



REPUBLIC OF NAURU

SUPPLEMENTARY ESTIMATES OF EXPENDITURE 2015-16

12TH MAY 2016

CIRCULATED BY
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SUPPLEMENTARY APPROPRIATION 2015-16

OVERVIEW

The *Supplementary Appropriation Bill (No. 6 2015-16)* makes a further adjustment to revenue associated with reimbursable costs of supplying security services to the RPC's. Several adjustments to the revised 2015-16 Budget estimates of expenditure are also detailed to provide for events and policy decisions which have arisen and which were unanticipated at the time the 2015-16 Budget.

This Supplementary Appropriation provides funds for two initiatives. \$100k is provided to the Ministerial Special project vote to fund community halls in Anetan and Nibok districts. An additional \$150 thousand dollars for the recently established Electoral Commission.

Further funds are also provided for salaries for the National Emergency Services (\$75k); RPC Security costs (\$1.0 mil); Police (\$200k); Sports (\$7.5k); Clean & Green (\$86k) and the Lands Committee (\$6.6k). The additional RPC Security costs will be reimbursed from the Australian Border Force department.

Within the Finance Other Payments head an additional \$300 thousand dollars is provided for Consultant fees and \$55 thousand dollars for Social Security Disability payments. A reimbursement of the Subsidies and Donations account of \$1.1 million is also provided as this account has been used to pay RPC Security costs pending this Supplementary appropriation. The Subsidies and Donations funds within this head are required to pay NUC fuel costs through to the end of the financial year.

The Sports department receives an additional \$28 thousand dollars to send a weightlifting team to Fiji later this month. The Justice Secretariat receives \$70k thousand to pay security and salary arrears.

Funding of the Supplementary Appropriations will be through an additional \$2.1 million in revenue from RPC Security costs reimbursements. In addition, \$98.8k thousand in savings has been identified in the Correctional Services head; \$130k thousand in savings in the Judiciary budget, \$70k thousand from Multicultural Affairs and \$779 thousand dollars in the Education Special projects area.

Overall this Supplementary Appropriation will have no effect on the budget out turn and the expected deficit of \$6.2 million dollars is unaffected.

Table 1: 2015-16 Domestic Budget Aggregates ('000)

	2015-16 Budget	2015-16 Revised Budget*	Variance to Budget
Revenue	115,212.7	127,536.8	12,324.1
Expenditure	115,072.5	133,733.8	18,661.3
Budget Balance	140.2	(6,197.0)	(6,337.2)

- Revised 2015-16 Budget includes *Supplementary Appropriation Act (No. 1) 2015-16; Supplementary Appropriation Act (No. 2) 2015-16; Supplementary Appropriation Act (No. 3) 2015-16, Supplementary Appropriation Act (No. 4) 2015-16 and Supplementary Appropriation Act (No.5)*

REVENUES

The following revenue increase is required to the budget.

Head 16 Finance Other Payments

Impact on budget balance (\$,000)

	2015-16
(1475) Miscellaneous Revenue	2,102.0
Total Impact on Budget	2,102.0

The Government is paying for security costs at the RPC's on a reimbursable cost basis. The duration of this arrangement is longer than originally advised and a further \$2.1 mil is expected. This revenue is matched with the corresponding expenditure under Salaries – Other Contracts in this Head.

EXPENDITURES

The following expenditure increases are required in the budget.

Head 02 Ministerial

Impact on budget balance (\$,000)

	2015-16
(2235) Special Project	100.0
Total Impact on Budget	100.0

\$100k thousand dollars is provided to the Ministerial Special project account to build two new community halls in Anetan and Nibok districts.

Head 03 Chief Secretariat

Impact on budget balance (\$,000)

	2015-16
(2014) Salaries & Allowances	150.0
Total Impact on Budget	150.0

A further \$150k has been provided to the Electoral Commission project within the Chief Secretariat head.

Head 08 National Emergency Services

Impact on budget balance (\$,000)

	2015-16
(2015) Salary Local	75.0
Total Impact on Budget	75.0

National Emergency Services have exceeded the budgeted expenditure on Salaries and a further \$75k is provided to enable them to pay salaries for the remainder of the financial year.

Head 16 Finance Other Payments

Impact on budget balance (\$,000)

	2015-16
(2615) Subsidies & Donations	1,101.1
(2030) Salaries Other Contracts	1,000.9
(2055) Consultant's fees	300.0
(2420) Social Security Disability Payments	55.0
Total Impact on Budget	2,457.1

An Inter Sub-Head Transfer from the Subsidies & Donations account has been used to fund RPC security payments pending this Supplementary Appropriation. The \$1.1 million is reimbursement into this account to enable the payment of NUC fuel to the end of the financial year. A further \$1.0 million is provided into the Salaries Other contracts account to enable the RPC Security cost to be funded until the end of May. \$300 thousand dollars has been provided to pay already engaged consultant's. Social Security Disability payments receive a further \$55 thousand dollars to enable them to meet entitlements for the remainder of the year.

Head 41 Police*Impact on budget balance (\$,000)*

	2015-16
(2015) Staff Local	200.0
Total Impact on Budget	200.0

The Police salaries require additional funds due to the payment of extra costs associated with recent protests and a further \$200 thousand is provided in this financial year.

Head 42 Multicultural Affairs*Impact on budget balance (\$,000)*

	2015-16
(2235) Special Project	(70.0)
Total Impact on Budget	(70.0)

These savings have been identified due to some of the departments costs being charged to the Justice Secretariat department.

Head 43 Justice Secretariat*Impact on budget balance (\$,000)*

	2015-16
(2235) Special Project	70.0
Total Impact on Budget	70.0

These funds are provided to pay outstanding security costs for Senior Government lawyers and salary arrears for the Human Rights lawyer recruited in December.

Head 46 Correctional Services*Impact on budget balance (\$,000)*

	2015-16
(2235) Special Projects	(98.8)
Total Impact on Budget	(98.8)

The Correctional Services special project funds are will not be required this financial year and have been identified as budget savings.

Head 44 Judiciary*Impact on budget balance (\$,000)*

	2015-16
(2025) Allowance – Staff Contract	(130.0)
Total Impact on Budget	(130.0)

Judiciary have identified \$130 thousand dollar in Staff contract allowances that will not be required this financial year. These savings will be used to fund the additional appropriations.

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

	2015-16
(2235) Special Project	(779.3)
Total Impact on Budget	(779.3)

The Education department will not spend the funding provided this year under the Special project account. \$779.3 thousand of the savings will be used to fund the Supplementary appropriations required in this budget.

Head 62 Sports*Impact on budget balance (\$,000)*

	2015-16
(2015) Salary Local	7.5
(2615) Subsidies & Donations	28.0
Total Impact on Budget	35.5

The department of Sports will require a further \$7.5 thousand dollars to meet the cost of local salaries for the remainder of the financial year. In addition, \$28 thousand dollars has been made available to enable sending of weightlifting team to Fiji later this month.

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

	2015-16
(2235) Special Project	86.0
Total Impact on Budget	86.0

The Department of Home Affairs has requested additional funds for the Clean and Green project for the remainder of the year. \$86 thousand dollars has been provided by way of this Supplementary Appropriation.

Head 86 Lands Committee

Impact on budget balance (\$,000)

	2015-16
(2015) Salary Local	6.6
Total Impact on Budget	6.6

The Lands Committee will require a further \$6.6k thousand dollars in this financial year to meet salary payments.

Table 2: 2015-16 Supplementary Appropriation No.6– Revenues

<i>2015-16 Budget</i>	<i>Dept No.</i>	<i>Dept Description Revenue</i>	<i>Supplementary Budget No 6</i>	<i>2015-16 Revised Budget</i>
25,700	03	Chief Secretariat		25,700
5,420	04	Post and Philately		5,420
34,602	07	GON Ware House		34,602
6,111,000	11	Finance Secretariat		6,111,000
13,287,293	15	Nauru Revenue Office		13,287,293
11,091,934	16	Finance - Other Payments	2,102,074	13,194,008
13,391,910	17	Nauru Customs Office (NCO)		13,391,910
845	21	CIE		845
35,222,079	31	Fisheries		35,222,079
12,375	41	Police		12,375
9,006,686	43	Justice - Secretariat		9,006,686
12,000	44	Judiciary		12,000
28,985,817	45	Border Control		28,985,817
5,800	51	Education		5,800
98,200	61	Health		98,200
2,500	62	Sports		2,500
40,000	83	Media Bureau		40,000
2,175,890	84	Lands & Survey		2,175,890
2,405	85	Lands Committee		2,405
250	91	Transport Secretariat		250
20,000	92	Lands Transport		20,000
1,229,732	93	Maritime Transport		1,229,732

2015-16 Budget	Dept No.	Dept Description Revenue	Supplementary Budget No 6	2015-16 Revised Budget
3,272,319	94	DCA		3,272,319
1,400,000	95	ICT		1,400,000
125,434,757	TREASURY REVENUE TOTAL:		2,102,074	127,536,831

Table 3: 2015-16 Supplementary Appropriation No.6– Expenditures

<i>2015-16 Budget</i>	<i>Dept No.</i>	<i>Dept Description Expenditure</i>	<i>Supplementary Budget No 6</i>	<i>2015-16 Revised Budget</i>
1,619,775	01	Presidency and State House (including GIO)		1,619,775
11,668,980	02	Ministerial	100,000	11,768,980
10,669,439	03	Chief Secretariat	150,000	10,819,439
164,819	04	Post and Philately		164,819
349,382	05	Audit		349,382
1,249,369	06	Parliament		1,249,369
288,787	07	GON Ware House		288,787
905,096	08	National Emergency Services	75,000	980,096
4,366,389	11	Finance Secretariat		4,366,389
2,690,210	12	Finance -Public Debt		2,690,210
90,348	13	Bureau of Statistics		90,348
271,355	15	Nauru Revenue Office		271,355
33,576,815	16	Finance - Other Payments	2,457,074	36,033,889
518,762	17	Nauru Customs Office (NCO)		518,762
424,034	21	CIE		424,034
1,775,742	31	Fisheries		1,775,742
2,339,625	41	Police	200,000	2,539,625
996,184	42	Multi-Cultural Affairs	(70,000)	926,184
6,258,288	43	Justice - Secretariat	70,000	6,328,288
1,160,559	44	Judiciary	(130,000)	1,030,559
912,312	45	Border Control		912,312
546,306	46	Correctional Services	(98,800)	447,506

2015-16 Budget	Dept No.	Dept Description Expenditure	Supplementary Budget No 6	2015-16 Revised Budget
7,581,648	51	Education	(779,300)	6,802,348
158,568	52	Youth Affairs		158,568
13,630,305	61	Health		13,630,305
333,271	62	Sports	35,500	368,771
1,139,037	71	Foreign Affairs - Secretariat		1,139,037
760,678	72	Foreign Affairs - Brisbane		760,678
421,406	73	Foreign Affairs - Suva		421,406
1,177,541	74	Foreign Affairs - New York		1,177,541
383,763	75	Foreign Affairs - Taiwan		383,763
3,267,800	81	Home Affairs	86,000	3,353,800
186,655	82	Women's Affairs		186,655
436,704	83	Media Bureau		436,704
7,224,080	84	Lands & Survey		7,224,080
183,262	85	Lands Committee	6,600	189,862
348,463	86	Department of Land Management		348,463
86,065	91	Transport Secretariat		86,065
679,472	92	Lands Transport		679,472
7,828,549	93	Maritime Transport		7,828,549
1,483,190	94	DCA		1,483,190
1,478,675	95	ICT		1,478,675
131,631,705		TREASURY EXPENSES TOTAL:	2,102,074	133,733,779