

March 22, 2024

Bank of Japan

## **The Bank of Japan's Budget for Expenses for Fiscal 2024**

The Bank of Japan's budget for expenses for fiscal 2024 (the 140th fiscal year) is as follows (Table 1).<sup>1</sup> While securing the necessary budget to perform its role as the central bank of Japan, the Bank has also thoroughly examined each item of expenditure to achieve more streamlined overall spending.

The budget for expenses for fiscal 2024 is more or less unchanged from the previous year, a decrease of 0.5 percent, of which the amount subject to the approval of the Minister of Finance has increased by 0.2 percent. This is mainly due to changes in the following items. The cost of fixed-asset purchases has decreased by 19.0 percent, mainly owing to a decline in expenses related to improvements to the Bank's premises. On the other hand, expenses for maintenance and repairs have increased by 49.8 percent, mainly due to a rise in maintenance and repair work conducted at the Bank's premises, and the cost of production of banknotes has increased by 1.2 percent owing to a rise in manufacturing cost.

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<sup>1</sup> The Bank prepares a budget for expenses every fiscal year. Its budget, excluding the cost of purchasing fixed assets used for the Bank's business operations, is subject to the approval of the Minister of Finance under Article 51, paragraph 1 of the Bank of Japan Act before the beginning of each fiscal year. After obtaining authorization from the Minister of Finance, the Bank implements the budget from the start of the fiscal year. For fiscal 2024, the Bank sought approval on March 22, 2024. All figures, including those in Table 1, are rounded off.

Table 1

**Budget for Expenses for Fiscal 2024 (The 140th Fiscal Year)**

Item	Initial budget (thous. yen)	Change from the previous year (percent)
<b>Cost of production of banknotes</b>	<b>62,646,696</b>	<b>1.2</b>
<b>Administrative expenses for treasury business and Japanese government securities</b>	<b>21,467,753</b>	<b>0.7</b>
<b>Personnel expenses</b>	<b>53,400,039</b>	<b>-1.1</b>
Remuneration of the officers	437,665	1.4
Remuneration of the employees	44,243,092	2.9
Retirement allowances	8,719,282	-17.3
<b>Expenses for transportation and communications</b>	<b>4,788,288</b>	<b>4.3</b>
Expenses for transportation	2,556,476	1.3
Expenses for communications	2,231,812	8.0
<b>Expenses for maintenance and repairs</b>	<b>3,275,356</b>	<b>49.8</b>
<b>Other general and administrative expenses and costs</b>	<b>60,571,190</b>	<b>0.8</b>
Cost of expendable supplies	1,160,033	-11.4
Expenses for electricity and water supply	2,922,988	-27.6
Leasing fees for buildings and equipment	6,659,514	-2.6
Expenses for maintenance of buildings and equipment	12,022,976	2.8
Miscellaneous expenses	37,805,679	4.5
<b>Subtotal</b>	<b>206,149,322</b>	<b>1.0</b>
<b>Cost of fixed-asset purchases</b>	<b>13,520,503</b>	<b>-19.0</b>
Of which: Subject to the approval of the Minister of Finance <sup>1</sup>	2,087,684	-44.4
<b>Contingency funds</b>	<b>1,000,000</b>	<b>0.0</b>
<b>Total<sup>2</sup></b>	<b>220,669,825</b>	<b>-0.5</b>
Of which: Subject to the approval of the Minister of Finance <sup>1</sup>	209,237,006	0.2

Notes: 1. Excludes the cost of purchasing fixed assets used for the Bank's business operations.

2. Of the budget for expenses, those related to computerization amount to 34,132,596 thousand yen, a 3.1 percent increase from the previous year, and are included in expenses for communications, leasing fees for buildings and equipment, expenses for maintenance of buildings and equipment, and miscellaneous expenses.

Budget estimates of computerization expenses assume required outsourcing of approximately 12,002 person-months (one person-month is the workload equivalent of one person working for one month in system development), and a total of approximately 15,398 person-months when the workload of the Bank's employees is included.