



CCSBT-EC/0510/06

3. Draft Budget 2006

Purpose

To agree budgets for 2006.

Discussion

A draft general budget is at Attachment A.

A draft special budget for the surface fishery tagging program is at Attachment B.

General Budget

The draft general budget for 2006 provides for total expenditure of \$1,611,500 compared to the revised budget of \$1,596,000 in 2005– a 1% increase.

In preparing the draft budget the Secretariat has:

- adopted an exchange rate of \$AUS 1 = 70US cents and ¥75
- planned for all meetings, except for the Ecologically Related Species Working Group meeting, to be held in Japan with CCSBT13 being held in Miyazaki
- applied a range of small price increases to expenditure items
- assumed there will be a 5% increase in the UN salary scales
- assumed that the Executive Secretary and the Deputy Executive Secretary will be replaced
- assumed that work on the development of the management procedure will have been completed
- provided for a 11-day SAG/SC meeting as prosed at SC10.

The small increase in expenditure between the 2005 and 2006 budgets disguises some significant movement in specific outlays:

- there will be no management procedure workshop – a saving of \$192,000 on the cost of holding the specific meeting and a further saving of about \$80,000 in other related expenditures
- the venue for the scientific committee meetings will be made available free of charge – a saving of about \$51,000
- replacement expenses for the Executive Secretary and the Deputy Executive Secretary – estimated to cost \$205,000
- tagging coordination expenses are estimated to rise by \$10,000 due to the increasing cost of rewards for tag returns as the population of tags at large increases

The replacement costs for the Executive Secretary and the Deputy Executive Secretary are comprised of three components:

- Repatriation expenses - \$30,000
- Separation entitlements - \$115,000
- Recruitment expenses and settling in entitlements - \$60,000

and could vary significantly depending on the location and timing of any replacements.

However, despite estimated expenditure declining, contributions from members will have to increase slightly because the carry over from 2005 will not be as large as the previous year and where some cash reserves were used.

Without expenditure reductions or further use of cash reserves, members' contributions would have to increase by \$35,718 or 2.7%.

Options for reducing expenditure are limited and include:

- Holding meetings in Canberra
- Don't fund Indonesia
- Reduce tag coordination by not producing new publicity material
- Stagger retirements of Executive Secretary and Deputy Executive Secretary

In 2005, cash reserves were utilised to help maintain members' contributions at the same level as in 2004. This option is available as reserves remain at a comfortable level. Use of reserves would also be appropriate as a significant part of the increase relates to the extraordinary payments in 2006 for the replacement of the Executive Secretary and the Deputy Executive Secretary.

Special Budget

This budget is to meet the cost of deploying tags in the CCSBT surface fishery tagging program and reflects the recommendations of the Scientific Committee. A summary of the budget is at Attachment B.

The draft budget for 2006 provides for total expenditure of \$606,000 compared with a budget of \$574,000 in 2005 - an increase of 5.6%. The increase is caused by anticipated increases in tag deployment costs in 2006 particularly increases in vessel charter fees due to fuel price increases.

The draft budget does not include the revenue of \$3,661 from the net proceeds of selling mortalities from the Australian east coast tagging program. Australia has indicated to the Extended Commission that it wishes these funds to be used for other purposes in 2006.

About \$75,000 of the 2005 budget was financed from a carryover from 2004 and the proceeds of the east coast tagging program mortalities. These sources are unavailable in 2006 and members' contributions to the program will increase from \$498,027 in 2005 to \$603,006 - an increase of 21%.

Member contributions could be reduced by using additional cash reserves or cutting back on the size of the tagging program in 2006. However, a reduction in the size of the tagging program would be inconsistent with the advice of the Extended Scientific Committee that the surface fishery tagging program has a very high priority.

The allocation of the cost among members has been made assuming the TAC and national allocations agreed at CCSBT11.

Member Contributions

At the time of writing this paper Korea owed the Extended Commission \$46,158 for its 2004 general budget contribution; \$22,782 for its 2004 contribution to the special budget; and all of its 2005 contributions. Korea has indicated that it will pay \$101,000 prior to CCSBT12 with the balance to be paid in January 2006.

All other member contributions have been received. Taiwan has paid a special contribution of \$23,000 to help defray the cost of the meetings being held in Taipei in 2005 and will make a further special contribution of about \$29,000 towards the cost of holding the ERS Working Group meeting in Taiwan in February 2006.

Recommendation

The Extended Commission:

- consider the draft General Budget set out in Attachment A
- consider the draft Special Budget set out in Attachment B

Prepared by the Secretariat

COMMISSION FOR THE CONSERVATION OF SOUTHERN BLUEFIN TUNA				
GENERAL BUDGET - 2006 (CCSBT13)				
ESTIMATE				
INCOME				
	2007 Indicative	2006	2005 Revised	Variation
Contributions from members	1,342,430	1,337,800	1,302,082	35,718
Japan	486,767	485,088	472,137	12,951
Australia	433,185	431,691	420,165	11,526
New Zealand	108,677	108,302	105,410	2,892
Korea	156,901	156,360	152,185	4,175
Fishing Entity of Taiwan	156,901	156,360	152,185	4,175
Staff Assessment Levy	93,000	92,000	88,000	4,000
Carry over from 2005	0	112,500	166,412	-53,912
Interest on investments	40,000	40,000	45,000	-5,000
Cash Reserve	0	0	83,986	-83,986
Special Contribution from Taiwan	0	29,200	23,000	6,200
TOTAL GROSS INCOME	1,475,430	1,611,500	1,708,480	-96,980
EXPENDITURE				
ANNUAL MEETINGS - (CCSBT13)		101,300	97,000	4,300
Interpretation Costs		27,900	25,000	2,900
Hire of venue		31,500	25,500	6,000
Hire of Equipment		31,800	16,000	15,800
Miscellaneous Costs (Inc. Sc Cte Chair attending Annual Meeting)		19,600	22,000	-2,400
Publication and Translation		7,000	3,000	4,000
Indonesian Participants costs		3,500	2,500	1,000
Financial support from Miyazaki Pref		-20,000		
Small Meeting in Narita		0	3,000	
11th SC & 7th SAG		293,000	290,500	2,500
Interpretation Costs		48,900	38,000	10,900
Hire of venue		0	50,000	-50,000
Hire of equipment		41,600	28,000	13,600
Hire of Consultants - SAG Chair, SC Chair, Advisory Panel		178,000	153,000	25,000
Miscellaneous Costs		14,000	9,000	5,000
Publication and translation		7,000	7,000	0
Indonesian participants costs		3,500	2,500	1,000
Small Meeting in Narita		0	3,000	
SUB-COMMITTEE MEETINGS		71,200	192,000	-120,800
4th MP & Special Consultation		0	192,000	
6th ERS Working Group		71,200	0	71,200
Special Project		118,000	195,500	-77,500
Management Procedure Technical Workshop		0	47,500	-47,500
Management Strategy Development		8,000	48,000	-40,000
Tagging program coordination		110,000	100,000	10,000
SECRETARIAT COSTS		933,000	734,000	199,000
Secretariat Staff Costs		431,000	420,000	11,000
Staff Assessment Levy		92,000	88,000	4,000
Employer Super/Social security		78,000	80,000	-2,000
Worker's Compensation/ travel/contents Insurance		21,000	22,000	-1,000
Travel/transport - O/seas and domestic		74,000	90,000	-16,000
Miscellaneous Translation of Commission and Committee Reports		20,000	10,000	10,000
Training		2,000	2,000	0
home leave allowance, repatriation grant and removal costs		205,000	12,000	193,000
Other employment expense		10,000	10,000	0
OFFICE MANAGEMENT COSTS		95,000	87,000	8,000
Office lease		38,000	32,000	6,000
Office running costs		32,000	32,000	0
Provision for new/replacement assets		10,000	10,000	0
Telephone/communications		10,000	9,000	1,000
Miscellaneous		5,000	4,000	1,000
TOTAL GROSS EXPENDITURE	1,475,430	1,611,500	1,596,000	15,500

* exchange rate used for this budget is A\$=US\$0.70 and ¥ 75

COMMISSION FOR THE CONSERVATION OF SOUTHERN BLUEFIN TUNA

2006 SPECIAL BUDGET - SRP TAGGING PROGRAM (Surface Fishery)

	ESTIMATE <u>2006</u>
INCOME	
<u>Contributions from member</u>	603,006
Japan	218,651
Australia	194,582
Korea	70,478
Fishing Entity of Taiwan	70,478
New Zealand	48,816
<u>Carryover from 2005</u>	2,994
TOTAL GROSS INCOME	606,000
EXPENDITURE	
<u>Tag Deployment</u>	606,000
vessel charter	360,000
tag application	246,000
TOTAL GROSS EXPENDITURE	606,000