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

	2004 Prelim.	2005 Est.	2006 Est.	2007 Proj	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj	2013 Proj
Agriculture, Forestry and Fishing										
nominal	4550.8	5615.7	5905.3	6485.2	7500.2	8066.6	8807.6	9567.0	10192.4	10902.6
deflator	148.6	179.1	186.9	197.7	217.8	225.2	236.4	247.7	254.6	262.9
real	3062.1	3136.4	3160.5	3279.8	3444.2	3582.5	3725.1	3862.1	4003.4	4146.3
rate of real growth	4.6	2.4	0.8	3.8	5.0	4.0	4.0	3.7	3.7	3.6
Oil and Gas Extraction										
nominal	738.4	1651.3	1977.3	2044.9	2404.6	1159.2	904.2	748.3	591.8	469.6
deflator	300.5	591.8	710.2	774.0	991.4	515.6	431.2	431.2	431.2	431.2
real	245.7	279.0	278.4	264.2	242.6	224.8	209.7	173.5	137.2	108.9
rate of real growth	-8.5	13.6	-0.2	-5.1	-8.2	-7.3	-6.7	-17.2	-20.9	-20.6
Mining and Quarrying										
nominal	1652.7	1903.7	2707.2	2851.7	3009.5	2096.2	2093.6	2193.4	2211.7	2114.1
deflator	227.7	257.0	396.6	408.3	415.0	245.9	202.9	199.9	198.5	197.9
real	725.9	740.7	682.5	698.4	725.1	852.3	1031.8	1097.3	1114.1	1068.2
rate of real growth	3.6	2.0	-7.8	2.3	3.8	17.5	21.1	6.3	1.5	-4.1
Manufacturing										
nominal	848.3	942.5	999.5	1091.2	1278.2	1422.6	1523.9	1632.4	1748.6	1873.1
deflator	141.3	142.7	144.1	148.5	164.0	173.9	179.1	184.5	190.0	195.7
real	600.4	660.4	693.5	735.1	779.2	818.1	850.9	884.9	920.3	957.1
rate of real growth	2.3	10.0	5.0	6.0	6.0	5.0	4.0	4.0	4.0	4.0
Electricity, gas and water										
nominal	263.7	284.4	301.7	323.2	360.9	397.9	430.4	465.4	503.4	544.4
deflator	209.0	219.4	226.0	232.8	243.4	255.6	263.3	271.2	279.3	287.7
real	126.2	129.6	133.5	138.8	148.3	155.7	163.5	171.6	180.2	189.2
rate of real growth	4.3	2.7	3.0	4.0	6.8	5.0	5.0	5.0	5.0	5.0
Construction										
nominal	1177.0	1245.8	1437.2	1750.5	2240.6	2686.4	2927.5	3190.2	3417.4	3660.7
deflator	134.4	135.7	139.8	146.8	163.4	179.7	185.1	190.7	196.4	202.3
real	875.7	917.8	1027.9	1192.4	1371.2	1494.6	1581.3	1673.1	1740.0	1809.6
rate of real growth	3.2	4.8	12.0	16.0	15.0	9.0	5.8	5.8	4.0	4.0
Wholesale and retail trade										
nominal	890.5	944.6	1021.3	1157.2	1368.2	1537.3	1646.8	1764.0	1889.6	2024.2
deflator	160.0	163.2	166.5	171.5	189.5	200.9	206.9	213.1	219.5	226.1
real	556.4	578.7	613.4	674.7	721.9	765.3	795.9	827.7	860.8	895.2
rate of real growth	3.2	4.0	6.0	10.0	7.0	6.0	4.0	4.0	4.0	4.0
Transport, storage and communication										
nominal	304.7	317.0	326.2	364.2	440.2	536.6	574.8	615.7	659.5	706.5
deflator	141.5	142.9	140.1	110.7	95.7	101.4	104.5	107.6	110.8	114.2
real	215.3	221.8	232.8	329.0	460.0	529.0	550.1	572.1	595.0	618.8
rate of real growth	2.6	3.0	5.0	41.3	39.8	15.0	4.0	4.0	4.0	4.0
Finance, real estate and business services										
nominal	415.2	449.0	501.8	553.3	648.0	714.4	765.3	819.7	878.1	940.6
deflator	137.3	141.4	145.6	152.9	168.9	179.1	184.5	190.0	195.7	201.6
real	302.5	317.6	344.6	361.9	383.6	398.9	414.9	431.5	448.7	466.7
rate of real growth	-3.4	5.0	8.5	5.0	6.0	4.0	4.0	4.0	4.0	4.0
Community, social and personal services										
nominal	1395.0	1427.2	1521.4	1629.7	1804.5	2007.4	2108.9	2215.7	2327.8	2445.6
deflator	126.2	126.9	132.0	136.0	146.2	157.9	162.6	167.5	172.5	177.7
real	1105.5	1124.3	1152.4	1198.5	1234.5	1271.5	1296.9	1322.9	1349.3	1376.3
rate of real growth	-2.4	1.7	2.5	4.0	3.0	3.0	2.0	2.0	2.0	2.0
TOTAL GDP*										
nominal	12652.1	15194.8	17132.2	18715.6	21554.4	21161.2	22358.5	23809.6	25060.1	26321.1
rate of nominal growth	0.7	20.1	12.8	9.2	15.2	-1.8	5.7	6.5	5.3	5.0
deflator	156.0	180.8	198.7	203.8	219.0	202.6	203.4	208.8	213.2	218.6
real	8110.5	8402.2	8621.2	9182.3	9840.2	10446.3	10990.7	11402.1	11752.5	12039.8
rate of real growth	2.7	3.6	2.6	6.5	7.2	6.2	5.2	3.7	3.1	2.4
Total non-mining GDP										
nominal	10261.0	11639.8	12447.6	13818.9	16140.3	17905.8	19360.7	20867.9	22256.6	23737.3
rate of nominal growth	-0.5	13.4	6.9	11.0	16.8	10.9	8.1	7.8	6.7	6.7
deflator	143.7	157.7	162.5	168.1	181.9	191.1	198.6	206.0	211.9	218.5
real	7138.9	7382.5	7660.2	8219.7	8872.6	9369.2	9749.1	10131.3	10501.1	10862.7
rate of real growth	3.1	3.4	3.8	7.3	7.9	5.6	4.1	3.9	3.7	3.4

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

Source: Preliminary data for 2004: National Statistical Office. Estimates and projections: Dept. of Treasury

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

	2004 Prelim.	2005 Est	2006 Est	2007 Est	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj	2013 Proj
Agriculture, Forestry and Fishing	1.7	0.9	0.3	1.4	1.8	1.4	1.4	1.2	1.2	1.22
Oil and Gas Extraction	-0.3	0.4	0.0	-0.2	-0.2	-0.2	-0.1	-0.3	-0.3	-0.24
Mining and Quarrying	0.3	0.2	-0.7	0.2	0.3	1.3	1.7	0.6	0.1	-0.39
Manufacturing	0.2	0.7	0.4	0.5	0.5	0.4	0.3	0.3	0.3	0.31
Electricity, gas and water	0.1	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.08
Construction	0.3	0.5	1.3	1.9	1.9	1.3	0.8	0.8	0.6	0.59
Wholesale and retail trade	0.2	0.3	0.4	0.7	0.5	0.4	0.3	0.3	0.3	0.29
Transport, storage and communication	0.1	0.1	0.1	1.1	1.4	0.7	0.2	0.2	0.2	0.20
Finance, real estate and business services	-0.1	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.15
Community, social and personal services	-0.3	0.2	0.3	0.5	0.4	0.4	0.2	0.2	0.2	0.23
TOTAL GDP	2.7	3.6	2.6	6.5	7.2	6.2	5.2	3.7	3.1	2.44
Total Non-mining GDP	3.1	3.4	3.8	7.3	7.9	5.6	4.1	3.9	3.7	3.44

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

Source: Preliminary data for 2004: National Statistical Office. Estimates and projections: Dept. of Treasury

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

	2004 Actual	2005 Actual	2006 Actual	2007 Proj	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj	2013 Proj
AGRICULTURE										
Copra	896	776	875	1051	929	871	847	822	798	799
Cocoa	5253	4495	5553	6630	8299	7412	7116	6819	6226	5930
Coffee	4505	6533	6444	7493	7893	7240	7240	7027	6761	6495
Palm Oil	1294	1132	1181	1826	2075	1879	1823	2168	2070	1979
Rubber	3632	3750	5409	5552	6380	6154	5943	5709	5522	5288
Tea	2827	2928	3212	3134	3491	2784	2590	2525	2486	2460
Copra Oil	1796	1722	1455	2368	2092	1963	1908	1852	1797	1800
Logs (K/m³)	177	177	186	201	194	191	194	197	200	203
MINERALS										
Gold (US\$/oz)	409	445	604	697	863	600	445	445	445	445
Copper (US\$/lb)	1.30	1.67	3.05	3.23	3.21	1.47	1.60	1.60	1.60	1.60
Oil (Kutubu Crude: US\$/barrel)	42.1	53.4	64.3	72.3	102.0	55.0	46.0	46.0	46.0	46.0

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

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

	2004 Actual	2005 Actual	2006 Actual	2007 Proj	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj	2013 Proj
AGRICULTURE										
Copra	19.2	22.3	12.7	11.8	20.3	11.5	11.0	10.0	10.0	10.0
Cocoa	42	44	44	47	49	51	54	55	57	59
Coffee	63	72	52	62	77	79	75	80	85	87
Palm Oil	339	346	362	368	386	420	443	465	488	512
Rubber	3.8	4.8	4.4	4.1	4.2	4.3	4.5	4.7	4.8	5.0
Tea	8.1	6.9	6.6	6.4	6.3	7.1	7.0	6.7	6.5	6.2
Copra Oil	45.1	54.4	41.5	49.9	62.2	58.6	59.5	67.2	71.4	75.6
Logs	2012	2282	2638	2835	2876	2851	2845	2655	2547	2487
MINERAL										
Gold (tonnes)	67.3	70.5	55.8	63.7	66.2	82.6	84.1	85.0	87.1	84.1
Copper	173.9	226.1	216.7	227.7	215.8	214.6	214.7	214.7	214.7	214.7
Oil (million barrels)	12.6	13.3	14.4	13.8	12.5	11.4	10.5	8.3	6.1	4.4

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

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

	2004 Actual	2005 Actual	2006 Actual	2007 Proj	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj	2013 Proj
AGRICULTURE, FORESTRY, FISHERIES										
Copra	17.2	17.3	8.3	14.3	18.8	10.0	9.3	8.2	8.0	8.0
Copra Oil	81.0	93.7	60.4	117.8	130.2	115.0	113.4	124.5	128.2	136.1
Cocoa	218.0	198.7	204.4	260.8	408.2	381.4	383.0	378.0	355.5	348.7
Coffee	283.8	471.0	337.0	408.4	604.0	574.8	542.9	564.8	573.3	567.3
Palm Oil	438.7	391.4	427.9	672.2	800.8	788.6	806.8	1007.3	1010.0	1013.8
Rubber	13.8	18.0	23.8	22.9	26.9	26.8	26.6	26.6	26.8	26.6
Tea	22.9	20.2	21.2	20.0	22.2	19.7	18.0	17.0	16.1	15.4
Other Agriculture (a)	80.0	-1.8	30.6	31.9	33.1	34.5	35.9	37.3	38.8	40.8
Forest Products	459.5	476.3	520.3	671.2	665.6	647.8	657.5	621.8	606.5	597.3
Marine Products	58.2	69.4	89.1	94.4	109.6	122.1	136.4	149.4	163.2	180.0
Total Agricultural, Forestry, Fishing Expo	1673.1	1754.2	1723.0	2313.9	2819.5	2720.5	2729.9	2935.0	2926.4	2934.0
MINERAL										
Gold	2779.5	2834.1	3069.4	4048.3	4733.1	3957.8	2990.5	3023.7	3097.3	2991.1
Copper	1544.2	2497.7	4329.5	4670.3	3990.0	1757.9	1912.4	1912.4	1912.4	1912.4
Oil	1652.2	2283.1	2967.3	3099.4	3592.5	1708.0	1314.2	1038.4	761.2	545.1
Refined Petroleum Products	202.8	496.8	263.9	503.5	375.7	199.3	170.1	173.5	176.9	180.5
Other	31.6	37.0	39.3	55.2	44.9	34.4	704.0	885.8	860.3	830.6
Total Mineral Exports	6210.3	8148.7	10669.4	12376.7	12736.3	7657.5	7091.1	7033.8	6808.1	6459.7
TOTAL EXPORT VALUE	7883.4	9902.9	12392.5	14690.6	15555.8	10378.0	9821.0	9968.8	9734.5	9393.7

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)

	2004 Actual	2005 Actual	2006 Actual	2007 Proj	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj	2013 Proj
CURRENT ACCOUNT BALANCE	393	1887	1255	366	1880	-1579	-2133	-920	-916	-1054
Balance of Trade in Goods and Services	969	2754	3113	1758	3099	-1550	-2092	-869	-870	-1026
<i>Goods Balance</i>	<i>3530</i>	<i>5437</i>	<i>6668</i>	<i>6098</i>	<i>7482</i>	<i>2285</i>	<i>1783</i>	<i>3039</i>	<i>3068</i>	<i>2951</i>
Credit (Exports)	8233	10168	12752	13895	15556	10378	9821	9969	9734	9394
Debit (Imports)	-4703	-4731	-6084	-7797	-8074	-8093	-8038	-6930	-6666	-6443
<i>Services Balance</i>	<i>-2561</i>	<i>-2683</i>	<i>-3554</i>	<i>-4340</i>	<i>-4383</i>	<i>-3835</i>	<i>-3876</i>	<i>-3907</i>	<i>-3938</i>	<i>-3976</i>
Services Credit	656	938	965	1069	834	842	899	965	1020	1072
Services Debit	-3217	-3621	-4519	-5409	-5217	-4677	-4775	-4872	-4959	-5048
Income Balance	-1406	-1670	-2462	-2134	-2374	-1043	-1022	-1035	-1031	-1015
Income Credit	64	81	215	309	133	138	141	145	148	151
Income Debit	-1470	-1751	-2677	-2443	-2507	-1181	-1164	-1180	-1180	-1167
Transfers Balance	830	803	604	742	1155	1014	981	984	985	987
Transfers Credit	1080	1093	1000	1219	1645	1486	1478	1511	1539	1567
Transfers Debit	-250	-290	-396	-477	-490	-472	-496	-527	-554	-580
CAPITAL AND FINANCIAL ACCOUNT^(a)	-410	-1886	-1239	-411	-1880	1579	2133	920	916	1054
NET ERRORS AND OMISSIONS	17	-1	-16	45	0	0	0	0	0	0
Current account balance as percentage of Gross Domestic Product (GDP)	3.1	12.4	7.3	2.0	8.7	-7.5	-9.5	-3.9	-3.7	-4.0

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)

	2002	2003	2004	2005	2006	2007	2008
	Annual	Annual	Annual	Annual	Annual	Annual	June Qtr
Retail	97.9	96.9	93.1	93.7	97.7	115.1	124
Wholesale	103.3	113.3	123.8	130.7	145.6	158.0	161.6
Manufacturing	104.1	110.9	117.7	127.5	132.6	142.4	154.1
Building and Construction	99.0	124.1	107.9	98.4	118.9	135.4	148.5
Transportation	106.3	106.1	106.8	106.1	108.2	115.2	122
Agriculture, Forestry, Fisheries	103.9	114.1	112.9	112.9	123.3	139.1	152.7
Financial and Business	99.1	100.8	104.7	105.7	112.4	114.4	124.9
TOTAL NON-MINERAL	102.2	108.5	109.2	111.0	119.1	131.1	142.8
MINERAL	98.8	97.6	95.6	101.5	111.1	128.5	134.8

Source: BPNG.

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

	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj	2013 Proj
TAX REVENUE	3220.1	3744.0	4944.8	5854.0	6116.2	4614.3	4705.7	4936.6	5173.8	5415.5
TAX ON INCOME AND PROFITS	2223.4	2770.8	3823.5	4491.3	4659.1	3043.9	3016.9	3130.1	3258.5	3384.3
Personal Income Tax	826.5	841.0	907.0	1006.9	1086.2	1195.1	1278.8	1383.3	1495.1	1614.8
Company tax	436.7	516.5	550.6	723.7	778.2	877.3	933.5	1006.2	1073.1	1144.5
DWT	123.2	154.7	200.9	199.3	196.8	144.2	155.7	153.8	149.6	139.0
Mining and Petroleum Taxes	634.3	1076.8	1946.5	2333.9	2392.2	626.5	434.4	357.9	297.4	227.4
Interest withholding tax	33.3	17.9	22.1	19.3	21.1	19.1	19.1	19.1	19.1	19.1
Other Direct	78.6	72.1	92.4	111.2	93.1	85.8	92.8	100.0	106.7	113.8
Gaming Tax	90.7	91.9	104.0	97.0	91.6	95.9	102.7	109.8	117.5	125.8
DOM. TAXES ON GOODS AND SERVICES	620.8	657.3	784.3	958.5	1031.7	1114.2	1200.6	1296.6	1380.6	1467.6
Excise	203.1	255.9	324.1	342.00	370.2	407.5	426.1	459.3	489.8	522.4
GST	315.7	326.2	401.1	557.5	646.1	703.0	770.6	833.0	886.2	940.3
Mining Levy	101.3	73.1	56.1	56.6	12.0	0.0	0.0	0.0	0.0	0.0
Other Indirect	0.7	2.1	3.0	2.4	3.3	3.7	4.0	4.3	4.6	4.9
TAXES ON INTERNATIONAL TRADE	375.9	315.9	337.0	404.2	425.4	456.2	488.1	510.0	534.6	563.5
Import Duty	151.1	101.1	90.4	135.9	149.9	166.3	179.8	193.8	206.7	220.4
Export Duty	101.5	136.3	162.6	155.2	152.0	152.9	160.2	156.5	157.6	161.5
Excise Duty on Imports	123.3	78.5	84.0	113.1	123.5	137.0	148.1	159.7	170.3	181.6
NON TAX REVENUE	245.1	279.3	428.8	433.0	479.3	1037.8	268.8	261.6	270.2	279.4
PROPERTY INCOME	164.7	188.2	339.3	312.7	376.5	322.9	166.6	151.6	151.6	151.6
Dividends	105.0	50.0	68.1	87	140	195	75	60	60	60
Mining and Petroleum Dividends	59.7	138.2	271.2	225.7	236.5	127.9	91.6	91.6	91.6	91.6
Other*										
INTEREST AND FEES FROM LENDING	2.8	0.5	0.6	0.5	9.0	24.0	9.0	9.0	9.0	9.0
OTHER NON TAX REVENUE	77.6	90.7	88.9	119.8	93.7	90.9	93.2	101.0	109.5	118.8
INJECTIONS FROM TRUST ACCOUNTS						600.0				
ASSET SALES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL REVENUE	3465.2	4023.4	5373.6	6287.0	6595.5	5652.1	4974.5	5198.3	5444.0	5694.9
% of GDP	27.4%	26.5%	31.4%	33.6%	30.6%	26.7%	22.2%	21.8%	21.7%	21.6%
INFRASTRUCTURE TAX CREDITS	34.7	20.3	23.3	20.6	73.7	40.0	40.0	40.0	40.0	40.0
GRANTS	849.7	1283.1	914.6	721.0	1111.2	974.3	940.0	940.0	940.0	940.0
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	849.7	1283.1	914.6	721.0	1111.2	974.3	940.0	940.0	940.0	940.0
TOTAL REVENUE AND GRANTS	4349.6	5326.8	6311.6	7028.6	7780.4	6666.4	5954.5	6178.3	6424.0	6674.9
% of GDP	34.4%	35.1%	36.8%	37.6%	36.1%	31.5%	26.6%	25.9%	25.6%	25.4%
PRINCIPAL RECEIPTS FROM LENDING	10.4	2.7	4.2	4.1	4.0	4.0	4.0	4.0	4.0	4.0
GROSS BORROWING	1433.7	1665.8	1268.2	4797.4	2299.7	1691.8	1405.4	1691.6	1473.3	1269.2
ASSET SALES	25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL RECEIPTS	5818.7	6995.3	7584.0	11830.1	10084.1	8362.2	7363.9	7873.9	7901.3	7948.0
% of GDP	46.0%	46.0%	44.3%	63.2%	46.8%	39.5%	32.9%	33.1%	31.5%	30.2%

Source: Department of Treasury.

TABLE 9: CENTRAL GOVERNMENT EXPENDITURE
(Kina Million)

	2004 Actual	2005 Actual	2006 Actual	2007 Est	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj	2013 Proj
RECURRENT BUDGET										
NATIONAL DEPARTMENTS	1555.1	1833.1	1665.9	2098.4	2275.7	2364.5	2376.3	2465.8	2603.1	2608.9
Personal Emoluments (a)	682.2	690.5	698.0	834.7	945.4	943.7	1054.8	1087.0	1119.5	1152.2
Goods and Services	872.9	1142.6	967.9	1263.7	1330.4	1420.8	1321.5	1378.8	1483.6	1456.6
General Goods and Services	534.9	904.0	786.6	1050.8	1084.1	1207.4	1110.7	1167.4	1271.6	1243.1
Education Subsidies	39.5	40.9	42.4	148.9	143.0	143.0	144.5	146.0	147.6	149.2
Pre-March 2003 Arrears Payments	141.8	36.2	33.9	1.2	0.0	0.0	0.0	0.0	0.0	0.0
Structural Adjustment Payments	66.7	104.5	30.3	6.8	51.3	18.4	14.4	13.4	12.4	12.4
Court Orders	90.0	57.0	74.7	56.0	52.0	52.0	52.0	52.0	52.0	52.0
PROVINCIAL DEPARTMENTS	656.0	632.5	765.1	745.0	728.4	840.2	887.8	951.9	1018.6	1091.5
Personal Emoluments	580.2	543.4	662.5	621.6	601.5	659.8	692.3	726.5	762.4	800.3
Staffing Grants	183.0	162.5	191.3	183.6	171.0	198.7	204.8	211.2	217.7	224.4
Teachers' Salaries	397.2	380.9	471.2	438.0	430.5	461.1	487.5	515.3	544.8	575.9
Goods and Other Services	54.0	54.6	65.1	65.4	65.9	98.5	103.6	108.8	114.4	120.2
Administration / Block Grants	17.5	11.8	21.3	16.1	15.5	24.3	25.2	26.0	28.9	27.8
Health Function Grant	9.1	11.8	11.5	13.4	14.5	28.4	30.2	32.1	34.0	36.1
Education Subsidies / Function Grant	16.9	19.8	20.6	21.6	21.7	31.6	33.6	35.6	37.8	40.1
Derivation/Agriculture Function Grant	10.5	11.2	11.7	14.3	14.1	14.1	14.6	15.1	15.6	16.2
Conditional Grants	21.8	34.5	37.5	58.0	60.9	81.9	91.9	116.6	141.7	171.0
Provincial Infr / Transp Maint Grant	12.5	12.7	14.4	15.4	16.7	34.0	36.2	38.4	40.7	43.2
Local & Village Services / Rural LLG	3.8	15.4	16.5	37.4	30.9	33.7	35.8	38.0	40.3	42.8
Town and Urban Services/Urban LLG Grant	5.6	6.4	6.6	3.0	11.1	11.9	12.6	13.4	14.2	15.1
Village Court Function Grant				2.2	2.2	2.2	2.4	2.5	2.7	2.8
Equalisation Grant				0.0	0.0	0.0	5.0	24.3	43.8	67.1
AUTONOMOUS BOUGAINVILLE GOVERNMENT	35.0	45.3	46.5	50.0	54.2	57.0	60.1	63.4	66.8	70.5
Police Grant			2.0	2.1	2.2	2.3	2.5	2.6	2.8	3.0
Recurrent Grant	30.0	40.3	44.5	47.9	51.8	54.4	57.7	60.8	64.0	67.5
Conditional Grant				0.0	0.3	0.3	0.0	0.0	0.0	0.0
TRANSFERS TO STAT. INS.	207.9	206.7	234.3	238.6	226.8	253.9	257.7	261.5	265.4	269.1
INTEREST PAYMENTS AND FEES	377.0	332.8	307.0	370.1	358.2	392.8	372.5	383.3	391.1	402.1
Domestic	239.0	216.1	187.1	252.2	275.3	304.0	311.0	325.4	341.8	361.4
External	138.0	116.7	119.9	117.9	82.9	88.8	61.4	57.9	49.3	40.7
NET LENDING TO CSAs	-10.4	-2.7	-4.2	-4.1	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0
TOTAL RECURRENT	2820.4	3047.6	3014.7	3498.0	3639.3	3904.5	3950.5	4122.0	4341.0	4438.0
% of GDP	22.3%	20.0%	17.7%	18.7%	16.9%	18.5%	17.7%	17.3%	17.3%	16.9%
DEVELOPMENT BUDGET										
GoPNG FUNDED PROJECTS	477.6	588.1	639.5	606.6	763.4	1620.9	1039.2	1084.5	1109.0	1268.7
DOMESTIC FUNDS	331.6	431.8	471.2	483.2	526.7	1385.9	791.6	827.9	843.7	994.4
INFRASTRUCTURE TAX CREDITS	34.7	20.3	23.3	20.6	73.7	40.0	40.0	40.0	40.0	40.0
CONCESSIONAL LOANS	94.6	134.0	145.0	101.8	163.0	195.0	207.6	216.5	225.3	234.3
COMMERCIAL LOANS	16.8	2.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0
DONOR FUNDED PROJECTS										
PROJECT GRANTS	849.7	1283.1	914.6	721.0	1111.2	974.3	940.0	940.0	940.0	940.0
TOTAL DEVELOPMENT (PIP)	1327.4	1871.2	1554.1	1327.6	1874.6	2595.2	1979.2	2024.5	2049.0	2208.7
% of GDP	10.5%	12.3%	9.1%	7.1%	8.7%	12.3%	8.9%	8.5%	8.2%	8.4%
REAPPROPRIATION INTO TRUST ACCOUNT						177.0				
ADDITIONAL INVESTMENT/PRIORITY EXPENDITURE		400.0	1207.0	1726.8	2276.0	0.0	0.0	0.0	0.0	0.0
% of GDP		2.6%	0.1	9.2%	10.6%	0.0%	0.0%	0.0%	0.0%	0.0%
TOTAL EXPENDITURE AND NET LENDING	4147.8	5319.1	5775.8	6552.4	7789.9	6676.7	5929.7	6146.5	6389.9	6646.7
% of GDP	32.8%	34.8%	33.9%	35.0%	36.1%	31.6%	26.5%	25.8%	25.5%	25.3%
AMORTISATION	1613.2	1673.4	1625.5	5123.0	2290.2	1681.5	1430.2	1723.5	1507.3	1297.3
Domestic	1176.4	1374.0	1255.0	4622.0	1834.0	1425.9	1057.3	1316.4	1104.8	887.6
External	436.8	299.4	370.5	501.0	456.2	255.6	372.9	407.1	402.5	409.7
LOAN REPAYMENTS	10.4	2.7	4.2	4.1	4.0	4.0	4.0	4.0	4.0	4.0
TOTAL PAYMENTS	5771.4	6995.2	7405.5	11679.5	10084.1	8362.2	7363.9	7873.9	7901.3	7948.0
% of GDP	45.6%	45.8%	43.4%	62.4%	46.8%	39.5%	32.9%	33.1%	31.5%	30.2%

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)

	2004 Actual	2005 Actual	2006 Actual	2007 Est	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj	2013 Proj
TOTAL REVENUE AND GRANTS	4349.6	5326.8	6311.6	7028.6	7780.4	6666.4	5954.5	6178.3	6424.0	6674.9
TOTAL EXPENDITURE AND NET LENDING	4147.8	5319.1	5775.8	6552.4	7789.9	6676.7	5929.7	6146.5	6389.9	6646.7
DEFICIT (-) / SURPLUS (+)	201.8	7.6	535.8	476.2	-9.5	-10.3	24.8	31.8	34.0	28.1
% of GDP	1.6%	0.1%	3.1%	2.5%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%
NET EXTERNAL FINANCING	-325.4	-163.4	-219.0	-397.3	-293.2	-60.6	-165.3	-190.6	-177.2	-175.4
CONCESSIONAL FINANCING	-147.2	-84.0	-145.0	-206.2	-244.5	-14.2	-114.6	-132.3	-122.2	-119.8
New Borrowing	94.6	134.0	145.0	102.7	163.0	195.0	207.6	216.5	225.3	234.3
Less Amortisation	-241.8	-218.0	-290.0	-308.9	-407.5	-209.2	-322.2	-348.8	-347.5	-354.1
COMMERCIAL FINANCING	-9.9	-18.0	-11.0	-14.7	-16.0	-15.4	-14.7	-14.7	-14.7	-14.7
New Borrowing	16.8	2.0	6.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0
Less Amortisation	-26.7	-20.0	-17.0	-15.6	-16.0	-15.4	-14.7	-14.7	-14.7	-14.7
EXTERNAL EXTRAORDINARY FINANCING	-168.3	-61.4	-63.0	-176.4	-32.7	-31.0	-36.0	-43.6	-40.3	-40.9
New Borrowing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Less Amortisation	-168.3	-61.4	-63.0	-176.4	-32.7	-31.0	-36.0	-43.6	-40.3	-40.9
NET DOMESTIC FINANCING	123.5	155.8	-316.8	-54.2	302.7	70.9	140.5	158.7	143.2	147.2
DOMESTIC MARKET BORROWING	154.1	225.0	-304.0	72.7	302.7	70.9	140.5	158.7	143.2	147.2
New Borrowing	1377.9	1599.0	1130.0	4694.7	2136.7	1496.8	1197.8	1475.1	1248.0	1034.8
Less Amortisation	-1223.8	-1374.0	-1434.0	-4622.0	-1834.0	-1425.9	-1057.3	-1316.4	-1104.8	-887.6
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	25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OTHER DOMESTIC FINANCING	-55.6	-69.2	-12.8	-126.9	0.0	0.0	0.0	0.0	0.0	0.0
Change in check float	87.8	-102.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
End period stock	252.8	150.0	150.0	-300.6	300.6	300.6	300.6	300.6	300.6	300.6
less: Beginning period stock	-165.0	-252.8	-150.0	300.6	-300.6	-300.6	-300.6	-300.6	-300.6	-300.6
POSF financing (a)	-63.0	0.0	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	-80.4	33.6	-12.8	-126.9	0.0	0.0	0.0	0.0	0.0	0.0
NET FINANCING	-201.9	-7.6	-535.8	-451.5	9.5	10.3	-24.8	-31.8	-34.0	-28.1
MEMO:										
FINANCING REQUIREMENT	123.6	155.8	-316.8	-78.9	302.7	70.9	140.5	158.7	143.2	147.2
% of GDP	1.0	1.0	-1.8%	-0.4%	1.4%	0.3%	0.6%	0.7%	0.6%	0.6%
GROSS BORROWING	1433.7	1665.8	1268.2	4797.4	2300	1692	1405	1692	1473	1269
Domestic	1322.3	1529.8	1117.2	4695	2137	1497	1198	1475	1248	1035
External	111.4	136.0	151.0	0.0	163.0	195.0	207.6	216.5	225.3	234.3
Concessional	94.6	134.0	145.0	102.7	163.0	195.0	207.6	216.5	225.3	234.3
Commercial	16.8	2.0	6.0	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	1.0
Financing gap										
GROSS AMORTIZATION	1660.6	1673.4	1804.0	5123.0	2290.2	1681.5	1430.2	1723.5	1507.3	1297.3
Domestic	1223.8	1374.0	1434.0	4622.0	1834.0	1425.9	1057.3	1316.4	1104.8	887.6
External	436.8	299.4	370.0	501.0	456.2	255.6	372.9	407.1	402.5	409.7
Concessional	241.8	218.0	290.0	308.9	407.5	209.2	322.2	348.8	347.5	354.1
Commercial	26.7	20.0	17.0	15.6	16.0	15	15	15	15	15
Extraordinary	168.3	61.4	63.0	176.4	32.7	31.0	36.0	43.6	40.3	40.9

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)

	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 June*
Domestic Credit	1798.90	2241.10	3036.40	4049.20	5027.30
% Change	0.3	24.6	35.5	33.4	38.0
Net Credit to Central Government	1293.50	1114.10	962.40	171.20	258.40
% Change	3.2	-13.9	-13.6	-82.2	-69.4
Credit to Private Sector	1723.60	2132.80	2948.90	3961.10	4931.40
% Change	0.9	23.7	38.3	34.3	38.5
Money Supply	3914.80	5069.30	7040.20	8994.00	9953.60
% Change	14.8	29.5	38.9	27.8	27.6
Money Velocity (M3*) (average)	3.2	3.0	2.4	2.1	2.2

Source: BPNG

*through -the -year change

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

	2004 Actual	2005 Actual	2006 Actual	2007 Est	2008 Proj	2009 Proj	2010 Proj	2011 Proj	2012 Proj	2013 Proj
Domestic	3181.2	3403.8	3101.0	3173.3	3474.0	3544.9	3685.4	3844.1	3987.3	4134.5
Treasury Bills***	2236.2	1796.5	1194.0	980.2	1052.3	927.9	873.0	836.1	779.3	726.6
Inscribed Stock	898.0	1567.9	1883.0	2174.8	2408.0	2608.0	2808.0	3008.0	3208.0	3408.0
Other Domestic debt**	47.0	39.4	24.0	18.3	13.7	9.0	4.4	0.0	0.0	0.0
Domestic debt as % GDP	25.1%	22.4%	18.1%	17.0%	16.1%	16.8%	16.5%	16.1%	15.9%	15.7%
External	4409.5	3856.0	3631.1	3146	2777	2716	2551	2361	2183	2009
International Agencies	4239.5	3723.0	3507.2	3038	2694	2649	2498	2322	2160	1999
Commercial Loans	170.0	133.0	123.9	108	83	68	53	38	24	9
Other Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
External debt as % GDP	34.9%	25.4%	21.2%	16.8%	12.9%	12.8%	11.4%	9.9%	8.7%	7.6%
Total Public Debt Outstanding	7590.7	7259.8	6732.1	6319.0	6251.0	6261.3	6236.5	6204.6	6170.6	6143.5
As % GDP	60.0%	47.8%	39.3%	33.8%	29.0%	29.6%	27.9%	26.1%	24.6%	23.3%

Source: BPNG and Department of Treasury.

**Includes Temporary Advance Facility

TABLE 13: OTHER MAJOR ASSUMPTIONS UNDERLYING THE BUDGET

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	Actual	Actual	Actual	Proj	Proj	Proj	Proj	Proj	Proj	Proj
Inflation										
Average on Average (%)	2.1	1.8	2.4	0.9	10.6	6.1	6.5	4.3	4.0	4.0
Dec on Dec (%)	2.4	4.7	-0.9	3.2	11.1	5.8	5.2	4.1	4.0	4.0
Exchange rate										
Real Exchange Rate Index (2007 = 100)	95.5	97.3	97.9	100.0	118.8	127.5	132.4	134.7	136.7	138.8
Interest rate										
T/Bills (average for the year)	9.0	4.5	5.0	5.0	6.50	7.00	7.00	7.00	7.00	7.00
Inscribed Stock (3 year yield)			6.0	5.7	6.0	6.0	6.0	6.0	6.0	6.0
Mineral Prices										
Gold (US\$/oz)	409.2	444.9	604.3	697.0	863.0	600.0	445.0	445.0	445.0	445.0
Copper (US\$/lb)	1.30	1.67	3.05	3.23	3.21	1.47	1.60	1.60	1.60	1.60
Oil (Kutubu Crude: US\$/barrel)	42.1	53.4	64.3	72.3	102.0	55.0	46.0	46.0	46.0	46.0

Source: Department of Treasury.