



REPUBLIC OF NAURU

SUPPLEMENTARY ESTIMATES OF EXPENDITURE 2022-23

25 AUGUST 2022

**CIRCULATED BY
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MINISTER FOR FINANCE AND SUSTAINABLE DEVELOPMENT**

SUPPLEMENTARY APPROPRIATION No.1 2022-23

OVERVIEW

Supplementary Appropriation Bill (No.1) 2022-23 recognises additional Government revenue of \$22.2 million, and \$22.1 million in expenditure, with a small surplus balance of \$99 thousand.

This will bring total expected revenue for 2022-23 to \$275.5 million, and \$274.8 million is appropriated for expenditure, leaving a balance for the year of \$0.6 million.

This Bill reflects updated revenue and expenditure estimates to take account of:

- Taxation revenue reflecting new information not otherwise available during the formulation of the original budget
- Reimbursable revenue to reflect the 3-month extension of the Canstruct Services contract up to September 2022.
- Grant support from Australia, towards Nauru's COVID 19 containment and economic related measures.
- Government decisions taken since the 2022-23 original budget was approved.

Table 1: Budget Aggregates (\$)

Description	2022-23 Original Budget	2022-23 Supp App 1	2022-23 Revised YTD
Revenue	253,329,350	22,164,742	275,494,092
Expenditure	252,779,965	22,065,304	274,845,269
Balance	549,385	99,438	648,823

REVENUES

This Bill recognises the following changes to revenue.

15 - Nauru Revenue Office

	2022-23 Supplementary 1
1590 - Employment/Non-resident Withholding Tax	1,390,000
1591 - Business Profit Tax	14,650,000
Total impact on budget	16,040,000

\$16 million in additional tax revenue is recognised to reflect the full 12 months tax projections for 2022-23 using the 2021-22 quarter 4 tax collections level as base.

16 - Finance Other

	2022-23 Supplementary 1
1660 - General Budget Support	881,636
Total impact on budget	881,636

\$0.9 million in additional grant revenue from Australia is to be recognized to cover past costs incurred by the Government towards Nauru's COVID-19 containment and economic support measures.

42 - Multi-Cultural Affairs

	2022-23 Supplementary 1
1577 - DJBC Operations	1,057,755
1578 - DJBC Reimbursable Costs	3,264,351
1580 - Visa Fees RPC Settlement	921,000
Total impact on budget	5,243,106

\$5.2 million in Reimbursable and visa fees is recognised to reflect the three months extension of the Canstruct Services contract up to September 2022.

EXPENDITURES

The following expenditure is appropriated.

11 - Finance Secretariat

	2021-22 Supplementary 3
<i>Treasury</i>	
2055 - Consultancy Fees	173,040
2495 - Plant and Equipment Purchase	46,419
<i>Planning and Aid</i>	
2185 - R&M Building	20,000
Total impact on budget	239,459

\$0.2 million is allocated to Department of Finance to cover additional consultancy services, purchase of server accessories and needed office refurbishment.

16 - Finance Other Payments

	2022-23 Supplementary 1
2496 - Building and Structure	400,000
2545 - Debt Repayments Other	327,656
2616 - Subsidies for SoEs	875,000
2650 - Nauru Trust Fund	2,216,474
2680 - Fiscal Cash Buffer	6,434,305
2400 - Social Services Aged Pension	579,800
2420 - Social Services Disability Payment	369,200
Total impact on budget	11,202,435

\$6.4 million is allocated to the Fiscal Cash Buffer as a contingency measure to cover urgent and unavoidable expenditure for the remainder of the year.

\$2.2 million is provided as additional GoN contributions to the Nauru Intergenerational Trust Fund Account, comprising of 10% of total revenue recognised in this supplementary.

\$0.9 million in additional funding is provided to the Social Services Scheme to support \$50 per fortnight increase to both Aged and Disabled Allowances, to mitigate cost of living pressures for our vulnerable population.

0.9 million in additional subsidy is provided to the Nauru Airline Corporation to ensure the Airline it is able to cover for its 2021-22 COVID 19 redeployment program.

\$0.4 million is allocated to the Nauru Maritime and Port Authority to cover rent of temporary houses for residences of the Red-Zone.

\$0.3 million in additional funding is provided for ROWAN debt repayment for balances available from the Bank of Nauru liquidation. Along with the \$5.8 allocation in the original budget, this additional funding will enable NPRT to settle 5% of outstanding debts to accountholders as well as close off accounts with remaining balance less than \$500.

21 - CIE

2022-23 Supplementary 1	
<i>Secretariat</i>	
2495 - Plant and Equipment Purchases	4,000
2105 - Official Celebrations	5,000
<i>Agriculture</i>	
2225 - Agricultural Supplies	9,000
<i>Environment</i>	
2100 - Entertainment	7,000
2230 - Publicity and Awareness	6,800
Total impact on budget	31,800

\$32 thousand is allocated to the Department of CIE to cover increase in various operational costs.

22 - Climate Change and Resilience

	2022-23 Supplementary 1
2055 - Consultancy Fees	11,000
2185 - R&M Building	10,000
2040 - Staff Training	8,000
Total impact on budget	29,000

\$29 thousand is provided to the Department of Climate Change and Resilience for consultancy, training and urgent building works not covered in the original budget.

42 - MCA

	2022-23 Supplementary 1
2030 - Salary Other Contracts	2,500,745
Total impact on budget	2,500,745

\$2.5 million is allocated to the Department of Multi-Cultural Affairs for RPC operations not covered in the original budget.

61 - Health

	2022-23 Supplementary 1
2475- Overseas Medical Referral	1,500,000
2495 - Plant and Equipment Purchases	250,000
2315 - Utilities	1,250,000
Total impact on budget	3,000,000

\$3 million is allocated to Health to cover additional Overseas Medical Referral costs, utilities as well replacement of ageing fleet for essential departmental functions, not covered in the original budget.

62 - Sports

	2022-23 Supplementary 1
2617 - Local Donations	50,000
Total impact on budget	50,000

\$50 thousand is provided to the Sports Department to support the Nauru's Commonwealth Sporting team.

71 - Foreign Affairs

2022-23 Supplementary 1	
<i>Micronesian Presidency Secretariat Project</i>	
2015 - Salary local	32,610
2130 - Printing and Stationery	2,000
2330 - Telephone and Internet	5,000
2275 - Purchase of Petrol	2,600
Total impact on budget	42,210

\$42 thousand is allocated to the Department of Foreign Affairs to enable Nauru to continue its role as the interim secretariat of the Micronesia`s Presidency Summit until such formalities to establish an MPS Secretariat are in place.

78 - Canberra High Comission

2022-23 Supplementary 1	
2496 - Building and Structure	910,000
Total impact on budget	910,000

\$0.9 million is allocated to the Canberra High Commission Office to invest in a new Chancery covering first year land lease and architectural building design.

91- Transport

2022-23 Supplementary 1	
9101 Secretariat	
2330 - Telephone and Internet	10,000
2015 - Salary Local	37,000
9102 DCA	
2015 - Salary Local	25,300
2050 - Uniforms and Protective Clothing	15,000
2105 - Official Celebrations	5,000
2100 - Entertainment	2,000
2130 - Printing and Stationery	2,500
2210 - R&M Aerodrome	5,000
2135 - Stores	8,000
2185 - R&M Building	10,000
2495 - Plant and Equipment Purchases	10,000
2105 - R&M Plant	3,000
9103 Land Transport	
2495 - Plant and Equipment Purchases	25,000
2185 - R&M Building	17,000
2100 - Entertainment	5,000
Total impact on budget	179,800

\$180 thousand is provided to the Department of Transport to cover increase in operational costs following doubling of flight operations.

WoG Measure**2075 - Travel Business**

2022-23 Supplementary 1	
11 - Finance Secretariat	30,000
21 - CIE	150,000
22 - Climate Change and Resilience	181,000
31 - Fisheries	376,770
63 - Infrastructure	85,500
Total Impact on budget	823,270

\$0.8 million is provided as a cross-government travel measure, given the changed COVID-19 situation on Nauru.

WoG Measure**2015 - Salary Local**

	2022-23 Supplementary 1
01 - Presidency	49,303
02 - Ministerial	144,497
03 - Chief Secretary	126,147
05 - Audit	19,273
08 - National Emergency Services	150,514
11 - Finance Secretariat	80,633
13 - Statistics	15,902
15 - Nauru Revenue Services	36,583
17 - Nauru Customs Service	44,017
21 - CIE	55,767
22 - Climate Change & Resilience	8,467
41 - Nauru Police Force	386,862
43 - Justice Secretariat	72,698
44 - Judiciary	28,095
45 - Border Control	54,357
46 - Correctional	97,169
50 - TVET	40,650
51 - Education	432,332
52 - Youth Affairs	16,948
61 - Health	554,634
62 - Sports	30,733
63 - Infrastructure	13,487
71 - Foreign Affairs	94,030
81 - Internal Affairs	62,531
82 - Womens and Social Development Affairs	41,491
83 - Media Bureau	62,682
84 - Lands and Survey	30,447
85 - Lands Committee	29,918
86 - Lands Management	30,832
87 - People Living with Disability	10,498
91 - Transport	159,166
95 - ICT	68,932
97 - Telecom	6,990
Total Impact on budget	3,056,585

\$3.1 million is allocated to support a cost of living pay adjustment for all Government local workers to mitigate increasing prices on the island due to the COVID 19 pandemic. The pay rise will be effective from 1 July 2022.

Table 2: 2022-23 Supplementary Appropriation No.1 – Revenues

Description	2022-23 Original Budget	Supp App 1	2022-23 Revised Budget
03 - Chief Secretariat	31,560	-	31,560
09 - Electoral Commission	84,280	-	84,280
11 - Finance Secretariat	2,000	-	2,000
12 - Finance -Public Debt	16,016,563	-	16,016,563
15 - Nauru Revenue Office	34,750,004	16,040,000	50,790,004
16 - Finance - Other Payments	18,762,375	881,636	19,644,011
17 - Nauru Customs Office (NCO)	19,286,128	-	19,286,128
18 - Nauru Regional Processing Centre (NRPCC)	-	-	-
21 - CIE	5,000	-	5,000
31 - Fisheries	54,530,000	-	54,530,000
41 - Police	246,420	-	246,420
42 - Dept of Multi Cultural Affairs	101,242,500	5,243,106	106,485,606
43 - Justice - Secretariat	630,961	-	630,961
44 - Judiciary	52,043	-	52,043
45 - Border Control	2,963,704	-	2,963,704
46 - Correctional Services	18,552	-	18,552
50 - Directorate of TVET	24,060	-	24,060
61 - Health	775,639	-	775,639
83 - Media Bureau	19,500	-	19,500
84 - Lands & Survey	18,348	-	18,348
85 - Lands Committee	16,500	-	16,500
91 - Transport Secretariat	3,849,213	-	3,849,213
95 - ICT	4,000	-	4,000
TOTAL	253,329,350	22,164,742	275,494,092

Table 3: 2022-23 Supplementary Appropriation No.1 – Expenditures

Description	2022-23 Original Budget	Supp App 1	2022-23 Revised Budget
01 - Presidency and State House (including GIO)	3,727,757	49,303	3,777,060
02 - Ministerial	14,805,943	144,497	14,950,440
03 - Chief Secretariat	20,135,093	126,147	20,261,240
05 - Audit	468,772	19,273	488,045
06 - Office of Parliamentary Services	(0)		(0)
08 - National Emergency Services	2,082,189	150,514	2,232,703
09 - Electoral Commission	594,527		594,527
11 - Finance Secretariat	2,472,289	350,092	2,822,381
12 - Finance -Public Debt	18,982,665		18,982,665
13 - Bureau of Statistics	169,973	15,902	185,875
15 - Nauru Revenue Office	548,771	36,583	585,354
16 - Finance - Other Payments	70,624,076	11,202,435	81,826,511
17 - Nauru Customs Office (NCO)	911,756	44,017	955,773
18 - Nauru Regional Processing Centre (NRPCC)	1,866,238		1,866,238
21 - CIE	1,239,042	237,567	1,476,609
22 - Climate Change and Resilience	2,337,626	218,467	2,556,093
31 - Fisheries	2,843,106	376,770	3,219,876
41 - Police	5,030,328	386,862	5,417,190
42 - Dept of Multi Cultural Affairs	19,139,362	2,500,745	21,640,107
43 - Justice - Secretariat	4,082,967	72,698	4,155,665
44 - Judiciary	1,924,531	28,095	1,952,626
45 - Border Control	764,133	54,357	818,490
46 - Correctional Services	1,116,862	97,169	1,214,031
50 - Directorate of TVET	844,686	40,650	885,336
51 - Education	12,872,319	432,332	13,304,651
52 - Youth Affairs	332,393	16,948	349,341
60 - COVID-19 task force	11,312,440		11,312,440
61 - Health	18,102,101	3,554,634	21,656,735
62 - Sports	1,633,958	80,733	1,714,691
63 - Department of Infrastructure Development	3,975,732	98,987	4,074,719
71 - Foreign Affairs - Secretariat	1,712,441	136,240	1,848,681
72 - Foreign Affairs - Brisbane	916,858		916,858
73 - Foreign Affairs - Suva	707,200		707,200
74 - Foreign Affairs - New York	2,357,590		2,357,590
75 - Foreign Affairs - Taiwan	602,432		602,432
76 - Foreign Affairs- Geneva	616,183		616,183
77 - High Commission India	1,295,526		1,295,526
78 - High Commission Canberra	971,354	910,000	1,881,354
81 - Internal Affairs	4,142,958	62,531	4,205,489
82 - WASDA	1,375,476	41,491	1,416,967
83 - Media Bureau	829,229	62,682	891,911
84 - Lands & Survey	6,003,609	30,447	6,034,056
85 - Lands Committee	322,164	29,918	352,082
86 - Department of Land Management	105,376	30,832	136,208
87 - Disability Department	485,147	10,498	495,645
91 - Transport Secretariat	2,777,032	338,966	3,115,998
95 - ICT	2,492,757	68,932	2,561,689
97 - Telecom	125,000	6,990	131,990
TOTAL	252,779,965	22,065,304	274,845,269