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Treasurer – Are you interested in an APEC Peace Deal?

“APEC is an important opportunity to showcase PNG. As Shadow Treasurer, I’m willing to present a unified front to the countries attending APEC. In a democracy, there is a tendency for the Treasurer to present the rosy picture, the “silver lining in every cloud”, while the Shadow Treasurer performs the role of constructive critique – to expose, oppose and propose. So let’s aim for a peace deal. I simply request three pieces of verified information for the people of PNG to increase confidence in some recent economic claims. As you are someone who supports the Extractive Industries Transparency Initiative, and talks to business about the importance of transparency, surely you’d be happy to make this deal by releasing only three simple pieces of information?” asked the Shadow Minister for Treasury & Finance Ian Ling-Stuckey.

“First, going to the heart of budget honesty, can you release a statement of how much has been received as of 30 September 2018 from the National Fisheries Agency. Your 2018 Budget had the NFA supplying K800 million in funding – K400 million from sweep operations in 2017 held over to 2018 as well as an extra K400 million this year. If the actual figure of payments in the Waigani public account has reached at least K600 million then I would be delighted and back off my claims of fake revenues in the non-tax area of the budget.

“Second, your latest comments point to tax collections doing well in 2018 as a sign of an improving economy. Could you therefore provide full details of GST tax collections covering the years 2013 to 2017 and then to June 2018 (or later if available) of: gross GST collections, GST refunds, GST payments to Provinces, and net GST to Waigani. So a simple 5 by 6 table. If the rate of underlying gross GST collections has been going up by more than the inflation rate, then this would indeed be a positive sign of growth in the non-resource part of the economy, and I’d drop my concerns about the net GST figures probably being

driven by deceptive calculations with GST refunds" said the Shadow Treasurer.

"Third, could the Treasurer organise to release details of the 2015 GDP figures? When the National Statistics Office released the preliminary information six months ago, they indicated the details would be released "shortly". Surely you could work with your Minister for Planning to get this basic information out to the public. Could the Treasurer then recalculate the new debt to GDP ratio for 2018 based on this lower GDP base, Treasury GDP growth rates for 2016 to 2018, and a new valuation of public debt based on a slightly lower exchange rate and the US500 million Sovereign Bond all of which is being incurred this year. If the figure is below the legislative limit of 35%, once again I'd be delighted.

"So Treasurer, let's aim for an APEC peace deal. I've asked for three simple pieces of information. In the spirit of full transparency and accountability, I could work with you for someone independent to verify the figures. If non-tax revenue from the NFA is really going well, and if gross GST collections are indeed increasing well beyond the inflation rate, and if the government hasn't broken the just recently increased debt to GDP ratio of 35%, then we can have a peace deal through to APEC.

"Treasurer, are you willing to work with me on a peace deal so we can present a unified front until APEC? All I'm asking for is information that should have been made public to the people of PNG months ago. You keep saying that revenue is flowing in well, the economy is rebounding and debt is under control – so please just let me be a bit more confident about those claims. Let's do something together for the sake of the country" offered Mr Ling-Stuckey.

Hon. Ian Ling-Stuckey, CMG, MP
Shadow Minister for Treasury & Finance

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