



SHADOW MINISTER FOR TREASURY & FINANCE

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Health Cost Crisis – 75 per cent price increase under PNC

“Health care costs in PNG have sky-rocketed by 75% under the PNC. What you used to be able to buy for K10 in health services back in 2012 will now cost you K17.50 in 2018. The PNC government continues to talk about its fake “free health care” policy. Instead, official figures from the Bank of PNG indicate that health costs are out of control. This is just another sign of how this government doesn’t understand the high cost of living affecting PNG families” stated the Shadow Minister for Treasury & Finance Ian Ling-Stuckey.

“In my budget response – available to all on the Opposition website – I talked about the health crisis facing this country. Polio is back, malaria and TB are on the increase, medicines are not available, the standard of health services continues to decline in rural areas. Our doctors are telling us this is the case, but the PNC politicians are in denial. The cut in funding to the health sector in the 2019 Budget after allowing for inflation is a national disgrace. The so-called “free health care” policy of this government was always a sham and the recent figures from BPNG confirm it is a sham. If there was a new “free health care” policy, one would expect health costs to decrease. Instead, they are exploding.

‘When the government recalls Parliament, as it must do to correct its massive oversight in “forgetting” to fund necessary debt repayments of K11.1 billion (billion, not million), and to correct its “administrative oversight” in not funding Bougainville, we should increase funding to the health sector and set in place better policies for reducing health care costs. A thorough investigations into the shonky procurement deals for medical supplies would be a good start.I will continue to call for more honesty in Government” stated Mr Ling-Stuckey.

Hon.Ian Ling-Stuckey,CMG.MP

Shadow Minister for Treasury & Finance

27 November 2018

Details

The Quarterly Economic Bulletin Statistics Table 7.4 available on the BPNG website at <https://www.bankpng.gov.pg/statistics/quarterly-economic-bulletin-statistical-tables/> sets out price movements. This table is called "Consumer Price Index Classified by Expenditure Group (new CPI basket)". Costs in the "Health" Group column from June 2012 to March 2018 (latest available figure) are shown in the following graph. The index of health care costs has increased from 100 to 174.7 – a 75% increase. The increase across all expenditure groups is less than half this rate – at 36%. After the group called "Alcoholic beverages, tobacco and betel nut", health costs have faced the second highest cost increases out of the twelve expenditure groups covered by the CPI.

