



## REPUBLIC OF NAURU

### SUPPLEMENTARY APPROPRIATION BILL (NO. 3) 2024-25

#### SECOND READING SPEECH

**His Excellency Honourable David Adeang MP**

**28 January 2025**

Mr Speaker Sir,

I present before Parliament the Supplementary Appropriation Bill (No. 3) 2024-2025.

This Bill provides updated revenue and expenditure estimates:

Mr Speaker,

During the last Parliamentary session, I announced that the recent Treaty signed with the Government of Australia has made 20 million in budget support available for this financial year. Of this funding, 15 million has already been disbursed by Australia to Mercer Investment to cover the remaining Government of Nauru's contributions to the Intergenerational Trust Fund, leaving a balance of \$5 million.

The Government can now recognise the remaining \$5 million to address urgent priority expenditures that were not anticipated earlier.

## Revenue increases

\$5 million in budget support from the Government of Australia.

I now outline the Expenditure changes included in the Supplementary Appropriation Bill (No. 3) 2024-25 in more detail.

## Expenditure increases

- We are allocating 3.7 million to the Fiscal Cash Buffer to address any unforeseen pressures for the remainder of this financial year.
- 0.9 million is allocated to the Chief Secretary Office to cover increased expenses relating to overtime, house rental for expatriate accommodation and fuel costs
- 0.2 million is provided to Fisheries to facilitate back-payments for staff salary increments following a grade reclassification in accordance with the Nauru Public Service pay scale, effective 1 July, 2022. These back payments will be processed retroactively to 1 July, 2022.
- 0.1 million is allocated to Emergency Services, DEMA, Border Control and Brisbane Consulate to cover increased operational costs

Mr Speaker,

In addition to the measures, I have outlined above, this Supplementary gives us an opportunity to address a housekeeping matter. Specifically, we need to set up a separate Budget Head for the Nauru Financial Intelligence Unit (NFIU) which is currently categorised as a Cost Division under Head 43, Justice Secretariat. Creating a distinct budget head for the NFIU head is essential to ensure its operational independence as required by the Anti Money Laundering and Targeted Financial

Sanctions (AML-TFS) Act 2003. As these changes involve only reallocations between budgetary heads, there will no impact on the overall budget bottom line.

- We will reallocate \$148 thousand from Head 43 Justice Secretariat to the new Head 47 Nauru Financial Intelligence Unit.

The Supplementary Appropriation recognises additional revenue and expenditures that are priorities for the Government, as well as reallocation of existing funds.

With the passing of this Bill, the approved 2024-25 Budget will recognise revenue of 5 million dollars and appropriate new expenditures of 5 million, resulting in a revised budget balance of 0.2 million for the year.

Mr Speaker, I commend the Bill to the House.