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2019 Budget – Minister’s Budget, not a Governor’s Budget

“The largest change in the 2019 National Budget was a transfer of K1,080 million from the Provinces to the “Administrative” sector. This is a clear Waigani grab for power at the cost of our Provinces and Districts. Too much of PNG’s money has already gone to an expensive, Port Moresby centred APEC. Now the government steals another K1 billion available for rural people and pulls it back to the capital, seemingly-all under the power of the Minister for Implementation and Rural Development. This is another very treachous part of this dangerous and deceptive budget” stated the Shadow Minister for Treasury & Finance Ian Ling-Stuckey.

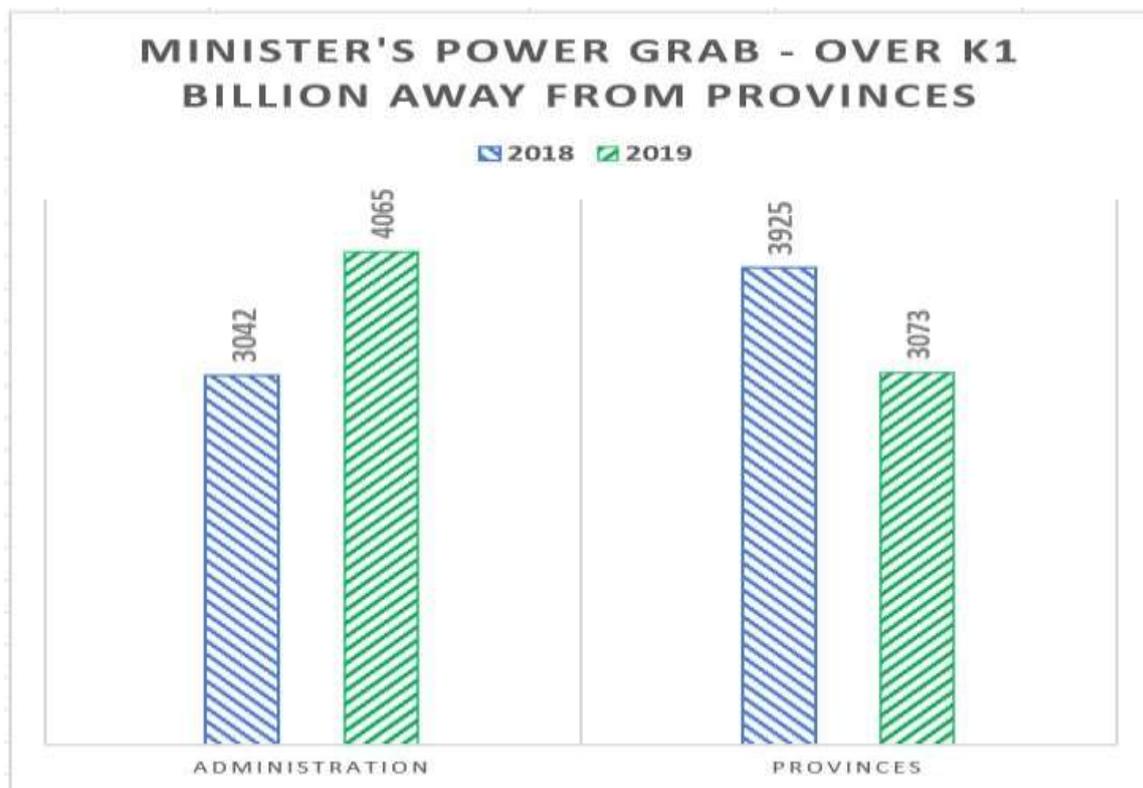
“This is not a Governor’s Budget, it is a Minister’s Budget. This is not a District Budget, it is a Minister’s Budget. One of the Prime Minister’s bestie Ministers is going to be given even greater administrative control to decide if you will get any funds for your local programs. We are even having the PNG Treasury now tell us how much we can spend on education or infrastructure or health for our people setting minimum and maximum limits, irregardless of whether these are sufficient or not for the health and education sectors! While the Prime Minister does deals promising increased autonomy to a few that supported the formation of his government, he then steals this autonomy through centralised funding.This is called FLIP-FLOP 2 FACED POLITICS” stated the Shadow Treasurer.

“What a see-saw PNG has been on between the central government and provinces over the decades! Power entrenched in Port Moresby, but sweet promises for the Provinces. There were some good actions to give actual power to the Provinces and Districts under the National Alliance Government. The increase in PSIP and DSIP was also welcome, if managed honestly and competently. Now we are witnessing yet another broken promise.

“All Governors and Members of Parliament need to seriously reflect on whether they are willing to support this centralised, Prime Ministers’ grab for power using his Ministers as puppets. The Alternative Government certainly is not and depending on the outcome of the Governors meeting held today, there may have to be serious considerations to take affirmative steps to restructure the budget next tuesday” stated Mr Ling-Stuckey.

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

15 November 2018



Extract from page 97 of 2019 Budget Volume 1

Total expenditure for the Sector in 2019 is K4,065.0 million or 25.2 per cent of the total budget. This is an increase of K1,023.1 million or 33.6 per cent from its 2018 Budget. The very large increase in the sector's budget represents the movement of Service Improvement Program (SIP), funding from the capital budget of the Provinces' sector to the capital component of the administration sector.

The SIPS, specifically DSIP and PSIP, will be reflected under the Department of Implementation and Rural Development (DIRD) rather than, individual Provinces, in improving its administrative and monitoring efficiency.

The National Executive Council (NEC), in its *Decision No.240/2018*, directed the Department of Treasury to frame the Service Improvement Program (SIP) Budget by allocating 30.0 per cent to infrastructure, 20.0 per cent to Education, 20.0 per cent to Health, 10.0 per cent to Law & Order, 10.0 per cent to Economic, 10.0 per cent to Administration sectors. These fixed commitments are complimented by other capital projects approved by the government.

Total expenditure for the sector consists of K2,042.4 million in operation which is inclusive of miscellaneous funding worth K1,320.9 million and K2,022.6 million in capital expenditure, inclusive of PSIP and DSIP (K1,080.0 million). Of the total budget for operational expenditure, K479.0 million is assigned for compensation of employees and K242.4 million is for goods and services.