



# GOVERNMENT OF NIUE

## Office of the Premier

### 2018/2019 BUDGET STATEMENT

#### FATIFATIAGA TUPE MOUA MO E FAKAMOLE KE LATA AI MO E TAU GAHUA HE FAKATUFONO 20<sup>th</sup> June 2018

Hon. Sir Toke Talagi, KNZM  
Premier and Minister for Finance

Lilifu Hataki Fono

Tau Lilifu Ikipule mo e Kokasi

Tau Lilifu Ekepule

Tau Akoako ke he tau Ekalesia oti ha Niue

Lilifu Hukui Fakatufono Niu Silani, His Excellency Kirk Yates

Tau Komisina Pule Gahua he Fakatufono

Hagai Tohi Kupu Lahi he Fakatufono

Tau Takitaki Faahi Gahua mo e ha mutolu a tau tagata Gahua

Tau Matakau i Fafo he Fakatufono

Tau Tupuna Fakahelehele

Tau Tagata he Kautū

Tau Fuata mo e tau Fanau

Fine mo e Tama

Auloa a tautolu mo e Atua ne finagalo mai e tau mena oti.

Ko e hokotaki tupe ke 13 aki a nei ne taute e au mo e tau Takitaki Gahua.

Kehe e tau tolu fakamua ha kua gahua i lalo hifo he Palemia kua oti, Hon Young Viviani mo Hon Frank Fakaotimanava-Lui.

Tali mai he 2008 e haaku a tau gahua ke he fakaaogaaga he tau tupe ha tautolu. Ti nakai fakahanoa au mo e fakalilifu lahi ke he gahua nei.

Ti manatu au ke fakamanatu atu e folafolaga nei i lalo hifo he taha fakatokatoka gahua ne fakamooli ai he Fakatufono.

***Niue ke Monuina***

E Fakaveaga

The strategic plan is the planning document which we use to base our budget plans on. Each year we provide budgets which promote work in the plan;

***Tanaki, Leveki, Pupui, Anoiha***  
***"Working Together to Protect the People and the Environment"***

This budget and strategic plans complement each other. They are not separate.

It is like building a house. You plan the house you want then you provide a budget to fund it.

The vision remains: Niue Ke Monuina

Budgets are fairly simple to prepare and manage. The keys are to be disciplined in the way you prepare the expenditure and revenues to ensure your key functions and focus is maintained.

Deviating from this will impact your department operations badly and cause difficulties which can lead to deficits and any blow out beyond that.

This year's budget is balanced. Not with borrowed funds or anything of the kind. We have ensured that it is balanced and will be maintained like that.

We know that our revenues amount to about \$26 million this year. This is made up of our own revenue efforts of \$18.5m plus a contribution of \$7.5m from New Zealand. If there is an increase it will be in our own revenue efforts whilst the expenditures remain tightly controlled.

With respect to possible revenue increases, they will be the result of transformation and new waste levies and general taxes.

There will as always be extra funds from New Zealand such as \$3m for technical assistance, asset maintenance and general administrative support.

We will also allocate \$1m from our own resources to use for new initiatives.

New Zealand also provides capital project funds of \$4m annually to enable us to develop projects.

Other countries that support us include Australia, China, Japan, India, Korea, USA, the European Union, and so on.

The State Owned Enterprises (SOE's) also contribute by way of dividends. But their development investment needs must take place so we may not ask for dividends but allow them to invest in other businesses or buy equipment for their needs.

It is important to note that the accumulation of funds take time and may only be available at year end. Therefore the Government will continue to support purchases of large equipment such as generators, transformers etc.

The issue with donor funds is that there is no control as to when we can start a project and complete them. We will try and coordinate this to match our coordinated resources required to be supplied. This will in many respects limit our projects to 2-5 in the year.

Joining the ADB will hopefully assist us control some projects better. This was one of the main reasons why we wanted to join ADB.

Over the next year we hope to work very closely with New Zealand and other donors to help coordinate projects. We are already looking at better coordination of projects within our own existing systems.

### **Inflationary Pressures**

Any salary increases in the Public Service will have an impact on inflation. Therefore we need to review our economic growth to ensure steady rather than spectacular growth.

This may mean we give tax cuts which will hold costs but still allow more disposable income for all workers. This will enable us to introduce increases in tariffs to try and offset this.

Tariffs increased across the board will create revenue from everyone including visitors. The locals will however be impacted to a lesser degree by the planned income tax reductions.

### **Capital Investments**

We will continue with our current projects which include solar power with new solar farms to assist increase our power demands.

### **Solar Power**

New installations using New Zealand and Japanese funds will be next. This should take us to 80% - 90% reliant on Renewable Energy. Included will be batteries to store the power.

We will also be using more electric vehicles and use stand-alone solar charging stations or straight from the national grid.

### **Water Production and Reticulation**

This needs upgrading to improve efficiencies and delivery to households. We will look to using ultra violet to treat water if need be. We will not be digging any new wells but the pumps and 'pipes will require systematic replacement. It is likely we will introduce water rates. The purpose of this will be to assist with costs and to stop waste and conserve water.

### **Telecommunications**

4G has started. We're fine tuning its introduction with exciting new products to sell.

It is likely that it will cost if you use it without control.

The undersea cable and internet will be completed in about 2020. This will enhance and compliment 4G and other internet uses. This will also allow better and more reliable school and health internet access, for Government systems and for the Private Sector.

### **Roads**

This project is still planned to start December this year.

### **The Courthouse**

The courthouse will finally be built with the SOEs providing the capital.

### **Community**

We will review our assistance to the villages to allow them more autonomy.

### **The Old folk's pensions will be increased**

We are still proposing that New Zealand review its current amendment to enable all realm New Zealand citizens' access to pensions at 65 years. The current policy is discriminatory which is damaging New Zealand's international standing just by the mere fact that it supports this discrimination.

### **Waste Management**

Waste management will continue to be a priority focus. We will use the environment capacity measurements to ensure we maintain a clean pristine and pollution free environment.

***Tanaki, Leveki, Pupui, Anoiha***  
***"Working Together to Protect the People and the Environment"***

### **Tāoga Building**

The Tāoga building will be completed, Swanson's superstore has opened, the Emergency Operations Centre (EOC) will open as well the Crèche.

The SOE's including all 10 businesses will continue to be managed by NPNC. They are performing very well, thank you.

Whatever we all do whether it's tourism, bottled water, assistance from overseas etc we should be very precise and clear. Innuendo and false statements don't help anyone.

The other major projects we'll be starting and identifying donor support will include Port, Airport Capitalisation of NDB, Cabinet and Assembly building.

### **Niue National Strategic Plan**

When you review the information above, you will see the thread of policies enunciated by the strategic plan.

This is deliberate.

This budget and strategic plans complement each other.  
The vision remains:

### ***Niue Ke Monuina*** ***A Prosperous Niue***

God is good all the time.

Lahi e fiafia ke totou atu e tau manatu fakakite mo e pulega ki ai.

Fakaue ke he Kokasi ha ko e ha lautolu a kau fakalataha mai ke he tau gahua ke Monuina ai a tautolu.

Pihia foki mo lautolu e tau Lilifu Ekepule he fale lilifu nei ne lagomatai mai foki e hokotaki tupe nei.

Ko tautolu kua lata ke taha e manako tuga a ia.

Ko Niue ke Monuina oti a tautolu mo e nakai fai kehekehe.

Kia fakamonuina mai he Atua e totouaga he hokotaki tupe nei.

Mr Speaker, I introduce to the House the 2018/2019 Budget.

# KO E TOHI FAKATOKATOKA GAHUA HA NIUE

## NIUE NATIONAL STRATEGIC PLAN



**TĀNAKI ~ LEVEKI ~ PUIPUI ~ ANOIHA**

***“Kaufakalataha ke Leveki e tau Tagata mo e Takatakaimotu”***  
***“Working Together to Protect the People and the Environment”***

## FOAFOAAGA

Ko e palana Fakatokatoka Gahua he Kautū kua taute ai he Fakatufono ke eke mo puhala ke fakaholo aki e haggaoaga he tau gahua kua tūmua ke he tau vahega gahua oti ke moua e Kitekiteaga Ki Mua ha Niue.

Ne fakakite laulahi e Kitekiteaga ki Mua he Kautū,tau haggaoaga mo e tau puhala ke fakamatapatu e tau gahua ke takitaki e fenoga ke hoko ke he moui moua monuina.

Ko e matakai he Niue Ke Monuina to toko hake he fitu e pou malolō ke atihake e tau gahua ke amohia e Kitiaaga i Mua. To igatia e tau pou malolō ia mo e fakatokatokaaga gahua mo e tau amaamanakiaga ke foli ki ai. To haia foki e tau haoaga he gahua ka fakakite ma e tau puhala gahua oti. Ko e fakapapahiaga he tau Pou malolō hanai:

### FAKATOKATOKAAGA

#### *Amaamanakiaga*

Fakamaamaaga ke he Fakatokatokaaga

To igatia e tau Faahi Gahua he Fakatufono mo e tau Matakau mo e palana Fakatokatoka Gahua ka matutaki atu ke he palana Fakatokatoka Gahua he Kautū muaatu ke he tau Pou Malolō. To taute fakamakutu e tau fakatokatokaaga mo e tau matapatu gahua pauaki.

To fakakoloa e tau matapatu gahua mai he Fatifatiaga Tupe he Fakatufono he tau tau takitaha he lali atu ke moua e 'Niue ke Monuina".To fakakite foki e fatifatiaga tupe ke lata mo e gahua lakaaga foou, tau fakaholoaga, tau matakai mo e tau puhala ke lali atu ki ai; ka moua mai he Fakatufono poke moua mai he tau Matakau i fafo. To eke ai e tau hokotaki lagataha he tau he tau Faahi Gahua ke fuafua aki e tūaga he tau matapatu gahua.

Ko e Palana nai ka fakatoka e fenoga ke moua he Kautū e tau monuina loga. To nā kai holo milino e fenoga ka e to fakafehagai mo e tau mena uka he hala loa.

Ko e vahā ia ka amanaki e tau toa ke ō ke tau, kamata aki e takalo e fenoga. Ko e takalo ka fakavelagia e tau loto he tau toa ke tau. Ko e mena ia ne fakaaoga e mahani ia he aga motu ke lata mo e Palana nai ke moua loga atu e tau monuina ma Niue.

*“Tete tete! Ko e haku akau ha ē!  
Ke tau ke hake ke Pū he Lagi  
Ke hifo ke Pū he Lalofonua  
To hifo ke Pū ki Moana”*

*Monū! Monū! Monū Kitukituea!*

# KO E KITEKITEAGA KI MUA HE KAUTŪ

*Niue ke Monuina*

## KO E FEKAU PAUAKI

**TĀNAKI ~ LEVEKI ~ PUIPUI ~ ANOIHA**

TANAKI - Funaki, Fakaputu mo e Tokamau

LEVEKI - Leoleo mo e Tokaga

PUIPUI - Laveaki mo e Tokamata

ANOIHA - Tau Aho i mua

***“Kaufakalataha ke Leveki e tau Tagata mo e Takatakaimotu”***

Ke ati hake a Niue ke moua e tau monuina loga ma e moui fiafia he tau tagata mo e monuina he motu ka e mailoga to fakatumaui e tau monuina ia ka nakai fakahanoa mo e fakateaga ke leveki e Taoga Niue, tau aga mo e tau mahani fakamotu mo e puipui e Takataki motu.

## FAKAGAHUAHUA E KITEKITEAGA KI MUA HE KAUTŪ

To tumau a Niue ke eke mo taha kautū ne Pule Fakamotu ka e matutaki atu ke he kautū a Niu Silani. Ko e haana a tau aga fakamotu ne fakavē ke he agaaga he Tāoga, Vagahau Niue, tau tufuga motu mai tigahau, mo e tau fakavēaga he moui he tagata Niue, to holo ki mua mo e fiafia mau. To fakatumaui haana a tau tagata ke nonofo ke he tau monuina he vahā, fiafia ke he moui fakamotu, ha ko e mafola he fakatufono he aho.

Ko e kaukau tahi a Niue ne kehe lahi ka fakatai atu ke he tau motu he lalolagi, ha kua tumau agaia e foliga mai fakamua mo e tupuolaola e takataki motu i ai. To eke ai mo fakataiaga ke kitia mai he tau motu i fafo e mitaki he tau puhala ne tokaga ki ai; to fakavē aki e tau amaamanakiaga ka taute ke he takataki motu ha Niue. To muiua ke leveki atu ke he Takataki motu ha Niue ke he tau puhala puipui mai tuai.

Amanaki ke velagia e fakalaulahi he tau gahua fakapisinisi ke fai gahua tupe e tau tagata he motu, mo e fakamole e tau tupe moua he falu tagata he motu ke he falu lakaaga talaga monuina foou.

Ko e Fakatufono to fatifati fakamakutu e tupe ke fakakoloa mo e fakahagahaga mitaki e tau momoui he tau tagata he motu, aofia ai e faahi malolō tino, faahi fakaako, faahi talaga mo e leveki koloa mo e falu faahi gahua he Fakatufono ne lagomatai ke laveaki e tau momoui tagata. To fakatumaui e fakatufono ke fakahagahaga mitaki e tau momoui tagata ne nonofo he motu.

To holo ki mua e tupu he tau kautaha pisinisi Fenoga Evaeva ha ko e matapatu falanakiaga haia he fakatufono ke ati hake e tau puhala moua monuina. To fakatumaui e vakalele ke lele mai i Niu Silani ke lata mo e tau tagata he motu ti pihia ke he tau tagata fenoga evaeva, ka e to kumikumi atu foki ke he falu puhala vakalele mai he falu a motu ne katofia mo Niue. Ko e puke meli mo e huhua nonu ka fakamatapatu aki e tau koloa ke lata mo e tau makete i fafo; ti fai koloa foki ka taute ke fakafua ni i Niue nai.

To fakatumaui a Niue ke fakafetui mo e tau motu i fafo, mua atu ke he tau atu motu ne katofia he Atu Pasifika; tau kautū ne fa fai lagomatai he leva e tau magaaho ti pihia kia lautolu ne fakafetui foou mo Niue, mo e tau matakau i fafo ne foaki tupe loga ma e tau gahua i Niue. To fakatumaui foki ke kau fakalataha ke he tau fonoaga he atu Pasifika mo e lalolagi katoa. To fakatumaui e fakatufono ke kumi atu ke he falu a kautū ke fai fakafetuiaga foki kaeke kua lata. Ko e fenoga ke moua e tau Monuina loga to fakatumaui ke ati hake e tau gahua ke fakavē aki ma Niue a anoiha.



# KO E TAU POU MALOLŌ HE TAU GAHUA FAKALAULAHĪ HE KAUTŪ

*“Kaufakalataha ke leveki e tau Tagata he Motu mo e Takataki Motu”*

## TAU PUHALA MOUA TUPE MO E TAU GAHUA ATI HAKE MONUINA



To haitia e potaaga tupe kua lata , ti fakagahua mo e tau levekiaga ke fakatumau ke gahua ke he tau fakatokatokaaga gahua ati hake

## TAU PUHALA GAHUA KE ILOA MO E MAAMA

Ko e tau puhala gahua ke iloa mo e maama ki ai, fakavēaga ne aofia e tau tagata oti he ha lautolu a tau fekafekauaga



## FAAHI TALAGA MO E LEVEKI KOLOA

Ke fakaaoga mo e tokaga ke he tau koloa he motu ne falanaki lahi e tau momoui tagata ki ai ke tote e lekua kaeke kua haofia he tau matagi fakafo

## TAU PUHALA FAKAHAGAHAGA MITAKI HE MOUI HE TAGATA

Ko e motu ne nonofo fakafeheleaki e tau tagata, kua holo ki mua e moui olaola, lotomatala ke he tau mena he vahā, mo e tū tokoluga e tau tauteaga ke lata mo e tau momoui he nonofo he motu



## FAAHI TAKATAKAIMOTU MO E HIKIHAKIAGA HE MATAGI

Fakaaoga mo e tau levekiaga e tau koloa Tufugatia mo e takatakaimotu ke fakatumau ma e tau atuhau ne mumui mai

## TĀOGA NIUE

Eketaha mo e fakamalolō ke mailoga mo e fakaaoga tumau e tāoga niue, vagahau niue, tau fakavēaga he moui he tagata Niue mo e tonuhia he tagata Niue



## TAU MATAKAU I FAFO HE FAKATUFONO MO E TAU KAUTAHA PISINISI

Ko e motu monuina he tau tagata gahua malolō ne ha i ai e tau kautaha pisinisi kehekehe kua monuina ai e motu

## INTRODUCTION

The Niue National Strategic Plan is a high level roadmap setting out the Niue Government's direction and priorities for Niue to act at all levels to reach its vision for Niue. It provides broad goals and strategies that provide strategic guidance towards prosperity.

The achievement of *Niue ke Monuina* is underpinned by seven national development pillars. Each national development pillar has strategies with aims identified to achieve these strategies. Each strategy is also the outcome that is being sought. In this Plan, the pillars contain the strategies in the format contained in the box below:



The details for these strategies will be contained in sector and subsidiary policies and delivery plans. Each government agency will have a corporate plan that aligns to the pillars and strategies.

Careful and strategic allocation of resources will be prioritised so that the strategic initiatives, activities, targets and delivery plans can be achieved through the national recurrent budget and other external sources such as development partners. The government agency corporate plans will have a budget, where the source of funds are identified; whether recurrent budget or external funds, and annual reports and the national budget process is the mechanism through which progress of the Plan is measured.

This Plan provides the direction for the nation of Niue towards prosperity. It will not be easy and there will be challenges along our journey.

In times of adversity, in particular before going into battle our ancestors would lay down a challenge or *takalo* to excite and motivate the spirit of the warriors. It is in the spirit of our forefathers and *aga motu* that the challenge is laid for this Plan *Niue ke Monuina*:

*“Tete tete! Ko e haku akan ha ē!  
Ke tau ke hake ke Pū he Lagi  
Ke hifo ke Pū he Lalofonua  
To hifo ke Pū ki Moana”*

*Monū! Monū! Monū Kitukituea!*

## OUR VISION

*Niue ke Monuina – A Prosperous Niue*

## OUR MISSION

**TANAKI ~ LEVEKI ~ PUIPUI ~ ANOIHA**

Tanaki – to gather, collect and store

Leveki – to guard and watch over

Puipui – to protect and look after

Anoiha – for times to come

***“Working Together to Protect the People and the Environment”***

Our mission is to build a prosperous Niue responsibly and sustainably, to meet social and economic needs and development aspirations while preserving Tāoga Niue culture and heritage values, and protecting our environment.

## LIVING THE VISION

Niue will continue to be a sovereign nation in free association with New Zealand. Its unique culture, based on Tāoga spirituality, language, heritage and social values, will thrive and be celebrated. Her people will continue to enjoy a high standard of living with a unique island lifestyle and a stable and responsible government.

Niue's unique, unspoilt and pristine coastal environment will be internationally recognised as a beacon for its sustainable and responsible environmental practices and this is how the Niuean environment will be protected.

A vibrant private sector will accelerate economic growth and increase employment and investment opportunities for all residents of Niue.

The government's main fiscal priority is to ensure that there are sufficient resources available for the necessary basic rights of all residents. These include health, education and infrastructure and the provision of other essential government services. The government will continue to ensure that all residents will have access to the basic services.

The tourism industry will continue to flourish and with ancillary activities will be the major contributor to the economy and the catalyst for economic development. The residents and tourism industry will continue to be serviced by regular airline services from New Zealand and services within the region will be explored. Honey and nonu production will be major exports with the development of niche markets for local sale.

Niue will continue to enjoy cordial international relations particularly with her constitutional partner New Zealand, Pacific neighbours, traditional partners and new friends, and valued investment partners. It will also continue to enjoy and participate in regional and international fora. Government will continue to establish further diplomatic and international partnerships with other nations. The journey towards prosperity will continue to build the foundation for the future of Niue.

# NATIONAL DEVELOPMENT PILLARS

*"Working Together to Protect the People and the Environment"*



## FINANCE AND ECONOMIC DEVELOPMENT

Sufficient financial resources are secured, and responsible fiscal management is prudent, sustainable and in support of development strategies



## GOVERNANCE

Good governance is practised at all levels of society



## INFRASTRUCTURE

Sustainable use and management of key infrastructure that is climate proof and resilient

## SOCIAL SERVICES

Harmonious and healthy lifestyle in  
A thriving, educated and safe  
community that has access to a  
wide range of quality social services



## ENVIRONMENT AND CLIMATE CHANGE

Sustainable use and management of Niue's natural resources and environment for present and future generations

## TĀOGA NIUE

Promote, strengthen and  
integrate Tāoga Niue cultural  
heritage, language, values  
and identity



## PRIVATE SECTOR

A prosperous and skilled island  
nation, underpinned by a thriving  
and entrepreneurial private sector

