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TABLE 1: GROSS DOMESTIC PRODUCT BY ECONOMIC ACTIVITY AT CURRENT
AND CONSTANT PRICES (Kina Million)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	Prelim.	Prelim.	Est.	Est.	Proj	Proj	Proj	Proj	Proj	Proj
Agriculture, Forestry and Fishing										
nominal	4819.4	4550.8	5684.0	5822.9	6342.9	6989.0	7447.6	7916.7	8387.5	8892.7
deflator	164.6	148.6	182.3	185.5	194.8	204.6	208.8	213.6	218.0	222.9
real	2927.2	3062.1	3117.6	3138.7	3255.6	3415.9	3567.2	3706.6	3847.8	3989.7
rate of real growth	5.0	4.6	1.8	0.7	3.7	4.9	4.4	3.9	3.8	3.7
Oil and Gas Extraction										
nominal	853.0	738.4	1651.3	1977.3	2037.8	1694.7	1471.4	1235.6	1064.3	950.6
deflator	317.8	300.5	591.8	710.2	725.7	657.4	655.0	638.2	631.1	626.3
real	268.4	245.7	279.0	278.4	280.8	257.8	224.7	193.6	168.6	151.8
rate of real growth	-1.5	-8.5	13.6	-0.2	0.9	-8.2	-12.9	-13.8	-12.9	-10.0
Mining and Quarrying										
nominal	1398.8	1652.7	1903.9	2708.3	2889.9	2867.9	2883.1	3123.9	3208.9	2966.6
deflator	199.6	227.7	257.1	396.7	402.5	349.8	316.7	295.1	283.1	276.0
real	700.7	725.9	740.7	680.7	718.0	819.8	910.3	1058.6	1133.3	1074.9
rate of real growth	4.6	3.6	2.0	-8.1	5.5	14.2	11.0	16.3	7.1	-5.2
Manufacturing										
nominal	820.8	848.3	942.5	999.5	1070.6	1180.3	1264.3	1354.3	1450.8	1554.1
deflator	139.8	141.3	142.7	144.1	148.5	157.4	162.1	166.9	172.0	177.1
real	587.1	600.4	660.4	693.5	721.2	750.0	780.1	811.3	843.7	877.5
rate of real growth	4.8	2.3	10.0	5.0	4.0	4.0	4.0	4.0	4.0	4.0
Electricity, gas and water										
nominal	228.7	263.7	284.4	301.7	320.1	352.8	381.6	412.7	446.3	482.7
deflator	189.0	209.0	219.4	226.0	232.8	246.7	254.1	261.8	269.6	277.7
real	121.0	126.2	129.6	133.5	137.5	143.0	150.2	157.7	165.5	173.8
rate of real growth	13.4	4.3	2.7	3.0	3.0	4.0	5.0	5.0	5.0	5.0
Construction										
nominal	1128.9	1177.0	1245.8	1437.2	1720.3	2060.6	2271.0	2474.8	2696.9	2888.9
deflator	133.0	134.4	135.8	139.8	146.8	155.6	160.3	165.1	170.1	175.2
real	848.7	875.7	917.7	1027.9	1171.8	1324.1	1416.8	1499.0	1585.9	1649.3
rate of real growth	5.4	3.2	4.8	12.0	14.0	13.0	7.0	5.8	5.8	4.0
Wholesale and retail trade										
nominal	849.9	890.5	944.6	1021.3	1136.1	1264.5	1348.1	1437.1	1532.0	1633.2
deflator	157.6	160.0	163.2	166.5	171.5	181.8	187.3	192.9	198.7	204.6
real	539.4	556.4	578.7	613.4	662.4	695.6	719.9	745.1	771.2	798.2
rate of real growth	2.6	3.2	4.0	6.0	8.0	5.0	3.5	3.5	3.5	3.5
Transport, storage and communication										
nominal	293.9	304.7	317.0	326.2	396.3	454.3	491.3	526.3	563.8	603.9
deflator	140.1	141.5	142.9	140.1	126.1	113.5	116.9	120.4	124.0	127.7
real	209.8	215.3	221.8	232.8	314.3	400.4	420.4	437.2	454.7	472.9
rate of real growth	2.1	2.6	3.0	5.0	35.0	27.4	5.0	4.0	4.0	4.0
Finance, real estate and business services										
nominal	422.9	415.2	449.0	501.8	542.7	598.3	640.9	686.5	735.4	787.8
deflator	135.0	137.3	141.4	145.6	150.0	159.0	163.8	168.7	173.7	178.9
real	313.3	302.5	317.6	344.6	361.9	376.3	391.4	407.0	423.3	440.3
rate of real growth	-3.4	-3.4	5.0	8.5	5.0	4.0	4.0	4.0	4.0	4.0
Community, social and personal services										
nominal	1403.1	1395.0	1427.2	1521.4	1629.7	1762.1	1851.2	1944.9	2043.3	2146.7
deflator	123.9	126.2	126.9	132.0	136.0	144.1	148.5	152.9	157.5	162.2
real	1132.9	1105.5	1124.3	1152.4	1198.5	1222.5	1246.9	1271.9	1297.3	1323.2
rate of real growth	-3.5	-2.4	1.7	2.5	4.0	2.0	2.0	2.0	2.0	2.0
TOTAL GDP*										
nominal	12567.3	12652.1	15263.2	17050.8	18550.9	19724.1	20587.1	21688.5	22726.9	23546.9
rate of nominal growth	7.8	0.7	20.6	11.7	8.8	6.3	4.4	5.3	4.8	3.6
deflator	159.2	156.0	182.1	198.3	203.2	202.6	202.2	203.5	205.2	207.4
real	7895.7	8110.5	8383.3	8597.6	9131.5	9735.2	10181.3	10658.5	11076.8	11354.9
rate of real growth	2.2	2.7	3.4	2.6	6.2	6.6	4.6	4.7	3.9	2.5
Total non-mining GDP										
nominal	10315.5	10261.0	11708.0	12365.1	13623.2	15161.5	16232.7	17329.0	18453.7	19629.7
rate of nominal growth	8.5	-0.5	14.1	5.6	10.2	11.3	7.1	6.8	6.5	6.4
deflator	148.9	143.7	159.0	161.9	167.5	175.1	179.4	184.2	188.8	193.8
real	6926.6	7138.9	7363.7	7638.4	8132.7	8657.5	9046.4	9406.3	9774.9	10128.3
rate of real growth	2.1	3.1	3.1	3.7	6.5	6.5	4.5	4.0	3.9	3.6

*Sum of industries less imputed bank service charge, plus import duties, less subsidies.

Source: Dept. of Treasury, 2003 - 2012: estimates and projections

TABLE 2: CONTRIBUTIONS TO GROWTH IN REAL GROSS DOMESTIC PRODUCT
(Percentage points)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	Prelim.	Prelim.	Est	Est	Est	Proj	Proj	Proj	Proj	Proj
Agriculture, Forestry and Fishing	1.8	1.7	0.7	0.3	1.4	1.8	1.6	1.4	1.3	1.3
Oil and Gas Extraction	-0.1	-0.3	0.4	0.0	0.0	-0.3	-0.3	-0.3	-0.2	-0.2
Mining and Quarrying	0.4	0.3	0.2	-0.7	0.4	1.1	0.9	1.5	0.7	-0.5
Manufacturing	0.4	0.2	0.7	0.4	0.3	0.3	0.3	0.3	0.3	0.3
Electricity, gas and water	0.2	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1
Construction	0.6	0.3	0.5	1.3	1.7	1.7	1.0	0.8	0.8	0.6
Wholesale and retail trade	0.2	0.2	0.3	0.4	0.6	0.4	0.3	0.2	0.2	0.2
Transport, storage and communication	0.1	0.1	0.1	0.1	0.9	0.9	0.2	0.2	0.2	0.2
Finance, real estate and business services	-0.1	-0.1	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2
Community, social and personal services	-0.5	-0.3	0.2	0.3	0.5	0.3	0.3	0.2	0.2	0.2
TOTAL GDP	2.2	2.7	3.4	2.6	6.2	6.6	4.6	4.7	3.9	2.5
Total Non-mining GDP	2.1	3.1	3.1	3.7	6.5	6.5	4.5	4.0	3.9	3.6

*Sum of industries less imputed bank service charge, plus import duties, less subsidies.

Source: Dept. of Treasury; 2003 - 2012 estimates and projections.

TABLE 3: PRICES OF MAIN EXPORT COMMODITIES
 (Kina per tonne fob, unless otherwise specified)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj	Proj	Proj
AGRICULTURE										
Copra	776	896	776	654	654	597	571	545	530	519
Cocoa	6395	5253	4495	4645	4565	4553	4582	4582	4582	4582
Coffee	4339	4505	6533	6444	6297	5713	5441	5169	4897	4897
Palm Oil	1289	1294	1132	1181	1273	1091	1077	1064	1064	1091
Rubber	2929	3632	3750	5409	5254	4903	4631	4358	4086	4086
Tea	2924	2827	2928	3212	2714	2622	2609	2596	2584	2558
Copra Oil	1413	1796	1722	1455	1456	1330	1272	1215	1180	1157
Logs (K/m ³)	183	177	177	186	206	218	222	225	227	228
MINERALS										
Gold (US\$/oz)	363	409	445	604	662	662	662	662	662	662
Copper (US\$/lb)	0.81	1.30	1.67	3.05	3.28	2.45	1.84	1.43	1.22	1.18
Oil (Kutubu Crude: US\$/barrel)	27.4	42.1	53.4	64.3	67.3	61.9	61.7	60.1	59.4	59.0

Source: Actuals from BPNG. Projections from IMF and Dept. of Treasury.

TABLE 4: VOLUME OF MAIN EXPORT COMMODITIES
('000 tonnes, unless otherwise specified)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj	Proj	Proj
AGRICULTURE										
Copra	8.4	19.2	22.3	12.7	23.2	23.2	23.2	23.2	28.3	34.3
Cocoa	40.3	41.5	44.2	44.0	44.8	47.0	48.5	50.9	52.9	54.0
Coffee	68.8	63.0	72.1	52.3	56.2	70.3	75.7	76.8	73.5	88.2
Palm Oil	326.9	339.0	345.8	362.3	382.6	401.0	436.0	459.7	482.7	506.8
Rubber	4.2	3.8	4.8	4.4	4.5	4.7	4.8	5.0	5.2	5.4
Tea	6.6	8.1	6.9	6.6	7.1	7.2	7.3	7.6	7.9	7.8
Copra Oil	47.7	45.1	54.4	41.5	54.1	54.1	54.1	54.1	64.9	80.2
Logs	2016.0	2012.1	2282.4	2638.3	2825.6	2715.9	2651.7	2531.2	2403.4	2217.7
MINERAL										
Gold (tonnes)	68.4	67.3	70.5	55.8	66.6	78.3	84.7	83.5	85.7	77.7
Copper	230.6	173.9	226.1	216.7	242.6	238.6	236.5	236.5	236.5	236.5
Oil (million barrels)	15.0	12.6	13.3	14.4	14.8	13.4	11.3	9.5	7.9	6.9

Source: Actuals from BPNG. Projections from Dept. of Treasury.

TABLE 5: VALUE OF MAIN EXPORT COMMODITIES
(Kina Million)

	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Proj	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj
AGRICULTURE, FORESTRY, FISHERIES										
Copra	6.5	17.2	17.3	8.3	15.2	13.9	13.3	12.7	15.0	17.8
Copra Oil	67.4	81.0	93.7	60.4	78.8	72.0	68.8	65.7	76.5	92.8
Cocoa	257.7	218.0	198.7	204.4	204.6	214.2	222.0	233.1	242.5	247.3
Coffee	298.5	283.8	471.0	337.0	353.9	401.6	411.9	397.2	359.9	432.0
Palm Oil	421.3	438.7	391.4	427.9	487.2	437.4	469.7	488.9	513.4	552.9
Rubber	12.3	13.8	18.0	23.8	23.8	22.9	22.3	21.6	21.0	21.9
Tea	19.3	22.9	20.2	21.2	19.4	18.8	19.0	19.6	20.3	20.0
Other Agriculture (a)	115.2	80.0	-1.6	30.6	31.9	33.1	34.5	35.9	37.3	38.8
Forest Products	416.0	459.5	476.3	520.3	714.8	708.8	696.7	669.3	625.6	582.9
Marine Products	125.3	58.2	69.4	89.1	95.3	105.3	114.3	123.7	133.9	144.9
Total Agricultural, Forestry, Fishing Exports	1739.5	1673.1	1754.4	1723.0	2024.8	2028.0	2072.4	2067.7	2045.3	2151.3
MINERAL										
Gold	2811.2	2779.5	2834.1	3069.4	4056.5	4694.7	5081.0	5009.5	5139.0	4657.0
Copper	1415.0	1544.2	2497.7	4329.5	5089.4	3680.9	2736.2	2128.1	1824.1	1763.3
Silver	31.9	31.6	37.0	39.3	49.8	45.4	38.3	38.3	38.3	38.3
Oil	1631.9	1652.2	2283.1	2967.3	3106.0	2548.1	2155.6	1750.8	1453.8	1257.6
Refined Petroleum Products		202.8	496.8	252.1	257.6	238.0	241.9	240.4	242.5	245.4
Other	31.9	31.6	37.0	39.3	49.8	45.4	38.3	1026.2	1288.8	1202.0
Total Mineral Exports	5890.0	6210.3	8148.7	10657.6	12559.2	11207.1	10252.9	10155.1	9948.1	9125.3
TOTAL EXPORT VALUE	7629.5	7883.4	9903.1	12380.7	14584.0	13235.1	12325.3	12222.8	11993.4	11276.6

Source: Actuals from BPNG. Projections from Dept. of Treasury.
(a) Includes Oil Palm by-products, canned tuna and vanilla.

TABLE 6: SUMMARY OF THE BALANCE OF PAYMENTS
(Kina Million)

	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Proj	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj
CURRENT ACCOUNT BALANCE	496	393	1887	1255	802	806	391	581	416	93
Balance of Trade in Goods and Services	1348	969	2754	3113	2160	2313	1597	1570	1241	692
<i>Goods Balance</i>	<i>3611</i>	<i>3530</i>	<i>5437</i>	<i>6668</i>	<i>6874</i>	<i>6159</i>	<i>5234</i>	<i>5056</i>	<i>4802</i>	<i>4211</i>
Credit (Exports)	7842	8233	10168	12752	14584	13235	12325	12223	11993	11277
Debit (Imports)	-4231	-4703	-4731	-6084	-7710	-7076	-7091	-7167	-7191	-7065
<i>Services Balance</i>	<i>-2263</i>	<i>-2561</i>	<i>-2683</i>	<i>-3554</i>	<i>-4714</i>	<i>-3846</i>	<i>-3637</i>	<i>-3486</i>	<i>-3561</i>	<i>-3519</i>
Services Credit	829	656	938	965	1047	1106	1152	1238	1299	1305
Services Debit	-3092	-3217	-3621	-4519	-5761	-4952	-4790	-4724	-4860	-4825
Income Balance	-1699	-1406	-1670	-2462	-2193	-2438	-2212	-2052	-1953	-1806
Income Credit	58	64	81	215	231	256	275	303	323	327
Income Debit	-1757	-1470	-1751	-2677	-2424	-2694	-2488	-2355	-2276	-2132
Transfers Balance	847	830	803	604	835	931	1007	1063	1128	1206
Transfers Credit	1137	1080	1093	1000	1325	1393	1492	1580	1672	1763
Transfers Debit	-290	-250	-290	-396	-490	-463	-485	-517	-543	-557
CAPITAL AND FINANCIAL ACCOUNT(a)	-549	-410	-1886	-1239	-802	-806	-391	-581	-416	-93
NET ERRORS AND OMISSIONS	53	17	-1	-16	0	0	0	0	0	0
Current account balance as percentage of Gross Domestic Product (GDP)	3.9	3.1	12.4	7.4	4.3	4.1	1.9	2.7	1.8	0.4

Source: Actuals from BPNG. Projections from Dept. of Treasury.

(a) Capital and Financial Account includes changes in reserves.

TABLE 7: EMPLOYMENT CLASSIFIED BY INDUSTRY
(March 2002 = 100)

	2001	2002	2003	2004	2005	2006	2007
	Annual	Annual	Annual	Annual	Annual	Annual	June Qtr
Retail	100.6	97.9	96.9	93.1	93.7	97.7	113.6
Wholesale	102.7	103.3	113.3	123.8	130.7	145.6	154.4
Manufacturing	99.5	104.1	110.9	117.7	127.5	132.6	139.7
Building and Construction	92.9	99.0	124.1	107.9	98.4	118.9	142.5
Transportation	99.4	106.3	106.1	106.8	106.1	108.2	117.0
Agriculture, Forestry, Fisheries	102.2	103.9	114.1	112.9	112.9	123.3	143.9
Financial and Business	100.5	99.1	100.8	104.7	105.7	112.4	112.0
TOTAL NON-MINERAL	100.6	102.2	108.5	109.2	111.0	119.1	131.9
Mineral	96.9	98.8	97.6	95.6	101.5	111.1	119.7

Source: BPNG.

TABLE 8: CENTRAL GOVERNMENT REVENUE AND GRANTS
(Kina Million)

	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Est	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj
TAX REVENUE	2677.9	3220.1	3744.0	4944.8	5693.4	5516.8	4843.6	4804.2	4911.3	4999.4
TAX ON INCOME AND PROFITS	1786.6	2223.4	2770.8	3823.5	4386.9	4142.0	3403.1	3281.5	3297.0	3305.4
Personal Income Tax	758.4	826.5	841.0	907.0	994.1	1053.7	1114.9	1208.0	1307.5	1414.0
Company tax	334.5	436.7	516.5	550.6	633.2	699.7	743.8	794.0	845.6	899.5
DWT	117.2	123.2	154.7	200.9	183.3	195.5	193.7	195.2	193.0	179.8
Mining and Petroleum Taxes	396.5	634.3	1076.8	1946.5	2362.0	2011.8	1158.7	880.8	735.3	583.8
Interest withholding tax	41.4	33.3	17.9	22.1	19.4	21.4	25.7	25.7	25.7	25.7
Other Direct	55.3	78.6	72.1	92.4	95.2	73.4	72.6	77.5	82.5	87.8
Gaming Tax	83.3	90.7	91.9	104.0	99.6	86.5	93.8	100.4	107.4	115.0
DOM. TAXES ON GOODS AND SERVICES	596.0	620.8	657.3	784.3	940.3	987.3	1032.7	1097.8	1174.2	1242.1
Excise	174.7	203.1	255.9	324.1	335.8	368.3	394.4	421.0	448.3	476.9
GST	311.8	315.7	326.2	401.1	554.3	600.8	634.9	673.2	722.0	761.1
Mining Levy	101.8	101.3	73.1	56.1	48.0	15.0	0.0	0.0	0.0	0.0
Other Indirect	7.8	0.7	2.1	3.0	2.2	3.2	3.4	3.6	3.9	4.1
TAXES ON INTERNATIONAL TRADE	295.3	375.9	315.9	337.0	366.3	387.4	407.8	424.9	440.1	451.9
Import Duty	73.7	151.1	101.1	90.4	124.2	132.7	142.0	151.6	161.5	171.8
Export Duty	111.8	101.5	136.3	162.6	152.6	155.2	159.2	159.5	157.5	151.3
Excise Duty on Imports	109.8	123.3	78.5	84.0	89.4	99.5	106.6	113.8	121.2	128.9
NON TAX REVENUE	239.2	245.1	279.3	428.8	459.8	487.5	366.6	291.1	247.2	239.4
PROPERTY INCOME	159.7	164.7	188.2	339.3	375.2	388.3	263.2	184.3	136.8	125.4
Dividends	85.7	105.0	50.0	68.1	73.5	128.5	108.5	88.5	73.5	73.5
Mining and Petroleum Dividends	74.0	59.7	138.2	271.2	301.7	259.8	154.7	95.8	63.3	51.9
INTEREST AND FEES FROM LENDING	4.3	2.8	0.5	0.6	2.6	5.0	5.0	5.0	5.0	5.0
OTHER NON TAX REVENUE	75.2	77.6	90.7	88.9	82.0	94.2	98.4	101.9	105.4	109.0
ASSET SALES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL REVENUE	2917.1	3465.2	4023.4	5373.6	6153.2	6004.3	5210.2	5095.4	5158.4	5238.8
% of GDP	23.2%	27.4%	26.4%	31.5%	33.2%	30.4%	25.3%	23.5%	22.7%	22.2%
INFRASTRUCTURE TAX CREDITS	40.0	34.7	20.3	23.3	33.0	73.7	42.4	32.3	26.9	21.4
GRANTS	693.0	849.7	1283.1	914.6	1013.4	1123.7	1240.8	1308.7	1382.0	1461.2
Budgetary Support	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Project Support Grants	693.0	849.7	1283.1	914.6	1013.4	1123.7	1240.8	1308.7	1382.0	1461.2
TOTAL REVENUE AND GRANTS	3650.1	4349.6	5326.8	6311.6	7199.6	7201.7	6493.4	6436.4	6567.3	6721.4
% of GDP	29.0%	34.4%	34.9%	37.0%	38.8%	36.5%	31.5%	29.7%	28.9%	28.5%
PRINCIPAL RECEIPTS FROM LENDING	9.6	10.4	2.7	4.2	6.0	4.0	4.0	4.0	4.0	4.0
GROSS BORROWING	813.7	1433.7	1665.8	1268.2	1620.0	1794.0	1460.5	1085.4	1764.1	1433.2
ASSET SALES	40.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL RECEIPTS	4513.4	5818.7	6995.3	7584.0	8825.5	8999.7	7957.9	7525.7	8335.4	8158.6
% of GDP	35.9%	46.0%	45.8%	44.5%	47.6%	45.6%	38.7%	34.7%	36.7%	34.6%

Source: Department of Treasury.

TABLE 9: CENTRAL GOVERNMENT EXPENDITURE
(Kina Million)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	Actual	Actual	Actual	Actual	Est	Proj	Proj	Proj	Proj	Proj
RECURRENT BUDGET										
NATIONAL DEPARTMENTS	1192.4	1555.1	1833.1	1665.9	2032.1	2262.3	2379.8	2528.4	2724.9	2915.1
Personal Emoluments (a)	618.0	682.2	690.5	698.0	848.2	932.1	1029.5	1112.3	1147.9	1185.3
Goods and Services	574.4	872.9	1142.6	967.9	1183.9	1330.2	1350.3	1416.1	1577.0	1729.7
General Goods and Services	489.9	534.9	904.0	786.6	919.3	1079.3	1097.9	1162.4	1321.8	1473.1
Education Subsidies	29.9	39.5	40.9	42.4	143.0	143.0	144.5	145.8	147.3	148.7
Pre-March 2003 Arrears Payments	20.6	141.8	36.2	33.9	0.0	0.0	0.0	0.0	0.0	0.0
Structural Adjustment Payments	9.7	66.7	104.5	30.3	69.6	55.9	55.9	55.9	55.9	55.9
Court Orders	24.2	90.0	57.0	74.7	52.0	52.0	52.0	52.0	52.0	52.0
PROVINCIAL DEPARTMENTS	563.3	656.0	632.5	765.1	696.6	723.7	799.3	892.5	954.2	1022.6
Personal Emoluments	482.9	580.2	543.4	662.5	576.0	596.8	628.8	695.9	733.2	772.6
Staffing Grants	160.7	183.0	162.5	191.3	156.4	166.3	172.1	187.2	193.6	200.3
Teachers' Salaries	322.2	397.2	380.9	471.2	419.6	430.5	456.7	508.7	539.6	572.3
Goods and Other Services	53.4	54.0	54.6	65.1	63.4	65.9	69.1	72.3	75.6	79.1
Administration / Block Grants	34.0	17.5	11.8	21.3	14.2	15.5	16.1	16.5	17.1	17.6
Health Function Grant	0.0	9.1	11.8	11.5	13.4	14.5	15.4	16.3	17.3	18.3
Education Subsidies / Function Grant	11.0	16.9	19.8	20.6	21.6	21.7	23.0	24.4	25.8	27.3
Derivation Grants	8.5	10.5	11.2	11.7	14.2	14.1	14.6	15.0	15.5	16.0
Conditional Grants	26.9	21.8	34.5	37.5	57.2	60.9	64.7	68.4	72.4	76.6
Provincial Infr / Transp Maint Grants	13.9	12.5	12.7	14.4	15.3	16.7	17.8	18.8	19.9	21.0
Local & Village Services / Rural LLG	8.1	3.8	15.4	16.5	36.7	30.9	32.8	34.7	36.7	38.9
Town and Urban Services	4.8	5.6	6.4	6.6	3.0	11.1	11.7	12.4	13.1	13.9
Village Court Function Grant					2.2	2.2	2.4	2.5	2.6	2.8
Equalisation Grant							36.8	56.0	73.0	94.3
AUTONOMOUS BOUGAINVILLE GOVERNMENT	31.3	35.0	45.3	46.5	50.9	54.0	56.9	63.0	66.6	70.4
Police Grant				2.0	2.1	2.2	2.4	2.5	2.6	2.8
Recurrent Grant	26.3	30.0	40.3	44.5	48.6	51.5	54.5	60.5	64.0	67.7
Conditional Grant					0.2	0.3				
TRANSFERS TO STAT. INS.	178.4	207.9	206.7	234.3	221.6	226.8	229.6	234.8	240.2	245.6
INTEREST PAYMENTS AND FEES	739.6	377.0	332.8	307.0	372.9	373.5	377.6	380.9	390.7	404.1
Domestic	578.8	239.0	216.1	187.1	252.9	275.3	282.9	294.8	313.5	329.7
External	160.8	138.0	116.7	119.9	119.9	98.2	94.8	86.1	77.3	74.4
NET LENDING TO CSAs	-9.6	-10.4	-2.7	-4.2	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0
TOTAL RECURRENT	2695.5	2820.4	3047.6	3014.7	3370.2	3636.3	3839.2	4095.8	4372.6	4653.8
% of GDP	21.4%	22.3%	20.0%	17.7%	18.2%	18.4%	18.6%	18.9%	19.2%	19.8%
DEVELOPMENT BUDGET										
GoPNG FUNDED PROJECTS	386.0	477.6	588.1	639.5	705.1	763.4	729.9	727.7	730.2	732.8
DOMESTIC FUNDS	207.3	331.6	431.8	471.2	509.1	526.7	524.5	532.4	540.3	548.4
INFRASTRUCTURE TAX CREDITS	40.0	34.7	20.3	23.3	33.0	73.7	42.4	32.3	26.9	21.4
CONCESSIONAL LOANS	82.8	94.6	134.0	145.0	163.0	163.0	163.0	163.0	163.0	163.0
COMMERCIAL LOANS	55.9	16.8	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DONOR FUNDED PROJECTS										
PROJECT GRANTS	693.0	849.7	1283.1	914.6	1013.4	1123.7	1240.8	1308.7	1382.0	1461.2
TOTAL DEVELOPMENT (PIP)	1079.0	1327.4	1871.2	1554.1	1718.4	1887.1	1970.7	2036.3	2112.2	2194.0
% of GDP	8.6%	10.5%	12.3%	9.1%	9.3%	9.6%	9.6%	9.4%	9.3%	9.3%
ADDITIONAL INVESTMENT/PRIORITY EXPENDITURE			400.0	1207.0	1790.0	1476.0	410.1	182.5	49.5	0.0
% of GDP			2.6%	7.1%	9.6%	7.5%	2.0%	0.8%	0.2%	0.0%
TOTAL EXPENDITURE AND NET LENDING	3774.4	4147.8	5319.1	5775.8	6878.6	6999.4	6220.0	6314.6	6534.3	6847.8
% of GDP	30.0%	32.8%	34.8%	33.9%	37.1%	35.5%	30.2%	29.1%	28.8%	29.1%
AMORTISATION	729.4	1613.2	1673.4	1625.5	1941.0	1996.3	1734.0	1207.1	1797.1	1306.8
Domestic	283.7	1176.4	1374.0	1255.0	1423.0	1553.0	1210.5	824.9	1509.1	1180.8
External	445.6	436.8	299.4	370.5	518.0	443.3	523.5	382.2	288.0	126.0
LOAN REPAYMENTS	9.6	10.4	2.7	4.2	4.0	4.0	4.0	4.0	4.0	4.0
TOTAL PAYMENTS	4513.4	5771.4	6995.2	7405.5	8823.6	8999.7	7957.9	7525.7	8335.4	8158.6
% of GDP	35.9%	45.6%	45.8%	43.4%	47.6%	45.6%	38.7%	34.7%	36.7%	34.6%

Source: Department of Treasury.

(a) National Departments salary and wages includes provisions for superannuation contributions, retirement payments and future pay rises for both national and provincial government employees, including school teachers.

TABLE 10: CENTRAL GOVERNMENT FINANCING
(Kina Million)

	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Est	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj
TOTAL REVENUE AND GRANTS	3650.1	4349.6	5326.8	6311.6	7199.6	7201.7	6493.4	6436.4	6567.3	6721.4
TOTAL EXPENDITURE AND NET LENDING	3774.4	4147.8	5319.1	5775.8	6878.6	6999.4	6220.0	6314.6	6534.3	6847.8
DEFICIT (-) / SURPLUS (+)	-124.3	201.8	7.6	535.8	321.0	202.3	273.5	121.8	33.0	-126.4
% of GDP	-1.0%	1.6%	0.1%	3.1%	1.7%	1.0%	1.3%	0.6%	0.1%	-0.5%
NET EXTERNAL FINANCING	-307.0	-325.4	-163.4	-219.0	-355.0	-279.3	-360.5	-219.2	-125.0	37.0
CONCESSIONAL FINANCING	-136.5	-147.2	-84.0	-145.0	-287.0	-210.3	-288.6	-145.1	-51.0	108.0
New Borrowing	82.8	94.6	134.0	145.0	163.0	163.0	163.0	163.0	163.0	163.0
Less Amortisation	-219.3	-241.8	-218.0	-290.0	-450.0	-373.3	-451.6	-308.1	-214.0	-55.0
COMMERCIAL FINANCING	11.3	-9.9	-18.0	-11.0	-15.0	-15.0	-16.0	-16.0	-17.0	-17.0
New Borrowing	55.9	16.8	2.0	6.0	0.0	1.0	0.0	0.0	0.0	0.0
Less Amortisation	-44.6	-26.7	-20.0	-17.0	-15.0	-16.0	-16.0	-16.0	-17.0	-17.0
EXTERNAL EXTRAORDINARY FINANCING	-181.8	-168.3	-61.4	-63.0	-53.0	-54.0	-55.9	-58.1	-57.0	-54.0
New Borrowing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Less Amortisation	-181.8	-168.3	-61.4	-63.0	-53.0	-54.0	-55.9	-58.1	-57.0	-54.0
NET DOMESTIC FINANCING	431.3	123.5	155.8	-316.8	34.0	77.0	87.0	97.5	92.0	89.4
DOMESTIC MARKET BORROWING	361.5	154.1	225.0	-304.0	34.0	77.0	87.0	97.5	92.0	89.4
New Borrowing	645.2	1377.9	1599.0	1130.0	1457.0	1630.0	1297.5	922.4	1601.1	1270.2
Less Amortisation	-283.7	-1223.8	-1374.0	-1434.0	-1423.0	-1553.0	-1210.5	-824.9	-1509.1	-1180.8
MRSF NET DRAWDOWN										
TEMPORARY ADVANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
End period balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
less: Beginning period balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ASSET SALES FINANCING	40.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OTHER DOMESTIC FINANCING	29.8	-55.6	-69.2	-12.8	0.0	0.0	0.0	0.0	0.0	0.0
Change in check float	44.0	87.8	-102.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
End period stock	165.0	252.8	150.0	150.0	300.6	300.6	300.6	300.6	300.6	300.6
less: Beginning period stock	-121.0	-165.0	-252.8	-150.0	-300.6	-300.6	-300.6	-300.6	-300.6	-300.6
POSF financing (a)	0.0	-63.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BPNG financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financing Discrepancy	-14.2	-80.4	33.6	-12.8	0.0	0.0	0.0	0.0	0.0	0.0
NET FINANCING	124.3	-201.9	-7.6	-535.8	-321.0	-202.3	-273.5	-121.8	-33.0	126.4
<i>MEMO:</i>										
FINANCING REQUIREMENT	431.3	123.6	155.8	-316.8	34.0	77.0	87.0	97.5	92.0	89.4
% of GDP	3.5	1.0	1.0	-1.9	0.2	0.4	0.4	0.4	0.4	0.4
NET DOMESTIC FINANCING BEFORE ASSET SALES	391.3	98.5	155.8	-316.8	34.0	77.0	87.0	97.5	92.0	89.4
GROSS BORROWING	813.7	1433.7	1665.8	1268.2	1620.0	1794.0	1460.5	1085.4	1764.1	1433.2
Domestic	675.0	1322.3	1529.8	1117.2	1457.0	1630.0	1297.5	922.4	1601.1	1270.2
External	138.7	111.4	136.0	151.0	163.0	164.0	163.0	163.0	163.0	163.0
Concessional	82.8	94.6	134.0	145.0	163.0	163.0	163.0	163.0	163.0	163.0
Commercial	55.9	16.8	2.0	6.0	0.0	1.0	0.0	0.0	0.0	0.0
Extraordinary	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financing gap										
GROSS AMORTIZATION	729.4	1660.6	1673.4	1804.0	1941.0	1996.3	1734.0	1207.1	1797.1	1306.8
Domestic	283.7	1223.8	1374.0	1434.0	1423.0	1553.0	1210.5	824.9	1509.1	1180.8
External	445.6	436.8	299.4	370.0	518.0	443.3	523.5	382.2	288.0	126.0
Concessional	219.3	241.8	218.0	290.0	450.0	373.3	451.6	308.1	214.0	55.0
Commercial	44.6	26.7	20.0	17.0	15.0	16.0	16.0	16.0	17.0	17.0
Extraordinary	181.8	168.3	61.4	63.0	53.0	54.0	55.9	58.1	57.0	54.0

Source: Department of Treasury.

Note: 2005 includes the issuance of K457 million in Inscribed stocks to replace Treasury bills.

(a) In 2004 the Government provided a Bond issue of K63 million to the POSF in consideration of the obligation owed by the Government for accumulated superannuation contribution to the POSF scheme.

TABLE 11: MONETARY AGGREGATES
(Kina Million, unless otherwise stated)

	2003	2004	2005	2006	2007
	Actual	Actual	Actual	Actual	June*
Domestic Credit	1792.8	1798.9	2241.1	3036.4	3638.4
% Change	-6.2%	0.3%	24.6%	35.5%	34.9%
Net Credit to Central Government	1253.0	1293.5	1114.1	962.4	843.3
% Change	-8.3%	3.2%	-13.9%	-13.6%	-35.2%
Credit to Private Sector	1707.4	1723.6	2132.8	2948.9	3556
% Change	-4.1%	0.9%	23.7%	38.3%	35.5%
Money Supply	3410.5	3914.8	5069.3	7040.2	7793.1
% Change	-4.4%	14.8%	29.5%	38.9%	35.5%
Money Velocity (M3*) (average)	3.7	3.2	3.0	2.4	2.4

Source: BPNG

*through -the -year change

TABLE 12: PUBLIC DEBT
(Kina Million, unless otherwise stated)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	Actual	Actual	Actual	Actual	Est	Proj	Proj	Proj	Proj	Proj
Domestic	3,022.9	3,181.2	3,403.8	3,101.0	3,135.1	3,211.8	3,298.9	3,396.3	3,488.3	3,577.7
Treasury Bills***	2,755.3	2,236.2	1,796.5	1,194.0	934.2	815.5	705.8	656.6	598.5	538.0
Inscribed Stock	174.7	898.0	1,567.9	1,883.0	2,182.8	2,382.8	2,582.8	2,732.8	2,882.8	3,032.8
Other Domestic debt**	92.9	47.0	39.4	24.0	18.2	13.6	10.3	7.0	7.0	7.0
<i>Domestic debt as % GDP</i>	24.1%	25.1%	22.3%	18.2%	16.9%	16.3%	16.0%	15.7%	15.3%	15.2%
External	4,901.1	4,409.5	3,856.0	3,631.1	3,337.3	3,058.2	2,698.0	2,478.9	2,354.3	2,392.4
International Agencies	4,717.4	4,239.5	3,723.0	3,507.2	3,234.0	2,969.6	2,625.4	2,422.8	2,315.0	2,370.4
Commercial Loans	183.7	170.0	133.0	123.9	103.3	88.6	72.6	56.1	39.3	22.0
Other Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>External debt as % GDP</i>	39.0%	34.9%	25.3%	21.3%	18.0%	15.5%	13.1%	11.4%	10.4%	10.2%
Total Public Debt Outstanding	7,924.0	7,590.7	7,259.8	6,732.1	6,472.5	6,270.1	5,996.9	5,875.3	5,842.6	5,970.2
<i>As % GDP</i>	63.1%	60.0%	47.6%	39.5%	34.9%	31.8%	29.1%	27.1%	25.7%	25.4%

Source: BPNG and Department of Treasury.

**Includes Temporary Advance Facility

TABLE 13: OTHER MAJOR ASSUMPTIONS UNDERLYING THE BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Proj	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj
Inflation										
Average on Average (%)	14.7	2.1	1.7	2.3	1.8	5.2	3.4	3.1	3.1	3.1
Dec on Dec (%)	8.5	2.4	4.5	-0.3	4.2	3.2	3.2	3.1	3.1	3.1
Exchange rate										
Real Exchange Rate Index (2007 = 100)	79.3	95.6	97.2	97.8	100.0	104.2	105.1	105.7	106.3	106.9
Interest rate										
T/Bills (average for the year)	18.3	9.0	4.5	5.0	5.0	6.0	6.0	6.0	6.0	6.0
Inscribed Stock (3 year yield)				6.0	5.7	6.0	6.0	6.0	6.0	6.0
Mineral Prices										
Gold (US\$/oz)	363	409	445	604	662	662	662	662	662	662
Copper (US\$/lb)	0.81	1.30	1.67	3.05	3.28	2.45	1.84	1.43	1.22	1.18
Oil (Kutubu Crude: US\$/barrel)	27.4	42.1	53.4	64.3	67.3	61.9	61.7	60.1	59.4	59.0

Source: Department of Treasury.