37,839	56,636
2575 - Local Transport	954,089	1,592,897	1,188,872	1,236,363
2580 - Public Works	1,581,655	1,445,622	1,290,319	482,000
2585 - Rations	2,557,796	2,949,600	2,618,365	2,889,284
2590 - Correctional Services Supplies	6,823	10,000	7,473	10,000
2600 - Postage	3,515	24,619	2,744	20,649
2605 - Library/Periodicals	0	2,000	0	0
2610 - Survey Supplies	1,215	4,794	2,890	1,500
2611 - Children Education Toys and Learning Supplies	0	0	0	332,022
2615 - Other Subsidies & Donations	2,167,456	4,000	2,469	0
2616 - Subsidies to SoEs	10,653,834	33,857,027	33,791,507	18,465,560
2617 - Donations - local	590,337	3,084,817	2,643,057	2,344,000
2618 - Donations - overseas	0	103,531	1,451	107,042
2620 - Lease & Charter Payments	55,689	90,014	75,254	66,686
2625 - Family Court Expenses	3,000	4,600	3,000	6,000
2630 - Safe House	133,153	179,660	177,231	196,660
2650 - Trust Fund	14,572,309	23,921,732	23,921,732	16,585,947
2651 - GON Contributions	2,416,316	1,832,916	1,379,411	1,832,916
2652 - Fiscal Cash Buffer	5,330,000	195,536	0	8,901,145
2680 - BON Liquidation - Payment	824,859	2,750,000	2,717,248	1,000,000
2690 - Foreign exchange gains/losses	0	49,674	4,658	57,488
2695 - 50th Anniversary Independence	4,819,189	0	0	0
2700 - Deportee Revival	12,008	10,140	360	20,000
2705 - NEAT Scheme	137,495	134,500	133,420	123,268
2801 - Exm Loan Equipment Expenditure	7,033,155	0	0	0
2802 - Loan Expenditure Account	500,000	700,000	700,000	0
2998 - COVID 19 Taskforce	0	0	0	6,000,000
2999 - Contingency fund	0	3,503,751	2,735,748	500,000
Total	207,011,640	248,770,063	219,232,733	210,444,381

EXPENDITURE MEASURES

This section outlines budget expenditure and measures by expenditure head.

01 PRESIDENCY AND STATE HOUSE

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1475	Miscellaneous Revenue	-	-	1,570	-
Total Revenue		-	-	1,570	-
Division : 0000 - General					
Expense by Natural Account					
2010	HE Salary & Allowances	100,032	105,034	93,491	105,034
2015	Salary - Local	164,045	412,520	335,368	433,691
2020	Salary Expatriate	-	-	-	30,000
2026	Directors Fees	4,250	5,000	2,500	10,200
2035	Overtime - local	-	20,000	19,696	34,000
2050	Uniforms & Protective Clothing	-	50,000	25,735	50,000
2075	Travel - Business	823,334	1,370,660	1,262,059	423,390
2100	Entertainment	9,911	80,000	69,408	150,000
2105	Official Celebrations	185,970	606,000	540,679	163,000
2130	Printing & Stationery	4,145	15,920	14,390	8,000
2135	Stores	8,465	23,510	17,569	8,000
2185	R&M - Buildings	-	60,000	53,306	100,000
2200	R&M - Motor Vehicles	-	-	-	9,000
2330	Telephone / Internet	8,868	12,960	9,972	7,040
2495	Plant & Equipment Purchases	40,736	270,000	154,982	57,349
2496	Building and Structures	-	-	-	150,000
2575	Local Transport	-	-	-	10,000
2617	Donations - local	-	362,979	355,711	100,000
Expense Subtotal		1,349,754	3,394,583	2,954,866	1,848,704
Total Expense		1,349,754	3,394,583	2,954,866	1,848,704

The total budget for Presidency and State House is lower in 2020-21 than 2019-20, with increases in overtime, entertainment, buildings and structures, and repairs and maintenance of buildings more than offset by reductions in donations, travel business, official celebrations and plant and equipment expenditure.

In 2020-21 a key initiative under this head is a \$50,000 investment in the Nauru Museum to preserve historic relics.

02 MINISTERIAL

Natural_Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2005	Salaries & Allowances - (MP's)	342,167	843,024	717,406	909,035
2015	Salary - Local	250,526	335,709	301,468	750,580
2020	Salary Expatriate	126,300	166,875	155,934	126,875
2035	Overtime - local	-	20,000	20,000	20,000
2055	Consultants fees	457,514	300,000	272,864	330,200
2070	Travel - Staff	21,323	40,365	15,349	27,365
2075	Travel - Business	825,985	2,186,062	2,062,291	375,000
2100	Entertainment	65,261	85,000	84,593	52,000
2105	Official Celebrations	1,000	391,000	267,316	50,000
2110	Protocol	-	-	-	-
2130	Printing & Stationery	7,502	19,722	17,821	6,280
2135	Stores	13,258	25,000	16,875	8,000
2185	R&M - Buildings	101,249	60,000	38,969	141,450
2190	R&M - Office Equipment	1,308	-	-	-
2200	R&M - Motor Vehicles	2,221	16,000	15,093	5,000
2220	Nauru Community Housing	6,734,728	7,600,000	7,556,343	5,600,000
2330	Telephone / Internet	37,104	30,600	30,223	40,800
2495	Plant & Equipment Purchases	136,938	1,112,480	1,055,271	154,000
2496	Building and Structures	275,706	705,000	607,319	200,000
2575	Local Transport	20,340	30,000	27,205	20,000
2695	50th Anniversary Independence	4,819,189	-	-	-
Expense Subtotal		14,239,620	13,966,837	13,262,340	8,816,585
Total Expense		14,239,620	13,966,837	13,262,340	8,816,585

The total budget for Ministerial is lower in 2020-21 than 2019-20, with increases in salaries and allowances for MPs, salary local, and repairs and maintenance of buildings more than offset by reductions in travel business, entertainment, plant and equipment and building and structures.

- \$5.6 million has been provided for Nauru Community Housing to support continued investment in improving and increasing Nauru's housing stock.
- Provision has also been made to provide Chief of Staff positions for all Ministers and to construct a new Chukk memorial.

03 CHIEF SECRETARY

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1230	Liquor Licensing Board	28,629	28,500	15,528	16,000
1260	Birth Certificate	26,410	15,505	23,971	22,000
1265	Death Certificate	720	340	780	650
1270	Marriage Certificate	3,050	1,730	2,830	2,800
1475	Miscellaneous Revenue	165,907	-	96,909	-
Total Revenue		224,716	46,075	140,019	41,450
Division : 0000 - General					
Expense by Natural Account					
2010	HE Salary & Allowances	-	-	-	-
2015	Salary - Local	-	-	-	-
Expense Subtotal		-	-	-	-
Division : 0301 - Office of the Chief Secretary					
Expense by Natural Account					
2015	Salary - Local	137,607	179,704	114,083	172,500
2075	Travel - Business	13,279	25,823	25,812	15,000
2100	Entertainment	2,860	6,700	2,164	8,100
2130	Printing & Stationery	1,639	2,107	1,794	7,500
2135	Stores	1,964	3,000	2,892	1,716
2190	R&M - Office Equipment	-	-	-	1,000
2330	Telephone / Internet	-	-	-	1,500
2495	Plant & Equipment Purchases	3,727	7,000	4,975	-
Expense Subtotal		161,075	224,334	151,720	207,316
Division : 0302 - Administration					
Expense by Natural Account					
2015	Salary - Local	457,810	510,185	452,089	687,840
2020	Salary Expatriate	-	-	-	26,000
2030	Salaries - Other Contracts	4,000,309	4,747,201	4,488,581	5,374,636
2050	Uniforms & Protective Clothing	10,784	-	-	-
2070	Travel - Staff	-	-	-	10,000
2072	Meals and Drinks - Staff	-	-	-	1,200
2100	Entertainment	14,356	1,200	906	-
2130	Printing & Stationery	51,471	8,703	645	8,773
2135	Stores	163,732	165,510	153,353	165,510
2155	House Rental	4,153,573	4,042,900	3,806,785	5,720,616
2185	R&M - Buildings	91,018	300,000	207,506	150,000
2190	R&M - Office Equipment	-	4,000	660	54,000
2200	R&M - Motor Vehicles	258,921	430,000	376,846	400,000
2205	R&M - Plant	6,894	74,400	33,266	-
2275	Purchase of Petrol	501,216	450,000	381,656	500,000
2280	Purchase of Diesel	886,350	723,864	623,961	873,864
2315	Utilities	1,031,602	1,060,619	893,859	1,660,623
2330	Telephone / Internet	2,869	600	600	-
2495	Plant & Equipment Purchases	183,925	950,000	947,679	-
2580	Public Works	67,100	95,100	57,387	-
Expense Subtotal		11,881,931	13,564,282	12,425,778	15,633,062
Division : 0303 - Birth/Death/Marriages					
Expense by Natural Account					
2015	Salary - Local	71,300	100,144	88,079	139,933
2040	Staff Training	-	-	-	2,400
2050	Uniforms & Protective Clothing	-	-	-	700
2075	Travel - Business	6,014	300	300	2,500
2100	Entertainment	1,438	1,000	860	600
2130	Printing & Stationery	5,226	3,872	1,111	9,872
2135	Stores	-	3,000	409	2,000
2165	Office Rental	-	-	-	11,667
2330	Telephone / Internet	-	884	-	2,520
2495	Plant & Equipment Purchases	2,248	19,700	18,342	15,593
Expense Subtotal		86,226	128,900	109,101	187,785
Division : 0304 - Human Resource					
Expense by Natural Account					
2015	Salary - Local	3,133,045	5,160,738	1,243,151	347,837
2020	Salary Expatriate	150,104	-	-	-
2035	Overtime - local	-	-	-	10,000
2040	Staff Training	427,376	469,958	223,227	493,283
2045	Recruitment	30,991	37,500	14,996	30,000
2055	Consultants fees	114,239	195,510	145,415	20,750
2070	Travel - Staff	3,157	-	-	-
2075	Travel - Business	-	13,905	10,325	2,500
2100	Entertainment	-	9,000	-	2,900
2105	Official Celebrations	-	-	-	9,000
2130	Printing & Stationery	3,170	16,350	13,422	6,850
2135	Stores	-	2,000	-	3,000
2160	Land Rental	-	-	-	-
2190	R&M - Office Equipment	-	1,000	-	1,000
2330	Telephone / Internet	-	-	-	3,030
2370	Membership Fees & Subscriptions	-	-	-	1,000
2440	Scholarships - School & Trade	411,568	443,000	365,852	443,000
2495	Plant & Equipment Purchases	-	65,000	64,407	6,100
Expense Subtotal		4,273,650	6,413,961	2,080,794	1,380,250
Division : 0305 - Labor Sending Unit					
Expense by Natural Account					
2015	Salary - Local	-	38,912	8,699	57,249
2040	Staff Training	-	43,300	880	25,300
2041	Prap & Orientation of Seasonal Workers	-	-	-	100,000
2055	Consultants fees	-	80,000	62,220	30,000
2075	Travel - Business	-	14,075	12,572	-
2100	Entertainment	-	8,000	7,312	8,000
2330	Telephone / Internet	-	-	-	2,208
2575	Local Transport	-	10,000	8,830	-
2600	Postage	-	500	-	500
Expense Subtotal		-	194,787	100,513	223,257
Total Expense		16,402,882	20,526,264	14,867,906	17,631,670

The total budget for Chief Secretary is lower in 2020-21 than 2019-20, with increases in salaries local and expatriate, salaries other contracts (security at expatriate houses) and house rental (long term lease of rooms at the Budapest Hotel to accommodate increase in health expatriate medical staff), more than offset by reductions in travel business, consultant fees, plant and equipment and provision for public service pay rises.

- \$0.1 million has been provided to support participants in the overseas labour migration program upskill in anticipation of securing higher wages in Australia.

The Government will significantly increase public service wages in 2020-21. Public service wages have not been increased since 1 July 2018.

From 29 June 2020, the Government will increase the minimum amount paid in the public service to at least meet the 'basic wage' as defined by the Nauru Bureau of Statistics at \$351 per fortnight (\$9,126 a year). The basic wage is calculated based on the cost of living considering essential items.

The current gross pay for Band 1 employees is \$339.96 a fortnight, inclusive of 5 per cent superannuation (\$8,838.96 a year).

After a review of salaries to lift the minimum and to remove discrepancies between salary bands, the following increases to the public service pay bands have been agreed:

- Band 1: 10 per cent
- Band 2 to 4: 8 per cent
- Band 5 to 6: 6 per cent
- Band 7 to 17: 8 per cent.

After the change, the gross basic salary (inclusive of superannuation) will be \$373.97 a fortnight inclusive of 5 per cent superannuation (\$9,723.22 a year).

In addition to the overall pay increase, the Government has increased allowances for front line staff, including, medical staff, cleaners, immigration, quarantine, customs and police officers. Teachers and medical staff have also received additional pay increases related to their qualifications.

Gross fortnightly pay for a selection of positions is shown in the table below.

Item	Current Gross Pay		New Pay Scale		Change
	Fortnight	Annual	Fortnight	Annual	
	\$	\$	\$	\$	%
Basic wage	351.00	9,126.00			
Band 1	339.96	8,838.96	373.97	9,723.22	10%
Police constable	407.76	10,601.76	471.08	12,248.08	16%
Graduate nurse (certificate)	454.20	11,809.20	571.64	14,862.64	26%
Graduate nurse (degree and diploma)	483.50	12,571.00	617.37	16,051.62	28%
Teacher (certificate)	521.68	13,563.68	571.64	14,862.64	10%
Teacher (diploma)	552.17	14,356.42	617.37	16,051.62	12%
Teacher (degree)	552.17	14,356.42	666.64	17,332.64	21%

There will be no pay increase for staff in the Department of Multicultural Affairs or for those staff that receive special salaries.

05 AUDIT

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	102,780	109,010	84,195	123,412
2020	Salary Expatriate	104,724	111,151	95,052	111,151
2050	Uniforms & Protective Clothing	2,128	2,160	1,141	2,160
2070	Travel - Staff	8,681	18,400	7,396	26,100
2075	Travel - Business	37,090	90,370	36,807	13,855
2100	Entertainment	999	2,500	550	2,000
2105	Official Celebrations	-	-	-	500
2130	Printing & Stationery	1,963	1,995	1,571	3,475
2135	Stores	1,494	1,500	1,128	1,500
2165	Office Rental	30,100	31,290	29,470	31,896
2185	R&M - Buildings	-	500	170	-
2190	R&M - Office Equipment	-	1,000	-	1,100
2205	R&M - Plant	280	-	-	-
2315	Utilities	6,705	9,780	8,924	9,780
2370	Membership Fees & Subscriptions	4,571	5,012	4,885	5,486
2495	Plant & Equipment Purchases	12,271	10,500	10,344	1,100
Expense Subtotal		313,786	395,168	281,632	333,514
Total Expense		313,786	395,168	281,632	333,514

The Total budget for Audit is lower in 2020-21 than 2019-20, due to Covid-19 related reductions in travel business, and plant and equipment provisions.

06 PARLIAMENT

Natural_Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2005	Salaries & Allowances - (MP's)	654,061	864,682	591,654	351,663
2015	Salary - Local	255,739	280,404	245,999	345,691
2020	Salary Expatriate	68,631	95,000	54,808	64,500
2035	Overtime - local	4,927	3,000	992	2,000
2040	Staff Training	-	-	-	2,500
2050	Uniforms & Protective Clothing	-	12,835	9,487	-
2070	Travel - Staff	1,967	6,500	1,579	6,000
2075	Travel - Business	182,860	564,788	563,169	68,712
2100	Entertainment	30,741	40,000	31,219	40,000
2130	Printing & Stationery	3,171	5,542	4,067	3,550
2135	Stores	9,627	5,000	4,836	4,330
2155	House Rental	-	20,000	20,000	-
2185	R&M - Buildings	101,050	76,883	59,572	7,000
2190	R&M - Office Equipment	250	1,500	220	500
2200	R&M - Motor Vehicles	-	24,280	20,431	12,300
2205	R&M - Plant	-	1,100	-	-
2330	Telephone / Internet	-	8,770	3,179	7,440
2370	Membership Fees & Subscriptions	29,197	59,000	57,907	38,000
2495	Plant & Equipment Purchases	165,901	175,386	127,855	800
2575	Local Transport	-	5,720	3,410	-
Expense Subtotal		1,508,122	2,250,390	1,800,384	954,986
Total Expense		1,508,122	2,250,390	1,800,384	954,986

The total budget for Parliament is lower in 2020-21 than 2019-20, due to reductions in payments for MPs salaries and allowances (some of this budget has been transferred to Ministerial), travel business and plant and equipment purchases. The budget reflects a return to a more 'normal' pattern of expenditure in a non-election year, following resolution of historical outstanding allowances and payments in 2019-20.

08 NATIONAL EMERGENCY SERVICES (NES)

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	7,486	-	-	-
Expense Subtotal		7,486	-	-	-
Division : 0801 - Office of the Secretary and Administration					
Expense by Natural Account					
2015	Salary - Local	94,826	882,936	820,446	1,097,395
2030	Salaries - Other Contracts	-	500	289	-
2035	Overtime - local	190,350	190,000	161,976	190,000
2040	Staff Training	4,480	2,000	114	2,000
2050	Uniforms & Protective Clothing	-	8,684	5,870	-
2055	Consultants fees	-	7,396	7,396	15,000
2072	Meals and Drinks - Staff	-	-	-	1,500
2075	Travel - Business	75,623	103,656	89,887	15,065
2130	Printing & Stationery	-	2,215	625	700
2135	Stores	247	-	-	-
2185	R&M - Buildings	5,060	-	-	-
2190	R&M - Office Equipment	1,931	1,000	-	850
2200	R&M - Motor Vehicles	2,434	3,000	2,984	25,600
2315	Utilities	-	-	-	-
2330	Telephone / Internet	-	-	-	2,500
2370	Membership Fees & Subscriptions	-	12,504	12,504	21,000
2495	Plant & Equipment Purchases	40,500	-	-	-
Expense Subtotal		415,451	1,213,891	1,102,090	1,371,610
Division : 0802 - Fire and Rescue Department					
Expense by Natural Account					
2015	Salary - Local	424,844	-	0	-
2030	Salaries - Other Contracts	-	-	-	1,500
2035	Overtime - local	3,664	-	-	-
2040	Staff Training	5,530	75,886	75,885	-
2050	Uniforms & Protective Clothing	40,300	-	-	-
2055	Consultants fees	23,564	-	-	-
2072	Meals and Drinks - Staff	-	-	-	3,000
2075	Travel - Business	86,760	-	-	-
2100	Entertainment	12,603	17,430	17,112	1,000
2105	Official Celebrations	200	500	-	5,000
2130	Printing & Stationery	1,594	1,000	963	500
2135	Stores	2,864	7,594	2,648	2,000
2185	R&M - Buildings	49,369	21,285	17,719	-
2190	R&M - Office Equipment	1,920	-	-	-
2200	R&M - Motor Vehicles	2,611	8,000	7,321	2,000
2205	R&M - Plant	132	33,000	10,990	2,000
2315	Utilities	29,943	40,000	26,157	38,292
2330	Telephone / Internet	6,431	7,590	6,181	5,040
2495	Plant & Equipment Purchases	119,752	60,000	58,123	20,000
Expense Subtotal		812,081	272,285	223,098	80,332
Division : 0803 - Nauru Lifeguard Division					
Expense by Natural Account					
2015	Salary - Local	128,805	-	-	-
2040	Staff Training	250	27,329	27,329	-
2055	Consultants fees	2,700	-	-	-
2072	Meals and Drinks - Staff	-	-	-	3,000
2075	Travel - Business	29,712	-	-	-
2100	Entertainment	2,332	1,000	1,000	-
2105	Official Celebrations	-	500	-	500
2200	R&M - Motor Vehicles	2,498	2,000	1,546	2,000
2205	R&M - Plant	-	6,950	-	5,000
2495	Plant & Equipment Purchases	3,769	-	-	5,000
Expense Subtotal		170,065	37,779	29,874	15,500
Division : 0804 - Ambulance Division					
Expense by Natural Account					
2015	Salary - Local	52,539	-	-	-
2055	Consultants fees	240	-	-	-
2072	Meals and Drinks - Staff	-	-	-	300
2100	Entertainment	-	500	-	500
2135	Stores	-	500	345	500
2200	R&M - Motor Vehicles	780	1,020	141	4,000
2205	R&M - Plant	-	2,000	1,919	500
2495	Plant & Equipment Purchases	1,350	-	-	-
Expense Subtotal		54,909	4,020	2,405	5,800
Division : 0805 - Meteorology					
Expense by Natural Account					
2072	Meals and Drinks - Staff	-	-	-	500
2130	Printing & Stationery	-	-	-	500
2135	Stores	-	-	-	500
2205	R&M - Plant	-	-	-	1,500
2495	Plant & Equipment Purchases	-	-	-	5,000
Expense Subtotal		-	-	-	8,000
Total Expense		1,459,993	1,527,975	1,357,467	1,481,242

The total budget for NES is lower in 2020-21 than 2019-20, due to Covid-19 related reductions in travel business and staff training, as well as lower payments for repairs and maintenance buildings and plant. These more than offset increases in salaries local and motor vehicle repairs and maintenance to ensure vehicles meet international regulatory standards (ICAO).

NES has established a new meteorological services division, and has been encouraged to use underspends in 2019-20 to invest in replacing fire extinguishers, lifeguard equipment and pre-purchasing necessary supplies.

- \$0.05 million has been provided for new uniforms and protective clothing in the 2020-21 Budget. This is a once in three-year investment.

09 NATIONAL ELECTORAL COMMISSION (NEC)

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	1,542	2,000	30,430	2,000
1495	Service Fees	-	-	-	-
1700	National/District Roll Sales	3,600	8,000	5,470	2,000
1705	Electoral Various Fees	193,020	76,000	77,750	80,000
Total Revenue		198,162	86,000	113,650	84,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	168,461	191,897	159,218	223,410
2030	Salaries - Other Contracts	18,230	76,968	76,968	3,600
2035	Overtime - local	1,402	1,000	663	1,000
2040	Staff Training	1,581	2,900	1,217	12,000
2050	Uniforms & Protective Clothing	1,990	2,000	1,973	-
2055	Consultants fees	40,718	30,000	10,084	10,000
2072	Meals and Drinks - Staff	4,640	17,700	12,812	750
2075	Travel - Business	3,214	51,389	30,939	3,750
2100	Entertainment	2,794	2,250	900	1,000
2130	Printing & Stationery	1,438	1,000	100	1,000
2135	Stores	24,378	10,000	8,671	3,000
2160	Land Rental	450	-	-	-
2165	Office Rental	38,811	21,355	17,796	21,355
2185	R&M - Buildings	14,787	1,000	760	1,000
2190	R&M - Office Equipment	670	1,000	955	3,000
2200	R&M - Motor Vehicles	-	-	-	1,000
2205	R&M - Plant	-	1,000	-	-
2275	Purchase of Petrol	160	300	260	-
2315	Utilities	11,388	10,200	9,845	12,000
2330	Telephone / Internet	32,189	47,268	47,240	55,752
2495	Plant & Equipment Purchases	75,861	22,300	8,149	1,000
2575	Local Transport	-	2,000	160	-
Expense Subtotal		443,160	493,527	388,710	354,617
Total Expense		443,160	493,527	388,710	354,617

The total budget for NEC is lower in 2020-21 than 2019-20, reflecting that 2019-20 was an election year, with higher than usual expenditure to cover election related issues. In 2020-21, expenditure is expected to reduce in light of it being a non-election year, as well as Covid-19 reductions in travel business.

11 FINANCE – SECRETARIAT

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1475	Miscellaneous Revenue	1,354,516	10,000	-	10,000
1495	Service Fees	2,895	-	-	-
Total Revenue		1,357,411	10,000	-	10,000
Division : 1101 - Treasury Division					
Expense by Natural Account					
2015	Salary - Local	197,799	271,097	224,212	348,310
2020	Salary Expatriate	464,267	410,500	310,460	519,900
2030	Salaries - Other Contracts	-	-	-	-
2035	Overtime - local	-	-	-	25,000
2040	Staff Training	38,296	45,400	36,184	25,000
2045	Recruitment	-	6,000	-	-
2055	Consultants fees	566,600	661,600	597,701	847,859
2070	Travel - Staff	13,498	31,960	29,200	31,960
2075	Travel - Business	78,490	169,026	159,850	73,347
2100	Entertainment	141,027	94,000	42,874	94,000
2130	Printing & Stationery	5,851	13,290	9,766	15,280
2135	Stores	3,713	5,100	3,166	4,200
2185	R&M - Buildings	13,130	3,000	3,000	3,000
2190	R&M - Office Equipment	2,560	5,500	1,640	5,500
2315	Utilities	5,689	13,800	1,950	-
2330	Telephone / Internet	3,721	1,690	1,599	2,160
2370	Membership Fees & Subscriptions	1,200	90,360	4,887	29,046
2495	Plant & Equipment Purchases	33,966	154,500	151,036	22,500
2570	Bank Charges	3,765	26,600	19,505	30,000
Expense Subtotal		1,573,571	2,003,423	1,597,028	2,077,062
Division : 1102 - Planning and Aid Division					
Expense by Natural Account					
2015	Salary - Local	149,036	132,147	98,921	197,541
2040	Staff Training	-	-	-	-
2075	Travel - Business	37,723	51,090	51,090	12,294
2100	Entertainment	14,601	7,000	485	2,000
2130	Printing & Stationery	3,814	10,084	7,880	2,000
2135	Stores	402	600	181	500
2330	Telephone / Internet	1,884	1,884	1,780	1,884
2495	Plant & Equipment Purchases	6,287	43,000	35,996	3,000
Expense Subtotal		213,748	245,805	196,333	219,219
Division : 1103 - Social Services Divisions					
Expense by Natural Account					
2015	Salary - Local	-	10,686	-	67,987
2055	Consultants fees	-	-	-	-
2130	Printing & Stationery	-	875	30	-
2135	Stores	-	4,084	466	1,152
2165	Office Rental	-	5,997	-	17,150
2185	R&M - Buildings	-	3,500	-	-
2190	R&M - Office Equipment	-	583	-	-
2315	Utilities	-	1,050	-	1,560
2330	Telephone / Internet	-	1,341	-	-
2495	Plant & Equipment Purchases	-	70,367	1,380	-
Expense Subtotal		-	98,483	1,876	87,849
Total Expense		1,787,318	2,347,711	1,795,237	2,384,130

The total budget for Finance Secretariat is higher in 2020-21 than 2019-20, mainly reflecting Covid-19 related reductions in business travel, and staff training not fully offsetting staff related cost increases and consultant costs.

Notwithstanding Covid-19 related restrictions, Treasury is expected to progress key the Public Financial Management Reform initiatives over 2020-21. These include implementation of new out-sourced internal audit arrangements, enhancement to the functionality and reliability of the whole of Government Financial Management Information System, establishment of an externally hosted stand-alone Ministry of Finance website to improve the availability of budget and financial information, and completion of outstanding historical financial statements. It is also proposed to undertake a stock take of Nauru's outstanding debt liabilities with a view to developing a clear plan to address them.

Planning and Aid Division will concentrate on implementation of the updated National Sustainable Development Strategy. The new Social Welfare Division will commence operations

13 BUREAU OF STATISTICS

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	82,379	94,468	79,835	98,587
2030	Salaries - Other Contracts	-	13,041	11,649	39,087
2050	Uniforms & Protective Clothing	-	2,450	2,450	-
2075	Travel - Business	2,692	12,031	4,568	2,964
2100	Entertainment	1,825	5,600	3,451	600
2130	Printing & Stationery	696	3,458	713	1,515
2135	Stores	-	1,755	400	-
2160	Land Rental	-	1,500	1,320	-
2190	R&M - Office Equipment	-	200	192	200
2230	Publicity and Awareness	-	440	440	-
2275	Purchase of Petrol	-	260	254	-
2330	Telephone / Internet	-	490	462	-
2999	Contingency fund	-	3,751	3,351	-
Expense Subtotal		87,592	139,444	109,084	142,953
Total Expense		87,592	139,444	109,084	142,953

The total budget for the Bureau of Statistics is higher in 2020-21 than 2019-20, mainly reflecting Covid-19 related reductions in business travel not fully offsetting increased staff and consultants' costs.

- \$0.02 million has been provided to the Bureau of Statistics to undertake a full scale Census and household and income survey in 2020-21. This follows a mini-census that was completed in 2019-20.

15 NAURU REVENUE OFFICE (NRO)

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
1190	Telecom Tax	2,161,081	2,300,000	2,334,854	2,000,000
1215	Licenses-Drivers etc	80,345	100,000	95,022	80,000
1235	Gaming / Bingo Licenses	378,173	420,000	219,666	280,000
1590	Employment/Non-resident Withholding Tax	17,531,292	17,700,000	17,556,646	9,200,000
1591	Business Profit Tax	22,199,748	37,500,000	42,884,858	22,280,000
Total Revenue		42,350,638	58,020,000	63,091,046	33,840,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	216,740	247,324	204,968	321,913
2035	Overtime - local	5,710	14,440	7,750	7,000
2040	Staff Training	250	3,000	-	20,000
2050	Uniforms & Protective Clothing	1,977	4,500	986	4,500
2075	Travel - Business	36,854	56,245	23,594	12,750
2100	Entertainment	-	1,500	588	1,500
2130	Printing & Stationery	19,872	22,800	20,251	16,300
2135	Stores	1,492	3,000	2,548	2,500
2165	Office Rental	20,140	27,500	22,814	26,250
2185	R&M - Buildings	-	2,500	-	5,000
2190	R&M - Office Equipment	715	2,500	2,000	2,000
2315	Utilities	22,443	26,000	22,649	25,000
2330	Telephone / Internet	-	1,400	250	1,500
2370	Membership Fees & Subscriptions	35,207	65,000	31,986	36,000
2495	Plant & Equipment Purchases	30,157	36,000	21,659	2,000
Expense Subtotal		391,556	513,709	362,042	484,213
Total Expense		391,556	513,709	362,042	484,213

The total budget for NRO is lower in 2020-21 than 2019-20, reflecting Covid-19 related reductions in business travel, membership fees and plant and equipment more than offsetting higher local salary costs.

During 2020-21 NRO will undertake a review of the tax system in partnership with PFTAC, with a view to undertaking reforms to ensure that the revenue base is maintained following the implementation of Pacer Plus. Options to be considered include the introduction of a goods and excise tax regime to replace the current import tax arrangements. Key principles for the reform include that any changes must be revenue neutral, and the regime be simple, efficient and effective.

NRO will continue to undertake tax monitoring and compliance activity through the year.

16 FINANCE – OTHER PAYMENTS

Natural_Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1015	Income from Investments & Dividends-Others	554,939	-	-	3,150,000
1440	Petrol Sales	-	-	-	-
1475	Miscellaneous Revenue	3,537,293	3,240,000	2,405,103	3,240,000
1660	General Budget Support	4,256,757	13,516,554	5,426,980	17,840,000
Total Revenue		8,348,989	16,756,554	7,832,083	24,230,000
Division : 0000 - General					
Expense by Natural Account					
2030	Salaries - Other Contracts	600,991	540,000	495,000	420,000
2055	Consultants fees	-	180,000	50,899	90,000
2205	R&M - Plant	-	1,750,000	1,739,192	2,600,000
2350	Freight	1,957,647	1,600,000	1,009,656	1,500,000
2370	Membership Fees & Subscriptions	-	1,380,857	1,380,857	-
2376	Equity Purchases	8,900,000	9,500,000	9,500,000	-
2390	Social Welfare - Birth Claims	33,500	192,000	100,300	192,000
2395	Social Welfare - Death Claims	156,720	260,000	202,000	238,000
2396	Back to School Support	-	-	-	739,800
2400	Social Services - Aged Pensions	2,075,950	3,119,418	2,981,078	3,865,000
2405	Social Services - Super Contributors	84,632	130,000	87,710	100,000
2410	Social Services - Super Ex MP's	956,390	-	-	-
2420	Social Services - Disability Payments	835,370	1,134,000	954,486	1,625,000
2496	Building and Structures	14,100,224	9,689,781	9,422,402	15,660,110
2545	Debt Repayments - Other	-	-	-	5,833,334
2565	Insurance	70,348	100,000	78,072	100,000
2615	Other Subsidies & Donations	23,000	-	-	-
2616	Subsidies to SoEs	10,653,834	33,857,027	33,791,507	18,465,560
2617	Donations - local	-	147,000	101,500	50,000
2618	Donations - overseas	-	100,000	-	100,000
2650	Trust Fund	14,572,309	23,921,732	23,921,732	16,585,947
2651	GON Contributions	2,416,316	1,832,916	1,379,411	1,832,916
2652	Fiscal Cash Buffer	5,330,000	195,536	-	8,901,145
2680	BON Liquidation- Payment	824,859	2,750,000	2,717,248	1,000,000
2802	Loan Expenditure Account	500,000	700,000	700,000	-
2998	COVID 19 Taskforce	-	-	-	6,000,000
2999	Contingency fund	-	3,500,000	2,732,397	500,000
Expense Subtotal		64,092,090	96,580,266	93,345,445	86,398,812
Total Expense		64,092,090	96,580,266	93,345,445	86,398,812

This expenditure head covers whole of government expenditure related items, especially those related to State Owned Enterprises (SOEs). It is managed by Treasury, in the Department of Finance. The budget for Finance – Other Payments in 2020-21 is lower than 2019-20 reflecting lower expected subsidy and grant payments to SOEs.

Social welfare measures

Measures included in the 2020-21 Budget to support improved social outcomes include:

- \$0.7 million for a Back to School payment of \$50 a child per term per child to remove obstacles to children being school ready from 1 July 2020, for those enrolled and attending school in Nauru. Payment will be based on confirmed school enrolment and 80 per cent attendance record in the prior term for those previously enrolled.
- \$1.2 million increase in pension payments to provide a \$50 a fortnight increase in aged and disability pensions from 1 July 2020. Total payments will be \$5.5 million over the year.
 - Aged Pension for those aged over 60 will increase from \$200 to \$250 a fortnight
 - Aged Pension for those aged over 70 will increase from \$250 to \$300 a fortnight
 - Disability Pension will increase from \$200 to \$250 a fortnight.

Other measures in Head 16

Other measures in Head 16 include:

- \$16.6 million for the Nauru Trust Fund (\$6.7 million pre-paid in 2019-20 to total \$23.3 million)
- \$15.7 million towards completion of a new Port for Nauru (buildings and structures).
- \$6.8 million has been provided to resolve outstanding debts, including Bank of Nauru (BON) liquidation payments for Nauru Phosphate Royalties Trust (NPRT) (\$5.8 million in Debt repayments - other) and BON bank book deposit holders (\$1 million in BON liquidation payment).
- \$2.6 million to continue with the Tank Farm refurbishment (R&M plant)
- \$6 million for the Covid-19 Taskforce.

The provision of \$5.8 million for NPRT will be provided from balances available from the Bank of Nauru liquidation, to assist NPRT progress further Ronwan capital re-distribution in 2020-21.

The Ronwan consolidation process, which began in 2014, approved a capital redistribution of the total beneficiary fund balance of \$115 million of which \$80 million has been paid out. A balance of around \$35 million or 30 per cent of beneficiaries capital remains to be paid.

The funding of \$5.8 million directly pays down this outstanding balance, which equates to 5 per cent of beneficiaries' remaining capital. This pay-out will bring total remaining Ronwan capital for redistribution down to \$29.2 million or 25 per cent.

The Government will work with NPRT to determine the details and timing of the pay-out in the new financial year, and announcements will be made by NPRT in the coming months.

2616 – Subsidies to SOEs

Given the uncertain economic outlook, the need to improve the resilience of Nauru's economy, and the significant Government investment in SOEs, it is important that SOEs are as efficient and effective as possible in providing goods and services to the community. Inefficient SOEs act as a drag on economic growth, reducing resources that might be put to better use in other activities that increase the overall productive capacity of the economy, and increase national wealth. The opportunity cost of investment in SOEs is very high.

Accordingly, the 2020-21 Budget includes measures to improve the efficiency of SOEs. They include the implementation of the *Public Enterprise Act 2019* (PEA) and the introduction of a new Community Service Obligation (CSO) framework, to improve the competitive neutrality of government owned businesses.

Consistent with international better practice, the CSO framework acknowledges that Government asks some SOEs to pursue social objectives that undermines the SOE's ability to be fully commercial. This results in inefficient cross-subsidies and compromises the financial performance of the business, leading to ad hoc requests for Government support.

The CSO framework provides for Government to make a payment to the SOE in return for undertaking the defined and costed social obligation. This enables the SOE to remove internal cross subsidies improving allocative efficiency. It should also enable the SOE to generate sufficient revenue to at least break-even and comply with the primary objective of an SOE to be a successful business,

and at least as profitable and efficient as comparable businesses in the private sector (Section 22 of the PEA).

\$7.2 million is provided for one-year CSO agreements to be negotiated with three state owned enterprises:

- Nauru Utilities Corporation (NUC) (\$1.4 million) to provide affordable electricity through a pre-pay lifeline tariff for up to 200kw/hr of power. The lifeline tariff covers the minimum monthly electricity requirement for a household.
 - In 2020-21, in lieu of the CSO, the residential lifeline pre-pay rate of the tariff will be reduced from 25c to 22c, reducing the monthly power bill by 12 per cent from \$50 to \$44 for residential pre-pay lifeline tariff customers. The pre-pay residential tariff will also be reduced from 50c per kw/hr to 47c, and the post-pay residential tariff will be reduced from 50c to 48c. All other tariffs will remain the same.
 - NUC will also explore opportunities to support households improve energy efficiency.
- Nauru Airlines Corporation (NAC) (\$4.7 million) to provide regular and affordable air freight services with a once weekly freighter service from Brisbane or Fiji at pre-Covid-19 rates. This CSO will cover the empty return journey for freight services, to ensure a weekly service continues to be provided for the rest of the year.
- Nauru Port and Maritime Authority (NMPA) (\$1.2 million) to ensure affordable Port charges, by holding Stevedoring and Wharf charges at current rates. The CSO will cover the difference between the current rate and the '2019 gazetted rate' that has been set to ensure that NMPA can cover its costs and operate commercially. The revenue from the CSO will ensure that NMPA does not need to increase its charges beyond the current pre-Covid-19 rates, and still cover all its costs.
 - This additional revenue for NMPA is expected to meet the Government obligation under the Port Project Agreement with the ADB to ensure that the Port is able to generate sufficient revenue to be fully commercial.

Other measures in Head 16 – subsidies to SOEs include:

- \$4.5 million for Nauru Airlines to convert one of its aircraft to a freighter
- \$3.3 million provided to hire tug-boats to support ship loading and unloading
 - This support will be necessary until the existing mooring system is repaired or the Port Project is completed.
- \$2.1 million to Nauru Port and Maritime Authority for the wet lease of a ship to mitigate risks to timely and affordable sea freight services
- \$1 million to Nauru Rehabilitation Corporation (NRC) for the pilot land rehabilitation project
- \$0.3 million to the Nauru Fibre Cable Corporation for operating costs.

Box 5: NAURU FIBRE CABLE CORPORATION

Nauru Fibre Cable Corporation (NFCC) is a statutory corporation established in the NFCC Act 2017. Its main responsibility is to establish an efficient international internet service in Nauru. The Office of NFCC will play a vital role to manage and provide telecommunication services, as well as be Nauru's representative body in the East Micronesia Cable System (EMCS) project to ensure that efficient internet services are provided to Nauru.

The EMCS is co-financed by the World Bank and ADB through the Improving Internet Connectivity for Micronesia Project.

In April 2019, the ADB announced that it had approved a total of US\$36.6 million in grants to help fund the delivery of low-cost, high-quality internet service in Kosrae in the Federated States of Micronesia (FSM); Tarawa and Kiritimati Island in Kiribati; and Nauru. This is expected to benefit around 75,000 people.

This included a US\$15 million grant to Nauru. The project will help install a submarine cable connection between Kiritimati Island to a proposed transpacific cable system connecting Australia and Hawaii, while financing Nauru's share of the EMCS.

The project will deliver faster, better quality internet, which could facilitate education and training for the labour force, raise the efficiency of the delivery of basic public services, and open new business opportunities.

17 NAURU CUSTOMS OFFICE (NCO)

Natural_Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1140	Customs and Excise Duty - Tobacco	5,338,101	4,772,288	5,104,379	5,726,746
1145	Customs and Excise Duty - Alcohol	1,133,629	1,460,000	1,422,135	2,040,000
1150	Customs and Excise Duty - Sugar	851,084	642,419	806,045	920,000
1155	Customs and Excise - Machinery/Vehicle/Equip.	1,096,543	680,000	953,582	830,000
1160	Customs and Excise Duty - Other	2,676,933	2,800,000	2,236,429	2,100,000
1165	Customs and Excise Duty - Petrol Sales	2,238,392	2,200,000	2,105,623	1,800,000
1170	Customs and Excise Duty - Diesel Sales	4,323,557	2,000,000	3,662,772	2,700,000
1175	Customs and Excise Duty - JetA1	209,729	100,000	-	20,000
1475	Miscellaneous Revenue	160	-	-	-
1575	Visa Fees (Other Business)	-	-	-	-
Total Revenue		17,868,127	14,654,707	16,290,965	16,136,746
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	272,314	328,468	287,331	456,414
2040	Staff Training	27,158	25,090	-	1,500
2050	Uniforms & Protective Clothing	9,992	10,000	5,300	1,015
2055	Consultants fees	1,272	70,000	-	173,207
2075	Travel - Business	7,685	10,761	9,037	4,209
2100	Entertainment	-	1,500	545	1,000
2130	Printing & Stationery	3,066	17,700	11,310	16,041
2135	Stores	1,580	2,400	949	1,000
2165	Office Rental	-	18,000	-	-
2185	R&M - Buildings	-	10,000	-	-
2190	R&M - Office Equipment	2,035	3,090	320	2,500
2200	R&M - Motor Vehicles	500	-	-	-
2230	Publicity and Awareness	-	-	-	1,000
2330	Telephone / Internet	-	1,800	1,800	-
2370	Membership Fees & Subscriptions	4,500	10,000	10,000	10,000
2375	ICT Supplies	-	600	-	-
2495	Plant & Equipment Purchases	40,791	25,690	8,710	3,000
2496	Building and Structures	-	-	-	33,655
Expense Subtotal		370,893	535,099	335,300	704,541
Total Expense		370,893	535,099	335,300	704,541

The total budget for NCO is higher in 2020-21 than 2019-20, mainly reflecting increased staff, consultancy and building and structures costs. The project to implement ASYCUDA World has been temporarily suspended due to travel restrictions.

- \$0.1 million is provided for a consultancy to support implementation of Pacer Plus.
- \$0.03 million has been allocated to provide safe and secure shelter for the RapiScan Mobile X-Ray Van, including securing safe premises and housing for the vehicle, and round the clock CCTV surveillance facilities.

18 NAURU REGIONAL PROCESSING CENTRE CORPORATION (NRPCC)

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	-	-	2,000,000	-
1495	Service Fees	27,000,000	20,100,000	17,768,318	10,067,050
1660	General Budget Support	-	-	-	-
Total Revenue		27,000,000	20,100,000	19,768,318	10,067,050
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	226,153	358,558	296,180	430,269
2025	Allowances - Staff Contract	51,694	81,000	57,500	66,000
2040	Staff Training	3,415	5,415	723	5,415
2055	Consultants fees	4,322,704	10,000	10,000	-
2072	Meals and Drinks - Staff	-	5,040	-	5,040
2075	Travel - Business	334,887	419,612	397,163	117,403
2100	Entertainment	941	2,400	2,272	2,400
2105	Official Celebrations	60,800	30,000	17,554	30,000
2130	Printing & Stationery	-	1,800	324	1,800
2200	R&M - Motor Vehicles	-	3,600	-	3,600
2275	Purchase of Petrol	24,263	30,800	18,258	20,800
2280	Purchase of Diesel	4,219	10,400	4,654	10,400
2330	Telephone / Internet	21,859	51,000	34,033	36,000
2495	Plant & Equipment Purchases	9,203	69,423	8,897	10,000
2570	Bank Charges	199	480	285	480
2575	Local Transport	285,340	631,736	419,740	631,736
2617	Donations - local	-	9,577	5,982	9,000
Expense Subtotal		5,345,677	1,720,841	1,273,566	1,380,343
Total Expense		5,345,677	1,720,841	1,273,566	1,380,343

The total budget for NRPCC is lower in 2020-21 than 2019-20, mainly reflecting Covid-19 related reductions in business travel. It has been assumed that NRPCC's core business will continue for all of 2020-21, irrespective of the outcome of negotiations with Australia on the future of the RPC.

21 COMMERCE INDUSTRY AND ENVIRONMENT (CIE)

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1475	Miscellaneous Revenue	5,000	7,500	4,875	5,000
1495	Service Fees	-	-	-	-
1675	Repayment of Business loans(CIE)	750	-	-	-
Total Revenue		5,750	7,500	4,875	5,000
Division : 2101 - Administration/Secretariat					
Expense by Natural Account					
2015	Salary - Local	94,445	86,484	108,709	110,232
2020	Salary Expatriate	31,543	-	50	-
2030	Salaries - Other Contracts	-	50,000	30,000	-
2040	Staff Training	1,096	-	-	63,192
2050	Uniforms & Protective Clothing	-	-	-	4,000
2055	Consultants fees	-	-	-	13,000
2072	Meals and Drinks - Staff	-	-	-	4,800
2075	Travel - Business	53,016	103,733	103,574	20,000
2100	Entertainment	1,190	1,985	1,985	1,000
2105	Official Celebrations	-	700	700	1,000
2130	Printing & Stationery	385	3,671	1,318	4,391
2135	Stores	1,392	1,450	-	1,450
2185	R&M - Buildings	-	54,000	40,875	-
2190	R&M - Office Equipment	-	-	-	1,200
2205	R&M - Plant	1,260	1,000	-	1,000
2370	Membership Fees & Subscriptions	24,965	36,962	36,962	33,997
2495	Plant & Equipment Purchases	11,307	329,585	236,659	2,000
2575	Local Transport	-	24,000	15,200	48,000
2600	Postage	-	100	-	-
Expense Subtotal		220,600	693,670	575,933	309,261
Division : 2102 - Agriculture					
Expense by Natural Account					
2015	Salary - Local	156,785	168,962	127,416	266,800
2030	Salaries - Other Contracts	-	6,500	2,000	3,000
2035	Overtime - local	-	6,378	4,735	4,608
2040	Staff Training	304	1,000	377	2,500
2050	Uniforms & Protective Clothing	999	1,000	714	2,500
2055	Consultants fees	3,391	-	-	-
2100	Entertainment	1,940	3,800	3,620	5,800
2105	Official Celebrations	3,243	5,700	5,004	5,700
2135	Stores	-	500	-	-
2190	R&M - Office Equipment	1,882	2,100	2,100	-
2225	Agricultural Supplies	13,745	23,680	22,207	21,000
2315	Utilities	4,196	3,000	1,781	3,000
2330	Telephone / Internet	1,090	-	-	-
2495	Plant & Equipment Purchases	32,673	-	-	-
Expense Subtotal		220,249	221,619	169,954	314,908
Division : 2103 - Commerce & Business					
Expense by Natural Account					
2015	Salary - Local	28,374	44,385	33,015	50,786
2100	Entertainment	8,763	800	300	11,200
2105	Official Celebrations	3,825	1,000	500	4,000
2130	Printing & Stationery	-	-	-	-
2495	Plant & Equipment Purchases	-	-	-	-
Expense Subtotal		40,961	46,185	33,815	65,986
Division : 2104 - Climate Change					
Expense by Natural Account					
2015	Salary - Local	26,210	101,022	91,435	73,502
2020	Salary Expatriate	-	-	-	-
2040	Staff Training	-	-	-	1,000
2075	Travel - Business	-	755	755	-
2100	Entertainment	220	2,000	1,773	2,000
2105	Official Celebrations	2,501	1,200	890	3,200
2190	R&M - Office Equipment	-	-	-	2,000
2495	Plant & Equipment Purchases	2,959	35,000	34,000	-
Expense Subtotal		31,890	139,977	128,853	81,702
Division : 2105 - Environment					
Expense by Natural Account					
2015	Salary - Local	91,152	101,839	79,660	140,873
2030	Salaries - Other Contracts	6,450	-	-	-
2040	Staff Training	-	-	-	1,200
2100	Entertainment	1,812	2,780	2,780	4,400
2105	Official Celebrations	1,100	2,500	2,400	12,500
2230	Publicity and Awareness	-	-	-	11,500
2495	Plant & Equipment Purchases	999	-	-	6,000
Expense Subtotal		101,512	107,119	84,839	176,473
Division : 2106 - Energy					
Expense by Natural Account					
2015	Salary - Local	3,874	5,602	-	12,722
2020	Salary Expatriate	22,886	50,000	48,775	60,000
2040	Staff Training	-	-	-	2,000
2055	Consultants fees	-	-	-	-
2100	Entertainment	-	105	105	2,800
2105	Official Celebrations	-	-	-	1,000
2190	R&M - Office Equipment	-	400	-	400
2370	Membership Fees & Subscriptions	-	10,000	-	-
2495	Plant & Equipment Purchases	-	13,595	12,100	9,200
Expense Subtotal		26,760	59,702	60,979	88,122
Total Expense		641,973	1,268,272	1,054,374	1,036,452

The total budget for CIE is lower in 2020-21 than 2019-20, mainly reflecting Covid-19 related reductions in business travel and lower expenditure on plant and equipment. These reductions more than offset increases in staff training (UN fellowship), local transport and staff costs. Improvements to the Anabar piggery are to be pursued in 2019-20.

31 FISHERIES

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1055	Support Vessel Charges	278,483	205,755	326,526	230,000
1071	Purse Seine Revenue - Licensing	1,447,472	1,159,711	1,735,140	1,300,000
1072	Purse Seine Revenue - Fishing Days	69,647,816	61,642,111	71,045,295	53,000,000
1475	Miscellaneous Revenue	33,971	-	99,363	-
1490	Court Fines and Fees	825,273	-	-	-
Total Revenue		72,233,015	63,007,577	73,206,324	54,530,000
Division : 0000 - General					
Expense by Natural Account					
2075	Travel - Business	-	1,580	-	-
Expense Subtotal		-	1,580	-	-
Division : 3101 - Ministerial & Board					
Expense by Natural Account					
2015	Salary - Local	32,386	137,944	101,197	60,160
2026	Directors Fees	3,720	15,000	4,750	15,000
2075	Travel - Business	81,700	94,902	93,314	12,500
2100	Entertainment	44,239	11,600	7,796	11,600
2105	Official Celebrations	10,405	10,000	9,341	10,000
2330	Telephone / Internet	1,326	2,520	840	2,520
Expense Subtotal		173,777	271,966	217,238	111,780
Division : 3102 - Corporate Section					
Expense by Natural Account					
2015	Salary - Local	247,763	300,911	225,898	380,925
2030	Salaries - Other Contracts	210	4,600	2,209	4,600
2040	Staff Training	1,630	1,493	-	1,493
2050	Uniforms & Protective Clothing	3,695	-	-	-
2061	Incorporation fees	2,575	-	-	-
2075	Travel - Business	183,082	213,766	210,293	40,000
2100	Entertainment	2,887	-	-	-
2130	Printing & Stationery	1,734	4,271	3,881	4,271
2135	Stores	2,613	4,748	3,408	4,748
2185	R&M - Buildings	5,210	28,400	15,422	7,200
2190	R&M - Office Equipment	418	-	-	8,340
2195	R&M - Office Premises	7,998	5,000	1,274	5,000
2200	R&M - Motor Vehicles	190	18,000	8,624	5,950
2205	R&M - Plant	9,106	8,340	1,287	-
2290	Purchase of Fuel - Other	1,703	10,793	4,224	10,793
2315	Utilities	120,802	140,004	94,905	140,004
2330	Telephone / Internet	85,989	91,992	86,984	91,992
2370	Membership Fees & Subscriptions	133,440	174,350	141,207	179,350
2495	Plant & Equipment Purchases	73,304	789,770	786,288	12,500
2600	Postage	294	600	96	600
Expense Subtotal		884,643	1,797,038	1,586,000	897,766
Division : 3103 - Oceanic Fisheries Section					
Expense by Natural Account					
2015	Salary - Local	110,260	124,880	96,552	149,213
Expense Subtotal		110,260	124,880	96,552	149,213
Division : 3104 - Coastal Fisheries Section					
Expense by Natural Account					
2015	Salary - Local	394,716	448,290	296,340	560,304
2020	Salary Expatriate	180,000	180,000	150,000	180,000
2040	Staff Training	-	20,000	-	-
2070	Travel - Staff	481	3,000	-	3,000
2100	Entertainment	2,985	18,000	2,885	18,000
2130	Printing & Stationery	17	3,700	2,125	4,200
2185	R&M - Buildings	-	10,300	-	15,000
2205	R&M - Plant	5,034	30,328	250	30,328
2275	Purchase of Petrol	-	-	-	7,300
2495	Plant & Equipment Purchases	9,727	117,300	109,213	-
2565	Insurance	12,837	10,000	-	14,000
Expense Subtotal		605,798	840,918	560,813	832,132
Division : 3105 - Policy & Legal Section					
Expense by Natural Account					
2015	Salary - Local	28,092	30,468	13,626	44,816
Expense Subtotal		28,092	30,468	13,626	44,816
Division : 3106 - Nauru National Fisheries Observer Program					
Expense by Natural Account					
2015	Salary - Local	38,101	34,079	26,839	42,653
2025	Allowances - Staff Contract	193,518	208,064	142,810	208,064
2040	Staff Training	-	50,575	47,261	-
2075	Travel - Business	113,567	100,000	81,251	25,000
2330	Telephone / Internet	2,310	2,520	1,260	2,520
2495	Plant & Equipment Purchases	2,000	2,000	760	2,000
2565	Insurance	-	26,000	-	32,000
2600	Postage	785	2,000	-	2,000
Expense Subtotal		350,280	425,238	300,182	314,237
Total Expense		2,151,271	3,490,507	2,774,411	2,349,944

The total budget for Fisheries is lower in 2020-21 than 2019-20, mainly reflecting Covid-19 related reductions in business travel and training, and reduced plant and equipment purchases. A project related to coastal fisheries will be pursued with donors.

41 POLICE

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
1340	Police Clearance	49,095	45,000	50,960	40,000
1475	Miscellaneous Revenue	1,800	1,800	41,675	1,800
1596	Traffic Infringements	-	-	-	50,000
Total Revenue		50,895	46,800	92,635	91,800
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	1,991,325	2,327,856	2,078,817	2,774,267
2030	Salaries - Other Contracts	9,025	12,800	12,618	114,800
2040	Staff Training	13,019	16,000	15,757	19,000
2050	Uniforms & Protective Clothing	63,512	52,010	51,079	52,650
2072	Meals and Drinks - Staff	-	-	-	3,000
2075	Travel - Business	120,906	57,278	56,433	24,419
2100	Entertainment	18,607	11,000	10,615	1,000
2105	Official Celebrations	13,353	6,000	5,517	13,000
2130	Printing & Stationery	1,339	5,000	4,866	6,420
2135	Stores	4,933	8,840	7,512	5,740
2185	R&M - Buildings	74,659	80,000	80,224	75,000
2190	R&M - Office Equipment	300	1,000	1,680	5,000
2205	R&M - Plant	7,102	3,292	1,063	9,500
2230	Publicity and Awareness	-	-	-	7,800
2315	Utilities	134,690	153,600	147,403	187,200
2330	Telephone / Internet	2,402	2,880	2,457	2,880
2495	Plant & Equipment Purchases	23,680	100,445	99,150	22,500
Expense Subtotal		2,478,850	2,838,001	2,575,192	3,324,176
Total Expense		2,478,850	2,838,001	2,575,192	3,324,176

The total budget for Police is higher in 2020-21 than 2019-20, mainly reflecting increased staff costs related to salary increases, risk allowances and Police Reserves, as well as recruitment of a new band master, and provision for utilities costs at the new training centre.

42 MULTICULTURAL AFFAIRS (MCA)

Natural_Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1015	Income from Investments & Dividends-Others	-	-	-	4,000,000
1220	Corporation Fees and Licenses	-	-	-	-
1335	Visa Fees - RPC	831,000	2,600,000	1,899,000	480,000
1475	Miscellaneous Revenue	486,803	26,728,665	27,071,470	4,062,000
1577	DJBC - Operations	5,449,692	3,053,284	3,369,827	2,289,963
1578	DJBC - Reimbursable Costs	16,880,850	20,343,599	18,933,723	15,257,699
1580	Visa Fees - RPC Resettlement	16,574,430	13,600,000	15,358,434	3,600,000
1598	Hosting Fee	-	-	-	36,983,331
Total Revenue		40,222,775	66,325,548	66,632,454	66,672,993
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	503,152	555,154	518,469	1,047,218
2020	Salary Expatriate	2,082,934	2,823,000	1,436,497	1,537,613
2030	Salaries - Other Contracts	18,365,612	18,864,704	18,065,960	14,072,348
2040	Staff Training	4,174	27,400	1,472	30,000
2050	Uniforms & Protective Clothing	14,454	22,000	15,991	12,000
2055	Consultants fees	2,161	10,000	-	-
2060	Legal Fees - External	3,035	50,000	-	37,500
2070	Travel - Staff	1,881	20,000	9,962	15,000
2075	Travel - Business	258,200	571,362	198,176	170,900
2100	Entertainment	23,115	25,100	24,175	33,000
2130	Printing & Stationery	11,292	10,000	5,823	11,250
2135	Stores	1,833	7,610	5,542	2,063
2155	House Rental	65,775	197,100	152,090	198,061
2160	Land Rental	2,536,907	3,085,651	2,382,543	1,888,930
2185	R&M - Buildings	-	50,000	18,704	33,750
2190	R&M - Office Equipment	11,194	28,000	24,942	25,500
2315	Utilities	112,278	108,720	105,747	81,540
2330	Telephone / Internet	36,784	57,220	26,638	55,440
2495	Plant & Equipment Purchases	19,807	38,500	30,822	4,200
2496	Building and Structures	90,159	-	-	-
2575	Local Transport	506,958	670,900	567,555	417,225
2580	Public Works	-	-	-	-
2615	Other Subsidies & Donations	2,001,000	4,000	2,469	-
Expense Subtotal		26,652,705	27,226,421	23,593,576	19,673,538
Total Expense		26,652,705	27,226,421	23,593,576	19,673,538

The total budget for MCA is lower in 2020-21 than 2019-20, mainly reflecting uncertainty around the future of RPC operations beyond the current agreement with Australia. The current agreement has been extended from 30 June 2020 to 31 December 2020. Discussions with Australia are ongoing on the transition of operations to an 'enduring capability'.

43 JUSTICE

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
1121	Curator fees	175,562	5,000	21,448	5,000
1220	Corporation Fees and Licenses	177,625	130,000	119,850	120,000
1225	Licenses-Trading	345,254	280,000	532,410	500,000
1325	Passport Fees and Photographs	120	-	-	-
1475	Miscellaneous Revenue	50	-	500	-
Total Revenue		698,611	415,000	674,208	625,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	229,139	445,894	211,621	615,366
2020	Salary Expatriate	1,562,717	1,452,892	1,238,430	1,762,000
2030	Salaries - Other Contracts	-	331,730	210,000	312,000
2040	Staff Training	49,891	70,000	48,245	66,000
2050	Uniforms & Protective Clothing	2,954	10,000	7,125	-
2055	Consultants fees	-	13,613	-	-
2060	Legal Fees - External	140,517	959,030	535,233	500,000
2070	Travel - Staff	32,881	42,180	23,215	50,000
2075	Travel - Business	272,843	280,000	153,311	84,906
2100	Entertainment	135,815	97,000	86,821	30,000
2105	Official Celebrations	213	-	-	-
2130	Printing & Stationery	88,630	30,621	7,562	30,621
2135	Stores	29,759	16,365	9,811	12,241
2185	R&M - Buildings	24,855	2,650	-	2,650
2190	R&M - Office Equipment	405	10,405	-	10,405
2330	Telephone / Internet	3,777	2,510	1,317	-
2370	Membership Fees & Subscriptions	11,120	21,746	12,319	22,146
2495	Plant & Equipment Purchases	97,709	47,970	20,620	-
2575	Local Transport	-	23,760	22,050	32,850
2600	Postage	120	500	-	500
2700	Deportee Revomal	-	-	-	-
Expense Subtotal		2,683,345	3,858,866	2,587,679	3,531,685
Total Expense		2,683,345	3,858,866	2,587,679	3,531,685

The total budget for Justice is lower in 2020-21 than 2019-20, mainly reflecting reductions in business travel and legal fees, partly offset by increased staff costs (six new pleaders and tax-related adjustments to expat salaries). The proposed PILON conference is on hold pending resolution of Covid-19 related travel restrictions.

- \$0.3 million has been provided for security at expatriate houses.

44 JUDICIARY

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
1490	Court Fines and Fees	29,845	15,000	18,784	17,000
Total Revenue		29,845	15,000	18,784	17,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	142,092	187,052	138,797	233,410
2020	Salary Expatriate	441,421	240,000	244,536	240,000
2025	Allowances - Staff Contract	1,061,210	1,038,212	770,770	622,583
2030	Salaries - Other Contracts	-	32,000	20,000	104,000
2035	Overtime - local	-	-	128	-
2050	Uniforms & Protective Clothing	3,700	2,788	2,788	3,535
2070	Travel - Staff	3,392	1,165	1,164	14,468
2075	Travel - Business	48,620	20,046	20,042	-
2100	Entertainment	6,796	18,410	18,398	8,200
2105	Official Celebrations	2,920	1,570	1,568	10,000
2130	Printing & Stationery	28,650	96,936	17,207	10,000
2135	Stores	2,907	54,130	2,469	5,846
2185	R&M - Buildings	29,726	45,142	44,624	-
2190	R&M - Office Equipment	-	31,361	29,818	-
2315	Utilities	-	257	227	257
2330	Telephone / Internet	1,176	2,350	1,582	2,350
2495	Plant & Equipment Purchases	1,998	110,037	31,612	-
2605	Library/Periodicals	-	2,000	-	-
2625	Family Court Expenses	3,000	4,600	3,000	6,000
Expense Subtotal		1,777,607	1,888,056	1,348,728	1,260,649
Total Expense		1,777,607	1,888,056	1,348,728	1,260,649

The total budget for Judiciary is lower in 2020-21 than 2019-20, mainly reflecting Covid-19 related reduction in travel business, and the decision to move to two judges from three, reducing sittings now that the court backlog has been addressed. Provision has also been made for the increase in Pleadings that have now been admitted.

45 BORDER CONTROL

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1140	Customs and Excise Duty - Tobacco	-	-	-	-
1225	Licenses-Trading	350	-	-	-
1325	Passport Fees and Photographs	314,997	180,000	162,580	170,000
1335	Visa Fees - RPC	200	-	-	-
1475	Miscellaneous Revenue	100	-	-	-
1485	Quarantine Fees	46,650	60,000	37,696	36,000
1575	Visa Fees (Other Business)	2,876,362	2,000,000	2,075,469	1,900,000
Total Revenue		3,238,659	2,240,000	2,275,745	2,106,000
Division : 0000 - General					
Expense by Natural Account					
2700	Deportee Revomal	1,599	-	-	-
Expense Subtotal		1,599	-	-	-
Division : 4501 - Immigration					
Expense by Natural Account					
2015	Salary - Local	129,688	146,608	125,732	209,389
2020	Salary Expatriate	68,707	75,000	65,821	75,000
2035	Overtime - local	168,998	190,324	169,740	100,000
2050	Uniforms & Protective Clothing	7,150	12,800	4,480	6,000
2055	Consultants fees	-	-	-	5,000
2070	Travel - Staff	7,210	13,570	6,667	13,570
2075	Travel - Business	21,051	41,150	20,805	10,250
2100	Entertainment	2,993	3,000	1,659	3,000
2130	Printing & Stationery	19,159	12,549	6,505	7,000
2135	Stores	-	859	496	1,000
2185	R&M - Buildings	9,637	5,000	-	5,000
2190	R&M - Office Equipment	12,728	15,000	6,000	10,000
2330	Telephone / Internet	1,334	1,500	1,243	1,500
2370	Membership Fees & Subscriptions	1,748	2,000	1,957	2,000
2495	Plant & Equipment Purchases	47,991	-	-	-
2600	Postage	-	1,000	-	1,500
2700	Deportee Revomal	10,409	10,140	360	20,000
Expense Subtotal		508,802	530,500	411,464	470,209
Division : 4502 - Passport					
Expense by Natural Account					
2015	Salary - Local	44,911	42,822	38,251	58,850
2055	Consultants fees	-	-	-	20,000
2075	Travel - Business	-	30,000	5,818	2,750
2130	Printing & Stationery	97,466	3,238	348	14,247
2135	Stores	103	500	247	500
2185	R&M - Buildings	-	500	-	-
2190	R&M - Office Equipment	-	3,000	-	2,000
2330	Telephone / Internet	-	1,560	-	1,560
2495	Plant & Equipment Purchases	11,160	-	-	-
2600	Postage	224	500	-	500
Expense Subtotal		153,865	82,120	44,663	100,407
Division : 4503 - Quarantine					
Expense by Natural Account					
2015	Salary - Local	165,423	283,828	183,999	325,638
2030	Salaries - Other Contracts	-	700	700	-
2040	Staff Training	3,200	12,070	3,918	5,000
2050	Uniforms & Protective Clothing	8,704	6,595	6,596	5,432
2055	Consultants fees	-	36,996	14,317	10,000
2075	Travel - Business	-	15,000	-	4,625
2100	Entertainment	1,656	3,000	2,835	3,000
2130	Printing & Stationery	-	2,140	422	1,799
2135	Stores	4,035	18,300	17,326	5,300
2185	R&M - Buildings	1,280	2,000	2,000	7,000
2330	Telephone / Internet	250	1,500	1,497	3,000
2495	Plant & Equipment Purchases	43,830	5,668	-	8,884
Expense Subtotal		228,378	387,797	233,610	379,678
Total Expense		892,644	1,000,417	689,737	950,294

The total budget for Border Control is lower in 2020-21 than 2019-20, mainly reflecting Covid-19 related reduction in travel business, offsetting staff and operational cost increases.

- \$0.02 million has been allocated to engage a consultant to ensure that Nauruan passports can be scanned at international airports.

46 CORRECTIONAL SERVICES

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	623,978	584,649	530,244	670,788
2030	Salaries - Other Contracts	-	4,108	125	6,200
2040	Staff Training	4,900	-	-	11,200
2050	Uniforms & Protective Clothing	26,497	26,250	26,193	36,731
2072	Meals and Drinks - Staff	-	2,950	2,839	5,950
2100	Entertainment	-	500	-	250
2130	Printing & Stationery	2,677	3,000	2,992	3,000
2135	Stores	6,302	8,200	6,702	4,715
2185	R&M - Buildings	7,903	2,700	2,605	4,500
2190	R&M - Office Equipment	453	1,000	-	3,000
2205	R&M - Plant	3,407	-	-	-
2315	Utilities	14,332	11,102	10,473	-
2495	Plant & Equipment Purchases	83,287	4,800	4,714	30,000
2585	Rations	49,701	71,600	63,754	86,324
2590	Correctional Services Supplies	6,823	10,000	7,473	10,000
Expense Subtotal		830,260	730,860	658,114	872,658
Total Expense		830,260	730,860	658,114	872,658

The total budget for Correctional Services is higher in 2020-21 than 2019-20, mainly reflecting an increase in rations due to an increase in inmates, higher staff costs and plant and equipment expenditure for the new prison. Utilities charges have reduced as these are now covered from the central provision in the Chief Secretary's budget. A plan to commence farming to supplement rations is being explored with donors.

50 TVET

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	26,900	58,500	26,394	-
1597	TVET Course Fees	-	-	-	30,000
Total Revenue		26,900	58,500	26,394	30,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	53,865	314,608	190,906	367,385
2030	Salaries - Other Contracts	-	59,200	10,935	10,070
2050	Uniforms & Protective Clothing	-	22,500	16,996	-
2075	Travel - Business	3,101	33,838	23,464	3,101
2100	Entertainment	13,850	1,000	676	1,000
2105	Official Celebrations	-	-	-	7,500
2130	Printing & Stationery	15,621	26,000	3,443	3,460
2132	TVET Supplies	525,222	250,000	105,291	-
2135	Stores	281	4,020	3,775	2,342
2185	R&M - Buildings	12,006	51,000	33,996	1,000
2205	R&M - Plant	-	50,000	21,238	2,000
2230	Publicity and Awareness	-	-	-	1,500
2315	Utilities	10,000	-	-	42,705
2330	Telephone / Internet	4,230	2,520	1,334	2,520
2495	Plant & Equipment Purchases	116,470	1,000	698	1,000
2496	Building and Structures	297,886	63,000	51,110	-
Expense Subtotal		1,052,532	878,686	463,863	445,583
Total Expense		1,052,532	878,686	463,863	445,583

The total budget for TVET is lower in 2020-21 than 2019-20, mainly reflecting reductions in TVET supplies (these are to be pre-purchased from underspends in 2019-20), repairs and maintenance of buildings and plant, and building and structures, as well as reduced travel business costs.

51 EDUCATION

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1550	Canteen Fees	500	-	-	-
	Total Revenue	500	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	-	-	-	-
2020	Salary Expatriate	77,029	-	-	-
2030	Salaries - Other Contracts	11,015	-	1	-
2040	Staff Training	3,297	-	-	-
2070	Travel - Staff	400	-	-	-
2075	Travel - Business	5,772	-	-	-
2440	Scholarships - School & Trade	-	-	-	-
	Expense Subtotal	96,713	-	1	-
Division : 5101 - Head Office					
Expense by Natural Account					
2015	Salary - Local	520,935	833,592	507,782	1,265,062
2020	Salary Expatriate	-	352,400	329,057	495,910
2026	Directors Fees	-	750	-	4,500
2030	Salaries - Other Contracts	-	-	-	-
2040	Staff Training	74,039	98,639	97,618	42,480
2055	Consultants fees	-	20,000	-	60,000
2070	Travel - Staff	-	89,800	78,319	138,600
2075	Travel - Business	62,274	147,635	118,828	35,000
2100	Entertainment	21,724	23,690	22,767	39,100
2130	Printing & Stationery	12,169	11,047	2,361	17,423
2135	Stores	1,000	2,101	1,887	11,152
2185	R&M - Buildings	176,380	205,500	134,997	144,000
2315	Utilities	1,000	-	-	-
2370	Membership Fees & Subscriptions	83,765	82,668	21,214	92,670
2440	Scholarships - School & Trade	1,287,895	1,881,852	1,456,288	2,229,597
2495	Plant & Equipment Purchases	-	82,720	71,202	54,122
2575	Local Transport	15,140	43,120	17,360	13,280
2585	Rations	3,362	-	-	-
2705	NEAT Scheme	-	-	-	-
	Expense Subtotal	2,259,784	3,875,515	2,859,680	4,642,896
Division : 5102 - Infant School					
Expense by Natural Account					
2015	Salary - Local	534,149	522,172	451,819	891,521
2020	Salary Expatriate	6,035	-	0	-
2030	Salaries - Other Contracts	343,150	272,925	202,562	35,989
2130	Printing & Stationery	14,999	21,995	18,078	100,392
2135	Stores	5,000	16,193	8,299	83,203
2185	R&M - Buildings	0	-	-	-
2315	Utilities	65,646	62,928	40,289	85,776
2495	Plant & Equipment Purchases	17,770	7,653	7,584	43,127
2496	Building and Structures	-	-	-	170,000
2585	Rations	690,719	350,000	318,273	316,960
2611	Children Education Toys and Learning Supplies	-	-	-	109,268
	Expense Subtotal	1,677,468	1,253,866	1,046,905	1,836,235
Division : 5103 - Primary School					
Expense by Natural Account					
2015	Salary - Local	908,173	926,669	884,075	1,304,238
2020	Salary Expatriate	300,077	-	0	-
2030	Salaries - Other Contracts	937,440	547,290	498,856	47,408
2070	Travel - Staff	26,388	-	-	-
2130	Printing & Stationery	39,999	36,303	26,474	40,000
2135	Stores	10,000	10,003	5,247	23,869
2185	R&M - Buildings	-	-	-	-
2315	Utilities	186,530	185,780	145,782	205,460
2495	Plant & Equipment Purchases	30,000	655,925	556,388	129,076
2496	Building and Structures	100,000	66,000	66,000	206,009
2585	Rations	865,297	1,560,000	1,325,908	1,448,960
2611	Children Education Toys and Learning Supplies	-	-	-	147,675
	Expense Subtotal	3,403,904	3,987,970	3,508,729	3,552,695
Division : 5104 - Secondary School					
Expense by Natural Account					
2015	Salary - Local	348,214	278,637	249,106	277,842
2020	Salary Expatriate	224,563	-	0	-
2030	Salaries - Other Contracts	105,013	113,044	72,350	18,687
2070	Travel - Staff	5,202	-	-	-
2130	Printing & Stationery	39,999	40,000	29,099	45,391
2135	Stores	10,000	6,358	1,698	20,988
2185	R&M - Buildings	-	-	-	-
2315	Utilities	93,632	148,800	94,263	113,744
2495	Plant & Equipment Purchases	18,128	36,532	8,843	32,270
2496	Building and Structures	-	-	-	59,753
2585	Rations	324,049	360,000	359,325	429,840
2611	Children Education Toys and Learning Supplies	-	-	-	36,818
2705	NEAT Scheme	137,495	134,500	133,420	123,268
	Expense Subtotal	1,306,294	1,117,871	948,104	1,158,701
Division : 5105 - Able Disable Centre					
Expense by Natural Account					
2015	Salary - Local	50,627	56,885	79,547	140,749
2030	Salaries - Other Contracts	37,473	54,970	28,320	7,802
2130	Printing & Stationery	2,999	4,224	447	22,144
2135	Stores	2,999	2,856	1,776	14,429
2185	R&M - Buildings	10,450	-	-	-
2315	Utilities	4,500	9,339	5,700	15,120
2495	Plant & Equipment Purchases	3,852	2,451	2,450	19,307
2496	Building and Structures	-	-	-	40,000
2585	Rations	18,510	20,000	19,300	19,200
2611	Children Education Toys and Learning Supplies	-	-	-	15,943
	Expense Subtotal	131,410	150,723	137,540	294,694
Division : 5106 - Community Play Centre					
Expense by Natural Account					
2015	Salary - Local	40,661	58,434	40,170	-
2130	Printing & Stationery	9,995	6,477	-	12,364
2135	Stores	4,993	4,920	-	11,000
2315	Utilities	-	2,400	-	5,280
2495	Plant & Equipment Purchases	2,341	7,638	-	5,131
2611	Children Education Toys and Learning Supplies	-	-	-	22,219
	Expense Subtotal	57,989	79,870	40,170	55,994
Division : 5107 - TVET					
Expense by Natural Account					
2015	Salary - Local	20,899	-	-	-
	Expense Subtotal	20,899	-	-	-
Total Expense		8,954,461	10,465,815	8,541,127	11,541,216

The total budget for Education is higher in 2020-21 than 2019-20, mainly reflecting new investments in teacher salaries, school facilities and scholarships.

- \$2.2 million for scholarships to study at schools in Fiji and Australia, an increase of 17
- \$2.2 million for nutritious school lunches
- \$0.8 million increase in local salaries, including increased teacher remuneration and allowances for caretakers and toilet cleaners
- \$0.5 million is provided to repair classrooms and improve school facilities
- \$0.3 million for school supplies, to ensure that books and learning materials are available to students at all school levels
- \$0.1 million for the NEAT scheme to support students that complete year 12.

In 2019-20, the Government purchased 7 new school buses that should arrive in July 2020.

The Government supports three annual scholarship programs for 30 students to study in Fiji or Australia: 20 year 8 student scholarships (10 each in Australia and Fiji), five for year 9 in Australia, and five for year 12 in Australia. In addition, the Australian Government provides scholarships for five year 9 students in Australia. This brings the total number of Nauruan students sponsored to complete high school abroad to 35.

The mission of the Education Department is to ensure inclusive and quality education for all, to promote lifelong learning by 2030. Education's vision is 'Every Student Learning'.

Education has three overarching programs:

- Learning program that aims to have students graduate from school as confident citizens able to fully participate in national and international society. Key outcomes relate to having sufficient capable and qualified teachers, GON international scholarships, nutritious school lunches, improved school infrastructure and school buses.
- Student support program to facilitate students to fully participate in learning, including by providing education supplies, internet connectivity a national curriculum to Year 10, and QCE for years 11 and 12, Back to School assistance and the NEAT scheme.
- Monitoring, evaluation and quality control through better data, teacher professional development and training, including with the University of New England program.

Donors are providing significant support to the sector, with Australia and New Zealand working together with Nauru on a new design for the Development Funding Agreement, expected to be completed by December 2020. Current DFAs have been extended until then.

52 YOUTH AFFAIRS

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	99,371	80,809	79,197	131,983
2025	Allowances - Staff Contract	-	-	-	36,000
2030	Salaries - Other Contracts	4,320	30,860	24,320	25,280
2035	Overtime - local	-	-	-	7,500
2075	Travel - Business	-	-	-	-
2100	Entertainment	40	1,099	1,099	1,099
2105	Official Celebrations	8,134	9,050	8,851	9,900
2130	Printing & Stationery	90	2,000	555	2,000
2135	Stores	-	749	749	949
2195	R&M - Office Premises	16,791	35,400	35,400	4,253
2205	R&M - Plant	-	1,000	100	1,000
2495	Plant & Equipment Purchases	3,146	13,500	7,733	10,000
Expense Subtotal		131,892	174,467	158,003	229,964
Division : 8101 - Office of the Secretariat					
Expense by Natural Account					
2015	Salary - Local	-	-	342	-
Expense Subtotal		-	-	342	-
Total Expense		131,892	174,467	158,346	229,964

The total budget for Youth Affairs is higher in 2020-21 than 2019-20, mainly reflecting increased salaries and allowances (including overtime) and new investments in programs.

- \$0.03 million is provided for a \$150 weekly study allowance for up to 15 students participating in the life skills program, supporting full-time attendance by students. This is an eight month program including two months of work experience.

The Life Skills Program targets youth who either drop-out of school or are unemployed, creating an opportunity to learn basic English, maths and office work skills, such as computing, as well as vocational skills such as carpentry welding, sewing and art.

61 HEALTH

Natural_Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1330	Visa Check up	8,621	10,008	10,371	6,505
1475	Miscellaneous Revenue	1,500	1,200	879	-
1495	Service Fees	28,478	25,200	14,790	19,728
1520	Food Handler Check up	6,000	4,800	6,440	6,000
1555	Spectacles,Drugs etc	880	1,000	2,045	2,000
1565	Medical Services	4,401	4,800	3,315	2,300
Total Revenue		49,880	47,008	37,840	36,533
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	-	-	-	-
2020	Salary Expatriate	-	-	-	-
Expense Subtotal		-	-	-	-
Division : 6101 - Office of the Secretary					
Expense by Natural Account					
2015	Salary - Local	2,028,955	2,538,153	1,913,325	4,053,597
2020	Salary Expatriate	1,592,084	2,180,895	1,774,329	3,145,384
2025	Allowances - Staff Contract	152,447	45,000	20,676	258,000
2030	Salaries - Other Contracts	-	55,000	54,150	-
2040	Staff Training	-	51,000	10,428	84,000
2055	Consultants fees	18,480	195,000	176,392	215,000
2070	Travel - Staff	199,651	186,600	183,164	104,125
2072	Meals and Drinks - Staff	-	25,000	8,960	-
2075	Travel - Business	46,331	108,579	103,514	37,500
2100	Entertainment	11,239	10,000	9,994	14,000
2130	Printing & Stationery	9,093	47,000	46,607	9,000
2135	Stores	310	2,000	1,557	3,000
2185	R&M - Buildings	309,635	-	-	-
2190	R&M - Office Equipment	-	3,000	2,985	5,000
2191	R&M Medical Equipment	-	115,966	106,265	-
2315	Utilities	1,258,345	1,500,000	1,359,561	1,412,827
2330	Telephone/ Internet	77,940	5,040	3,692	11,322
2467	Drugs and Medicines	-	-	-	-
2475	Overseas Medical Treatment	5,030,374	5,579,654	5,314,373	2,000,000
2480	Medical Equipment	198,252	180,000	169,498	-
2495	Plant & Equipment Purchases	10,846	340,000	289,205	-
2496	Building and Structures	477,816	695,000	453,011	-
2575	Local Transport	-	58,560	39,225	-
Expense Subtotal		11,421,798	13,921,447	12,040,909	11,352,755
Division : 6102 - RON Hospital					
Expense by Natural Account					
2015	Salary - Local	13,391	-	0	-
2020	Salary Expatriate	106,682	-	0	-
2050	Uniforms & Protective Clothing	15,719	10,000	3,941	10,000
2072	Meals and Drinks - Staff	-	126,000	124,866	101,000
2100	Entertainment	4,994	-	-	-
2130	Printing & Stationery	59,204	21,440	19,891	25,000
2135	Stores	740	2,000	1,830	3,000
2190	R&M - Office Equipment	-	16,000	15,999	6,000
2191	R&M Medical Equipment	82,841	60,000	59,430	100,000
2205	R&M - Plant	59,678	60,000	59,646	60,000
2220	Nauru Community Housing	49,400	-	-	50,000
2467	Drugs and Medicines	800,000	705,000	698,519	750,000
2468	Dental Supplies	69,417	55,000	46,778	50,000
2469	Dialysis Supplies	120,884	250,000	248,706	-
2471	Medical Consumable	699,050	650,000	648,557	790,000
2472	Laboratory supplies	399,283	273,000	264,037	248,000
2473	Radiology Supplies	19,996	20,000	9,320	20,000
2474	Clinical Education Supplies	19,266	20,000	3,900	20,000
2480	Medical Equipment	113,008	113,400	97,077	115,000
2495	Plant & Equipment Purchases	85,154	-	-	6,000
2585	Rations	593,715	588,000	531,806	588,000
Expense Subtotal		3,312,419	2,969,840	2,834,303	2,942,000
Division : 6103 - Public Health					
Expense by Natural Account					
2130	Printing & Stationery	-	5,000	4,810	5,000
2135	Stores	2,992	3,000	2,908	3,000
2185	R&M - Buildings	31,320	-	-	-
2190	R&M - Office Equipment	5,280	-	-	-
2461	Primary Health Care Services	52,599	27,731	13,402	303,400
2462	NCD Control & Health Promotion	-	10,000	6,759	43,600
2463	Environmental Health and Food safety	70,085	50,000	27,561	10,000
2464	Management Monitoring & Evaluation	2,772	20,000	15,530	31,000
2469	Dialysis Supplies	-	-	-	350,000
2495	Plant & Equipment Purchases	9,170	-	-	-
Expense Subtotal		174,217	115,731	70,970	746,000
Total Expense		14,908,435	17,007,018	14,946,182	15,040,755

The total budget for Health is lower in 2020-21 than 2019-20, mainly reflecting increased salaries and allowances costs for existing and new staff that are more than offset by the expected reduction in for overseas medical referrals.

In the 2020-21 Budget, health services have been maintained and supplemented in addition to the expenditures related to the Covid-19 Taskforce.

- A \$2.5 million increase is provided for local and expatriate salaries and allowances for existing and new medical staff, including the return of Cuban doctors, bringing the total investment in salaries to \$7.2 million.
- \$2 million is provided for Overseas Medical Referrals, a reduction of \$3.4 million from 2019-20, to reflect the expected reduction in the need for the service, given the increase in local capacity funded by the increased local and expatriate salaries, as well as the investments by the Covid-19 Taskforce in improving facilities.
- \$0.3 million is provided for primary health care services, to reduce the burden of non-communicable diseases and reversal of NCD complications.

Local health implementation capacity will be improved through revamping the Nauru Health Professional Training Institute to commence Island delivery of nursing and public health training in partnership with universities in Fiji and Australia.

In addition, there are Covid-19 related investments that increase the resources available to support better health outcomes. These include:

- \$ 2.0 million for health preparedness, including medical equipment and supplies, PPE, testing and other medical consumables
- \$1.2 million for essential building works to upgrade various health facilities including new acute ward, isolation, paediatrics and maternity ward improvements, flood control and improved procurement and storage of supplies.

The Ministry of Health is advancing its policies and optimized approach in building a resilient health system that serves the people of Nauru; models a comprehensive Health Hub for the Pacific; and is sufficiently adequate should the COVID-19 Pandemic affect the Island.

62 SPORT

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	15,000	-	2,800	-
Total Revenue		15,000	-	2,800	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	89,674	116,564	109,550	150,863
2030	Salaries - Other Contracts	-	-	-	30,000
2040	Staff Training	-	-	-	28,188
2050	Uniforms & Protective Clothing	-	-	-	3,750
2075	Travel - Business	24,977	16,588	16,588	25,000
2100	Entertainment	4,200	5,000	1,245	5,000
2105	Official Celebrations	-	-	-	20,000
2130	Printing & Stationery	887	1,680	1,329	2,000
2135	Stores	493	500	425	1,000
2185	R&M - Buildings	-	-	-	50,000
2370	Membership Fees & Subscriptions	-	10,000	7,262	-
2495	Plant & Equipment Purchases	13,298	44,950	11,725	140,000
2496	Building and Structures	-	400,000	386,280	-
2575	Local Transport	-	-	-	20,000
2580	Public Works	19,804	-	-	-
2615	Other Subsidies & Donations	142,214	-	-	-
2617	Donations - local	590,337	1,201,732	1,011,891	185,000
Expense Subtotal		885,884	1,797,014	1,546,294	660,801
Total Expense		885,884	1,797,014	1,546,294	660,801

The total budget for Sport is lower in 2020-21 than 2019-20, mainly reflecting increased staff and operational costs being more than offset by lower expenditure on buildings and structures and donations. A new initiative to secure technical assistance for a sports excellence program has been put on hold due to Covid-19 travel restrictions.

- \$0.08 million has been provided to support cleaning, repairs and maintenance of the National Sports Centre.

63 DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	15,724	72,898	62,241	181,619
2030	Salaries - Other Contracts	-	5,000	400	-
2040	Staff Training	-	5,000	-	4,000
2055	Consultants fees	-	-	-	50,000
2075	Travel - Business	-	84,554	84,554	12,887
2130	Printing & Stationery	-	2,200	620	3,000
2135	Stores	334	3,668	2,197	3,000
2165	Office Rental	-	30,000	30,000	72,000
2315	Utilities	-	11,324	1,332	22,560
2495	Plant & Equipment Purchases	2,313	175,146	122,831	52,708
2496	Building and Structures	917,142	1,021	1,021	-
2580	Public Works	1,494,752	1,310,522	1,202,932	482,000
2617	Donations - local	-	1,362,529	1,166,973	2,000,000
Expense Subtotal		2,430,264	3,063,862	2,675,100	2,883,774
Division : 9101 - Secretariat					
Expense by Natural Account					
2015	Salary - Local	945	-	-	-
Expense Subtotal		945	-	-	-
Total Expense		2,431,210	3,063,862	2,675,100	2,883,774

The total budget for the Department of Infrastructure Development is lower in 2020-21 than 2019-20, mainly reflecting reductions in travel business, plant and equipment purchases and public works more than offsetting increases in staff and operational costs.

- \$2 million has been provided to invest in new house construction, including provision of roofing to concrete slabs delivered in 2019-20 and commencement of a Smart Village Pilot.
- \$0.05 million has been provided to support a consultancy to develop an urban plan for the Smart Village Pilot.

71 FOREIGN AFFAIRS

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	384,939	471,564	405,472	538,084
2035	Overtime - local	-	205,000	6,441	10,000
2040	Staff Training	4,751	29,148	16,021	-
2050	Uniforms & Protective Clothing	-	5,000	-	-
2055	Consultants fees	-	10,000	-	-
2070	Travel - Staff	52,574	43,373	30,532	20,000
2075	Travel - Business	149,273	141,122	140,484	44,708
2100	Entertainment	4,800	7,000	6,260	38,000
2105	Official Celebrations	-	-	-	5,000
2110	Protocol	85,284	111,860	99,147	90,000
2130	Printing & Stationery	4,523	13,201	7,828	155,892
2135	Stores	4,410	6,000	3,353	5,000
2190	R&M - Office Equipment	-	1,000	67	1,000
2200	R&M - Motor Vehicles	448	3,000	-	-
2330	Telephone / Internet	6,838	8,313	6,447	7,140
2370	Membership Fees & Subscriptions	234,508	453,477	352,643	300,952
2495	Plant & Equipment Purchases	973	225,218	500	-
2600	Postage	-	2,000	1,430	2,000
Expense Subtotal		933,320	1,736,276	1,076,626	1,217,776
Total Expense		933,320	1,736,276	1,076,626	1,217,776

Generally, the total budget for all foreign affairs related heads is lower in 2020-21 than 2019-20, mainly reflecting the impact of Covid-19 travel restrictions. A decision was made to ensure that a clothing allowance is available for all heads of mission, and that budgets included sufficient entertainment and official celebration provisions. Staff and related costs are generally higher than 2019-20, and printing and stationary expenditure increases relate to preparations for the Micronesia Presidents' Summit.

The proposed Micronesia Presidents' Summit has been put on hold due to Covid-19 travel restrictions.

72 Brisbane

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	53,485	144,656	102,408	71,089
2020	Salary Expatriate	347,608	483,740	284,997	476,576
2030	Salaries - Other Contracts	34,523	69,400	33,160	69,400
2040	Staff Training	-	3,000	-	3,000
2070	Travel - Staff	2,619	22,050	2,143	16,500
2075	Travel - Business	9,153	15,460	10,567	3,865
2100	Entertainment	4,168	3,000	2,175	7,500
2105	Official Celebrations	4,200	3,750	2,852	3,750
2110	Protocol	-	13,800	-	-
2130	Printing & Stationery	1,900	9,000	400	9,000
2135	Stores	3,988	4,000	1,917	4,000
2155	House Rental	137,612	147,200	76,215	72,800
2165	Office Rental	115,601	166,200	162,355	166,200
2185	R&M - Buildings	20,658	21,412	5,873	4,560
2190	R&M - Office Equipment	1,067	3,880	967	16,880
2195	R&M - Office Premises	1,413	-	-	-
2200	R&M - Motor Vehicles	7,802	12,750	3,157	12,750
2275	Purchase of Petrol	38,933	25,168	17,445	35,152
2280	Purchase of Diesel	4,800	9,984	3,593	6,000
2315	Utilities	16,074	10,000	8,588	5,000
2330	Telephone / Internet	37,741	40,200	28,645	43,200
2370	Membership Fees & Subscriptions	15,340	11,132	11,077	14,732
2495	Plant & Equipment Purchases	248	19,150	18,589	10,800
2560	Educational Expenses - Special	2,967	4,000	2,315	8,000
2565	Insurance	16,632	19,668	19,644	35,868
2575	Local Transport	14,295	19,816	8,910	19,816
2600	Postage	651	900	88	900
Expense Subtotal		893,479	1,283,316	808,082	1,117,338
Total Expense		893,479	1,283,316	808,082	1,117,338

The total budget for Brisbane is lower in 2020-21 than 2019-20. This in part reflects the proposed move of some staff to the new Canberra mission.

73 Suva

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	126,032	156,626	106,713	206,481
2020	Salary Expatriate	44,961	53,845	44,372	72,695
2035	Overtime - local	-	4,750	862	-
2050	Uniforms & Protective Clothing	-	2,825	1,371	2,000
2070	Travel - Staff	19,598	49,291	43,638	-
2075	Travel - Business	61,138	75,334	42,833	30,180
2100	Entertainment	24,449	31,182	18,378	6,154
2105	Official Celebrations	7,568	11,653	7,809	11,619
2130	Printing & Stationery	4,664	5,765	3,281	5,748
2135	Stores	1,345	1,097	1,018	2,788
2155	House Rental	98,010	101,702	68,854	118,310
2165	Office Rental	27,117	31,711	25,727	41,522
2185	R&M - Buildings	4,762	73,412	18,831	6,200
2190	R&M - Office Equipment	9,135	8,690	6,258	8,665
2195	R&M - Office Premises	48	-	-	-
2200	R&M - Motor Vehicles	13,148	28,392	14,315	28,310
2275	Purchase of Petrol	10,829	12,780	9,009	14,841
2280	Purchase of Diesel	26,823	54,887	22,759	36,175
2315	Utilities	7,028	20,171	6,827	20,704
2330	Telephone / Internet	15,663	16,866	12,319	20,313
2460	Medical Expenses	8,170	13,278	6,865	13,239
2495	Plant & Equipment Purchases	7,230	42,860	40,421	21,504
2560	Educational Expenses - Special	1,816	11,547	4,769	22,535
2565	Insurance	174	2,910	319	13,437
2570	Bank Charges	524	848	375	845
2600	Postage	129	763	473	761
2615	Other Subsidies & Donations	692	-	-	-
2618	Donations - overseas	-	3,531	1,451	7,042
2690	Foreign exchange gains/losses	-	3,000	-	2,113
Expense Subtotal		521,050	819,716	509,847	714,180
Total Expense		521,050	819,716	509,847	714,180

The total budget for Suva is lower in 2020-21 than 2019-20, reflecting higher salary costs being more than offset by reductions in travel and other operational expenses.

74 New York

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	309,834	446,414	363,052	408,749
2020	Salary Expatriate	186,705	239,378	189,285	229,742
2025	Allowances - Staff Contract	118,520	45,664	41,184	44,788
2035	Overtime - local	-	35,036	37,790	35,036
2050	Uniforms & Protective Clothing	-	17,550	14,616	13,139
2070	Travel - Staff	90,791	51,069	20,164	91,391
2075	Travel - Business	286,463	451,352	357,602	87,649
2100	Entertainment	47,274	51,288	53,314	57,226
2110	Protocol	-	-	-	-
2130	Printing & Stationery	16,759	21,576	23,578	21,606
2155	House Rental	317,974	381,753	330,961	375,644
2165	Office Rental	150,393	262,774	186,255	262,774
2185	R&M - Buildings	-	-	-	-
2190	R&M - Office Equipment	-	1,168	-	1,679
2195	R&M - Office Premises	-	5,760	-	-
2200	R&M - Motor Vehicles	-	5,197	2,126	5,197
2205	R&M - Plant	1,144	10,073	7,410	10,073
2275	Purchase of Petrol	4,485	8,759	4,632	8,759
2315	Utilities	21,281	25,033	23,975	28,029
2330	Telephone / Internet	105,696	114,836	108,364	110,365
2370	Membership Fees & Subscriptions	66,191	217,497	101,033	125,359
2460	Medical Expenses	-	23,529	16,882	35,036
2495	Plant & Equipment Purchases	14,742	2,920	7,357	2,920
2560	Educational Expenses - Special	-	40,876	44,142	37,956
2565	Insurance	272,434	299,152	207,739	268,350
2570	Bank Charges	20,721	24,818	17,054	22,774
2600	Postage	565	1,000	1,487	1,000
2620	Lease & Charter Payments	55,689	90,014	75,254	66,686
2690	Foreign exchange gains/losses	-	36,375	379	46,375
Expense Subtotal		2,087,659	2,910,858	2,235,633	2,398,303
Total Expense		2,087,659	2,910,858	2,235,633	2,398,303

The total budget for New York is lower in 2020-21 than 2019-20.

75 Taiwan

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	86,407	110,414	76,705	112,983
2020	Salary Expatriate	86,522	103,999	77,647	103,999
2025	Allowances - Staff Contract	8,840	8,840	5,860	8,840
2030	Salaries - Other Contracts	13,183	12,678	5,289	8,398
2050	Uniforms & Protective Clothing	-	-	-	5,000
2075	Travel - Business	111,619	70,794	20,021	13,734
2100	Entertainment	11,727	7,032	6,480	10,000
2105	Official Celebrations	5,982	5,729	3,870	12,000
2130	Printing & Stationery	382	652	82	601
2135	Stores	1,028	1,135	1,062	1,135
2155	House Rental	29,084	33,760	22,933	31,069
2165	Office Rental	29,732	37,023	23,697	34,072
2190	R&M - Office Equipment	1,900	2,257	2,048	2,077
2200	R&M - Motor Vehicles	1,776	6,660	1,304	3,748
2275	Purchase of Petrol	3,882	3,366	1,999	2,800
2315	Utilities	12,804	21,580	8,613	19,860
2330	Telephone / Internet	14,054	14,786	9,601	13,607
2370	Membership Fees & Subscriptions	782	1,121	255	1,031
2460	Medical Expenses	3,676	4,661	4,656	25,050
2495	Plant & Equipment Purchases	2,300	2,172	1,899	4,249
2560	Educational Expenses - Special	25,330	47,687	3,678	32,557
2565	Insurance	13,844	13,557	7,840	13,557
2570	Bank Charges	1,132	1,128	336	1,038
2575	Local Transport	-	23,805	11,062	23,456
2600	Postage	257	400	2,800	368
2690	Foreign exchange gains/losses	-	1,000	-	1,000
Expense Subtotal		466,242	536,236	294,134	486,228
Total Expense		466,242	536,236	294,134	486,228

The total budget for Taiwan is lower in 2020-21 than 2019-20. This mainly reflects higher staff related costs, local travel and entertainment.

76 Geneva

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	11,486	190,517	113,754	200,460
2020	Salary Expatriate	-	164,539	70,315	124,424
2050	Uniforms & Protective Clothing	-	-	-	5,000
2070	Travel - Staff	14,651	-	-	5,634
2075	Travel - Business	29,943	34,717	33,791	27,648
2100	Entertainment	-	14,599	11,200	22,650
2105	Official Celebrations	-	-	-	6,795
2130	Printing & Stationery	-	4,000	1,989	4,228
2135	Stores	-	5,000	3,606	4,530
2155	House Rental	-	133,192	128,520	163,442
2165	Office Rental	-	-	-	27,180
2190	R&M - Office Equipment	-	8,876	30	7,852
2200	R&M - Motor Vehicles	-	4,088	4,000	15,100
2275	Purchase of Petrol	-	11,387	2,402	7,852
2315	Utilities	-	14,015	569	11,778
2330	Telephone / Internet	-	12,555	5,972	51,924
2370	Membership Fees & Subscriptions	-	-	-	302
2495	Plant & Equipment Purchases	-	37,750	-	7,550
2560	Educational Expenses - Special	-	71,989	85,507	74,745
2565	Insurance	-	74,453	54,401	75,628
2570	Bank Charges	-	3,000	284	500
2600	Postage	-	6,356	1,971	3,020
2690	Foreign exchange gains/losses	-	7,299	4,278	7,000
Expense Subtotal		56,080	798,331	522,588	855,242
Total Expense		56,080	798,331	522,588	855,242

The total budget for Geneva is higher in 2020-21 than 2019-20. This mainly reflects new office accommodation and related costs, and house rental costs.

77 India

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	-	68,750	-	41,250
2020	Salary Expatriate	-	12,000	-	6,000
2075	Travel - Business	-	9,000	-	4,500
2100	Entertainment	-	5,000	-	2,500
2130	Printing & Stationery	-	2,000	-	1,000
2135	Stores	-	1,000	-	500
2185	R&M - Buildings	-	2,500	-	1,250
2200	R&M - Motor Vehicles	-	2,000	-	1,000
2275	Purchase of Petrol	-	8,000	-	4,000
2315	Utilities	-	6,100	-	3,050
2330	Telephone / Internet	-	8,100	-	4,050
2495	Plant & Equipment Purchases	-	125,500	-	62,750
2565	Insurance	-	19,000	-	9,500
2570	Bank Charges	-	2,000	-	1,000
2600	Postage	-	2,000	-	1,000
2690	Foreign exchange gains/losses	-	2,000	-	1,000
Expense Subtotal		-	274,950	-	144,350
Total Expense		-	274,950	-	144,350

The total budget for India is lower in 2020-21 than 2019-20. This mainly reflects delays in establishing the new mission.

78 Canberra

Natural_Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	-	49,170	-	105,742
2020	Salary Expatriate	-	44,550	-	88,482
2050	Uniforms & Protective Clothing	-	-	-	5,000
2070	Travel - Staff	-	-	-	3,577
2075	Travel - Business	-	10,000	-	7,125
2100	Entertainment	-	5,000	-	11,250
2105	Official Celebrations	-	5,000	-	7,500
2130	Printing & Stationery	-	8,000	-	3,624
2135	Stores	-	4,000	-	2,550
2155	House Rental	-	69,000	-	111,800
2165	Office Rental	-	76,000	43,325	42,475
2185	R&M - Buildings	-	10,000	-	7,500
2190	R&M - Office Equipment	-	-	-	1,500
2195	R&M - Office Premises	-	-	-	-
2200	R&M - Motor Vehicles	-	-	-	750
2275	Purchase of Petrol	-	4,664	-	6,240
2330	Telephone / Internet	-	15,766	-	20,700
2460	Medical Expenses	-	-	-	7,500
2495	Plant & Equipment Purchases	-	120,336	-	95,681
2560	Educational Expenses - Special	-	10,000	-	22,500
2565	Insurance	-	-	-	17,250
2600	Postage	-	5,000	-	3,000
Expense Subtotal		-	436,486	43,325	571,746
Total Expense		-	436,486	43,325	571,746

The total budget for Canberra is higher in 2020-21 than 2019-20. This mainly reflects increased expected costs to establish the new mission.

81 HOME AFFAIRS

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1475	Miscellaneous Revenue	-	-	24,041	-
Total Revenue		-	-	24,041	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	-	-	-	-
Expense Subtotal		-	-	-	-
Division : 0801 - Office of the Secretary and Administration					
Expense by Natural Account					
2030	Salaries - Other Contracts	-	-	-	77,080
Expense Subtotal		-	-	-	77,080
Division : 8101 - Office of the Secretariat					
Expense by Natural Account					
2015	Salary - Local	475,607	524,175	425,399	547,127
2020	Salary Expatriate	80,817	110,000	96,783	110,000
2035	Overtime - local	-	-	-	5,000
2040	Staff Training	-	1,000	-	16,200
2070	Travel - Staff	-	-	-	1,920
2075	Travel - Business	70,132	32,940	31,029	35,750
2100	Entertainment	2,000	6,500	6,500	7,500
2105	Official Celebrations	2,000	84,000	82,850	80,000
2130	Printing & Stationery	-	4,000	3,411	4,350
2135	Stores	200	200	111	300
2205	R&M - Plant	770	1,200	-	-
2495	Plant & Equipment Purchases	5,320	95,471	11,321	3,000
2617	Donations - local	-	1,000	1,000	-
Expense Subtotal		636,846	860,486	658,404	811,147
Division : 8102 - Culture & Language Bureau					
Expense by Natural Account					
2030	Salaries - Other Contracts	1,520	1,600	-	1,600
2035	Overtime - local	768	800	-	800
2040	Staff Training	500	1,000	500	1,000
2055	Consultants fees	3,320	3,320	2,800	3,320
2075	Travel - Business	15,266	3,088	3,088	-
2100	Entertainment	2,500	3,320	3,000	18,820
2105	Official Celebrations	3,900	10,000	10,000	10,000
2130	Printing & Stationery	-	1,300	970	-
2135	Stores	-	400	374	400
2185	R&M - Buildings	2,000	13,863	1,247	2,000
2205	R&M - Plant	360	400	-	600
2496	Building and Structures	90,512	-	-	-
Expense Subtotal		120,646	39,090	21,978	38,540
Division : 8103 - Tourism					
Expense by Natural Account					
2075	Travel - Business	8,939	-	-	-
2100	Entertainment	3,000	-	-	-
2130	Printing & Stationery	-	-	-	-
2195	R&M - Office Premises	-	-	-	-
2205	R&M - Plant	400	-	-	-
2370	Membership Fees & Subscriptions	1,331	-	-	-
2495	Plant & Equipment Purchases	-	29	-	-
Expense Subtotal		13,670	29	-	-
Division : 8104 - Family & Community Services					
Expense by Natural Account					
2030	Salaries - Other Contracts	-	-	-	10,000
2055	Consultants fees	-	1,000	-	-
2072	Meals and Drinks - Staff	-	-	-	2,000
2105	Official Celebrations	2,000	2,000	2,000	2,000
2130	Printing & Stationery	480	-	-	4,000
2135	Stores	-	400	-	-
2230	Publicity and Awareness	-	-	-	1,000
Expense Subtotal		2,480	3,400	2,000	19,000
Division : 8105 - Clean & Green					
Expense by Natural Account					
2030	Salaries - Other Contracts	2,860,000	2,966,700	2,795,600	3,120,000
2100	Entertainment	2,500	2,000	2,000	2,000
2105	Official Celebrations	19,600	15,000	15,000	15,000
2130	Printing & Stationery	-	500	465	500
2135	Stores	73	-	-	200
2205	R&M - Plant	500	-	-	600
Expense Subtotal		2,882,673	2,984,200	2,813,065	3,138,300
Division : 8106 - Child Protection					
Expense by Natural Account					
2030	Salaries - Other Contracts	-	-	-	20,000
2035	Overtime - local	9,944	39,517	38,301	50,000
2075	Travel - Business	-	-	-	-
2100	Entertainment	2,000	1,320	1,320	18,000
2105	Official Celebrations	3,000	-	-	2,500
2130	Printing & Stationery	-	829	829	31,000
2135	Stores	300	434	434	12,500
2185	R&M - Buildings	-	17,000	-	-
2190	R&M - Office Equipment	-	1,000	-	-
2205	R&M - Plant	600	-	-	600
2630	Safe House	4,010	88,000	88,000	100,000
Expense Subtotal		19,854	146,100	128,884	234,600
Division : 8107 - Gender Mainstreaming Unit					
Expense by Natural Account					
2015	Salary - Local	-	20,519	-	51,906
2055	Consultants fees	-	-	-	-
2075	Travel - Business	-	915	-	-
2100	Entertainment	-	3,000	2,000	-
2130	Printing & Stationery	-	4,000	158	2,000
2135	Stores	-	2,000	144	100
2185	R&M - Buildings	-	31,296	20,789	5,000
2495	Plant & Equipment Purchases	-	88,270	21,665	5,575
Expense Subtotal		-	150,000	44,755	64,581
Total Expense		3,676,167	4,183,305	3,669,086	4,383,248

The total budget for Home Affairs is higher in 2020-21 than 2019-20. This mainly reflects reductions in repairs and maintenance of buildings and plant and equipment purchases being more than offset by increases in staff related costs and new projects. Repairs to the Safe House are proposed to be funded from 2019-20 under spends.

- \$3.1 million provided for Clean and Green Community clean-up project payments.
- \$0.08 million for Child Protection Training Centre for Zero to Three years, with investment to cover community workshops and awareness training for new mothers and care givers, information material and building renovations.
- \$0.08 million to support National Aroeni Day events. This day is organised for all tribes of Nauru (Deiboe, Eoaru, Iruwa, Eamwit, Eamwitmwit, Eamwidara, Emangum, Eano, Emea, Ranibok and Iwi, Irutsi are extinct) to share and showcase their local skills, cooking, sports, traditions, cultures, stories and legends for the young generation to sustain Nauruan culture and traditions.
- \$0.08 million for disability awareness programs for Autism Spectrum Disorder and other disabilities.
- \$0.01 million for the Rapid Word Collection program to collect Nauruan language vocabulary from the community and compile a national dictionary, supporting collection and retention of Nauru cultural heritage.

Awareness raising programs to address gas-sniffing and marijuana smoking by young children, and Project Egade in Play Centres to support child abuse prevention and etiquette are also to be pursued during the year.

82 WOMENS AFFAIRS

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	78,429	87,306	77,315	104,767
2035	Overtime - local	8,624	25,400	15,824	20,000
2075	Travel - Business	33,082	29,189	29,189	12,750
2100	Entertainment	-	-	-	3,600
2105	Official Celebrations	7,400	23,500	20,296	21,000
2130	Printing & Stationery	-	1,650	1,629	9,330
2135	Stores	-	626	429	2,586
2185	R&M - Buildings	-	45,036	45,000	12,000
2190	R&M - Office Equipment	250	250	-	800
2495	Plant & Equipment Purchases	-	14,400	-	-
2630	Safe House	129,143	91,660	89,231	96,660
Expense Subtotal		256,929	319,017	278,913	283,493
Division : 8105 - Clean & Green					
Expense by Natural Account					
		-	-	-	-
Expense Subtotal		-	-	-	-
Total Expense		256,929	319,017	278,913	283,493

The total budget for Womens Affairs is lower in 2020-21 than 2019-20. This mainly reflects reductions in expenditure on travel business and repairs and maintenance of buildings more than offsetting increases in staff costs.

- \$0.006 million is provided to advance implementation of the Domestic Violence Protection Act

The Micronesia Womens Conference is on hold due to Covid-19 travel restrictions.

83 MEDIA

<i>Natural_Account</i>	<i>Description</i>	<i>2018-19 Prior Year Actual</i>	<i>2019-20 Revised Budget</i>	<i>2019-20 Actual + Commitment</i>	<i>2020-21 Proposed Budget</i>
Revenue by Natural Account					
1540	Advertising Revenue	6,044	30,000	6,534	30,000
Total Revenue		6,044	30,000	6,534	30,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	311,109	312,862	272,459	420,887
2030	Salaries - Other Contracts	1,508	-	-	-
2035	Overtime - local	-	10,000	9,951	20,000
2040	Staff Training	1,650	500	500	15,000
2050	Uniforms & Protective Clothing	500	5,206	4,503	7,262
2075	Travel - Business	10,598	36,201	36,201	6,050
2100	Entertainment	1,400	7,000	1,257	2,000
2105	Official Celebrations	7,142	2,500	2,499	9,000
2130	Printing & Stationery	6,830	15,668	15,061	11,638
2135	Stores	137	10,440	3,463	2,040
2185	R&M - Buildings	4,143	-	-	-
2190	R&M - Office Equipment	1,600	1,000	1,000	2,000
2370	Membership Fees & Subscriptions	4,930	2,513	1,054	1,700
2372	Nauru Radio Supplies	11,687	7,000	6,925	10,300
2373	Media TV Supplies	23,700	31,487	15,836	19,000
2495	Plant & Equipment Purchases	32,324	131,474	116,649	16,750
2575	Local Transport	1,090	-	-	-
2600	Postage	490	1,000	-	3,000
Expense Subtotal		420,839	574,851	487,357	546,627
Total Expense		420,839	574,851	487,357	546,627

The total budget for Media is lower in 2020-21 than 2019-20. This mainly reflects reductions in plant and equipment purchases related to the fit-out of the new media building, and lower travel business more than offsetting higher staff and training costs.

84 LANDS AND SURVEY

Natural_Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1495	Service Fees	-	7,000	-	-
1500	Sale of Maps	9,820	-	10,190	7,000
Total Revenue		9,820	7,000	10,190	7,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	244,391	269,707	249,133	301,541
2020	Salary Expatriate	57,112	58,300	50,522	14,575
2050	Uniforms & Protective Clothing	8,348	5,537	3,537	3,000
2055	Consultants fees	-	47,316	40,916	-
2070	Travel - Staff	2,141	3,910	3,955	4,000
2075	Travel - Business	2,454	3,166	3,166	-
2105	Official Celebrations	2,000	1,555	1,555	2,000
2130	Printing & Stationery	3,535	7,348	6,965	2,000
2135	Stores	2,733	4,000	3,630	1,000
2160	Land Rental	5,012,700	5,356,932	5,239,128	5,479,377
2185	R&M - Buildings	1,000	1,000	524	1,000
2190	R&M - Office Equipment	980	908	908	6,500
2205	R&M - Plant	500	340	340	-
2230	Publicity and Awareness	-	14,363	4,182	-
2330	Telephone / Internet	-	-	-	-
2495	Plant & Equipment Purchases	5,968	141,463	140,572	5,800
2575	Local Transport	-	37,000	35,685	-
2610	Survey Supplies	1,215	4,794	2,890	1,500
Expense Subtotal		5,345,076	5,957,639	5,787,609	5,822,293
Total Expense		5,345,076	5,957,639	5,787,609	5,822,293

The total budget for Lands and Survey is lower in 2020-21 than 2019-20. This mainly reflects reductions in travel business, expatriate salaries, one off consultancy fees and plant and equipment purchases, more than offsetting increases in salary and land rental costs.

85 LANDS COMMITTEE

Natural_Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1475	Miscellaneous Revenue	-	100	-	100
1495	Service Fees	3,480	1,900	2,090	1,900
Total Revenue		3,480	2,000	2,090	2,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	105,377	81,955	101,431	120,635
2025	Allowances - Staff Contract	116,317	123,323	82,587	136,119
2100	Entertainment	-	-	-	1,000
2130	Printing & Stationery	2,071	3,474	2,614	3,000
2135	Stores	659	787	767	787
2185	R&M - Buildings	280	3,000	180	39,630
2495	Plant & Equipment Purchases	1,592	2,373	950	1,000
Expense Subtotal		226,297	214,912	188,528	302,171
Total Expense		226,297	214,912	188,528	302,171

The total budget for Lands and Survey is higher in 2020-21 than 2019-20. This mainly reflects increased expenditure on salary and related costs, and repairs and maintenance of buildings.

86 DEPARTMENT OF LAND MANAGEMENT

Natural_Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	69,800	80,852	80,611	93,418
2075	Travel - Business	-	-	-	-
2105	Official Celebrations	500	-	-	1,000
2130	Printing & Stationery	841	3,600	2,087	2,000
2135	Stores	335	1,300	326	1,104
2185	R&M - Buildings	7,000	-	-	1,000
Expense Subtotal		78,476	85,752	83,024	98,522
Total Expense		78,476	85,752	83,024	98,522

The total budget for the Department of Land Management is higher in 2020-21 than 2019-20. This mainly reflects increased expenditure on salary and related costs.

91 TRANSPORT

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1300	Registration Fees-Motor Cars	67,917	68,709	77,353	68,000
1305	Registration Fees-Motorcycles	4,935	6,036	5,815	5,500
1310	Vehicle/Insurance Fees	182,313	-	244,290	200,000
1360	D.C.A-Pax Levy	1,845,600	1,871,520	872,075	580,000
1365	D.C.A-Departure Taxes	1,746,500	1,780,740	748,600	500,000
1370	D.C.A-Air Navigation Fees	984,842	902,652	326,563	220,000
1375	D.C.A-Landing Fees	1,073,036	1,106,664	629,580	250,000
1380	D.C.A-Rental Fees	133,098	133,728	122,548	46,000
1475	Miscellaneous Revenue	32,165	32,520	42,350	40,000
1480	Bus Services	2,364	1,200	1,595	1,200
1495	Service Fees	200	-	-	-
Total Revenue		6,072,969	5,903,769	3,070,769	1,910,700
Division : 9101 - Secretariat					
Expense by Natural Account					
2015	Salary - Local	106,108	97,412	72,723	280,673
2020	Salary Expatriate	-	49,100	41,706	52,000
2026	Directors Fees	1,000	3,800	2,600	2,400
2055	Consultants fees	2,500	-	-	-
2070	Travel - Staff	6,278	8,000	1,841	8,000
2075	Travel - Business	10,382	34,675	21,501	4,240
2100	Entertainment	235	1,400	962	800
2130	Printing & Stationery	-	800	741	5,842
2135	Stores	10,627	23,865	9,147	7,000
2165	Office Rental	6,888	6,888	6,314	7,716
2190	R&M - Office Equipment	1,035	-	-	1,200
2205	R&M - Plant	-	-	-	900
2230	Publicity and Awareness	-	-	-	6,000
2280	Purchase of Diesel	-	-	-	200
2315	Utilities	1,920	2,400	1,359	-
2330	Telephone / Internet	2,890	2,520	500	2,520
2370	Membership Fees & Subscriptions	-	6,000	6,000	6,000
2495	Plant & Equipment Purchases	5,022	5,750	4,293	-
Expense Subtotal		154,885	242,610	169,688	385,491
Division : 9102 - DCA					
Expense by Natural Account					
2015	Salary - Local	531,919	557,368	494,355	818,664
2030	Salaries - Other Contracts	-	69,500	59,583	52,000
2035	Overtime - local	115,793	220,100	199,241	100,000
2040	Staff Training	11,200	20,850	20,850	11,250
2050	Uniforms & Protective Clothing	12,814	18,342	18,342	8,000
2055	Consultants fees	149,493	161,000	138,449	50,000
2072	Meals and Drinks - Staff	2,783	-	-	-
2075	Travel - Business	7,328	23,531	23,531	7,680
2100	Entertainment	8,235	3,000	2,999	2,000
2105	Official Celebrations	-	800	640	800
2130	Printing & Stationery	3,952	6,300	5,182	6,540
2135	Stores	24,487	19,122	4,575	2,000
2185	R&M - Buildings	330,422	271,944	85,692	10,000
2200	R&M - Motor Vehicles	7,278	4,138	4,138	-
2205	R&M - Plant	23,449	-	-	2,070
2210	R&M - Aerodrome	118,581	113,300	92,641	60,000
2315	Utilities	465,547	563,000	527,400	540,000
2370	Membership Fees & Subscriptions	8,925	154,710	154,710	142,348
2495	Plant & Equipment Purchases	21,953	189,400	141,519	9,700
2496	Building and Structures	-	-	-	-
Expense Subtotal		1,844,159	2,396,405	1,973,847	1,823,051
Division : 9103 - Land Transport					
Expense by Natural Account					
2015	Salary - Local	110,095	241,570	127,910	216,553
2020	Salary Expatriate	47,112	-	-	-
2030	Salaries - Other Contracts	6,119	32,488	20,756	56,160
2035	Overtime - local	6,865	20,000	17,496	18,000
2040	Staff Training	3,250	-	-	2,400
2050	Uniforms & Protective Clothing	2,350	2,800	404	1,500
2105	Official Celebrations	-	-	-	800
2130	Printing & Stationery	436	2,000	2,371	1,200
2135	Stores	2,166	2,300	1,110	500
2185	R&M - Buildings	1,234	48,212	34,918	-
2190	R&M - Office Equipment	500	6,000	-	1,000
2315	Utilities	1,600	2,500	2,499	2,400
2495	Plant & Equipment Purchases	120,548	4,800	4,050	-
2496	Building and Structures	89,845	-	-	-
2565	Insurance	-	10,000	-	-
2580	Public Works	-	40,000	30,000	-
Expense Subtotal		392,120	412,670	241,513	300,513
Total Expense		2,391,816	3,051,685	2,385,048	2,509,055

Total revenue collections are expected to be lower in 2020-21 due to Covid-19 related travel restrictions.

The total budget for Transport is lower in 2020-21 than 2019-20. This mainly reflects reductions in travel business, international training, consultancy fees, plant and equipment purchases, and repairs and maintenance of buildings and the aerodrome, more than offsetting increases in salary and other operational costs.

- In 2020-21 a project to resurface the runway is expected to commence with assistance from the Australian Department of Foreign Affairs and Trade.

95 ICT

Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
1015	Income from Investments & Dividends-Others	1,191,928	1,542,649	2,250,330	-
1190	Telecom Tax	200	-	-	-
1475	Miscellaneous Revenue	8,590	10,000	8,484	10,000
1495	Service Fees	200	-	-	-
Total Revenue		1,200,918	1,552,649	2,258,814	10,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	275,733	298,832	275,269	376,854
2020	Salary Expatriate	81,199	-	5,452	-
2035	Overtime - local	-	13,833	4,088	4,160
2040	Staff Training	78,972	75,000	64,222	21,160
2050	Uniforms & Protective Clothing	14,409	8,920	2,775	-
2055	Consultants fees	-	11,000	3,322	-
2070	Travel - Staff	1,047	-	-	-
2072	Meals and Drinks - Staff	-	3,834	527	2,000
2075	Travel - Business	58,507	48,950	46,707	13,630
2100	Entertainment	2,450	7,450	5,969	5,000
2105	Official Celebrations	-	-	-	1,000
2130	Printing & Stationery	8,872	12,250	8,632	9,250
2135	Stores	1,402	2,440	2,359	1,440
2185	R&M - Buildings	-	13,000	7,090	10,000
2190	R&M - Office Equipment	9,891	15,833	13,804	7,500
2195	R&M - Office Premises	25,793	49,500	43,267	10,000
2205	R&M - Plant	440	-	-	-
2330	Telephone / Internet	1,719,074	1,666,304	1,469,906	1,572,438
2370	Membership Fees & Subscriptions	8,083	45,000	44,986	45,000
2375	ICT Supplies	60,927	79,300	74,780	50,202
2495	Plant & Equipment Purchases	58,236	1,360,560	1,342,092	-
2496	Building and Structures	-	1,289,456	1,289,456	-
2575	Local Transport	-	10,000	10,000	-
Expense Subtotal		2,405,035	5,011,462	4,703,799	2,129,634
Total Expense		2,405,035	5,011,462	4,703,799	2,129,634

The total budget for ICT is lower in 2020-21 than 2019-20. This mainly reflects reductions in travel business, international training, plant and equipment purchases, buildings and structures, and telecommunication charges, more than offsetting increases in salary and other operational costs.

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Natural Account	Description	2018-19 Prior Year Actual	2019-20 Revised Budget	2019-20 Actual + Commitment	2020-21 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	-	53,089	41,723	63,243
2020	Salary Expatriate	2,762	-	-	50,000
2026	Directors Fees	-	7,200	-	7,200
2070	Travel - Staff	-	-	-	5,000
2075	Travel - Business	9,498	38,725	23,293	9,659
2130	Printing & Stationery	2,949	600	-	600
2135	Stores	1,919	500	485	976
2185	R&M - Buildings	19,639	1,000	-	1,000
2195	R&M - Office Premises	3,500	1,000	-	1,000
2370	Membership Fees & Subscriptions	6,923	7,700	447	7,700
2495	Plant & Equipment Purchases	62,784	9,400	-	-
Expense Subtotal		109,974	119,214	65,947	146,378
Total Expense		109,974	119,214	65,947	146,378

The total budget for Telecom is higher in 2020-21 than 2019-20. This mainly reflects increased staff and expatriate salary costs related to the recruitment of a new independent Telecom regulator.

GOVERNMENT OF NAURU DEBT LIABILITIES

The Government has adopted a Debt Action Plan to resolve outstanding long term liabilities, including historic SOE arrears, outstanding membership arrears and Bank of Nauru liquidation payments.

In 2019-20, the Government successfully resolved outstanding SOE arrears, and membership arrears for ICAO. Payments were also made to Bank of Nauru deposit book holders. A summary of payments is in the Table below.

Table 30: Summary of Government debt resolution payments

Description	2018-19 Preliminary Actual	2019-20 Revised Budget	2019-20 YTD Actual	2020-21 Approved Budget
	\$	\$	\$	\$
Debt Repayments - Other (BON NPRT)	3,447,260			5,833,334
Membership Fees & Subscriptions Arrears	-	1,380,857	1,380,857	-
BON Liquidation- Payment	824,859	2,750,000	2,495,971	1,000,000
SOE Arrears (part of 2616 - Subsidies to SOEs)			4,354,114	
Total	4,272,119	4,130,857	8,230,942	6,833,334

In 2020-21 the Government will make further contributions to reducing the Bank of Nauru outstanding depositor liabilities.

The Government has agreed to support the Nauru Phosphate Royalties Trust (NPRT) with a provision of \$5.8 million from balances available from the Bank of Nauru liquidation, to assist NPRT progress further Ronwan capital re-distribution in 2020-21.

The Ronwan consolidation process, which began in 2014, approved a capital redistribution of the total beneficiary fund balance of \$115 million of which \$80 million has been paid out. A balance of around \$35 million or 30 per cent of beneficiaries capital remains to be paid.

The funding of \$5.8 million directly pays down this outstanding balance, which equates to 5 per cent of beneficiaries' remaining capital. This pay-out will bring total remaining Ronwan capital for redistribution down to \$29.2 million or 25 per cent.

The Government will be working with NPRT to determine the details and timing of the pay-out in the new financial year and announcements will be made by NPRT in the coming months.

A summary of the current and expected balances for NPRT and bank book accounts is below.

Table 31: Bank of Nauru Liquidation outstanding balance estimates

Year	Bank of Nauru Liquidation Outstanding balance		
	Bank Book	NPRT	Total
	\$	\$	\$
30 June 2018	34,516,211	25,195,069	59,711,280
30 June 2019	33,691,352	21,747,809	55,439,161
30 June 2020	30,941,352	21,747,809	52,689,161
30 June 2021	29,941,352	15,914,475	45,855,827

The Government has the following current external liabilities:

- Exim Loan for USD\$5 million for Ronphos equipment purchase. The loan was funded on 16 October 2018. Repayments of interest and principal are met by ROC Taiwan through development assistance arrangements.

The Government has the following non-current external liabilities:

- Yen-denominated bearer bonds held by Firebird, estimated at \$48.3 million. The Republic (GON) as the guarantor for RONFIN has on ongoing liability for these bonds, which went into default in the 1990s. The Firebird related liability comes from a 2012 Tokyo Court ruling.

During 2020-21, a review of outstanding debt liabilities and a reconciliation of the Bank of Nauru liquidation payments will be undertaken.