



FINAL BUDGET OUTCOME

2016

Acronyms

ABG	Autonomous Bougainville Government
ADB	Asian Development Bank
BPNG	Bank of Papua New Guinea
CSA	Commercial and Statutory Authority
DNPM	Department of National Planning and Monitoring
DSIP	District Support Improvement Program
FAA	Final Available Appropriation
FBO	Final Budget Outcome
GDP	Gross Domestic Product
GFS	Government Financial Statistics
GoPNG	Government of Papua New Guinea
GST	Goods & Services Tax
ICT	Information and Communications Technology
IMF	International Monetary Fund
IFMS	Integrated Financial Management System
IPBC	Independent Public Business Corporation
IRC	Internal Revenue Commission
LNG	Liquefied Natural Gas
MTDP	Medium Term Development Plan
MTFS	Medium Term Fiscal Strategy
MYEFO	Mid-Year Economic and Fiscal Outlook
NEC	National Executive Council
NPCP	National Petroleum Company of PNG
NSL	Nambawan Super Limited
PE	Personal Emoluments
PIP	Public Investment Program
PNGDSP	Papua New Guinea Development Strategic Plan
RMF	Results Monitoring Framework
SIGTAS	Standard Integrated Government Tax Administration System
SOE	State Owned Enterprise
UBSA	Umbrella Benefits Sharing Agreement
WPA	Waigani Public Account

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INTRODUCTION

The Final Budget Outcome (FBO) Report is released in accordance with the requirements of sections 13 – 16 of the *Papua New Guinea Fiscal Responsibility Act, 2006*. The Act requires the Treasurer to release and table a final budget outcome report for each financial year no later than three months after end of the financial year.

The purpose of the FBO Report is to provide the final fiscal outcomes for the financial year.

The 2016 FBO Report provides to Parliament and the public a summary of fiscal performance, together with a comparison and explanation of the major variations from the 2016 Budget estimates for total revenue and grants, total expenditure and net lending, and the budget balance. It also provides a summary of the National Government financing activities for the financial year and a summary of the National Government debt position, together with comparative figures for the previous financial year.

The financial information presented in this report is based on the same reporting standards as used in the 2016 Volume 1 and Volume 2 Budget documents.

Part 1 of this report, *Final Budget Outcome by Fiscal Operations*, is reported using the new GFS 2014 reporting framework as reported in the 2016 Budget Volume 1, Economic and Development Policies document. Part 2 of this report, *Final Budget Outcome by Agency*, is reported using the GFS 1986 reporting framework as reported in the 2016 Budget Volume 2 document. This is transitional for migration to the updated GFS 2014 framework of reporting.

Generally, the information presented in this report follows the traditional cash reporting standards originally laid down in the GFS 1986 Manual.

The general government sector under GFSM 2014 consists of all government units, representing budgetary central government, provincial government, local government and extra budgetary accounts within the country that are controlled and largely financed by the National Government. In contrast, the coverage of the GFSM 1986 system was defined on a narrower functional basis to include all units performing government functions.

The current GFS 2014 coverage includes Budgetary Fiscal Transactions of the Government. It is at its initial stage of roll-out and covers only the budgetary units but will eventually be extended to cover extra budgetary units such as statutory bodies and public corporations (SOEs).

Work is underway to have Volume 2 of the Budget document reported in the GFS 2014 reporting framework. Once this is done, future FBO reports will fully reflect the GFS 2014 reporting framework.

Section 1.8 of this report provides a clear explanation to the changes between GFSM 1986 and GFSM 2014.

The information presented in this report may not reconcile fully with information published in the Public Accounts as some revenues and expenditures detailed in this report will be reported or classified differently in the Public Accounts. For example, transactions relating to debt are generally reported on a net basis and split into principal and interest components in this report, whereas they are reported on a gross basis in the Public Accounts and not split between principal and interest components.

The information presented in this report is based on the same data used in the preparation of the Public Accounts; however, this report is compiled before that data has been subject to independent audit. This report will therefore not include the effects of any adjustments made to the underlying data arising from the audit process. In addition, there are some areas where updated figures will modify the actual outcomes, such as when reports are received from all donors on projects grants, and more reporting is provided on the Infrastructure Tax Credit (ITC).

PART 1

FINAL BUDGET OUTCOME BY FISCAL OPERATIONS

1.1 Central Government Fiscal Operations

The Final Budget Outcome for 2016 is a Net Borrowing of K3,086.9 million which is 4.6 per cent of GDP. The increase in nominal terms from the 2015 deficit outcome of K2,532.6 million reflects the Government's commitment in prioritizing expenditures in key development enablers to support continued economic growth despite tight economic conditions in 2016.

The 2016 Net Borrowing outcome compared to the Original Budget estimate, is higher by K974.4 million. This is largely reflective of lower than expected total revenue and grants which was K2,164.6 million less than what was originally forecasted.

The shortfall was attributed to the general slowdown in the economy as a result of low commodity prices and other domestic conditions. Foreign exchange imbalance also dampened business activities thus lower tax revenues.

Despite these challenges, the Government managed to deliver most of its key priorities and policies including Tuition Fee Free (TFF) Education, Free Primary Health Care and Services Improvement Programs (SIPs) and maintained spending on the *Medium Term Development Plan (MTDP)* enablers of health, education, law and order and infrastructure.

Major development priority projects were well progressed or completed. These projects include; supporting infrastructures for the 2018 APEC Summit, the District Health and Education Infrastructure Programs, the Land & Housing Program, as well as major priority roads and bridges across the country.

Table 1 Budget Balance 2015 – 2016 (Kina Millions)

	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
Revenue and Grants	10,963.5	12,650.1	11,722.1	10,485.5
Expenditure and Net Lending	13,496.1	14,762.6	13,834.6	13,572.4
Budget Balance	- 2,532.6	- 2,112.5	- 2,112.5	-3,086.9
% of GDP	-4.1%	-3.1%	-3.1%	-4.6%

Source: Department of Treasury

Compared against the Supplementary Budget estimate of K11,722.1 million, Total Revenue and Grants is lower by K1,236.7 million or 10.5 per cent as a result of lower Other Revenue, particularly dividends and SWF Transfer from the proposed asset sale proceeds. While higher reported donor funded project grants have an equal and offsetting impact on both Total Expenditure and Net Lending and Total Revenue and Grants with no effect on the overall fiscal balance¹.

Total Expenditures and Net Lending is also lower. Compared against the 2016 Supplementary Budget estimate of K13,834.6 million, it is lower by K262.2 million or 1.9 per cent. This generally reflects underspending across Goods and Services offsetting overspending in Compensation of Employees by both National Departments and Provinces.

¹ This is consistent with new 2014 GFS reporting framework.

1.1.1 2016 Supplementary Budget

After assessing the mid-year fiscal performance and outcomes, the Government introduced the 2016 Supplementary Budget in the third quarter of 2016. The 2016 Supplementary Budget comprised of adjustments that include both expenditure-saving measures of K928.0 million and additional revenue-raising measures of K958.0 million.

Total Revenue and Grants estimates were revised down to K11,722.1 million, a downward revision of K928.0 million from the Original Budget forecast of K12,650.1 million. Additional revenue-raising measures were introduced to cushion significant decline in revenue which included, additional dividends from the State Owned Enterprises (SOEs) and proceeds from the proposed sale of the Government 4.27 per cent equity in the PNG LNG project.

Total Expenditure and Net Lending estimates, on the other hand, were revised down to K13,834.6 million, an expenditure cut of K928.0 million. The revised Total Expenditure and Net Lending estimate reflects a deliberate intervention by the Government to limit expenditure on non-productive capital expenditure as much as possible while safeguarding expenditure on infrastructure maintenance and key policy platform priorities such as tuition fee free education, free primary health care, 2017 election and APEC preparation and statutory funding.

The adjustments were necessary to restore the original 2016 Budgets' fiscal anchors; (i) net borrowing of K2,112.5 million or 3.1 per cent of GDP and (ii) debt to GDP ratio of 28.9 per cent.

1.2 Revenue

1.1.2 Total Revenue and Grants

Total Revenue and Grant outcome for 2016 is K10,485.5 million, lower than the 2016 Supplementary Budget estimate by K1,236.7 million or 10.5 per cent. Bulk of the shortfall is from the Other Revenue² mainly dividends and equity sale which came lower by K1,127.7 million. Tax Revenue contributed a decline of K404.2 million to the overall shortfall. This is reflective of the continued slowdown in economic activity as a result of low commodity prices, latent effects of the drought, foreign exchange imbalance affecting business activity and the decline in Government spending in the economy.

Bulk of the shortfall was from Taxes on Income, Profits and Capital Gains. Donor Grant was higher by K295.9 million.

Compared to the Original Budget, Total Revenue and Grant is lower by K2,164.6 million or 17.1 per cent, reflective mainly of lower than anticipated Tax Revenue which came lower by K2,104.1 million.

² Non Tax Revenues (dividends and departmental fees and charges)

Table 2 Total Revenue and Grants (Kina, Million)

	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
Tax Revenue	8,804.6	10,525.6	8,825.8	8,421.6
Social Contributions	0.0	0.0	0.0	0.0
Grants	819.5	1,513.2	1,134.1	1,430.0
Other Revenue	1,339.4	611.3**	1,761.6	633.9
Total Revenue	10,963.5*	12,650.1	11,722.1	10,485.5

Source: Department of Treasury

*The 2015 Total Revenue of K10,963.5 million is reported under the 1986 GFS reporting to be in line with the 2015 Final Budget Outcome. It includes as Other Revenue ITC of K219.5 million, Recoveries of K93.9 million and Asset Sale of K0.005 million, while excluding GST transferred to Provinces of K353.0 million from Tax Revenue.

**Initial 2016 Budget for Grants included SWF Transfer of K379.1 million. This has now been re-classified as transfers not elsewhere classified under Other Revenue.

Compared to 2015 actual, Total Revenue and Grant is lower by K478.0 million or 4.4 per cent, reflective mainly of lower Tax Revenue and Other Revenue which were lower by K383.1 million and K705.5 million respectively. Donor Grants was higher by K610.5 million.

1.1.3 Tax Revenue

Taxes on Income, Profits and Capital Gains

Taxes on Income, Profits and Capital Gains amounted to K5,286.2 million, lower than the 2016 Supplementary Budget estimate by K371.6 million or 6.6 per cent. This is reflective of weaker than anticipated receipts from key tax revenue sources mainly Personal Income Tax, Company Income Tax and Dividend Withholding Tax (DWT). These taxes came lower by K233.1 million, K136.5 million and K18.3 million respectively. A total of K92.0 million was realised for Mining and Petroleum Tax (MPT), compared to the Supplementary Budget estimate of K177.6 million. The lower MPT outcome reflected weak commodity prices mainly the price of oil, copper and gold. Further, the lower MPT outcome also reflected the Ok Tedi mine meeting its remobilisation costs as a result of the shut-down in 2015.

Against the Original Budget, Taxes on Income, Profits and Capital Gains were lower by K1,478.2 million. The prolonged effects of low commodity prices and the foreign exchange imbalance combined with weak consumer demand have affected businesses, households and government income, hence, contributing to the general slowdown in the economy and consequently low income and profit tax to the Government in 2016.

Table 3 Taxes on Income, Profit and Capital Gains (Kina, Million)

	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
Taxes on Income, Profits and Capital Gains	5,894.2	6,764.4	5,657.8	5,286.2
Personal Income Tax	3,037.1	3,511.7	3,077.4	2,844.3
Company Tax	2,374.8	2,793.2	2,230.3	2,093.8
Mining and Petroleum Taxes	195.4	129.9	88.8	92.0
Royalties & Management Tax	51.3	43.4	40.5	44.3
Dividend Withholding Tax Non Mining	168.9	232.7	151.0	132.6
Interest Withholding Tax	66.0	52.7	69.2	78.7
Tax Related Court Fines	0.0	0.0	0.0	0.0
Sundry IRC Taxes & Income	0.6	0.8	0.7	0.5

Source: Department of Treasury

Compared to 2015 actual, Taxes on Income, Profits and Capital Gains were lower by K608.0 million or 10.3 per cent. Personal Income Tax was lower by K192.8 million, Company Income Tax lower by K281.0 million, MPT lower by K103.4 million and DWT lower by K36.3 million.

Taxes on Payroll and Workforce

Taxes on Payroll and Workforce, mainly Training Levy amounted to K14.4 million, a shortfall of K2.6 million or 15.3 per cent from the 2016 Supplementary Budget estimate. The lower than anticipated outcome is reflective of the general slowdown in the economy.

Table 4 Taxes on Payroll and Workforce (Kina, Million)

Tax on Payroll & Workforce	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
Training Levy	18.0	17.0	17.0	14.4
Total	18.0	17.0	17.0	14.4

Source: Department of Treasury

Compared to the 2015 actual, Taxes on Payroll and Workforce was lower by K3.6 million or 20.0 per cent.

Taxes on Goods and Services

Taxes on Goods and Services amounted to K2,584.1 million, generally in line with the Supplementary Budget estimate of K2,583.8 million (Table 5). Goods and Services Tax (GST) collections totalled K1,442.6 million³ in line with the Supplementary Budget estimate. Excise Duty collections were higher by K33.9 million. Stamp Duty was lower by K36.6 million, while Other Taxes on Goods and Services were higher by K1.5 million.

Compared to the Original Budget estimate, Taxes on Goods and Services have been revised down by K553.3 million reflective mainly of weaker than anticipated gross GST collections, Inland Excise and Import Excise. The weak income and demand in the economy has translated into low receipts for these taxes. These taxes were lower by K316.4 million, K131.0 million and K44.6 million respectively against the Original Budget estimate.

Table 5: Taxes on Goods and Services (Kina, Million)

	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
Taxes on Goods and Services	2,327.1	3,137.4	2,583.8	2,584.1
GST	1,214.0	1,759.0	1,430.3	1,442.6
Sales taxes	0.0	-	0.0	0.0
Bank Account Debit Fees	0.0	-	0.0	0.0
Stamp Duties	126.1	117.8	115.8	79.2
Excise Duty	503.3	734.8	569.8	603.7
Import Excise	298.7	316.7	272.9	272.2
Bookmakers' Turnover Tax	9.4	14.9	10.3	7.8
Gaming Machine Turnover Tax	162.1	176.5	168.2	163.5
Departure Tax	6.2	6.8	6.8	4.4
Motor Vehicle Tax	5.7	7.2	7.2	6.8

³ The Gross GST of K1,442.6 million includes GST to provinces of K353.1 million. Net GST to WPA was K1,089.5 million.

Other taxes on use of goods and on permission to use goods or perform activities	1.1	0.9	0.9	0.8
Other taxes on goods and services	0.4	2.9	1.6	3.1

Source: Department of Treasury

The 2015 GST outcome of K1,214.0 million excludes GST Transfers to Provinces of K353.0 million.

Taxes on International Trade and Transactions

Taxes on International Trade and Transactions amounted to K536.8 million, lower than the 2016 Supplementary estimate by K30.3 million or 5.3 per cent (Table 6). The shortfall is reflective mainly of lower than anticipated receipts for Export Tax due to lower volumes of log exports.

Import Duty amounted to K242.9 million generally in line with the Supplementary Budget estimate and 2015 actual. Against the Original Budget estimate, Import Duty has been revised down by K85.4 million to reflect weak imports.

Table 6: Taxes on International Trade and Transactions (Kina, Million)

	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
Taxes on Int'l Trade & Transactions	565.2	606.8	567.1	536.8
Import Duty	243.4	328.3	238.2	242.9
Other Import Taxes	5.7	4.1	2.2	0.0
Export Tax	316.2	274.5	326.8	294.0

Source: Department of Treasury

Compared to 2015 actual, Taxes on International Trade and Transactions were lower by K28.4 million or 5.0 per cent due mainly to weak receipts for Export Duty.

1.2.3. Grants

Donor Grants amounted to K1,430.0 million. This is higher than the 2016 Supplementary Budget and Original Budget estimate by K295.9 million or 26.1 per cent (Table 7). Donor Grants excludes SWF Transfers.

Table 7: Grants (Kina, Million)

	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
GRANTS	819.5	1,134.1	1,134.1	1,430.0
From Foreign Governments	778.8	998.8	998.8	1,261.3
Current	505.0	549.8	549.8	1,207.1
Cash	0.0	12.4	12.4	0.0
In-Kind	505.0	537.3	537.3	0.0
Capital	273.8	449.0	449.0	54.3
Cash	-	25.1	25.1	0.0
In-Kind	273.8	423.9	423.9	54.3
From International Organizations	40.7	135.3	135.3	168.7
Current	22.4	124.5	124.5	147.0
Cash	0.9	53.1	53.1	0.0
In-Kind	21.5	71.5	71.5	147.0
Capital	18.3	10.8	10.8	21.7
Cash	18.3	0	0.0	0.0
In-Kind	-	10.8	10.8	21.7

Source: Department of Treasury

Compared to 2015 actual, Donor Grants turned out to be higher by K610.5 million or 74.5 per cent.

1.1.4 Other Revenue

Collections of Other Revenue amounted to K633.9 million in 2016. This is lower than the 2016 Supplementary Budget estimate by K1,127.7 million or 64.0 per cent (Table 8). The shortfall in Other Revenue primarily reflects lower than anticipated receipts from Transfers not elsewhere classified, mainly the unrealised K725.0 million equity sale. The shortfall is also due to lower than anticipated dividends from State entities which were lower by K287.5 million. The dividends paid in 2016 amounted to K528.9 million compared to the Supplementary Budget estimate of K816.4 million.

Of the K528.9 million dividends paid in 2016, the Kumul Petroleum Holdings Ltd (KPHL) paid K200.0 million, the Bank of PNG (BPNG) (K190.0 million⁴), Ok Tedi Mine (K100.5 million), National Fisheries Authority (K25.0 million), National Gaming and Control Board (K10.0 million) and K3.4 million from other SOEs. The dividend payments from BPNG and National Gaming Board included 2015's dividend payments of K90.0 million and K10.0 million, respectively, received in 2016.

Table 8: Other Revenue (Kina, Million)

	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
OTHER REVENUE	1,339.4*	990.4**	1,761.6	633.9
Property Income	943.1	516.9	853.3	551.3
Interest	0.0	4.0	4.0	0.0
Dividends	911.4	480.0	816.4	528.9
<i>Mining Petroleum and Gas Dividends</i>	<i>456.4</i>	<i>300.0</i>	<i>500.0</i>	<i>300.5</i>
<i>Dividends from Statutory Authorities</i>	<i>85.0</i>	<i>45.0</i>	<i>178.0</i>	<i>225.0</i>
<i>Dividends from State Owned Enterprises</i>	<i>370.0</i>	<i>135.0</i>	<i>138.4</i>	<i>0.0</i>
<i>Other Dividends</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>3.4</i>
Rent	31.7	32.9	32.9	22.4
Sales of goods and services	65.6	85.4	85.4	63.5
<i>Administrative fees</i>	<i>25.3</i>	<i>31.1</i>	<i>31.1</i>	<i>28.7</i>
<i>Incidental sales by nonmarket establishments</i>	<i>40.3</i>	<i>54.3</i>	<i>54.3</i>	<i>34.9</i>
Fines, penalties, and forfeits	2.8	0.8	0.8	1.8
Transfers not elsewhere classified	14.4	387.3	822.1	17.2
<i>Current transfers not elsewhere classified</i>	<i>14.4</i>	<i>8.2</i>	<i>822.1</i>	<i>17.2</i>

Source: Department of Treasury

*The 2015 Other Revenue outcome of K1,339.4 million includes ITC, Recoveries and Asset Sales.

**SWF Transfer of K379.1m initially recorded under Grants in 2016 Budget is now re-classified as transfer not elsewhere classified.

1.3 Expenditure And Net Lending

Total Expenditure and Net Lending in 2016 was K13,572.4 million.

Compared to the 2015 expenditure actual of K13,496.1 million, the 2016 Total Expenditure and Net Lending was higher by K76.3 million or 0.6 per cent. This increase was a result of increased drawdowns of Concessional Loans and Donor Support Grants, compared to the 2015 final

⁴ Inclusive of K90 million 2015 dividend paid in 2016.

outturn. This implies that nominal level of the Total Expenditure and Net Lending in 2016 remained relatively unchanged compared the 2015 final outturn.

Compared to the 2016 Original Budget estimate of K14,762.6 million, it is K1,190.2 million or 8.1 per cent lower and against the 2016 Supplementary Budget estimate of K13,834.6 million, it is K262.2 million or 1.9 per cent lower. This is mainly reflective of Government's prudent fiscal management supported by strong administrative efforts in expenditure control, including stringent measures employed during close of account exercise.

Table 9: Expenditure by Funding Source 2015-16 (Kina Millions)

Sources of Funding	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
Domestic Funding	11,972.4	12,698.4	11,770.4	11,148.6
Operational ¹	8,406.1	9,666.7	9,424.3	9,099.0
Capital Investment ²	3,566.3	3,031.7	2,346.0	2,049.6
Project Support Grants	819.5	1,134.1	1,134.1	1,430.0
Concessional Loans	707.3	930.1	930.1	993.8
Total Expenditure and Net Lending	13,496.1	14,762.6	13,834.6	13,572.4

Source: Department of Treasury

¹Inclusive of GST and Book makers Turn over tax to provinces except for 2015 actuals in compliance with the 1986 GFS reporting requirement.

²As part of change with the introduction of GFS 2014 reporting framework and to be consistent with 2015 FBO aggregate actuals. ITC is reflected in the 2015 actual under capital Investment

Total Government funded expenditure was K11,148.6 million, K621.8 million or 5.3 per cent lower than the 2016 supplementary appropriation of K11,770.4 million. In fact, Government's spending in goods and services recorded a massive underspending of K1,102.7 million, or 14.0 per cent against the supplementary appropriation. This reflects government's prudent fiscal management supported by strong administrative efforts in expenditure control, including stringent measures employed during close of account exercise. This, however, was significantly reduced by overruns in personnel emoluments (PE) of K471.7 million, or 12.0 per cent to K621.8 million, or 5.3 per cent savings.

Total operational expenditure was K9,099.0 million, K325.3 million lower than to the 2016 Supplementary Budget estimate of K9,424.3 million. Low expenditure reflects careful prioritisation expenditures in line with low revenue.

Total capital investment expenditure, including domestic, concessional loan and donor funded, was K4,473.4 million, K63.2 million more than the 2016 Supplementary Budget estimate of K4,410.2 million. The domestic funded investment underspending of K296.4 million was more than offset by overspent in concessional loan funded investments (K63.7 million) and donor funded investments (K295.9 million). Compared to 2015 actual, total capital investment declined by K463.4 million, taking into account new GFS reporting framework (GFS 2014), which excludes Tax Credit under expenditure in 2016 outcome. Higher capital investment in 2015 was largely driven by 2015 South Pacific Games preparation.

Domestic funded capital investment final outturn was K2,049.6 million, a K296.4 million reduction against the supplementary budget. This reduction or saving stems from careful prioritisation and implementation of the key national infrastructure projects, refocusing capital investment on projects with high implementation and disbursement rates and limiting expenditure on non-productive capital expenditure.

The concessional loan funded capital investment final outturn was K993.8 million, K63.7 million higher than the 2016 Supplementary Budget of K930.1 million. Unlike in previous years, improved project implementation led to actual drawdowns being higher than the original projections for current year. Compared to previous years, this was a high drawdown rate which indicates improvements in project implementation (Refer to section 1.4 for detail).

Project Support Grant expenditure shows an outcome of K1,430.0 million, which is K295.9 million higher than the 2016 Supplementary estimate of K1,134.1 million. The higher reported figure is partly due to exchange rate movements against the respective currencies of the Development Partners and partly due to the implementation issues as stated above. With the newly introduced reporting process, the reporting of actual expenditure of grants is more accurate and detailed than in previous years.

Table 10: Expenditure by Agency Type 2015-16 [excluding Debt Service Costs, Donor Grants, and Concessional Loans] (Kina Millions)

Agency Type	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
National Departments	6,557.1*	6,445.0	5,735.1	5,390.3
Provincial Government ¹	3,437.7	3,748.2	3,709.2	3,658.4
Autonomous Bougainville Govt.	232.3	248.0	206.4	211.0
Commercial & Statutory Authority	667.5	777.6	640.1	624.6
Interest Payment	1,074.7	1,479.6	1,479.6	1,264.3
Grand Total	11,969.3	12,698.4	11,770.4	11,148.6

Source: Department of Treasury

¹Inclusive of GST and Book makers Turn over tax to provinces except for 2015 actuals in compliance with the 1986 GFS reporting requirement.

*Infrastructure tax Credit is reflected.

The expenditure outcome of 2016 Budget against the supplementary budget for domestic funds was significantly low for National Departments by K344.9 million, Provincial Governments by K50.8 million and for Commercial and Statutory Authorities by K15.5 million. This reflects under-expenditure in Goods and Services and over-expenditure in Compensation of Employees.

Compared against the 2015 actuals, expenditure outcome in 2016 for domestic funds have decreased significantly for National Departments by K1,166.8 million, Commercial and Statutory Authorities by K42.9 million and Autonomous Bougainville Administration (ABG) by K21.3 million. Except for Provincial Governments, which saw an increase of K220.7 million. This reflects over expenditure in Salaries for Teachers in the provinces.

Total expenditure outcome for the Autonomous Bougainville Government (ABG) was K211.0 million. Compared against the 2016 Supplementary Budget, ABG incurred above the appropriation by K4.7 million or 0.5 per cent due to over expenditure in Compensation of Employees.

Total Interest Payments and Fees in 2016 was K1,264.3 million this is K189.6 million or 17.6 per cent higher than the 2015 actual, primarily as a result of the sharp increase in the level of domestic debt. Compared against the Supplementary Budget estimate, total interest payments and fees in 2016 was K215.3 million or 14.6 per cent lower.

Table 11: GoPNG Domestic Funding by 2014 GFS Functional Classification of Expense by Economic Item Type 2015-16 [excluding debt Service cost, Donor Grants, and Concessional Loans]⁵ (Kina Millions)

Economic Item Type	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 outcome
Compensation of Employees	3,993.3	3,962.8	3,992.4	4,464.1
Wages and salaries	3,662.5	3,592.4	3,624.1	4,021.6
Wages and salaries in cash	3,563.5	3,469.0	3,497.8	3,901.7
Wages and salaries in kind	98.9	123.4	126.4	119.9
Employers' social contributions	330.8	370.4	368.3	441.8
Use of goods and services	2,959.5	3,484.7	3,053.4	2,776.9
Use of goods and services	2,959.5	3,484.7	3,053.4	2,776.9
Grants	2,390.3	2,432.6	2,338.5	1,885.2
Grants to other general government units	2,390.3	2,432.6	2,338.5	1,885.2
Current Grants to other general government units	1,166.3	1,549.2	1,496.6	1,106.2
Capital Grants to other general government units	1,224.0	883.4	841.9	779.1
Net Acquisition Nonfinancial assets	1,428.4*	1,277.5	852.8	677.9
Acquisition of Fixed assets (Buildings and Structures)	1,428.4	1,277.5	852.8	677.9
Interest	1,069.6	1,453.1	1,443.7	1,248.1
To residents other than general government	1,014.9	1,185.9	1,176.5	1,171.1
To non-residents	54.6	267.2	267.2	77.0
Other expenses	127.4	87.7	89.6	92.1
Transfers not elsewhere classified	127.4	87.7	89.6	92.1
Grand Total	11,969.3	12,698.4	11,770.4	11,148.3

Source: Department of Treasury

* Infrastructure tax Credit is reflected

The 2016 Compensation of Employees (Personnel Emolument) final outturn is K471.0 million or 11.8 per cent higher than the 2016 Supplementary Budget of K3,624.1 million. This represents an over-expenditure of K471.0 million. Although there have been over-expenditures on Compensation of Employees in the past years, the outcome for 2016 has doubled compared to 2015 over-expenditure. Compared to the 2015 actual, public wage bill has increased by K470.1 million or 11.8 per cent.

This was attributed to over-expenditures from teachers' salaries and wages. According to Teachers' Services Commission, growth rate in teachers has increased substantially since 2013 averaging 1,500 annually, outpacing growth in appropriation. The overruns in National Departments was generated from the PGAS system outside of the Government payroll system, Alesco. The payment of private sector, such as church health workers, from the Government payroll was also a contributing factor.

Overall spending for Other Economic Item⁶ apart from Compensation of Employees was K6,680.2 million. Compared against Supplementary Budget estimate of K7,7780.0 million, total Government's spending in goods and services recorded a massive underspending of K1,093.6 million, or 14.0 percent.

⁵ Table 11 summarises Domestic Funds by GFS 2014 Functional Classification of Expense for the six (6) main different Economic Items; Compensation of Employees, Use of Goods and Services, Grants, Interests, Net Acquisition of Non-financial Assets and Other Transfers (Expense). Details by individual agency and entity are provided in Part 2.

⁶ With respect to new GFS report, Other Economic Items refers to Goods and services usually classified under GFS 1986 reporting

The final outturn on the Use of Goods and Services expenditure was K2,776.9 million, K276.5 million or 9.1 per cent lower than the supplementary budget estimates. This is K182.8 million or 6.2 per cent lower than the 2015 actual. Compared with, total expenditure on Goods and Services was lower.

Actual Expenditure for Grants⁷ in 2016 was K1,885.2 million. This is K505.1 million or 21.1 per cent lower than the 2015 actual. Compared against the Supplementary Budget estimate, total Grants was K453.2 million or 19.4 per cent lower. The lower expenditure for Grants is reflective of the fall in revenue.

Net Acquisition of Nonfinancial Assets outcome in 2016 was K677.9 million. This is K750.1 million (52.5 per cent) lower than the 2015 actual. Compared with the Supplementary Budget estimate, Net Acquisition of Nonfinancial Assets was K174.9 million or 20.5 per cent lower.

The outcome for 2016 on Other Expenses was K92.1 million. This is K254.8 million or 73.5 per cent lower than the 2015 actual. Compared with the Supplementary Budget estimate, Other Expenses was K2.5 million or 2.8 per cent higher. The higher spending against Supplementary Budget estimate was primarily reflective of adjustment mostly to operational/current transfers.

Further data on expenditure on Goods and Services and Personnel Emoluments for all agencies is reflected in Part 2 of this document using GFS 1986 classification.

1.4 Financing

The Net Borrowing (deficit) outcome for 2016 was K3,086.9 million, which is about 4.6 per cent of GDP. Actual financing for 2016 is K3,943.9 million, a difference of K857.0 million comprising of 2015 Cheque Floats and Transfers. This was financed by a combination of both domestic and external sources of funding.

1.4.1 External Financing

As at 31st December 2016, the total external drawdowns stands at K1,680.7 million, which is K2,049.4 million below the 2016 Original Budget estimate of K3,730.1 million or 54.9 per cent of Original Budget. This is a result of non-issuance of Sovereign Bond and delay in disbursement of second tranche of Credit Suisse (Syndicated) Loan, however, the drawings from concessional loans performed better than previous years. The increasing rate of disbursements are from existing loan projects from bilateral and multilateral sources under concessional financing.

The increased disbursement from bilateral and multilateral loans reflects the high rate of implementation for some of these projects which includes but not limited to EXIM Bank of China funded loan – NCDC Road Project; Japanese Government (JICA) funded loan – Port Moresby Sewerage Project and Asian Development Bank (ADB) funded loan – Civil Aviation Development Investment Program (CADIP).

⁷ Given the incorrect classification of Economic item codes to its description in IFMS, significant amount of Grants are classified under the Use of Goods and Services.

Table 12: External Borrowing and Principal Repayments 2015 - 2016 (Kina, Millions)

	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
New External Borrowing	707.3	3,730.1	4,123.0	1,680.7
Concessional Financing	707.3	930.1	930.1	993.8
Commercial Financing	0.0	0.0	1,616.6	686.8
Exceptional Financing	0.0	2,800.0	1,576.3	0.0
Repayment of Principal	186.3	198.5	231.6	231.7
Net External Borrowing	521.0	3,531.6	3,891.4	1,448.9

Source: Department of Treasury

The total actual external principal repayment at the end of 2016 was K231.7 million, an increase of K33.2 million or about 16.7 per cent compared to the Original Budget estimate of K198.5 million. The increase in principal repayment is attributed to the depreciation of the Kina against major loan trading currencies, particularly against the US Dollar, Yen and Euro resulting in an overall net external financing of K1,448.9 million.

1.4.2 Domestic Financing

The domestic borrowing for 2016 totalled K14,117.7 million comprising of K13,092.9 million issued under Treasury Bills and K1,024.8 million issued under Inscribed Stocks issuances. This represented an overall increase of K5,967.7 million from the 2016 Original Budget estimate of K8,150.0 million or 73.2 per cent.

The substantial increase in domestic borrowing was largely driven by; lower than projected revenues as a result of decline in global commodity prices, proposed asset sales revenue of K725.0 million not materialising, 2015 cheque float expenditure being financed in the first half of 2016, balance of the Sovereign Bond not being issued after unfavourable markets conditions, delay in the drawing down of second tranche of the Credit Suisse budgetary support loan, and increased demand for shorter termed debt instruments which increases the frequency of refinancing.

Table 13: Domestic Borrowing and Principal Repayments 2015 - 2016 (Kina, Millions)

	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
New Domestic Borrowing	10,970.2	8,150.0	9,679.6	14,117.7
Treasury Bills Financing	9,473.8	7,250.0	8,779.6	13,092.9
Inscribed Stocks Financing	1,496.4	900.0	900.0	1,024.8
Repayment of Principal	8,889.3	9,652.0	11,458.5	11,622.8
Treasury Bills Maturities	8,398.3	9,188.0	10,994.5	11,158.8
Inscribed Stocks Maturities	491.1	464.0	464.0	464.0
Net Domestic Borrowing	2,080.8	-1,502.0	1,778.9	2,494.9

Source: Department of Treasury

Actual total domestic debt repayment in 2016 was K11,622.8 million, which comprised of K11,158.8 million in Treasury Bills and K464.0 million in Inscribed Stock; an overall increase of 20.4 per cent from Original Budget estimate. The increase is attributed to the increased issuance of shorter term Treasury Bills in the first half of 2016 which consequently matured in the second half of the year. This resulted in a Net Domestic Financing of K2,494.9 million for 2016.

1.4.3 Net Financing

With net domestic borrowing of K2,494.9 million and net foreign borrowing of K1,448.9 million, the total net borrowing at the end of 2016 was K3,943.9 million.

Table 14: Summary of Net Borrowings 2016 (Kina, Millions)

	2016 Outcome
FINANCING	
Net Domestic Borrowing	2,494.9
Net External Borrowing	1,448.9
Total Net Borrowing	3,943.9

Source: Department of Treasury

1.4.4 Debt Service

Total Debt Service comprises repayments of principals, interests and other fees and charges related to public debt. At the end of 2016, the repayment of principal totalled K11,854.5 million, comprising of K231.7 million in external repayments and K11,622.8 million in domestic repayment.

Total interest and fees paid in 2016 was K1,264.3 million which is K189.6 million higher than the 2015 actual of K1,074.7 million. This represents an increase of 17.6 per cent in total financing costs in 2016. The increase in the interest and related costs resulted mainly from slight increase in domestic interest rates and yields as well as increase in the frequency of refinancing or roll-over of Treasury Bills whose maturities are six months or less throughout 2016.

Table 15: Interest and Fees (Kina, Millions)

	2015 Actuals	2016 Outcome
Domestic		
Interest and other fees paid	1,020.5	1,195.9
<i>Adjustments:</i>		
Interest accrued on issuance ¹	-31.1	-17.6
Net discount/premium on issuance ²	1.5	5.0
Total Domestic	991.0	1,183.3
External		
Interest	76.1	72.2
External Borrowing related charges	7.6	8.8
Total External	112.8	81.0
Total Interest and Charges	1,074.7	1,264.3

Source: Department of Treasury

1. Inscribed Stock is a bond instrument that pays semi-annual coupons. Investors who purchase Inscribed Stock are entitled to receive a full coupon on the next coupon date, despite not holding the bond for the full 6 month coupon period. In recognition of this, an element of the proceeds received on issuance is for the interest that has accrued on the bond up to the date of issuance. The proceeds for accrued interest are treated as an interest offset to reflect the true interest cost on the bond.
2. The difference between the proceeds received on issuance and the bond's face value plus accrued interest.

1.5 Public Debt

The level of Total Central Government Debt at the end of 2016 stood at K21,944.0 million or 32.6 per cent of GDP. This is a K3,977.1 million or 22.1 per cent increase in debt level from 2015 to 2016.

The final outcome of the 2016 Total Central Government Debt was K2,198.7 million higher than 2016 Original Budget estimate of K19,745.3 million.

In the domestic portfolio, total debt level was K16,436.9 million at the end of 2016; That is K2,494.2 million above the 2015 level of K13,942.0 million and K4,075.4 million higher than Original Budget estimate of K12,361.5 million. This increase in domestic debt levels was mainly due to higher than anticipated Treasury Bills and Inscribed Stock issuance to finance the 2016 budget deficit including challenges to finance the budget amidst general fall in revenue throughout the year; unfavourable market condition for issuing Sovereign Bond and delay in the drawing down of the second tranche of Credit Suisse loan.

External Debt increased to K5,507.1 million from 2015 debt level of K4,058.1 million. This is due to an increase in net external borrowings that resulted from less principal repayment against larger disbursements drawn from multilateral and bilateral sources as well as Credit Suisse.

Table 16: Central Government Debt 2015 - 2016 (Kina, Millions)

	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
Domestic	13,942.0	12,361.5	12,129.8	16,436.9
Securities				
Treasury Bills	6,729.4	4,729.2	4,481.2	8,663.5
Inscribed Stock	7,212.6	7,632.3	7,648.6	7,773.4
Loans	0.0		0.0	0.0
<i>Domestic Debt as a % of GDP</i>	<i>22.4%</i>	<i>18.3%</i>	<i>18.0%</i>	<i>24.4%</i>
External	4,058.1	7,383.7	7,949.5	5,507.1
Securities				
Bonds		2,800	1,576.3	0.0
Loans				
International Agencies	4,058.1	4,583.7	4,756.6	4,820.3
Commercial Loans	0.0	0.0	1,616.6	686.8
Others	0.0	0.0	0.0	0.0
<i>External Debt as a % of GDP</i>	<i>6.5%</i>	<i>11.0%</i>	<i>11.8%</i>	<i>8.2%</i>
Total Public Debt Outstanding	18,000.1	19,745.3	20,079.4	21,944.0
<i>As % of GDP</i>	<i>29.0%</i>	<i>29.3%</i>	<i>29.8%</i>	<i>32.6%</i>

Source: Department of Treasury

1.6 Superannuation

The Government as the employer of the public servants, has the legal responsibility to facilitate payments of its superannuation obligation to the Nambawan Super Limited (NSL) for its employer superannuation contribution. As stipulated under the *Superannuation (General Provision) Act 2000*, the State is obliged to contribute 8.4 per cent of the base salary of each contributing employee as its employer superannuation contribution to NSL.

The payment of State's superannuation contribution has been split into two components, the automation and the exit payments. The two appropriations have separate line items in the Budget under Miscellaneous Vote 207.

1.6.1 Automation Payments

Since April 2012, the Government has automated its employer superannuation contribution. The automation process transfers superannuation contributions electronically through the government payroll systems to NSL on a fortnightly basis. The Automation Process remits the State share of superannuation contributions allocated in a fiscal year while its superannuation liabilities (mostly exit reimbursements) are paid manually according to the invoices provided by NSL.

In 2016, the Government remitted the full appropriation of K182.0 million through the automation process which was paid directly to NSL's nominated Account. Similarly, the State has appropriated another K182.0 million for the automation in 2017. This process has significantly improved the financial certainty for both public servants and NSL, and reduced related financial and economic costs.

1.6.2 Exit Payments

In addition to paying the full 8.4 per cent of employer contribution through the automation process, the Government also appropriates money annually to make exit payments to members who are owed payments prior to 2009 where the State has not fully met its superannuation obligations as provided under the Act. Due to the fall in revenues as a result of low commodity prices, the Government has underfunded its superannuation obligations in recent years.

In 2016, only K18.0 million was budgeted, however, the Government sourced an additional K57.0 million to make a total payment of K75.0 million to NSL as re-imbursement for part of the payment they made to exiting members in 2015. This year's budget for the exit payments is K90.0 million. This amount will be insufficient to pay the arrears incurred in 2016 and 2017 exit payments.

The Government considers the outstanding exit payments as a priority and will take proactive measures to address this issue including identifying and committing additional funds this year where necessary to settle the arrears in 2017 so that the burden is less in 2018.

1.7 Trust Accounts

Since 2005, a total of K10,354.7 million has been appropriated (before the revision of the Special Intervention Fund (SIF)) and deposited into the Budget Funded Trust Accounts for the implementation of expenditure programs. The Trust Accounts have largely been funded from additional mineral revenue in supplementary budgets and from annual budgets. The purpose of holding funds in trusts is to give time to agencies to properly plan and implement projects.

Table 17 shows a summary of the movement of funds in and out of Budget Funded Trust Accounts from 2005 to 2016.

Table 17: Source of Funds for Budget Funded Trust Accounts: 2005 – 2016

Year	Deposits from Supplementary Budget & Additional Priority Expenditure	Deposits from Annual Budgets & Interest	Spending from Trust Accounts	Net Savings (Deposits less Spending)
2005	400.0	0.0	0.0	400.0
2006	568.4	0.0	0.0	568.4
2007	1,283.0	0.0	76.0	1,207.0
2008	1,501.4	36.5	480.5	1,057.4
2009	0.0	627.2	2,365.9	-1,738.7
2010	0.0	887.2	818.3	68.9
2011	628.5	598.2	1,426.3	-199.6
2012	398.0	428.0	1,095.0	-269.0
2013	247.6	450.0	537.1	160.5
2014	250.0	209.2	827.9	-368.7
2015	0.0	1,019.5	1,345.5	-326.0
2016	0.0	90.0	769.8	-679.8
Total (2005-2016)	5,276.9	4,345.8	9,742.3	-119.6

Source: Department of Treasury and Department of Finance

*Deposits reported against year appropriated, spending reported by calendar year.

The opening balance for Budget Trust Accounts at 1st January 2016 was K318.8 million. Total receipts for the period (1st January to 31st December 2016) were largely from deposits from the 2016 Budget of K621.0 million in total. The closing balance of Budget Funded Trust Accounts as at 31st December 2016 was K169.9 million. Appendix 1 lists these Trust Accounts.

A total of K190.0 million⁸ was appropriated for Trust Accounts in the 2016 Budget. However, this was revised down to K120.0 million. Table 18 below shows the appropriations for these Trust Accounts and the amounts transferred.

Table 18: Appropriations for Trust Accounts 2016 (Kina, Millions)

Expenditure Programs	Appropriation for Trust Account	Revised Appropriation for Trust Accounts	Payments into Trust Account
2016 Budget			
Infrastructure Development Grant (UBSA)	120.0	90.0	60.0
Special Interventions Program (ABG)	70.0	30.0	30.0
TOTAL	190.0	120.0	90.0

Source: Department of Treasury and Department of Finance

*Payments into Trust Account reported against year appropriated.

Following is a summary of expenditure for Budget Funded Trust Accounts for the period 1st January – 31st December 2016 where more than K5.0 million was expended. Appendix 1 shows the movements in these Budget Funded Trust Accounts for the period 1st January – 31st December 2016.

⁸ As per the Appropriation Bill, only K190.0 million was appropriated for Trust Accounts in the 2016 Budget; K120.0 million for Infrastructure Development Grants (UBSA) and K70.0 million for Special Intervention Program (ABG)

- **K51.1 million was spent from the ABG Special Intervention Fund Trust Account** during this period.
- **K20.6 million was spent from the ABG Restoration and Development Grant Trust** during this period in relation to impact projects associated with the ABG Restoration and Development program in the Autonomous Region of Bougainville.
- **K18.9 million was Transferred from the 89 District Service Improvement Program Subsidiary Trust Account** into the new DSIP Operating Accounts for the 89 districts with the corresponding balances for the respective 89 DSIP Subsidiary Trust Accounts.
- **K9.3 million was spent from the Transport Sector Infrastructure Rehabilitation** trust for various expenditures.
- **K7.9 million was spent from the Rehabilitation of Houses for Police Trust Account** for the police housing projects around the country.
- **K5.2 million was spent from the Madang Marine Park Development Trust** during this period in relation to the Pacific Marine Industrial Zone project.

District Services Improvement Program (DSIP) Trust Accounts

Prior to 2012, a total of K1,789.0 million was appropriated for the DSIP and paid into 89 DSIP Trust Accounts. Since 2013, all districts have been funded their DSIP directly through the Budget to their District Treasury Operating Accounts.

As at 31st December 2016, the total DSIP balance stands at zero, which reflects the transfer of all funds into the new accounts which were previously held in the subsidiary trust accounts.

Appendix 2 shows the movements of funds for the period 1st January to 31st December 2016 for each of the 89 DSIP subsidiary Bank Accounts.

1.8 Government Finance Statistics

Information contained herein is derived from the International Monetary Fund's Government Finance Statistics Manual 2014 (GFSM 2014). This is to inform the public that the Government has already adopted the updated Government Finance Statistics (GFS 2014) reporting framework in the 2016 National Budget.

The GFS 2014 framework is a macroeconomic statistical system designed to support fiscal analysis. The GFS 2014 framework incorporates economic and accounting principles that can be used when compiling government budgets and presenting fiscal statistics.

In the 2016 Budget, the Government undertook a major reform to improve the reporting of its finances by moving to the updated international standard of reporting in GFS 2014. This has resulted in some re-categorisation of revenues and expenditures.

1.8.1 Changes between the GFSM 1986 and GFSM 2014

In the 2013 Budget the Government announced that it would be moving from an International Monetary Fund (IMF) GFSM 1986 framework of Budget reporting to an updated GFSM 2001 framework. The IMF in 2015 released an updated version of the GFSM 2001, the GFSM 2014.

The updated framework allows for harmonisation with other macroeconomic frameworks, such as the System of National Accounts, Monetary Statistics and Trade Statistics, and also allows for cross-country comparisons. The GFSM 2014 is being used for the first time in Papua New Guinea in Volume 1 of the 2016 Budget. It represents a significant modernisation and expansion of the coverage of the previously used GFSM 1986.

The GFSM 2014 better defines the public sector and in particular the general government sector, as it is based on the concept of institutional unit coverage. The general government sector consists of all government units, representing budgetary central government, provincial government, local government and extra-budgetary accounts within the country that are controlled and largely financed by the government. In contrast, the coverage of the GFSM 1986 system was defined on a narrower functional basis to include all units carrying out a function of government.

Due to its broader and more extensive coverage of economic units, the GFSM 2014 allows for greater understanding of where and how the government is spending its money, and therefore supports better decision making, economically as well as functionally.

Three new tables were introduced to Volume 1 of the 2016 Budget: The **Statement of Sources and Uses of Cash**, the **Statement of Operations**, and the **Classification of Functions of Government (COFOG)**. It also includes a new reporting approach to the pre-existing **Revenue and Expense** (previously Expenditure) Tables, the **Transactions in Financial Asset and Liabilities** Table (replacing the Central Government Financing Table), and a revised **General Government Debt** table.

1.8.2 Balancing items

Two important balances are derived from GFSM 2014 and used in the Volume 1 Tables. Revenue minus expenses (*other than the consumption of fixed capital*) equals the **Gross Operating Balance** and is set out in the Statement of Operations. The Gross Operating Balance is therefore,

a reflection of the total change in net worth of the general government sector due to transactions and is a measure of the sustainability of government operations.

The Gross Operating Balance minus the Net Acquisition of Non-Financial Assets gives **Net Lending/Net Borrowing**. Net Lending/Borrowing is also equal to Net Acquisition of Financial Assets minus Net Incurrence of Liabilities. In essence, Net Lending/Borrowing measures the extent to which the government is either putting financial resources at the disposal of other sectors in the economy and non-residents (Net Lending) or utilising the financial resources generated by other sectors and non-residents (Net Borrowing). This balance can therefore be seen as an indicator of the financial impact of government activity on the rest of the economy and non-residents. It is the equivalent of the overall deficit/surplus in the GFSM 1986, but determined using the accrual basis of recording.

Net Lending/Borrowing is similar to a surplus/deficit under GFSM 1986; however, there are two major differences:

- (1) Net Lending/Borrowing does not include any financing transactions, whereas the overall deficit/surplus included lending for policy purposes; and
- (2) Net Lending/Borrowing is an accrual concept, while the overall deficit/surplus is a cash concept.

The **Statement of Sources and Uses of Cash** may assist in assessing the liquidity of the general government. The statement reflects the total amount of cash generated or absorbed by current operating activities, transactions in non-financial assets (*fixed assets, property, plant and equipment*), and transactions involving financial assets and liabilities other than the financial asset currency (cash) itself. The net change in the stock of cash is the sum of the net cash received/used from these operating activities, transactions in non-financial assets and transactions involving financial assets (other than cash) and liabilities. As a 'cash' statement it excludes in-kind related flows/transactions.

The **Statement of Operations** presents details of transactions in revenue and expense, as well as the net investment in non-financial assets, the net acquisition of financial assets, and the net incurrence of liabilities. The Statement of Operations is intended to be compiled using the accrual basis of recording transactions. With the exception of consumption of fixed capital, in-kind and imputed transactions, and other accounts receivable/payable, all of the line items in the Statement of Operations can be applied to both cash and accrual data. In the case the Government of PNG a modified cash-basis approach is taken where some accrual-like information is available.

Under the GFSM 2014 methodology, **Revenue** transactions are recorded on a gross basis and in the Government of PNG context, non-payable Infrastructure Tax Credits (ITC), revenue from asset sales and recoveries of previous years will be excluded. Goods and Services Tax (GST) collections and bookmakers' licence fees collected and to be transferred to provinces will not be offset in revenue but the corresponding amounts will be reflected as items in expense per economic and functional classification in the Expense Table. Under the GFSM 2014 methodology, sales of assets are deducted from the total non-financial assets to reflect the net investment in non-financial assets. New borrowing acquired and received by the Government is regarded as an incurrence of a liability and is therefore registered as a transaction in assets and liabilities. The GFSM 2014 now includes all in-kind related receipts where data is available.

The classification of **Expense** by economic type under GFSM 2014 is broadly similar to the corresponding classification in the GFSM 1986. The primary exception is that acquisitions of

non-financial assets are not considered an expense and repayment of borrowing is regarded as transactions in assets in liabilities under GFSM 2014. Other differences include: Consumption of fixed capital which is an expense under GFSM 2014 was not included under the GFSM 1986 as it is a non-cash expense. Transfer payments are classified by type of payment under GFSM 2014. Under the GFSM 1986 they were classified by the sector receiving the payment. The major types of transfer payments are subsidies, grants, and social benefits. The GFSM 2014 now includes all in-kind related payments where data is available.

Table B (i) details the General Government Expense Economic Classification. This table provides for a summary of expense per economic classification and Table B (ii) provides final output expenditure for the National Government, Provincial Governments, Autonomous Bougainville Government and Commercial and Statutory Authorities.

1.8.3 General Government Debt

Table C details the General Government's **Transactions in Financial Assets and Liabilities**.

Table F summarises the **General Government's Stock of Debt** at the end of the reporting period.

The new **Classification of Functions of Government (COFOG)** shows the cross-economic functional classification of expenditure for the general government, detailing where government expenditure is directed by function. COFOG provides meaningful information that may be used to study the effectiveness of government programs in areas like health, education, economic affairs, social protection and general public services. There are ten major functions. It is an internationally standardised table that allows cross-country comparisons of government priorities.

FISCAL TABLES

Table A: General Government Revenue Economic Classification

(Kina Million)	2015	2016	2016	2016
	Actual	Budget	Supp. Budget	Outcome
REVENUE¹	10,963.5	12,650.1	11,722.1	10,485.5
TAXES	8,804.6	10,525.6	8,825.8	8,421.6
Taxes on Income, Profits and Capital Gains	5,894.2	6,764.4	5,657.8	5,286.2
Payable by individuals	3,037.1	3,511.7	3,077.4	2,844.3
Personal Income Tax	3,037.1	3,511.7	3,077.4	2,844.3
Payable by corporations and other enterprises	2,621.6	2,966.5	2,359.6	2,230.1
Company Tax	2,374.8	2,793.2	2,230.3	2,093.8
Mining and Petroleum Taxes	195.4	129.9	88.8	92.0
Royalties Tax	30.8	26.0	33.6	26.6
Management Tax	20.5	17.4	6.8	17.7
Other taxes on income, profits and capital gains	235.6	286.2	220.8	211.8
Dividend Withholding Tax Mining	-	-	-	-
Dividend Withholding Tax Non Mining	168.9	232.7	151.0	132.6
Interest Withholding Tax	66.0	52.7	69.2	78.7
Sundry IRC Taxes & Income	0.6	0.8	0.7	0.5
Taxes on Payroll and Workforce	18.0	17.0	17.0	14.4
Training Levy	18.0	17.0	17.0	14.4
Taxes on Goods and Services	2,327.1	3,137.4	2,583.8	2,584.1
General taxes on goods and services	1,340.1	1,876.7	1,546.2	1,521.8
Value Added Tax	1,214.0	1,759.0	1,430.3	1,442.60
GST ²	1,214.0	1,759.0	1,430.3	1,442.60
Taxes on financial and capital transactions	126.1	117.8	115.8	79.2
Stamp Duties	126.1	117.8	115.8	79.2
Excise	802.0	1051.5	842.8	875.9
Excise Duty	503.3	734.8	569.8	603.7
Import Excise	298.7	316.7	272.9	272.2
Taxes on specific services	177.7	198.2	185.2	175.7
Bookmakers' Turnover Tax	9.4	14.9	10.3	7.8
Gaming Machine Turnover Tax	162.1	176.5	168.2	163.5
Departure Tax	6.2	6.8	6.8	4.4
Taxes on use of goods and on permission to use goods or perform activities	6.9	8.1	8.1	7.5
Motor vehicles taxes	5.7	7.2	7.2	6.8
Other taxes on use of goods and on permission to use goods or perform activities	1.1	0.9	0.9	0.8
Other taxes on goods and services	0.4	2.9	1.6	3.1
Taxes on International Trade and Transactions	565.2	606.8	567.1	536.8
Customs and other import duties	249.1	332.3	240.4	242.9
Import Duty	243.4	328.3	238.2	242.9
Other Import Taxes	5.7	4.1	2.2	0.0
Taxes on exports	316.2	274.5	326.8	294.0
SOCIAL CONTRIBUTION	0.0	0.0	0.0	0.0
GRANTS	819.5	1,134.1	1,134.1	1,430.0
From Foreign Governments	778.8	998.7	998.8	1261.4
Current	505.0	549.7	549.8	1207.1
Cash	0.0	12.4	12.4	0.0
In-Kind	505.0	537.3	537.3	1207.1
Capital	273.8	449	449	54.3
Cash	0.0	25.1	25.1	0.0
In-Kind	273.8	423.9	423.9	54.3
From International Organizations	40.7	135.4	135.3	168.7
Current	22.4	124.6	124.5	147.0
Cash	0.9	53.1	53.1	0.0
In-Kind	21.5	71.5	71.5	147.0
Capital	18.3	10.8	10.8	21.7
Cash	18.3	0.0	0.0	0.0
In-Kind	0.0	10.8	10.8	21.7

OTHER REVENUE	1,339.4	990.4	1,761.6	633.9
Property Income	943.1	516.9	853.3	551.3
Interest	0.0	4.0	4.0	0.0
Interest from non-residents	0.0	0.0	0.0	0.0
Interest from residents other than general government	0.0	4.0	4.0	0.0
Dividends	911.4	480.0	816.4	528.9
Mining Petroleum and Gas Dividends	456.4	-	500.0	300.5
Dividends from Statutory Authorities	85.0	70.0	178.0	225.0
Shares in Private Enterprise	0.0	0.0	0.0	0.0
Dividends from State Owned Enterprises	370	110.0	138.4	0.0
Other Dividends	0.0	300.0	0.0	3.4
Rent	31.7	32.9	32.9	22.4
Sales of goods and services	65.6	85.4	85.4	63.5
Sales by market establishments	0.0	0.0	0.0	0.0
Administrative fees	25.3	31.1	31.1	28.7
Incidental sales by nonmarket establishments	40.3	54.3	54.3	34.9
Fines, penalties, and forfeits	2.8	0.8	0.8	1.8
Transfers not elsewhere classified	14.4	387.3	822.1	17.2
Current transfers not elsewhere classified	14.4	387.3	822.1	17.2
Subsidies	0.0	0.0	0.0	0.0
Other current transfers	14.4	387.3	822.1	17.2
Recovery of Utility Charges	0.3	0.0	0.0	0.0
Payroll Commission	11	7.2	7.2	15.1
Sundry/(Other) Income	3.1	0.9	0.9	2.1
SWF	0.0	379.1	813.9	0.0
Capital transfers not elsewhere classified	0.0	0.0	0.0	0.0

Source: Department of Treasury

1. Under the GFS 2014 methodology, non-payable infrastructure tax credits, revenue on asset sales, recoveries and trust accounts are excluded. GST includes the Gross Collections net of Refunds
2. The 2016 Figures are reported in the 2014 GFS. GST represents the total of collections by Provinces, PNG Ports and Refunds.

*2015 Revenue is in 1986 GFS reporting to be in line with the 2015 Final Budget Outcome. Total for Other Revenues included ITC (K219.5m) & Recoveries (K93.9m)

**SWF Transfer initially captured under Grant has been reclassified as Transfer not elsewhere classified

Table B (i) General Budgetary Expenditure By Economic Classification

	2015 Actual	2016 Budget	2016 Supp. Budget	2016 Outcome
2 Expense	13,496.1	14,762.6	13,834.6	13,572.4
Compensation of Employees	3,993.3	3,962.8	3,992.4	4,463.4
Wages and salaries	3,662.5	3,592.4	3,624.1	4,021.6
Wages and Salaries	3,229.9	1,807.9	1,775.4	1,949.6
Wages and salaries in cash	333.7	1,661.0	1,722.3	1,952.1
Wages and salaries in kind	98.9	123.4	126.4	119.9
Employers' social contributions	330.8	370.4	368.3	441.8
Actual social contributions	330.8	370.4	368.3	441.8
Use of goods and services	3,989.8	4,560.0	4,128.7	4,166.3
Use of goods and services	3,989.8	4,560.0	4,128.7	4,166.3
Use of goods and services	3,989.8	4,560.0	4,128.7	4,166.3
Grants	2,393.9	2,441.9	2,347.8	1,885.2
Grants to other general government units	2,393.9	2,441.9	2,347.8	1,885.2
Grants to other general governments current	1,169.9	1,558.5	1,505.9	1,106.2
Grants to other general governments capital	1,224.0	883.4	841.9	779.1
Interest	1,074.7	1,453.1	1,443.7	1,264.3
To non-residents	1,009.3	267.2	267.2	77.0
Interest to Non residents	65.5	267.2	267.2	77.0
To residents other than general government	65.5	1,185.9	1,176.5	51.8
Interest to residents other than general governments	65.5	1,185.9	1,176.5	51.8
Other expenses	127.4	408.7	410.6	87.2
Transfers not elsewhere classified	127.4	408.7	410.6	87.2
Other expense - Current transfers not elsewhere classified	127.4	408.7	410.6	87.2
3 Net Acquisition of Nonfinancial assets	1,916.7	1,936.1	1,511.4	1,701.1
Acquisition of Fixed assets (Buildings and Structures)	1,916.7	1,936.1	1,511.4	1,701.1
NFA:Fixed assets	1,916.7	1,874.2	1,438.3	1,701.1
NFA:Information, computer, & telecommunications equipment	24.2	20.8	27.3	12.7
NFA:Machinery & equipment other than transport equipment	22.7	24.7	27.2	24.2
NFA:Transport equipment	14.2	16.4	18.5	17.1
Out of scope for GFS coding purposes	0.2	-	-	5.0
Out of scope for GFS coding purposes	0.2	-	-	5.0
Out of scope for GFS coding purposes	0.2	-	-	5.0

Source: Department of Treasury

Table B (ii): General Budgetary Government Expenditure By Economic Classification

	2015 Actual	2016 Budget	2016 Supp. Budget	2016 Outcome
National Department	6,557.1	6,445.0	5,735.1	5,390.3
Compensation of Employees	2,133.8	2,138.6	2,168.5	2,394.5
Wages and salaries	1,832.7	1,794.8	1,826.7	1,980.1
Wages and salaries in cash	1,776.6	1,725.0	1,753.9	1,913.3
Wages and salaries in kind	56.1	69.8	72.7	66.8
Employers' social contributions	301.0	343.9	341.8	414.4
Actual social contributions	301.0	343.9	341.8	414.4
Use of goods and services	2,174.0	2,375.7	1,966.4	1,746.2
Use of goods and services	2,174.0	2,375.7	1,966.4	1,746.2
Grants	893.0	829.2	796.6	610.7
Grants to other general government units	893.0	829.2	796.6	610.7
Net Acquisition Nonfinancial assets	1,235.3	1,031.1	722.2	554.8
Acquisition of Fixed assets (Buildings and Structures)	1,235.3	1,031.1	722.2	554.8
NFA: Fixed assets	1,201.2	982.4	661.7	506.2
NFA: Information, computer, & telecommunications equipment	2.1	11.3	17.9	10.1
NFA: Machinery & equipment other than transport equipment	20.1	22.3	24.9	22.0
NFA: Transport equipment	11.9	15.1	17.7	16.5
Other expenses	120.8	70.4	81.5	79.2
Transfers not elsewhere classified	120.8	70.4	81.5	79.2
Other expense - Current transfers not elsewhere classified*	120.8	70.4	81.5	79.2
Out of scope for GFS coding purposes	0.2	-	-	5.0
Out of scope for GFS coding purposes	0.2	-	-	5.0
Provincial Administration	3,437.7	3,748.2	3,709.2	3,658.4
Compensation of Employees	1,457.8	1,405.1	1,405.1	1,641.7
Wages and salaries	1,453.1	1,405.1	1,405.1	1,641.7
Wages and salaries in cash	1,420.9	1,362.9	1,362.9	1,599.9
Wages and salaries in kind	32.2	42.2	42.2	41.8
Employers' social contributions	4.6	-	-	0.0
Actual social contributions	4.6	-	-	0.0
Use of goods and services	568.6	852.1	832.8	809.7
Use of goods and services	568.6	852.1	832.8	809.7
Grants	1,371.8	1,447.0	1,448.3	1,184.0
Grants to other general government units	1,371.8	1,447.0	1,448.3	1,184.0
Grants to other general governments current**	229.8	670.6	673.4	468.9
Grants to other general governments capital	1,142.0	776.4	774.9	715.1
Net Acquisition Nonfinancial assets	39.5	44.0	23.0	23.0
Acquisition of Fixed assets (Buildings and Structures)	39.5	44.0	23.0	23.0
NFA: Fixed assets	39.5	44.0	23.0	23.0
Autonomous Bougainville Administration	232.3	248.0	206.4	211.0
Compensation of Employees	103.5	106.2	106.2	113.9
Wages and salaries	103.1	106.2	106.2	113.9
Wages and salaries in cash	100.6	104.4	104.4	112.1
Wages and salaries in kind	2.5	1.8	1.8	1.8
Employers' social contributions	0.3	-	-	-
Actual social contributions	0.3	-	-	-
Use of goods and services	26.8	24.8	24.8	24.8
Use of goods and services	26.8	24.8	24.8	24.8
Grants	102.0	117.0	75.3	72.3
Grants to other general government units	102.0	117.0	75.3	72.3
Grants to other general governments current	20.0	10.0	8.3	8.3
Grants to other general governments capital	82.0	107.0	67.0	64.0
Commercial & Statutory Authority	667.5	777.6	640.1	624.6

Compensation of Employees	298.2	312.8	312.6	313.2
Wages and salaries	273.5	286.3	286.1	285.9
Wages and salaries in cash	265.4	276.7	276.5	276.4
Wages and salaries in kind	8.1	9.6	9.6	9.5
Employers' social contributions	24.8	26.5	26.5	27.3
Actual social contributions	24.8	26.5	26.5	27.3
Use of goods and services	185.3	205.7	193.6	185.0
Use of goods and services	185.3	205.7	193.6	185.0
Grants	23.5	39.4	18.2	18.2
Grants to other general government units	23.5	39.4	18.2	18.2
Net Acquisition Nonfinancial assets	153.8	202.4	107.6	100.2
Acquisition of Fixed assets (Buildings and Structures)	153.8	202.4	107.6	100.2
NFA:Fixed assets	140.3	198.7	104.5	97.3
NFA:Machinery & equipment other than transport equipment	2.6	2.3	2.3	2.2
NFA:Transport equipment	2.3	1.3	0.7	0.7
Information, computer, and telecommunications (ICT) equipment	8.6	-	-	-
Other expenses	6.7	17.3	8.1	8.0
Transfers not elsewhere classified	6.7	17.3	8.1	8.0
Other expense - Current transfers not elsewhere classified	6.7	17.3	8.1	8.0
Interest Payment	1,074.7	1,479.6	1,479.6	1,264.3
Use of goods and services	4.8	26.5	35.9	16.2
Use of goods and services	4.8	26.5	35.9	16.2
Interest	1,069.9	1,453.1	1,443.7	1,248.1
To residents other than general government	1,069.9	1,185.9	1,176.5	1,171.1
Interest to residents other than general governments	65.5	1,185.9	1,176.5	1,171.1
To non-residents	-	267.2	267.2	77.0
Interest to non-residents	-	267.2	267.2	77.0
Grand Total (GoPNG)	11,969.3	12,698.4	11,770.4	11,148.6
Concessional Loans	707.3	930.1	930.1	993.8
Donor Support Grants	819.5	1,134.2	1,134.2	1,430.0
Total Expenditure and Net Lending	13,496.1	14,762.6	13,834.6	13,572.4

Source: Department of Treasury

***2014 GFS Expenditure Inclusive of GST & Bookmakers Turnover tax to Provinces.*

2015 Expenditure is in 1986 GFS reporting to be in line with the 2015 Final Budget Outcome. 1986 GFS captures only the GST component to WPA.

The ITC and Recoveries are captured in Other Expense for 2015

Table C: Transactions In Assets And Liabilities For General Government

(Kina in ,Millions otherwise stated)	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
Net acquisition of financial assets	-348.9	-1,847.2	-1,847.2	0.0
Domestic	-348.9	-1,847.2	-1,847.2	0.0
Monetary gold and special drawing rights (SDR's)				
Currency and deposits	-292.8	-1,784.6	-1,784.6	
Debt securities				
Loans				
Equity and investment fund shares	0.0	0.0	0.0	0.0
Insurance, pension, and standardized guarantee schemes				
Financial derivatives and employee stock options				
Other accounts receivable	-56.1	-62.6	-62.6	0.0
External	0.0	0.0	0.0	0.0
Monetary gold and special drawing rights (SDR's)				
Currency and deposits				
Debt securities				
Loans				
Other accounts receivable				
Net incurrence of liabilities	2,601.8	2,029.6	2,029.6	3,943.9
Domestic	2,080.8	-1,502.0	-1,502.0	2,494.9
Monetary gold and special drawing rights (SDR's)				
Currency and deposits				
Debt securities	2,080.8	-1,502.0	-1,502.0	2,494.9
New instruments	10,970.2	8,150.0	8,150.0	14,117.7
Amortisation	8,889.3	9,652.0	9,652.0	11,622.8
<i>Treasury Bills</i>	1,075.5	-1,938.0	-1,938.0	1,934.2
<i>New instruments</i>	9,473.8	7,250.0	7,250.0	13,092.9
<i>Amortisation</i>	8,398.3	9,188.0	9,188.0	11,158.8
<i>Treasury Bonds</i>	1,005.3	436.0	436.0	560.8
<i>New instruments</i>	1,496.4	900.0	900.0	1,024.8
<i>Amortisation</i>	491.1	464.0	464.0	464.0
Other accounts payable	0.0	0.0	0.0	0.0
External	521.0	3,531.6	3,531.6	1,448.9
Monetary gold and special drawing rights (SDR's)	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0
Debt securities	0.0	2,800.0	2,800.0	0.0
New instruments	0.0	2,800.0	2,800.0	0.0
Amortisation	0.0	0.0	0.0	0.0
<i>Concessional financing</i>	0.0	0.0	0.0	0.0
<i>New instruments</i>	0.0	0.0	0.0	0.0
<i>Amortisation</i>	0.0	0.0	0.0	0.0
<i>Commercial financing</i>	0.0	0.0	0.0	0.0
<i>New instruments</i>	0.0	0.0	0.0	0.0
<i>Amortisation</i>	0.0	0.0	0.0	0.0
<i>Extraordinary financing</i>	0.0	2,800.0	2,800.0	0.0
<i>New instruments</i>	0.0	2,800.0	2,800.0	0.0
<i>Amortisation</i>	0.0	0.0	0.0	0.0
Loans	521.0	731.6	731.6	1,448.9
New borrowing	707.3	930.1	930.1	1,680.7
Amortisation	186.3	198.5	198.5	231.7
<i>Concessional financing</i>	567.7	765.5	765.5	803.6
<i>New borrowing</i>	707.3	930.1	930.1	993.8
<i>Amortisation</i>	139.6	164.6	164.6	190.2
<i>Commercial financing</i>	0.0	0.0	0.0	686.8
<i>New borrowing</i>	0.0	0.0	0.0	686.8
<i>Amortisation</i>	0.0	0.0	0.0	0.0
<i>Extraordinary financing</i>	-46.7	-33.9	-33.9	-41.5
<i>New borrowing</i>	0.0	0.0	0.0	0.0
<i>Amortisation</i>	46.7	33.9	33.9	41.5
Insurance, pension, and standardized guarantee schemes	0.0	0.0	0.0	0.0
Financial derivatives and employee stock options	0.0	0.0	0.0	0.0
Other accounts payable	0.0	0.0	0.0	0.0

Source: Department of Treasury

1. Central government representing National, Provincial and Local Level Governments, Autonomous Bougainville Government and Commercial and Statutory Authorities

Table D: Statement of Operations For The General Government Of Papua New Guinea

(Kina, Million)	2015 Actual	2016 Budget	2016 Supp. Budget	2016 Outcome
TRANSACTIONS AFFECTING NET WORTH:				
Revenue¹	10,963.5	12,650.2	11,721.5	10,485.5
Taxes	8,804.6	10,525.6	8,825.8	8,421.6
Grants	819.5	1,134.1	1,134.1	1,430.1
Other revenue	1,339.4	990.4	1,761.6	633.9
<i>Revenue as percentage of GDP</i>	<i>17.6%</i>	<i>18.8%</i>	<i>17.4%</i>	<i>15.6%</i>
Expense²	12,067.7	13,485.1	12,981.8	12,894.4
Compensation of employees	3,662.8	3,592.4	3,624.1	4,021.6
Use of goods and services	2,959.5	3,484.7	3,053.4	2,781.9
Interest	1,069.9	1,453.1	1,443.7	1,248.1
Grants	3,917.0	4,496.8	4,402.7	4,309.0
Social benefits	330.8	370.4	368.3	441.8
Other expense	127.7	87.7	89.6	92.1
<i>Expense as percentage of GDP</i>	<i>19.8%</i>	<i>20.0%</i>	<i>19.3%</i>	<i>19.1%</i>
Gross operating balance	-1,323.7	-834.9	-1,260.0	-2,409.0
TRANSACTIONS IN NONFINANCIAL ASSETS:				
Net/gross investment in nonfinancial assets	1,428.7	1,277.5	852.8	677.9
Fixed Assets	1,428.7	1,277.5	852.8	677.9
Non-produced Assets	-	-	-	-
Total Expenditure	13,496.4	14,762.6	13,834.6	13,572.4
Net lending (+) / Net borrowing (-)	-2,532.6	-2,112.5	-2,112.5	-3,086.9
<i>Net lending/borrowing as percentage of GDP</i>	<i>-4.1%</i>	<i>-3.1%</i>	<i>-3.1%</i>	<i>-4.6%</i>
TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING):				
Net acquisition of financial assets	-68.9	-82.8	-83.1	843.3
Domestic	-68.9	-82.8	-83.1	843.3
External	-	-	-	-
Net incurrence of liabilities	2,601.8	2,029.6	2,029.6	3,943.9
Domestic	2,080.8	-1,502.0	-1,502.0	2,494.9
External	521.0	3,531.6	3,531.6	1,448.9
Net cash inflow from financing activities	-2,670.7	-1,946.8	-1,946.5	4,800.8
<i>Net cash inflow as percentage of GDP</i>	<i>-4.3%</i>	<i>-2.9%</i>	<i>-2.9%</i>	<i>-7.1%</i>
Net change in the stock of cash	-5,203.6	-4,059.2	-4,058.9	7,887.8
Gross Domestic Product³	62,157.8	67,399.0	67,399.0	67,399.0

Source: Department of Treasury

1. Central government representing National, Provincial and Local Level Governments, Autonomous Bougainville Government and Commercial and Statutory Authorities. The statement is produced to reflect transactions on a modified cash basis of accounting and includes in-kind related transactions.
2. Include items that may require reclassification due to interfaces from the legacy systems, (The Provincial Government Accounting System, ALESCO payroll and the Department of Public Works and Implementation, Oracle system).
3. Total nominal GDP by economic activity, Actual: National Statistics Office and Projections: Treasury Department recent update available on Treasury website

Table E: Statement of Sources and Uses of Cash for the General Government of Papua New Guinea¹

(Kina Million)	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
CASH FLOWS FROM OPERATING ACTIVITIES:				
Revenue cash flows	10,069.2	11,606.7	10,678.9	9,055.4
Taxes	8,898.5	10,525.6	8,826.1	8,421.6
Grants	19.2	90.6	90.5	0.0
Other Revenue	1,245.5	990.4	1,761.9	633.9
<i>Revenue as percentage of GDP</i>	<i>16.2%</i>	<i>17.2%</i>	<i>15.8%</i>	<i>13.4%</i>
Expense cash flows²	10,858.4	11,947.8	11,443.6	10,902.7
Compensation of employees	3,563.9	3,469.0	3,497.8	3,901.7
Use of goods and services	2,959.5	3,484.7	3,053.4	2,781.9
Interest	1,069.9	1,453.1	1,443.7	1,248.1
Grants	3,137.4	3,453.3	3,359.1	2,878.9
Social benefits				
Other payments	127.7	87.7	89.6	92.1
<i>Expense as percentage of GDP</i>	<i>-1.4%</i>	<i>-0.5%</i>	<i>-1.1%</i>	<i>-2.7%</i>
<i>Net cash inflow from operating activities</i>	<i>-789.2</i>	<i>-341.2</i>	<i>-765.1</i>	<i>-1,847.4</i>
CASH FLOWS FROM TRANSACTIONS IN NONFINANCIAL ASSETS:				
Net cash outflow from investment in nonfinancial assets	1,428.7	1,277.5	852.8	677.9
Fixed assets	1,428.7	1,277.5	852.8	677.9
Inventories	-	-	-	-
Expenditure cash flows	12,287.0	13,225.3	12,296.4	11,580.6
Cash surplus (+) / Cash deficit (-)	-2,103.2	-1,618.6	-1,617.8	-2,525.3
Surplus/Deficit as percentage of GDP	-3.4%	-2.4%	-2.4%	-3.7%
CASH FLOWS FROM TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING):				
Net acquisition of financial assets other than cash	68.9	-82.8	-83.2	857.0
Domestic	68.9	-82.8	-83.2	857.0
External	-	-	-	-
Net incurrence of liabilities	2,601.8	2,029.6	2,029.6	3,943.9
Domestic	2,080.8	-1,502.0	-1,502.0	2,494.9
External	521.0	3,531.6	3,531.6	1,448.9
Net cash inflow from financing activities	-2,532.6	-2,112.5	-2,112.5	-3,086.9
<i>Net cash inflow as percentage of GDP</i>	<i>-4.1%</i>	<i>-3.1%</i>	<i>-3.1%</i>	<i>-4.6%</i>
Net change in the stock of cash	-4,636.1	-3,731.1	-3,730.6	-5,612.2
Gross Domestic Product³	62,157.8	67,399.0	67,399.0	67,399.0

Source: Department of Treasury

1. Central government representing National, Provincial and Local Level Governments, Autonomous Bougainville Government and Commercial and Statutory Authorities. The statement is produced to reflect transactions on a modified cash basis of accounting and includes in-kind related transactions.
2. Include items that may require reclassification due to interfaces from the legacy systems, (The Provincial Government Accounting System, ALESCO payroll and the Department of Public Works and Implementation, Oracle system).
3. Total nominal GDP by economic activity, Actual: National Statistics Office and Projections: Treasury Department.

Table F: Stocks in General Government Debt

(Kina, Million, unless otherwise stated)	2015 Actuals	2016 Budget	2016 Supp. Budget	2016 Outcome
Domestic	13,942.0	12,361.5	12,129.8	16,436.9
Debt securities	13,942.0	12,361.5	12,129.8	16,436.9
<i>Treasury Bills</i>	6,729.4	4,729.2	4,481.2	8,663.5
<i>Treasury Bonds</i>	7,212.6	7,632.3	7,648.6	7,773.4
Loans	0.0	0.0	0.0	0.0
External	4,058.1	7,383.7	7,949.5	5,507.1
Debt securities	0.0	2,800.0	1,576.3	0.0
<i>Concessional financing</i>	0.0	0.0	0.0	0.0
<i>Commercial financing</i>	0.0	0.0	0.0	0.0
<i>Extraordinary financing</i>	0.0	2,800.0	1,576.3	0.0
Loans	4,058.1	4,583.7	4,756.6	5,507.1
<i>Concessional financing</i>	4,058.1	4,583.7	1,616.6	4,861.7
<i>Commercial financing</i>	0.0	0.0	0.0	686.8
<i>Extraordinary financing</i>	0.0	0.0	0.0	-41.5
Total Central Government Debt	18,000.1	19,745.2	20,079.3	21,944.0
<i>Total debt as percentage of GDP</i>	29.0%	29.3%	29.3%	32.6%
Gross Domestic Product¹	62,157.8	67,399.0	67,399.0	67,399.0

Source: Department of Treasury

1. Total nominal GDP by economic activity, Actual: National Statistics Office and Projections: Treasury Department recent update available on Treasury website.

PART 2

FINAL BUDGET OUTCOME BY AGENCY

2.1 Introduction

This section of the FBO summarises agencies' final expenditure for the 2016 Financial Year. The 2016 FBO reports expenditure as an integrated Budget. That is, the Operational and the Capital expenditures combined. Data reported in this part, Part 2, is sourced from the Integrated Financial Management System (IFMS) using GFS 1986 standard so to be consistent with the 2016 Appropriation Bill.

The total 2016 Original Budget was K14,208.8 million. This was reduced by K928.0 million to K13,280.8 million through the Supplementary Budget. Both the 2016 Original and Supplementary Budgets are inclusive of Interest Payments but does not factor in the allocation for Amortisation under Debt Interest. All discussions in this section is based on the Supplementary Budget in particular the GoPNG funded component.

The total revised GoPNG funded appropriation in 2016 was K11,216.6 million. The total actual expenditure outcome in 2016 was K10,795.5 million which translates to a total underspending of K421.2 million against the total revised appropriation. This is a 3.8 per cent decrease from the 2015 FBO which was K582.3 million.

2.2 2016 Expenditure Outcome

The 2016 Budget funded a total of 141 government agencies that were subsumed into nine (9) sectors. However, for budgeting and accounting purposes, Debt Interest and Miscellaneous items are included to show the total expenditure as depicted in Table 19.

Table 19: GoPNG Funded Expenditure by Sectors (Kina, Millions)

Sectors	2016 Budget	2016 Reduction	2016 Supp. Budget	SA	Section 4	Total Exp	Expense Variance
Administration	1,097.9	(153.5)	1,151.3	72.7	(66.0)	1,055.1	96.1
Community & Culture	95.4	(10.3)	88.5	1.7	4.5	75.6	12.9
Debt Interest ⁹	1,479.6	0.0	1,479.6	0.0	0.0	1,264.3	215.3
Economic	485.6	(166.4)	339.1	3.9	22.1	324.6	14.6
Education	1,211.7	(69.3)	622.2	0.0	832.2	555.3	66.9
Health	1,227.5	(27.7)	1,195.7	0.0	42.5	1,064.3	131.4
Law & Justice	1,186.9	(23.0)	1,212.9	11.8	40.6	1,282.7	(69.8)
Miscellaneous	1,051.6	(142.3)	1,131.8	8.6	(960.8)	1,047.5	84.3
Provinces	3,442.5	(90.2)	3,361.8	1.2	62.0	3,516.3	(154.5)
Transport	782.8	(235.9)	576.9	0.0	23.0	558.2	18.7
Utilities	83.3	(9.5)	56.8	0.0	0.0	51.6	5.2
Grand Total	12,144.6	(928.0)	11,216.6	100.0	0.0	10,795.5	421.2

Source: IFMS

⁹ Information sourced from IFMS and Treasury. It includes interest payments as well as other fees and charges related to debt.

Of the nine sectors, the Provinces sector was the highest spender with K3,516.3 million or 32.6 per cent of the total expenditure. The Law and Justice Sector was the second highest with K1,282.7 million or 11.9 per cent followed by Health Sector with K1,064.3 million or 9.9 per cent of the total expenditure. The two least spending sectors were, Community and Culture and Utilities sectors. Tables 21 to 31 provide detailed expenditures of each sector.

The 'Expense Variance' column in Table 19 depicts a sector's 'Expenditure/Outcome' as at 31 December 2016 against its revised Appropriation and Transfers. It provides critical information on the magnitude of over or underspending against the appropriation for each sector. Section 2.3 below provides further elaboration on the Transfers.

2.3 Section 3 And Section 4 Transfers

Section 3 (Secretary's Advance) and Section 4 of the Appropriation Act allows agencies to transfer funding when required for any critical unforeseen funding as shown above in Table 18. Section 3 and Section 4 Transfers can occur from one agency to another or from one budget item to another within an agency. Detailed transfers are presented in Tables 33 and 34.

2.3.1 Section 3 Secretary's Advance

In 2016, a total of K100.0 million was allocated for Section 3 movements under the Secretary's Advance. Overall, K19.0 million or 19.0 per cent of the Secretary's Advance was expended in the first quarter of 2016. By the end of the second quarter K48.2 million or 48.2 per cent was expended. The months of March, April and May recorded the highest amount of transfers with K12.3 million or 12.3 per cent, K26.5 million or 26.5 per cent and K16.0 million or 16 per cent respectively. Funding to support agencies operations was by far the largest item committed at K62.0 million or 62.0 per cent, followed by funding of unforeseen capital investment at K16.3 million or 16.3 per cent and funding to meet Ministerial Commitments of K5.5 million or 6.0 per cent.

2.3.2 Section 4

A total of K1,309.8 million was transferred between and within sectors last year. The highest transfers were recorded under Miscellaneous then followed by the Education Sector. The Miscellaneous transfers covered important government initiatives such as TFF Education, outstanding utilities bills, funding for Electoral Commission for preparation of 2017 General Election, Law and Order matters, Superannuation obligations and transfer between GS and PE and others. In 2016, there had been significant amount of funds transferred between GS and PE to cater for shortfalls in PE. Agencies and provinces are working closely with the relevant central agencies to rectify this matter. Table 20 provides a summary of the Section 4 transfers.

Table 20: Section 4 Transfers by Sectors (Kina, Millions)

Transfer In (Sectors)	Amount In	Transfer Out (Sector)	Amount Out	Net Transfers
Administration	132.9	Administration	(198.8)	(66.0)
Community & Culture	4.5	Community & Culture	0.0	4.5
Economic	22.1	Economic	0.0	22.1
Education	832.5	Education	(0.3)	832.2
Health	42.5	Health	0.0	42.5
Law & Justice	40.7	Law & Justice	(0.1)	40.6
Miscellaneous	149.7	Miscellaneous	(1,110.5)	(960.8)

Provinces	62.0	Provinces	0.0	62.0
Transport	23.0	Transport	0.0	23.0
Grand Total	1,309.8	Grand Total	(1,309.8)	0.0

Source: IFMS

2.4 Variance Of 2016 Budget Outcome

In 2016, there was a total underspending of K892.1 million (Goods and Services - K676.8 million, and Debt repayment - K215.3 million). However, this was reduced by K471.0 million overspending in PE budget. As a result, the total variance in 2016 was K421.2 million.

Table 21: GoPNG Funded Expenditure by Category (Kina, Millions)

Expenditure by Cat & Type	2016 Budget	2016 Supp. Budget	Total Exp	Expense Variance
Personnel Emoluments	3,962.8	3,992.4	4,463.4	(471.0)
Provinces	1,511.3	1,511.3	1,745.0	(233.7)
Nat. Depts & Statutory Authorities	2,451.4	2,481.1	2,718.3	(237.3)
Goods & Services	6,702.3	5,744.6	5,067.8	676.8
Acquisition of Existing Assets	19.5	7.3	7.3	0.0
Capital Formation	1,264.9	850.4	675.3	175.2
Capital Transfers	883.4	841.9	779.1	62.9
Goods & Services	2,071.3	1,659.9	1,450.3	209.7
Grants Subsidies and Transfers	1,704.2	1,655.2	1,452.1	203.1
Utilities, Rentals and Property Costs	758.9	729.9	698.9	30.9
Write Offs and Depreciation	0.0	0.0	4.9	(4.9)
Debt Interest	1,479.6	1,479.6	1,264.3	215.3
Debt Interest	1,479.6	1,479.6	1,264.3	215.3
Grand Total	12,144.6	11,216.6	10,795.5	421.2

Source: IFMS

Pressure exerted from the PE budget keeps increasing every year and this is a real concern. Relative to the 2015 FBO, the PE overspending has increased by K319.4 million or 210.0 per cent (from K151.6 million to K471.0 million).

To address this issue, all levels of Government are required to co-operate with the work undertaken by the Central Agencies through the Organisational Staffing and Personal Emolument Audit Committee (OSPEACs).

2.5 Detailed Expenditure

In total there are 17 expenditure tables. To appreciate each of them, a brief summary is provided below for clarity purposes.

- Table 22 to 32 shows the details of the expenditures incurred by the eleven (11) government funded Sectors. It mainly captures individual agencies Operational expenditure (PE and G&S) under each Sector as well as the Section 3 and 4 Transfers resulting from the 2016 Supplementary Budget reductions. Tables 33 and 34 summarises the transactions that occurred in 2016 under the Secretary's Advance and Transfers.

- Attachment A-C shows the detailed Operational Expenditure (PE and G&S) for individual agencies that are classified under the three different types of government agencies.
- Attachment D shows individual Provinces Operational expenditure (PE and G&S) using their Grants.

Table 22: Administration Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
201 - National Parliament	147,488,350	-2,194,793	145,293,557			144,605,300	688,257
Supplementary Budget		-2,194,793					-
Personnel Emoluments	105,512,750		105,512,750			105,512,650	100
Goods & Services	41,975,600		39,780,807			39,092,650	688,157
202 - Office of Governor-General	5,229,011	-157,013	5,501,998		-430,000	5,279,318	222,680
Transfers					-430,000		-
Supplementary Budget		-157,013					-
Personnel Emoluments	2,522,311		2,573,811			2,351,131	222,680
Goods & Services	2,706,700		2,928,187			2,928,186	1
203 - Department of Prime Minister & NEC	108,339,623	-36,526,098	146,113,525	1,200,000	-135,100,000	117,676,512	28,437,012
Transfers					-135,100,000		-
Supplementary Budget		-36,526,098					-
Secretary's Advance			-	1,200,000			-
Personnel Emoluments	53,142,023		53,142,023			55,066,829	-1,924,806
Goods & Services	55,197,600		92,971,502			62,609,683	30,361,818
204 - National Statistical Office	10,401,908	-432,830	9,969,078	1,100,000	-1,100,000	11,710,089	-1,741,011
Transfers					-1,100,000		-
Supplementary Budget		-432,830					-
Secretary's Advance			-	1,100,000			-
Personnel Emoluments	4,899,408		4,899,408			6,794,141	-1,894,733
Goods & Services	5,502,500		5,069,670			4,915,948	153,722
205 - Office of Bougainville Affairs	3,388,028	-234,715	3,153,313			3,958,832	-805,519
Supplementary Budget		-234,715					-
Personnel Emoluments	1,933,428		2,013,428			2,904,355	-890,927
Goods & Services	1,454,600		1,139,885			1,054,476	85,408
206 - Department of Finance	49,376,145	-5,136,730	53,636,316	250,000	-17,163,800	52,900,120	736,196
Transfers					-17,163,800		-
Supplementary Budget		-5,136,730					-
Secretary's Advance			-	250,000			-
Personnel Emoluments	20,597,349		20,837,249			22,960,532	-2,123,283
Goods & Services	28,778,796		32,799,067			29,939,588	2,859,479
208 - Department of Treasury	150,375,303	-41,510,061	180,918,642	45,949,900	11,230,900	138,527,516	42,391,126
Transfers					11,230,900		-
Supplementary Budget		-41,510,061					-
Secretary's Advance			-	45,949,900			-
Personnel Emoluments	20,954,903		20,732,903			13,900,350	6,832,553
Goods & Services	129,420,400		160,185,739			124,627,165	35,558,573
209 - Registrar For Political Parties	7,753,832	-388,528	7,365,304			7,648,541	-283,237

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
Supplementary Budget		-388,528					-
Personnel Emoluments	5,084,532		4,599,232			4,904,738	-305,506
Goods & Services	2,669,300		2,766,072			2,743,803	22,269
211 - PNG Customs Service	59,631,721	-7,187,729	52,443,992			36,890,236	15,553,756
Supplementary Budget		-7,187,729					-
Personnel Emoluments	29,023,521		29,635,521			30,597,141	-961,620
Goods & Services	30,608,200		22,808,471			6,293,095	16,515,376
212 - Information Technology Division	18,340,042	-1,548,894	16,756,148		2,993,800	15,827,107	929,041
Transfers					2,993,800		-
Supplementary Budget		-1,548,894					-
Personnel Emoluments	5,888,617		5,853,617			2,851,817	3,001,800
Goods & Services	12,451,425		10,902,531			12,975,290	-2,072,759
213 - Fire Services	29,015,004	-12,561,250	16,453,754			20,758,398	-4,304,644
Supplementary Budget		-12,561,250					-
Personnel Emoluments	11,398,104		11,698,104			17,108,395	-5,410,291
Goods & Services	17,616,900		4,755,650			3,650,003	1,105,647
215 - PNG Immigration and Citizenship Services	10,016,508		10,016,508			12,555,519	-2,539,011
Personnel Emoluments	10,016,508		10,016,508			12,555,519	-2,539,011
216 - Internal Revenue Commission	74,992,480	-2,940,841	72,051,640			65,475,446	6,576,194
Supplementary Budget		-2,940,841					-
Personnel Emoluments	33,841,780		33,957,780			36,451,747	-2,493,967
Goods & Services	41,150,700		38,093,860			29,023,699	9,070,160
217 - Department of Foreign Affairs and Trade	59,931,794	-2,560,080	59,427,414	1,000,000	13,453,600	47,883,358	11,544,056
Transfers					13,453,600		-
Supplementary Budget		-2,560,080					-
Secretary's Advance			-	1,000,000			-
Personnel Emoluments	33,061,425		36,561,425			25,527,868	11,033,557
Goods & Services	26,870,369		22,865,989			22,355,490	510,499
219 - PNG Institute of Public Administration	10,162,631	-1,036,287	9,126,345			9,774,197	-647,853
Supplementary Budget		-1,036,287					-
Personnel Emoluments	5,242,831		5,242,831			5,959,095	-716,264
Goods & Services	4,919,800		3,883,514			3,815,102	68,412
220 - Department of Personnel Management	22,077,797	-1,273,830	21,734,282		1,860,629	19,170,685	2,563,597
Transfers					1,860,629		-
Supplementary Budget		-1,273,830					-
Personnel Emoluments	16,349,297		15,582,612			13,110,156	2,472,456
Goods & Services	5,728,500		6,151,670			6,060,529	91,141

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
221 - Public Service Commission	6,435,483	-285,066	6,150,417	80,000	80,000	5,881,243	269,174
Transfers					80,000		-
Supplementary Budget		-285,066					-
Secretary's Advance			-	80,000			-
Personnel Emoluments	5,261,083		5,161,083			4,895,006	266,077
Goods & Services	1,174,400		989,334			986,237	3,097
227 - Provincial Treasuries	45,153,661	-3,113,093	42,040,568			46,436,789	-4,396,221
Supplementary Budget		-3,113,093					-
Personnel Emoluments	35,689,679		35,689,679			41,233,790	-5,544,111
Goods & Services	9,463,982		6,350,889			5,202,999	1,147,890
229 - Department of National Planning and Monitoring	102,085,979	-17,568,771	84,517,208		-1,200,000	84,252,346	264,862
Transfers					-1,200,000		-
Supplementary Budget		-17,568,771					-
Personnel Emoluments	11,084,167		11,084,167			11,519,904	-435,737
Goods & Services	91,001,812		73,433,041			72,732,442	700,599
230 - Electoral Commission	21,741,378	-5,076,805	47,164,573	20,500,000	28,000,000	48,538,290	-1,373,717
Transfers					28,000,000		-
Supplementary Budget		-5,076,805					-
Secretary's Advance			-	20,500,000			-
Personnel Emoluments	6,712,279		7,364,498			6,277,625	1,086,873
Goods & Services	15,029,099		39,800,075			42,260,665	-2,460,590
232 - Provincial and Local Government Affairs	18,226,881	-3,099,605	29,127,276		28,360,000	28,921,114	206,162
Transfers					28,360,000		-
Supplementary Budget		-3,099,605					-
Personnel Emoluments	9,690,184		23,220,184			23,161,093	59,091
Goods & Services	8,536,697		5,907,092			5,760,021	147,071
262 - Department of Industrial Relations	33,431,144	-5,210,071	28,457,074	1,144,600		29,294,306	-837,233
Supplementary Budget		-5,210,071					-
Secretary's Advance				1,144,600			-
Personnel Emoluments	14,308,898		14,308,898			14,892,453	-583,555
Goods & Services	19,122,246		14,148,176			14,401,853	-253,678
263 - National Tripartite Consultative Council	862,859	-59,439	803,420			630,338	173,082
Supplementary Budget		-59,439					-
Personnel Emoluments	519,953		519,953			359,972	159,981
Goods & Services	342,906		283,467			270,366	13,101
267 - Department of Implementation and Rural Development	65,629,697	-669,522	66,460,175		3,000,000	64,826,054	1,634,121
Transfers					3,000,000		-

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
Supplementary Budget		-669,522					-
Personnel Emoluments	7,688,493		7,688,493			6,122,342	1,566,151
Goods & Services	57,941,204		58,771,682			58,703,712	67,971
268 - Central Supply & Tenders Board	2,727,530	-261,556	3,965,974	1,500,000		3,875,849	90,125
Supplementary Budget		-261,556					-
Secretary's Advance			-	1,500,000			-
Personnel Emoluments	1,544,941		1,544,941			1,827,822	-282,881
Goods & Services	1,182,589		2,421,033			2,048,027	373,006
502 - Office of the Auditor-General	23,927,754	-1,640,985	22,286,769			22,286,769	0
Supplementary Budget		-1,640,985					-
Personnel Emoluments	13,913,315		13,913,315			13,913,315	-
Goods & Services	10,014,439		8,373,454			8,373,454	0
506 - National Training Council	2,492,045	-153,884	2,338,161			2,629,352	-291,191
Supplementary Budget		-153,884					-
Personnel Emoluments	1,014,700		1,014,700			1,306,252	-291,552
Goods & Services	1,477,345		1,323,461			1,323,100	361
507 - National Economic & Fiscal Commission	3,498,475	-97,693	3,400,782			2,714,467	686,315
Supplementary Budget		-97,693					-
Personnel Emoluments	1,954,986		1,759,886			1,073,571	686,315
Goods & Services	1,543,489		1,640,896			1,640,896	0
509 - Border Development Authority (BDA)	5,173,107	-579,225	4,593,882			4,188,635	405,247
Supplementary Budget		-579,225					-
Personnel Emoluments	2,210,378		2,210,378			1,806,040	404,338
Goods & Services	2,962,729		2,383,504			2,382,595	909
Administration Sector Total (K)	1,097,906,170	-153,505,392	1,151,268,093	72,724,500	-66,014,871	1,055,116,726	96,151,367

Source: Department of Treasury

Table 23: Community & Culture Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
233 - Office of Censorship	3,675,840	(261,813)	3,414,027			3,065,945	348,082
Supplementary Budget		(261,813)					-
Personnel Emoluments	2,675,840		2,675,840			2,338,226	337,614
Goods & Services	1,000,000		738,187			727,719	10,468
237 - PNG National Commission for UNESCO	3,062,017	(218,970)	2,521,474		321,574	860,200	1,661,273
Transfers					321,574		-
Supplementary Budget		(218,970)					-
Personnel Emoluments	2,194,355		2,116,355			860,200	1,256,155
Goods & Services	867,662		405,119			-	405,119
242 - Department of Community Development	13,928,930	(470,397)	16,058,533	500,000	4,200,000	14,506,475	1,552,058
Transfers					4,200,000		-
Supplementary Budget		(470,397)					-
Secretary's Advance			-	500,000			-
Personnel Emoluments	9,958,030		8,638,030			7,102,842	1,535,188
Goods & Services	3,970,900		7,420,503			7,403,633	16,870
243 - National Volunteer Services	1,882,502	(3,437)	2,039,065	160,000		1,680,661	358,404
Supplementary Budget		(3,437)					-
Secretary's Advance			-	160,000			-
Personnel Emoluments	1,584,878		1,584,878			1,306,474	278,404
Goods & Services	297,624		454,187			374,187	80,000
246 - Office of Urbanization	1,753,723	(55,582)	1,698,141			2,360,837	(662,696)
Supplementary Budget		(55,582)					-
Personnel Emoluments	1,501,704		1,501,704			2,168,491	(666,787)
Goods & Services	252,019		196,437			192,345	4,092
516 - Papua New Guinea Sports Foundation	50,511,550	(8,792,814)	41,718,736			39,355,226	2,363,509
Supplementary Budget		(8,792,814)					-
Personnel Emoluments	6,813,461		6,813,461			4,449,951	2,363,510
Goods & Services	43,698,089		34,905,275			34,905,275	(0)
521 - National Youth Commission	4,137,142	(251,612)	3,885,530			3,924,028	(38,498)
Supplementary Budget		(251,612)					-
Personnel Emoluments	1,818,242		1,818,242			1,856,740	(38,498)
Goods & Services	2,318,900		2,067,288			2,067,288	0

Table 23: Community & Culture Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
539 - National Museum and Art Gallery	11,773,964	(191,985)	11,581,979			4,543,655	7,038,325
Supplementary Budget		(191,985)					-
Personnel Emoluments	3,512,400		3,512,400			2,714,416	797,984
Goods & Services	8,261,564		8,069,579			1,829,239	6,240,341
542 - National Cultural Commission	4,669,020	(76,251)	5,592,769	1,000,000		5,329,394	263,375
Supplementary Budget		(76,251)					-
Secretary's Advance			-	1,000,000			-
Personnel Emoluments	3,183,070		3,183,070			2,919,695	263,375
Goods & Services	1,485,950		2,409,699			2,409,699	1
Community & Culture Sector Total (K)	95,394,688	(10,322,860)	88,510,254	1,660,000	4,521,574	75,626,422	12,883,833

Source: Department of Treasury

Table 24 Debt Interest

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
299 - Treasury and Finance - Public Debt Charges	1,479,565,158		1,479,565,158			1,264,280,813.74	215,284,344
Debt Interest	1,479,565,158		1,479,565,158			1,264,280,813.74	215,284,344
Debt Interest Total (K)	1,479,565,158		1,479,565,158			1,264,280,813.74	215,284,344

Table 25: Economic Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
245 - Conservation and Environment Protection Authority	16,532,507	(1,011,492)	15,521,015			15,188,469	332,546
Supplementary Budget		(1,011,492)					-
Personnel Emoluments	6,626,748		6,626,748			7,175,062	(548,314)
Goods & Services	9,905,759		8,894,267			8,013,406	880,861
247 - Department of Agriculture and Livestock	17,815,575	(599,905)	18,215,671		1,000,000	14,128,445	4,087,225
Transfers					1,000,000		-
Supplementary Budget		(599,905)					-
Personnel Emoluments	12,889,643		12,889,643			9,630,462	3,259,181
Goods & Services	4,925,932		5,326,028			4,497,983	828,044
252 - Department of Lands and Physical Planning	39,596,665	(9,292,588)	30,304,077			29,577,839	726,237
Supplementary Budget		(9,292,588)					-
Personnel Emoluments	16,618,962		16,618,962			16,087,893	531,069
Goods & Services	22,977,703		13,685,115			13,489,946	195,169
254 - Department of Mineral Policy and Geohazards Management	11,695,800	(3,491,027)	10,204,773	2,000,000		9,961,383	243,390
Supplementary Budget		(3,491,027)					-
Secretary's Advance			-	2,000,000			-
Personnel Emoluments	5,522,668		5,522,668			5,317,304	205,364
Goods & Services	6,173,132		4,682,105			4,644,079	38,027
255 - Department of Petroleum and Energy	47,537,026	(17,420,116)	38,476,910		8,360,000	30,494,286	7,982,625
Transfers					8,360,000		-
Supplementary Budget		(17,420,116)					-
Personnel Emoluments	11,426,447		11,026,447			9,717,133	1,309,314
Goods & Services	36,110,579		27,450,463			20,777,153	6,673,311
261 - Department of Commerce and Industry	26,143,883	(4,327,493)	21,816,390			17,904,720	3,911,670
Supplementary Budget		(4,327,493)					-
Personnel Emoluments	9,201,650		9,201,650			6,840,463	2,361,187
Goods & Services	16,942,233		12,614,740			11,064,257	1,550,483
269 - Office of Tourism Arts and Culture	51,843,913	(45,088,603)	6,755,311			6,479,836	275,475
Supplementary Budget		(45,088,603)					-
Personnel Emoluments	889,225		889,225			717,464	171,761

Table 25: Economic Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
Goods & Services	50,954,688		5,866,086			5,762,372	103,714
501 - Konebada Petroleum Park Authority	6,447,100	(54,576)	6,392,525			6,392,524	1
Supplementary Budget		(54,576)					-
Personnel Emoluments	3,800,000		3,800,000			3,800,000	-
Goods & Services	2,647,100		2,592,525			2,592,524	1
511 - Papua New Guinea Climate Change Authority	9,532,618	(993,109)	8,539,509			9,523,231	(983,722)
Supplementary Budget		(993,109)					-
Personnel Emoluments	3,036,433		3,036,433			4,020,156	(983,723)
Goods & Services	6,496,185		5,503,076			5,503,075	1
530 - Investment Promotion Authority	2,969,471		2,969,471			2,969,471	-
Personnel Emoluments	1,627,958		1,627,958			1,627,958	-
Goods & Services	1,341,513		1,341,513			1,341,513	-
531 - Small Business Development Corporation	4,632,404	(11,606)	4,620,798			4,620,798	-
Supplementary Budget		(11,606)					-
Personnel Emoluments	3,026,166		3,026,166			3,026,166	-
Goods & Services	1,606,238		1,594,632			1,594,632	-
532 - National Institute of Standards & Industrial Technology	3,466,677	(172,936)	3,293,741			3,526,276	(232,536)
Supplementary Budget		(172,936)					-
Personnel Emoluments	2,073,600		2,073,600			2,306,135	(232,535)
Goods & Services	1,393,077		1,220,141			1,220,141	(0)
533 - Industrial Centers Development Corporation	2,572,994		2,572,994			2,572,994	-
Personnel Emoluments	2,349,987		2,349,987			2,349,987	-
Goods & Services	223,007		223,007			223,007	-
535 - Mineral Resources Authority	22,750,000	(15,100,000)	8,050,000	400,000		5,650,000	2,400,000
Supplementary Budget		(15,100,000)					-
Secretary's Advance			-	400,000			-
Goods & Services	22,750,000		8,050,000			5,650,000	2,400,000
536 - Kokonas Indastry Kopraton	6,542,732	(59,463)	6,983,269		500,000	6,983,269	0
Transfers					500,000		-
Supplementary Budget		(59,463)					-
Personnel Emoluments	358,708		358,708			358,708	-

Table 25: Economic Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
Goods & Services	6,184,024		6,624,561			6,624,561	0
541 - National Housing Corporation	7,230,158	(7,009,003)	221,155			(1,285,642)	1,506,797
Supplementary Budget		(7,009,003)					-
Personnel Emoluments	-		-			(1,506,797)	1,506,797
Goods & Services	7,230,158		221,155			221,155	(0)
543 - National Development Bank	61,500,000	(49,600,000)	11,900,000			11,900,000	-
Supplementary Budget		(49,600,000)					-
Goods & Services	61,500,000		11,900,000			11,900,000	-
549 - Office of Coastal Fisheries Development Agency	25,602,633	(5,123,655)	20,478,978			19,670,858	808,120
Supplementary Budget		(5,123,655)					-
Personnel Emoluments	1,885,590		1,885,590			1,104,170	781,420
Goods & Services	23,717,043		18,593,388			18,566,688	26,700
550 - Cocoa Coconut Institute Ltd	6,699,182		6,699,182			7,105,778	(406,596)
Personnel Emoluments	5,612,101		5,612,101			5,942,935	(330,834)
Goods & Services	1,087,081		1,087,081			1,162,843	(75,762)
551 - National Fisheries Authority	1,000,000	(1,000,000)	-			(138)	138
Supplementary Budget		(1,000,000)					-
Personnel Emoluments	-		-			(138)	138
Goods & Services	1,000,000		-			-	-
553 - Fresh Produce Development Company	8,677,180	(420,769)	8,256,411			8,256,411	0
Supplementary Budget		(420,769)					-
Personnel Emoluments	3,735,885		3,735,885			3,735,885	-
Goods & Services	4,941,295		4,520,526			4,520,526	0
554 - PNG Coffee Industry Corporation	10,018,560		10,598,560	580,000		10,598,560	-
Secretary's Advance			-	580,000			-
Personnel Emoluments	2,008,260		2,008,260			2,008,260	-
Goods & Services	8,010,300		8,590,300			8,590,300	-
557 - PNG National Forest Authority	34,374,653	(3,610,972)	36,863,681		12,200,000	36,863,681	0
Transfers					12,200,000		-
Supplementary Budget		(3,610,972)					-
Personnel Emoluments	23,713,761		23,713,761			23,713,761	-
Goods & Services	10,660,892		13,149,920			13,149,920	0

Table 25: Economic Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
558 - Tourism Promotion Authority	9,841,089	(31,307)	10,809,782	1,000,000		10,308,008	501,774
Supplementary Budget		(31,307)					-
Secretary's Advance			-	1,000,000			-
Personnel Emoluments	2,132,589		2,132,589			2,132,589	-
Goods & Services	7,708,500		8,677,193			8,175,419	501,774
562 - National Agriculture Research Institute	13,498,610	(213,986)	13,284,624			13,284,624	0
Supplementary Budget		(213,986)					-
Personnel Emoluments	9,444,511		9,444,511			9,444,511	-
Goods & Services	4,054,099		3,840,113			3,840,113	0
563 - National Agriculture Quarantine & Inspection Authority	10,413,662	(1,500,000)	8,913,662			15,493,881	(6,580,219)
Supplementary Budget		(1,500,000)					-
Personnel Emoluments	8,413,662		8,413,662			14,993,881	(6,580,219)
Goods & Services	2,000,000		500,000			500,000	-
566 - Cocoa Board	16,847,866	(51,573)	16,796,293			16,796,293	(0)
Supplementary Budget		(51,573)					-
Personnel Emoluments	3,929,866		3,929,866			3,929,866	-
Goods & Services	12,918,000		12,866,427			12,866,427	(0)
569 - Independent Consumer and Competition Commission	9,772,191	(184,966)	9,587,225			9,587,225	0
Supplementary Budget		(184,966)					-
Personnel Emoluments	6,493,073		6,493,073			6,493,073	-
Goods & Services	3,279,118		3,094,152			3,094,152	0
Economic Sector Total (K)	485,555,149	(166,369,144)	339,126,006	3,980,000	22,060,000	324,553,080	14,572,926

Source: Department of Treasury

Table 26: Education Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
235 - Department of Education	852,555,017	-10,607,599	316,268,992		826,678,426	246,599,432	69,669,560
Transfers					826,678,426		-
Supplementary Budget		-10,607,599					-
Personnel Emoluments	145,072,305		144,789,305			152,296,555	-7,507,250
Goods & Services	707,482,712		171,479,687			94,302,876	77,176,810
236 - Department of Higher Education Research Science & Technology	137,248,390	-26,396,472	116,351,918		5,500,000	121,554,779	-5,202,861
Transfers					5,500,000		-
Supplementary Budget		-26,396,472					-
Personnel Emoluments	6,127,235		6,127,235			4,194,296	1,932,939
Goods & Services	131,121,155		110,224,683			117,360,482	-7,135,799
251 - PNG Science & Technology Secretariat	4,220,146	-221,483	3,998,663			3,075,821	922,842
Supplementary Budget		-221,483					-
Personnel Emoluments	2,458,146		2,458,146			1,728,021	730125
Goods & Services	1,762,000		1,540,517			1,347,800	192,717
505 - National Research Institute	7,160,541	-34,490	7,126,051			7,126,051	-
Supplementary Budget		-34,490					-
Personnel Emoluments	3,596,211		3,596,211			3,596,211	-
Goods & Services	3,564,330		3,529,840			3,529,840	-
512 - University of Papua New Guinea	77,469,169	-15,000,000	62,469,169			60,969,168	1,500,001
Supplementary Budget		-15,000,000					-
Personnel Emoluments	44,960,314		44,960,314			44,960,313	1
Goods & Services	32,508,855		17,508,855			16,008,855	1,500,000
513 - University of Technology	65,247,257	-3,170,996	62,076,261			62,076,261	-
Supplementary Budget		-3,170,996					-
Personnel Emoluments	35,392,114		35,392,114			35,392,114	-
Goods & Services	29,855,143		26,684,147			26,684,147	-
514 - University of Goroka	34,399,327	-12,082,867	22,316,460			22,316,460	0
Supplementary Budget		-12,082,867					-
Personnel Emoluments	17,709,286		17,709,286			17,709,286	-

Goods & Services	16,690,041		4,607,174			4,607,174	0
515 - University of Environment & Natural Resources	28,565,756	-1,761,966	26,803,790			26,803,790	0
Supplementary Budget		-1,761,966					-
Personnel Emoluments	17,010,083		17,010,083			17,010,083	-
Goods & Services	11,555,673		9,793,707			9,793,707	0
518 - PNG Maritime College	4,803,502		4,803,502			4,803,502	-
Personnel Emoluments	4,440,502		4,440,502			4,440,502	-
Goods & Services	363,000		363,000			363,000	-
Education Sector Total (K)	1,211,669,105	-69,275,873	622,214,806		832,178,426	555,325,264	66,889,542

Source: Department of Treasury

Table 27: Health Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
238 - Milne Bay Provincial Health Authority	29,820,252	(476,113)	30,811,939			24,714,768	6,097,170
Supplementary Budget		(476,113)					-
Personnel Emoluments	23,775,440		24,581,240			18,724,616	5,856,624
Goods & Services	6,044,812		6,230,699			5,990,152	240,547
239 - Western Highlands Provincial Health Authority	32,735,052	(75,329)	34,361,023			34,745,256	(384,233)
Supplementary Budget		(75,329)					-
Personnel Emoluments	25,974,366		26,997,666			27,382,651	(384,985)
Goods & Services	6,760,686		7,363,357			7,362,605	752
240 - Department of Health	320,651,064	(4,626,148)	337,188,516		5,000,000	312,320,826	24,867,690
Transfers					5,000,000		-
Supplementary Budget		(4,626,148)					-
Personnel Emoluments	78,456,060		79,119,660			98,519,546	(19,399,886)
Goods & Services	242,195,004		258,068,856			213,801,281	44,267,575
241 - Hospital Management Services	677,538,040	(21,294,008)	622,899,070		37,490,524	571,944,461	50,954,609
Transfers					37,490,524		-
Supplementary Budget		(21,294,008)					-
Personnel Emoluments	275,321,280		308,839,184			407,628,084	(98,788,900)
Goods & Services	402,216,760		314,059,886			164,316,376	149,743,509
244 - Eastern Highlands Provincial Health Authority	34,991,681	(208,416)	36,325,365			15,068,975	21,256,390
Supplementary Budget		(208,416)					-
Personnel Emoluments	28,675,281		29,755,381			8,591,388	21,163,993
Goods & Services	6,316,400		6,569,984			6,477,587	92,397
253 - West New Britain Provincial Health Authority	36,159,272	(130,352)	37,060,620			23,333,246	13,727,374
Supplementary Budget		(130,352)					-
Personnel Emoluments	28,767,112		29,285,812			15,564,517	13,721,295
Goods & Services	7,392,160		7,774,808			7,768,729	6,079
256 - Manus Provincial Health Authority	17,730,297	(202,447)	17,769,750			15,291,283	2,478,467
Supplementary Budget		(202,447)					-
Personnel Emoluments	11,923,451		12,090,451			9,612,689	2,477,762
Goods & Services	5,806,846		5,679,299			5,678,594	705
260 - Enga Provincial Health Authority	29,659,749	(382,794)	30,527,156			31,997,015	(1,469,860)
Supplementary Budget		(382,794)					-

Table 27: Health Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
Personnel Emoluments	23,438,681		24,086,881			25,562,688	(1,475,807)
Goods & Services	6,221,068		6,440,275			6,434,327	5,948
266 - Sandaun Provincial Health Authority	26,953,372	(257,975)	27,553,598			13,693,057	13,860,541
Supplementary Budget		(257,975)					-
Personnel Emoluments	19,865,952		20,304,152			6,462,998	13,841,154
Goods & Services	7,087,420		7,249,446			7,230,059	19,387
519 - National Aids Council Secretariat	8,926,734	(40,019)	8,886,715			8,885,635	1,080
Supplementary Budget		(40,019)					-
Personnel Emoluments	7,362,403		7,362,403			7,362,403	-
Goods & Services	1,564,331		1,524,312			1,523,232	1,080
520 - Institute of Medical Research	12,355,782	(29,691)	12,326,091			12,326,091	(0)
Supplementary Budget		(29,691)					-
Personnel Emoluments	9,708,178		9,708,178			9,708,178	-
Goods & Services	2,647,604		2,617,913			2,617,913	(0)
Health Sector Total (K)	1,227,521,295	(27,723,293)	1,195,709,840		42,490,524	1,064,320,613	131,389,227

Source: Department of Treasury

Table 28: Law & Justice Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
218 - Office of the Public Prosecutor	7,393,762	(50,269)	7,923,493	300,000	120,000	9,016,401	(1,092,908)
Transfers					120,000		-
Supplementary Budget		(50,269)					-
Secretary's Advance			-	300,000			-
Personnel Emoluments	5,343,962		5,343,962			6,432,264	(1,088,302)
Goods & Services	2,049,800		2,579,531			2,584,138	(4,607)
222 - Office of the Public Solicitor	12,559,548	(253,100)	12,306,448			12,173,708	132,740
Supplementary Budget		(253,100)					-
Personnel Emoluments	8,821,948		8,821,948			8,690,605	131,343
Goods & Services	3,737,600		3,484,500			3,483,103	1,397
223 - Judiciary Services	227,328,200		237,328,200	10,000,000		232,301,553	5,026,648
Secretary's Advance			-	10,000,000			-
Personnel Emoluments	69,003,800		69,003,800			63,977,153	5,026,648
Goods & Services	158,324,400		168,324,400			168,324,400	-
224 - Magisterial Services	38,317,365	(337,062)	37,980,303			32,776,452	5,203,851
Supplementary Budget		(337,062)					-
Personnel Emoluments	31,637,965		31,637,965			26,434,114	5,203,851
Goods & Services	6,679,400		6,342,338			6,342,338	0
225 - Department of Attorney-General	105,500,000	(1,375,415)	113,924,585		9,800,000	129,261,428	(15,336,843)
Transfers					9,800,000		-
Supplementary Budget		(1,375,415)					-
Personnel Emoluments	73,725,641		73,725,641			90,783,261	(17,057,620)
Goods & Services	31,774,359		40,198,944			38,478,166	1,720,778
226 - Department of Corrective Institutional Services	139,699,381	(1,274,343)	138,425,039			138,051,225	373,814
Supplementary Budget		(1,274,343)					-
Personnel Emoluments	87,188,381		81,938,381			82,067,494	(129,113)
Goods & Services	52,511,000		56,486,658			55,983,731	502,927
228 - Department of Police	361,294,687	(3,228,511)	388,416,176	1,500,000	28,850,000	444,736,937	(56,320,762)
Transfers					28,850,000		-
Supplementary Budget		(3,228,511)					-
Secretary's Advance			-	1,500,000			-

Table 28: Law & Justice Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
Personnel Emoluments	196,518,462		196,518,462			259,285,692	(62,767,230)
Goods & Services	164,776,225		191,897,714			185,451,245	6,446,469
231 - National Intelligence Organisation	4,669,962	(20,160)	4,649,802			4,900,774	(250,972)
Supplementary Budget		(20,160)					-
Personnel Emoluments	2,602,262		2,519,262			2,878,785	(359,523)
Goods & Services	2,067,700		2,130,540			2,021,989	108,551
234 - Department of Defence	256,474,765	(15,071,605)	239,676,860		1,800,000	249,072,688	(9,395,827)
Transfers					1,800,000		-
Supplementary Budget		(15,071,605)					-
Personnel Emoluments	115,102,765		115,176,465			154,706,537	(39,530,072)
Goods & Services	141,372,000		124,500,395			94,366,150	30,134,245
503 - Ombudsman Commission	20,350,185	(1,192,391)	19,157,794			18,600,995	556,799
Supplementary Budget		(1,192,391)					-
Personnel Emoluments	12,087,321		12,087,321			12,087,321	-
Goods & Services	8,262,864		7,070,473			6,513,674	556,799
510 - Legal Training Institute	4,865,372	(28,743)	4,836,629			4,632,343	204,286
Supplementary Budget		(28,743)					-
Personnel Emoluments	1,657,096		1,657,096			1,452,810	204,286
Goods & Services	3,208,276		3,179,533			3,179,533	(0)
517 - National Narcotics Bureau	4,376,599	(143,446)	4,233,153			4,752,709	(519,557)
Supplementary Budget		(143,446)					-
Personnel Emoluments	2,319,774		2,319,774			4,752,709	(2,432,935)
Goods & Services	2,056,825		1,913,379			-	1,913,379
522 - Constitutional and Law Reform Commission	4,094,390	(40,583)	4,053,807			2,451,970	1,601,837
Supplementary Budget		(40,583)					-
Personnel Emoluments	2,319,516		2,319,516			717,679	1,601,837
Goods & Services	1,774,874		1,734,291			1,734,291	(0)
Law & Justice Sector Total (K)	1,186,924,216	(23,015,628)	1,212,912,288	11,800,000	40,570,000	1,282,729,182	(69,816,894)

Source: Department of Treasury

Table 29: Miscellaneous Expense

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Expense Variance
207 - Treasury and Finance - Miscellaneous	1,051,550,900	-142,259,686	1,131,803,162	8,635,500	-960,805,653	1,047,455,584	84,347,578
Transfers					-960,805,653		-
Supplementary Budget		-142,259,686					-
Secretary's Advance			-	8,635,500			-
Personnel Emoluments	266,700,900		251,238,396			305,453,397	-54,215,001
Goods & Services	784,850,000		880,564,766			742,002,187	138,562,578
Miscellaneous Expense Total (K)	1,051,550,900	-142,259,686	1,131,803,162	8,635,500	960,805,653	1,047,455,584	84,347,578

Source: Department of Treasury

Table 30: Provincial Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
571 - Fly River Provincial Administration	113,973,400	(2,500,000)	111,984,000			126,012,747	(14,028,747)
Supplementary Budget		(2,500,000)					-
Personnel Emoluments	51,873,500		51,873,500			65,902,247	(14,028,747)
Goods & Services	62,099,900		60,110,500			60,110,500	-
572 - Gulf Provincial Administration	95,116,200	(300,000)	95,155,400			88,103,509	7,051,891
Supplementary Budget		(300,000)					-
Personnel Emoluments	33,916,600		33,916,600			31,607,809	2,308,791
Goods & Services	61,199,600		61,238,800			56,495,700	4,743,100
573 - Central Provincial Administration	145,215,600	(350,000)	145,381,800			166,116,792	(20,734,992)
Supplementary Budget		(350,000)					-
Personnel Emoluments	60,888,700		60,888,700			81,859,892	(20,971,192)
Goods & Services	84,326,900		84,493,100			84,256,900	236,200
574 - National Capital District	66,425,000		66,666,600			66,621,452	45,148
Personnel Emoluments	-		-			(12,148)	12,148
Goods & Services	66,425,000		66,666,600			66,633,600	33,000
575 - Milne Bay Provincial Administration	153,421,300		153,421,300			155,116,189	(1,694,889)
Personnel Emoluments	66,788,600		66,788,600			71,418,589	(4,629,989)
Goods & Services	86,632,700		86,632,700			83,697,600	2,935,100
576 - Oro Provincial Administration	87,890,402		88,257,302			95,630,059	(7,372,757)
Personnel Emoluments	34,082,102		34,082,102			41,454,859	(7,372,757)
Goods & Services	53,808,300		54,175,200			54,175,200	-
577 - Southern Highlands Provincial Administration	174,105,484	(2,000,000)	172,685,884		20,000,000	206,476,631	(33,790,747)

Table 30: Provincial Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
Transfers					20,000,000		-
Supplementary Budget		(2,000,000)					-
Personnel Emoluments	89,041,270		89,041,270			128,392,517	(39,351,247)
Goods & Services	85,064,214		83,644,614			78,084,114	5,560,500
578 - Enga Provincial Administration	149,183,828		149,183,828			175,527,706	(26,343,878)
Personnel Emoluments	55,991,526		55,991,526			90,254,104	(34,262,578)
Goods & Services	93,192,302		93,192,302			85,273,602	7,918,700
579 - Western Highlands Provincial Administration	169,662,590	(3,000,000)	166,662,590			180,421,234	(13,758,644)
Supplementary Budget		(3,000,000)					-
Personnel Emoluments	82,602,200		82,602,200			102,260,844	(19,658,644)
Goods & Services	87,060,390		84,060,390			78,160,390	5,900,000
580 - Simbu Provincial Administration	183,155,290		183,796,590			198,480,130	(14,683,540)
Personnel Emoluments	72,901,000		72,901,000			92,484,540	(19,583,540)
Goods & Services	110,254,290		110,895,590			105,995,590	4,900,000
581 - Eastern Highlands Provincial Administration	233,768,704		233,768,704			238,627,140	(4,858,436)
Personnel Emoluments	91,818,500		91,818,500			106,576,936	(14,758,436)
Goods & Services	141,950,204		141,950,204			132,050,204	9,900,000
582 - Morobe Provincial Administration	298,451,300		299,345,700			295,381,606	3,964,094
Personnel Emoluments	179,869,700		179,869,700			182,385,777	(2,516,077)
Goods & Services	118,581,600		119,476,000			112,995,829	6,480,171
583 - Madang Provincial Administration	228,278,600		228,937,600			235,116,593	(6,178,993)
Personnel Emoluments	108,053,500		108,053,500			122,132,493	(14,078,993)
Goods & Services	120,225,100		120,884,100			112,984,100	7,900,000
584 - East Sepik Provincial Administration	209,816,710		211,582,310	1,200,000		232,635,882	(21,053,572)
Secretary's Advance			-	1,200,000			-

Table 30: Provincial Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
Personnel Emoluments	74,035,010		74,035,010			100,988,582	(26,953,572)
Goods & Services	135,781,700		137,547,300			131,647,300	5,900,000
585 - Sandaun Provincial Administration	175,730,200	(10,000,000)	166,730,200		2,000,000	148,795,416	17,934,784
Transfers					2,000,000		-
Supplementary Budget		(10,000,000)					-
Personnel Emoluments	69,100,200		69,100,200			59,776,716	9,323,484
Goods & Services	106,630,000		97,630,000			89,018,700	8,611,300
586 - Manus Provincial Administration	72,512,000		72,512,000			65,080,128	7,431,872
Personnel Emoluments	37,205,700		37,205,700			30,273,828	6,931,872
Goods & Services	35,306,300		35,306,300			34,806,300	500,000
587 - New Ireland Provincial Administration	115,754,500	(1,500,000)	114,693,700			98,282,306	16,411,394
Supplementary Budget		(1,500,000)					-
Personnel Emoluments	75,441,600		75,441,600			60,030,206	15,411,394
Goods & Services	40,312,900		39,252,100			38,252,100	1,000,000
588 - East New Britain Provincial Administration	167,317,100		168,041,100			183,138,767	(15,097,667)
Personnel Emoluments	89,124,600		89,124,600			104,222,267	(15,097,667)
Goods & Services	78,192,500		78,916,500			78,916,500	-
589 - West New Britain Provincial Administration	120,504,900		120,504,900			123,361,866	(2,856,966)
Personnel Emoluments	66,766,200		66,766,200			69,623,166	(2,856,966)
Goods & Services	53,738,700		53,738,700			53,738,700	-
590 - Autonomous Bougainville Administration	248,007,500	(42,000,000)	206,357,100			211,020,873	(4,663,773)
Supplementary Budget		(42,000,000)					-
Personnel Emoluments	106,239,800		106,239,800			113,903,573	(7,663,773)
Goods & Services	141,767,700		100,117,300			97,117,300	3,000,000
591 - Hela Provincial Administration	133,444,974	(28,500,000)	105,152,774			108,336,828	(3,184,054)
Supplementary Budget		(28,500,000)					-
Personnel Emoluments	31,775,263		31,775,263			44,359,317	(12,584,054)
Goods & Services	101,669,711		73,377,511			63,977,511	9,400,000

Table 30:Provincial Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
592 - Jiwaka Provincial Administration	100,719,013		100,988,413		40,000,000	117,998,617	(17,010,204)
Transfers					40,000,000		-
Personnel Emoluments	33,805,008		33,805,008			55,715,212	(21,910,204)
Goods & Services	66,914,005		67,183,405			62,283,405	4,900,000
Provincial Sector Total (K)	3,442,454,595	(90,150,000)	3,361,809,795	1,200,000	62,000,000	3,516,282,471	(154,472,676)

Source: Department of Treasury

Table 31:Transport Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
259 - Department of Transport	24,704,857	(20,035,431)	21,669,426			21,009,677	659,750
Supplementary Budget		(20,035,431)					-
Personnel Emoluments	12,900,004		12,900,004			12,817,219	82,785
Goods & Services	11,804,853		8,769,422			8,192,458	576,964
264 - Department of Works and Implementation	701,898,081	(208,486,070)	493,412,011			477,045,262	16,366,748
Supplementary Budget		(208,486,070)					-
Personnel Emoluments	61,669,412		57,964,412			62,994,665	(5,030,253)
Goods & Services	640,228,669		435,447,599			414,050,597	21,397,001
523 - Papua New Guinea Accidents Investigation Commission	5,585,403	(80,745)	5,504,658			5,504,658	-
Supplementary Budget		(80,745)					-
Personnel Emoluments	5,122,076		5,122,076			5,122,076	-
Goods & Services	463,327		382,582			382,582	-
526 - National Maritime Safety Authority	4,302,911	(200,000)	4,102,911			3,996,271	106,640
Supplementary Budget		(200,000)					-
Personnel Emoluments	1,700,000		1,700,000			1,593,360	106,640
Goods & Services	2,602,911		2,402,911			2,402,911	-
537 - National Airports Corporation	20,000,000	(6,000,000)	14,000,000			14,000,000	-
Supplementary Budget		(6,000,000)					-
Goods & Services	20,000,000		14,000,000			14,000,000	-
538 - Papua New Guinea Air Services Limited	-		10,000,000		20,000,000	10,000,000	-
Transfers					20,000,000		-
Goods & Services	-		10,000,000			10,000,000	-

Table 31:Transport Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Variance
545 - Rural Airstrip Authority	4,500,000		4,500,000			4,500,000	-
Goods & Services	4,500,000		4,500,000			4,500,000	-
565 - Civil Aviation Safety Authority	12,275,341	(111,243)	15,164,098		3,000,000	15,228,381	(64,283)
Transfers					3,000,000		-
Supplementary Budget		(111,243)					-
Personnel Emoluments	11,302,116		11,302,116			11,366,399	(64,283)
Goods & Services	973,225		3,861,982			3,861,982	0
567 - National Road Authority	9,500,000	(996,978)	8,503,023			6,872,373	1,630,650
Supplementary Budget		(996,978)					-
Personnel Emoluments	2,000,000		2,000,000			369,352	1,630,648
Goods & Services	7,500,000		6,503,023			6,503,021	2
Transport Sector Total (K)	782,766,593	(235,910,466)	576,856,127	D	23,000,000	558,156,622	18,699,505

Source: Department of Treasury

Table 32:Utilities Sector

Agency & Expenditure Category	2016 Initial Appropriation	Supplementary Reductions	Revised Appropriation	Section3 (SA)	Section 4 (Net)	Total Expenditure	Expense Variance
257 - Department of Public Enterprises	7,777,378	(1,052,450)	6,724,928			4,807,080	1,917,848
Supplementary Budget		(1,052,450)					-
Personnel Emoluments	2,712,778		2,712,778			1,955,810	756,968
Goods & Services	5,064,600		4,012,150			2,851,270	1,160,880
258 - Department of Information and Communication	7,274,803	(3,173,785)	4,101,018			3,799,831	301,187
Supplementary Budget		(3,173,785)					-
Personnel Emoluments	1,785,497		1,785,497			1,671,056	114,441
Goods & Services	5,489,306		2,315,521			2,128,775	186,746
524 - Independent Public Business Corporation	9,000,000	(4,150,000)	4,850,000			4,850,000	-
Supplementary Budget		(4,150,000)					-
Goods & Services	9,000,000		4,850,000			4,850,000	-
525 - National Broadcasting Commission	25,240,268	(76,425)	25,163,843			25,163,843	0
Supplementary Budget		(76,425)					-
Personnel Emoluments	16,061,300		16,061,300			16,061,300	-
Goods & Services	9,178,968		9,102,543			9,102,543	0
546 - PNG Power Limited	34,000,000	(1,015,000)	15,985,000			12,985,000	3,000,000
Supplementary Budget		(1,015,000)					-
Goods & Services	34,000,000		15,985,000			12,985,000	3,000,000
Utilities Sector Total	83,292,449	(9,467,660)	56,824,789			51,605,753	5,219,036
Grand Total	12,144,600,318	(928,000,001)	11,216,600,318	100,000,000	-	10,795,452,531	421,147,788

Source: Department of Treasury

Table 33: Secretary's Advance (Section 3)

Date	Agency Name	Particulars/Description	Section 3		Secretary's Advance Balance
			Plus (+)	Minus (-)	
					100,000,000
17/02/2016	Department of Treasury	To settle bills for Javati/Twivey Lawyer		1,608,400	98,391,600
19/02/2016	Department of Treasury	Transfer to offset K5m used under IDG Vote		5,000,000	93,391,600
7/03/2016	Treasury and Finance - Miscellaneous	To cater for PNG EITI		3,700,000	89,691,600
11/03/2016	Central Supply & Tenders Board	To cater for Office Refurbishment & Partition.		1,500,000	88,191,600
18/03/2016	Department of Community Development	O/s payments to an IT Firm for service		500,000	87,691,600
24/03/2016	Electoral Commission	To cater for Samarai Mura By-Election.		2,500,000	85,191,600
24/03/2016	Department of Treasury	To settle o/s legal bills		2,148,000	83,043,600
31/03/2016	Department of Treasury	To cater for Minister's Commitment (Huon Gulf)		2,000,000	81,043,600
6/04/2016	East Sepik Provincial Administration	To cater for 80th Birth-day Celebrations for M.T. Somare		1,200,000	79,843,600
6/04/2016	Department of Treasury	To cater for Travel, Consultancy & Meetings		2,300,000	77,543,600
26/04/2016	Department of Treasury	Reimbursement for Mt Hagen City Authority		5,000,000	72,543,600
27/04/2016	Electoral Commission	Washington Embassy		18,000,000	54,543,600
6/05/2016	Judiciary Services	Budget readjustments as per PM's direction		10,000,000	44,543,600
13/05/2016	Department of Treasury	Middle Sepik High School		5,000,000	39,543,600
16/05/2016	National Cultural Commission	Cater for Pacific festival of Arts in Guam		1,000,000	38,543,600
15/06/2016	Department of Treasury	Grant payment to Petromin Holdings LTD		2,500,000	36,043,600
17/06/2016	Treasury and Finance - Miscellaneous	To cater for HRM & Payroll Project for Government		2,935,500	33,108,100
24/06/2016	Department of Finance	To cater for Finance Internal Audit Com		250,000	32,858,100
1/07/2016	Department of Treasury	To pay for national power grid purpose		5,000,000	27,858,100
11/07/2016	Department of Treasury	ICT bills to Treasury bills		3,600,000	24,258,100
26/07/2016	Department of Police	Additional K1.5m for Police ethics		1,500,000	22,758,100
26/07/2016	Department of Foreign Affairs and Trade	To cater for Tokyo Office Rentals		1,000,000	21,758,100
26/07/2016	Department of Mineral Policy and Geohazards Management	To cater for Mining Projects Funding		2,000,000	19,758,100
29/07/2016	Department of Treasury	K3m transfer to launch Hayfield Airport		3,000,000	16,758,100
18/08/2016	Treasury and Finance - Miscellaneous	To cater for Special Parliament Committee		2,000,000	14,758,100
23/08/2016	Department of Prime Minister & NEC	To cater for operational expenses		500,000	14,258,100

Table 33: Secretary's Advance (Section 3)

Date	Agency Name	Particulars/Description	Section 3		Secretary's Advance Balance
			Plus (+)	Minus (-)	
6/09/2016	Office of the Public Prosecutor	To cater for court circuits		300,000	13,958,100
7/09/2016	Department of Industrial Relations	Transfer to balance activities		1,144,600	12,813,500
8/09/2016	Department of Treasury	Suain Primary School		1,000,000	11,813,500
12/09/2016	Department of Treasury	To cater for Minister's commitments.		3,500,000	8,313,500
13/09/2016	Department of Treasury	To cater for Hayfield Airport		3,000,000	5,313,500
29/09/2016	National Statistical Office	IMF/WB & Finance Minister's meeting		1,100,000	4,213,500
4/10/2016	Tourism Promotion Authority	To cater for TPA's outstanding debts.		1,000,000	3,213,500
24/10/2016	Department of Treasury	Printing of Budget Book & Other Logistic		479,750	2,733,750
28/10/2016	National Volunteer Services	To cater for NVS outstanding allowances		160,000	2,573,750
16/11/2016	PNG Coffee Industry Corporation	For Aiyura Research Stations Operations		580,000	1,993,750
17/11/2016	Department of Prime Minister & NEC	To cater for PM's trip to Cuba		700,000	1,293,750
18/11/2016	Mineral Resources Authority	Frieda Project Development Forum		400,000	893,750
25/11/2016	Public Service Commission	For Rabaul Queen Shipping Court Hearing		80,000	813,750
9/12/2016	Department of Treasury	Transferred in Section 4 to cater for fuel, rent and utility bills		813,750	-
Total				100,000,000	

Source: Department of Treasury

Table 34: Section 4 (Transfers)

BR45									
		Description	Transfer Out			Transfer In			Action Officer
Date	Agency Name		Div 1	Dept 1	Amt Out	Div2	Dept 2	Amt In	
7/11/2016	207-Treasury and Finance - Miscellaneous	To cover GG's medical expenses to Australia	202	202	-430,000	207	207	430,000	GOPNG
1/02/2016	207-Treasury and Finance - Miscellaneous	Transfer from Disaster to PMs as request	203	203	-10,000,000	207	207	10,000,000	GOPNG
26/02/2016	207-Treasury and Finance - Miscellaneous	Transfer from 207 to appropriate vote	203	203	-20,000,000	207	207	20,000,000	GOPNG
1/03/2016	207-Treasury and Finance - Miscellaneous	To cater for Fiji Disaster Relief	203	203	-11,000,000	207	207	11,000,000	GOPNG
16/03/2016	207-Treasury and Finance - Miscellaneous	To settle o/s bills for using helicopter	203	203	-10,000,000	207	207	10,000,000	GOPNG
17/03/2016	207-Treasury and Finance - Miscellaneous	Cancelled transfer	203	203	-10,000,000	207	207	10,000,000	GOPNG
2/04/2016	207-Treasury and Finance - Miscellaneous	Transferred to APEC and PM&NEC	203	203	-4,000,000	207	207	4,000,000	GOPNG
13/05/2016	207-Treasury and Finance - Miscellaneous	To cater for ACP meetings.	203	203	-10,000,000	207	207	10,000,000	GOPNG
26/05/2016	207-Treasury and Finance - Miscellaneous	To cater for ACP & APEC REC	203	203	-10,000,000	207	207	10,000,000	GOPNG
2/06/2016	207-Treasury and Finance - Miscellaneous	To cater for ACP Endowment Fund.	203	203	-2,000,000	207	207	2,000,000	GOPNG
16/06/2016	207-Treasury and Finance - Miscellaneous	PM's Commitment to Ramu Nickle LOs	203	203	-6,000,000	207	207	6,000,000	GOPNG
29/07/2016	207-Treasury and Finance - Miscellaneous	For Apec Authority & APEC Secretariat	203	203	-11,000,000	207	207	11,000,000	GOPNG
20/10/2016	207-Treasury and Finance - Miscellaneous	To settle delayed operational cost	203	203	-5,000,000	207	207	5,000,000	GOPNG
18/11/2016	207-Treasury and Finance - Miscellaneous	To pay PM's bodyguards overtime	203	203	-1,100,000	207	207	1,100,000	GOPNG
29/11/2016	207-Treasury and Finance - Miscellaneous	To cater for late Ganasi's funeral	203	203	-500,000	207	207	500,000	GOPNG
12/12/2016	207-Treasury and Finance - Miscellaneous	To cater for OS for 41st Ind. & Remembra	203	203	-3,000,000	207	207	3,000,000	GOPNG
12/12/2016	207-Treasury and Finance - Miscellaneous	Transfer of Bal, in 207 to APEC (PM&NEC)	203	203	-21,500,000	207	207	21,500,000	GOPNG
30/09/2016	208-Department of Treasury	Contra entry of doc # 00234628	204	204	-1,100,000	208	208	1,100,000	GOPNG
29/06/2016	212-Information Technology Division	To fund shortfalls in various activities	206	206	-2,993,800	212	212	2,993,800	GOPNG
24/08/2016	207-Treasury and Finance - Miscellaneous	Transfer to within to cater for o/standing	206	206	-13,000,000	207	207	13,000,000	GOPNG
18/11/2016	207-Treasury and Finance - Miscellaneous	Office fit-outs, security and audits	206	206	-1,170,000	207	207	1,170,000	GOPNG
22/01/2016	235-Department of Education	To cater for tuition fee free subsidy	207	207	-150,000,000	235	235	150,000,000	GOPNG
22/02/2016	538-Papua New Guinea Air Services Limited	Funds transferred for PAMAS project	207	207	-20,000,000	538	538	20,000,000	GOPNG
18/03/2016	230-Electoral Commission	To cater for 2016 Election Preparations	207	207	-20,000,000	230	230	20,000,000	GOPNG
21/03/2016	235-Department of Education	To cater for Tuition Fee Free payments	207	207	-150,000,000	235	235	150,000,000	GOPNG
7/04/2016	585-Sandaun Provincial Administration	K1m from Disaster vote to Telefomin Disa	207	207	-2,000,000	585	585	2,000,000	GOPNG
11/05/2016	235-Department of Education	Transfer of TFF to misc for payment	207	207	-151,200,000	235	235	151,200,000	GOPNG
16/05/2016	241-Hospital Management Services	Funds to go directly to POMGEN	207	207	-11,556,400	241	241	11,556,400	GOPNG

BR45									
		Description	Transfer Out			Transfer In			Action Officer
Date	Agency Name		Div 1	Dept 1	Amt Out	Div2	Dept 2	Amt In	
30/05/2016	557-PNG National Forest Authority	Transfer of SGS Log Funds to PNGFA	207	207	-12,200,000	557	557	12,200,000	GOPNG
14/06/2016	232-Provincial and Local Government Affairs	Payment to LLG officials	207	207	-14,000,000	232	232	14,000,000	GOPNG
17/06/2016	220-Department of Personnel Management	To replace stale cheques to Provinces	207	207	-1,600,000	220	220	1,600,000	GOPNG
21/06/2016	208-Department of Treasury	To cater for outstanding bills	207	207	-10,000,000	208	208	10,000,000	GOPNG
24/06/2016	267-Department of Implementation and Rural Development	To cater for DSIP monitoring & coordinat	207	207	-3,000,000	267	267	3,000,000	GOPNG
27/06/2016	235-Department of Education	Transfer of TFF to Misc for payment	207	207	-150,800,000	235	235	150,800,000	GOPNG
29/06/2016	241-Hospital Management Services	Funds to go to 207	207	207	-24,734,124	241	241	24,734,124	GOPNG
11/07/2016	208-Department of Treasury	ICT bills to Treasury	207	207	-24,000,000	208	208	24,000,000	GOPNG
11/07/2016	240-Department of Health	Cater for purchase of insecticidal nets	207	207	-5,000,000	240	240	5,000,000	GOPNG
11/07/2016	242-Department of Community Development	Outstanding bills/rental for Com Dev	207	207	-4,200,000	242	242	4,200,000	GOPNG
26/07/2016	220-Department of Personnel Management	To cater for 5 Unesco officers on rettre	207	207	-260,629	220	220	260,629	GOPNG
23/08/2016	592-Jiwaka Provincial Administration	Cater release of free health care funds	207	207	-40,000,000	592	592	40,000,000	GOPNG
24/08/2016	217-Department of Foreign Affairs and Trade	Correction to SA # 2444	207	207	-13,453,600	217	217	13,453,600	GOPNG
25/08/2016	208-Department of Treasury	For OSPEAC PE data collection activity	207	207	-427,000	208	208	427,000	GOPNG
9/09/2016	236-Department of Higher Education Research Science & Technology	Transfer to DHERST for TESAS	207	207	-5,000,000	236	236	5,000,000	GOPNG
20/09/2016	235-Department of Education	To cater for Education Fee Free Subsidy	207	207	-75,000,000	235	235	75,000,000	GOPNG
21/09/2016	230-Electoral Commission	To cater for Election Preparations	207	207	-8,000,000	230	230	8,000,000	GOPNG
27/09/2016	235-Department of Education	TFF	207	207	-75,000,000	235	235	75,000,000	GOPNG
28/09/2016	225-Department of Attorney-General	To cater outstanding legal bills	207	207	-3,000,000	225	225	3,000,000	GOPNG
18/10/2016	255-Department of Petroleum and Energy	Transfer to assist GPCO thru DPE	207	207	-1,000,000	255	255	1,000,000	GOPNG
19/10/2016	208-Department of Treasury	To cater for o/s commitments see attachm	207	207	-4,619,900	208	208	4,619,900	GOPNG
25/10/2016	228-Department of Police	Transfer to cater for Women's FIFA	207	207	-5,000,000	228	228	5,000,000	GOPNG
28/10/2016	225-Department of Attorney-General	To cater for outstanding legal bills	207	207	-2,500,000	225	225	2,500,000	GOPNG
28/10/2016	235-Department of Education	Transfer to Finance Fee free Subsidy	207	207	-75,000,000	235	235	75,000,000	GOPNG
4/11/2016	247-Department of Agriculture and Livestock	Transfer to DAL to settle OS State Liabi	207	207	-1,000,000	247	247	1,000,000	GOPNG
16/11/2016	565-Civil Aviation Safety Authority	Transfer to CASA for ICAO Audit	207	207	-3,000,000	565	565	3,000,000	GOPNG
17/11/2016	228-Department of Police	Settle o/s bill- Island Mobile Hire Cars	207	207	-3,200,000	228	228	3,200,000	GOPNG
23/11/2016	228-Department of Police	Transfer to cater for electiion/APEC ops	207	207	-20,000,000	228	228	20,000,000	GOPNG
25/11/2016	228-Department of Police	For Rabaul Queen Shipping Trial.	207	207	-650,000	228	228	650,000	GOPNG

BR45									
		Description	Transfer Out			Transfer In			Action Officer
Date	Agency Name		Div 1	Dept 1	Amt Out	Div2	Dept 2	Amt In	
30/11/2016	218-Office of the Public Prosecutor	To cater for rental and court circuits	207	207	-200,000	218	218	200,000	GOPNG
2/12/2016	236-Department of Higher Education Research Science & Technology	For ministerial administrative support	207	207	-500,000	236	236	500,000	GOPNG
5/12/2016	232-Provincial and Local Government Affairs	LLG officials allowances	207	207	-7,000,000	232	232	7,000,000	GOPNG
9/12/2016	208-Department of Treasury	To cater for fuel, rent, utility bills	207	207	-7,604,000	208	208	7,604,000	GOPNG
9/12/2016	536-Kokonias Industry Koproration	Funds for FER as per NEC Decision	207	207	-500,000	536	536	500,000	GOPNG
11/12/2016	225-Department of Attorney-General	Transfer to DJAG for Legal Bill Payments	207	207	-4,300,000	225	225	4,300,000	GOPNG
31/03/2016	577-Southern Highlands Provincial Administration	To cater for SHP Project Managment Unit	208	208	-10,000,000	577	577	10,000,000	GOPNG
1/04/2016	232-Provincial and Local Government Affairs	Kokopo UBSA Outstanding	208	208	-14,720,000	232	232	14,720,000	GOPNG
18/04/2016	577-Southern Highlands Provincial Administration	Reversal of funds back to Trsy for pmnt.	208	208	-10,000,000	577	577	10,000,000	GOPNG
8/12/2016	234-Department of Defence	Pay to IRC for NCS/Defence tax debt	208	208	-1,800,000	234	234	1,800,000	GOPNG
25/11/2016	221-Public Service Commission	Rectify oversight error.	218	218	-80,000	221	221	80,000	GOPNG
13/04/2016	241-Hospital Management Services	To offset the over expenditure	229	229	-1,200,000	241	241	1,200,000	GOPNG
3/11/2016	255-Department of Petroleum and Energy	Transfer from DPLGA to DPE per C/Order	232	232	-7,360,000	255	255	7,360,000	GOPNG
4/11/2016	237-PNG National Commission for UNESCO	Cater for normal operations in Division 235	235	235	-321,574	237	237	321,574	GOPNG
		TOTAL (K)			- 1,309,781,027			1,309,781,027	

Source: Department of Treasury

3.0 Attachments and Appendices (overleaf)

Attachment A

Commercial & Statutory Authorities - 2016 Personnel Emoluments and Goods and Services Expenditure

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
201 - National Parliament	147,488,350	145,293,557	144,605,300	688,257
Personnel Emoluments	105,512,750	105,512,750	105,512,650	100
Goods & Services	41,975,600	39,780,807	39,092,650	688,157
215 - PNG Immigration and Citizenship Services	10,016,508	10,016,508	12,555,519	(2,539,011)
Personnel Emoluments	10,016,508	10,016,508	12,555,519	(2,539,011)
216 - Internal Revenue Commission	74,992,480	72,051,640	65,475,446	6,576,194
Personnel Emoluments	33,841,780	33,957,780	36,451,747	(2,493,967)
Goods & Services	41,150,700	38,093,860	29,023,699	9,070,160
223 - Judiciary Services	227,328,200	237,328,200	232,301,553	5,026,648
Personnel Emoluments	69,003,800	69,003,800	63,977,153	5,026,648
Goods & Services	158,324,400	168,324,400	168,324,400	-
224 - Magisterial Services	38,317,365	37,980,303	32,776,452	5,203,851
Personnel Emoluments	31,637,965	31,637,965	26,434,114	5,203,851
Goods & Services	6,679,400	6,342,338	6,342,338	0
238 - Milne Bay Provincial Health Authority	29,820,252	30,811,939	24,714,768	6,097,170
Personnel Emoluments	23,775,440	24,581,240	18,724,616	5,856,624
Goods & Services	6,044,812	6,230,699	5,990,152	240,547
239 - Western Highlands Provincial Health Authority	32,735,052	34,361,023	34,745,256	(384,233)
Personnel Emoluments	25,974,366	26,997,666	27,382,651	(384,985)
Goods & Services	6,760,686	7,363,357	7,362,605	752
243 - National Volunteer Services	1,882,502	2,039,065	1,680,661	358,404
Personnel Emoluments	1,584,878	1,584,878	1,306,474	278,404
Goods & Services	297,624	454,187	374,187	80,000
244 - Eastern Highlands Provincial Health Authority	34,991,681	36,325,365	15,068,975	21,256,390
Personnel Emoluments	28,675,281	29,755,381	8,591,388	21,163,993
Goods & Services	6,316,400	6,569,984	6,477,587	92,397
251 - PNG Science & Technology Secretariat	4,220,146	3,998,663	3,075,821	922,842
Personnel Emoluments	2,458,146	2,458,146	1,728,021	730,125
Goods & Services	1,762,000	1,540,517	1,347,800	192,717
253 - West New Britain Provincial Health Authority	36,159,272	37,060,620	23,333,246	13,727,374
Personnel Emoluments	28,767,112	29,285,812	15,564,517	13,721,295

Attachment A

Commercial & Statutory Authorities - 2016 Personnel Emoluments and Goods and Services Expenditure

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Goods & Services	7,392,160	7,774,808	7,768,729	6,079
256 - Manus Provincial Health Authority	17,730,297	17,769,750	15,291,283	2,478,467
Personnel Emoluments	11,923,451	12,090,451	9,612,689	2,477,762
Goods & Services	5,806,846	5,679,299	5,678,594	705
260 - Enga Provincial Health Authority	29,659,749	30,527,156	31,997,015	(1,469,860)
Personnel Emoluments	23,438,681	24,086,881	25,562,688	(1,475,807)
Goods & Services	6,221,068	6,440,275	6,434,327	5,948
266 - Sandaun Provincial Health Authority	26,953,372	27,553,598	13,693,057	13,860,541
Personnel Emoluments	19,865,952	20,304,152	6,462,998	13,841,154
Goods & Services	7,087,420	7,249,446	7,230,059	19,387
269 - Office of Tourism Arts and Culture	51,843,913	6,755,311	6,479,836	275,475
Personnel Emoluments	889,225	889,225	717,464	171,761
Goods & Services	50,954,688	5,866,086	5,762,372	103,714
501 - Konebada Petroleum Park Authority	6,447,100	6,392,525	6,392,524	1
Personnel Emoluments	3,800,000	3,800,000	3,800,000	-
Goods & Services	2,647,100	2,592,525	2,592,524	1
502 - Office of the Auditor-General	23,927,754	22,286,769	22,286,769	0
Personnel Emoluments	13,913,315	13,913,315	13,913,315	-
Goods & Services	10,014,439	8,373,454	8,373,454	0
503 - Ombudsman Commission	20,350,185	19,157,794	18,600,995	556,799
Personnel Emoluments	12,087,321	12,087,321	12,087,321	-
Goods & Services	8,262,864	7,070,473	6,513,674	556,799
505 - National Research Institute	7,160,541	7,126,051	7,126,051	-
Personnel Emoluments	3,596,211	3,596,211	3,596,211	-
Goods & Services	3,564,330	3,529,840	3,529,840	-
506 - National Training Council	2,492,045	2,338,161	2,629,352	(291,191)
Personnel Emoluments	1,014,700	1,014,700	1,306,252	(291,552)
Goods & Services	1,477,345	1,323,461	1,323,100	361
507 - National Economic & Fiscal Commission	3,498,475	3,400,782	2,714,467	686,315
Personnel Emoluments	1,954,986	1,759,886	1,073,571	686,315
Goods & Services	1,543,489	1,640,896	1,640,896	(0)
509 - Border Development Authority (BDA)	5,173,107	4,593,882	4,188,635	405,247

Attachment A

Commercial & Statutory Authorities - 2016 Personnel Emoluments and Goods and Services Expenditure

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Personnel Emoluments	2,210,378	2,210,378	1,806,040	404,338
Goods & Services	2,962,729	2,383,504	2,382,595	909
510 - Legal Training Institute	4,865,372	4,836,629	4,632,343	204,286
Personnel Emoluments	1,657,096	1,657,096	1,452,810	204,286
Goods & Services	3,208,276	3,179,533	3,179,533	(0)
511 - Papua New Guinea Climate Change Authority	9,532,618	8,539,509	9,523,231	(983,722)
Personnel Emoluments	3,036,433	3,036,433	4,020,156	(983,723)
Goods & Services	6,496,185	5,503,076	5,503,075	1
512 - University of Papua New Guinea	77,469,169	62,469,169	60,969,168	1,500,001
Personnel Emoluments	44,960,314	44,960,314	44,960,313	1
Goods & Services	32,508,855	17,508,855	16,008,855	1,500,000
513 - University of Technology	65,247,257	62,076,261	62,076,261	-
Personnel Emoluments	35,392,114	35,392,114	35,392,114	-
Goods & Services	29,855,143	26,684,147	26,684,147	-
514 - University of Goroka	34,399,327	22,316,460	22,316,460	(0)
Personnel Emoluments	17,709,286	17,709,286	17,709,286	-
Goods & Services	16,690,041	4,607,174	4,607,174	(0)
515 - University of Environment & Natural Resources	28,565,756	26,803,790	26,803,790	0
Personnel Emoluments	17,010,083	17,010,083	17,010,083	-
Goods & Services	11,555,673	9,793,707	9,793,707	0
516 - Papua New Guinea Sports Foundation	50,511,550	41,718,736	39,355,226	2,363,509
Personnel Emoluments	6,813,461	6,813,461	4,449,951	2,363,510
Goods & Services	43,698,089	34,905,275	34,905,275	(0)
517 - National Narcotics Bureau	4,376,599	4,233,153	4,752,709	(519,557)
Personnel Emoluments	2,319,774	2,319,774	4,752,709	(2,432,935)
Goods & Services	2,056,825	1,913,379	-	1,913,379
518 - PNG Maritime College	4,803,502	4,803,502	4,803,502	-
Personnel Emoluments	4,440,502	4,440,502	4,440,502	-
Goods & Services	363,000	363,000	363,000	-
519 - National Aids Council Secretariat	8,926,734	8,886,715	8,885,635	1,080
Personnel Emoluments	7,362,403	7,362,403	7,362,403	-
Goods & Services	1,564,331	1,524,312	1,523,232	1,080

Attachment A

Commercial & Statutory Authorities - 2016 Personnel Emoluments and Goods and Services Expenditure

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
520 - Institute of Medical Research	12,355,782	12,326,091	12,326,091	(0)
Personnel Emoluments	9,708,178	9,708,178	9,708,178	-
Goods & Services	2,647,604	2,617,913	2,617,913	(0)
521 - National Youth Commission	4,137,142	3,885,530	3,924,028	(38,498)
Personnel Emoluments	1,818,242	1,818,242	1,856,740	(38,498)
Goods & Services	2,318,900	2,067,288	2,067,288	0
522 - Constitutional and Law Reform Commission	4,094,390	4,053,807	2,451,970	1,601,837
Personnel Emoluments	2,319,516	2,319,516	717,679	1,601,837
Goods & Services	1,774,874	1,734,291	1,734,291	(0)
523 - Papua New Guinea Accidents Investigation Commission	5,585,403	5,504,658	5,504,658	-
Personnel Emoluments	5,122,076	5,122,076	5,122,076	-
Goods & Services	463,327	382,582	382,582	-
524 - Independent Public Business Corporation	9,000,000	4,850,000	4,850,000	-
Goods & Services	9,000,000	4,850,000	4,850,000	-
525 - National Broadcasting Commission	25,240,268	25,163,843	25,163,843	0
Personnel Emoluments	16,061,300	16,061,300	16,061,300	-
Goods & Services	9,178,968	9,102,543	9,102,543	0
526 - National Maritime Safety Authority	4,302,911	4,102,911	3,996,271	106,640
Personnel Emoluments	1,700,000	1,700,000	1,593,360	106,640
Goods & Services	2,602,911	2,402,911	2,402,911	-
530 - Investment Promotion Authority	2,969,471	2,969,471	2,969,471	-
Personnel Emoluments	1,627,958	1,627,958	1,627,958	-
Goods & Services	1,341,513	1,341,513	1,341,513	-
531 - Small Business Development Corporation	4,632,404	4,620,798	4,620,798	-
Personnel Emoluments	3,026,166	3,026,166	3,026,166	-
Goods & Services	1,606,238	1,594,632	1,594,632	-
532 - National Institute of Standards & Industrial Technology	3,466,677	3,293,741	3,526,276	(232,536)
Personnel Emoluments	2,073,600	2,073,600	2,306,135	(232,535)
Goods & Services	1,393,077	1,220,141	1,220,141	(0)
533 - Industrial Centers Development Corporation	2,572,994	2,572,994	2,572,994	-
Personnel Emoluments	2,349,987	2,349,987	2,349,987	-
Goods & Services	223,007	223,007	223,007	-

Attachment A

Commercial & Statutory Authorities - 2016 Personnel Emoluments and Goods and Services Expenditure

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
535 - Mineral Resources Authority	22,750,000	8,050,000	5,650,000	2,400,000
Goods & Services	22,750,000	8,050,000	5,650,000	2,400,000
536 - Kokonas Industry Corporation	6,542,732	6,983,269	6,983,269	0
Personnel Emoluments	358,708	358,708	358,708	-
Goods & Services	6,184,024	6,624,561	6,624,561	0
537 - National Airports Corporation	20,000,000	14,000,000	14,000,000	-
Goods & Services	20,000,000	14,000,000	14,000,000	-
538 - Papua New Guinea Air Services Limited	-	10,000,000	10,000,000	-
Goods & Services	-	10,000,000	10,000,000	-
539 - National Museum and Art Gallery	11,773,964	11,581,979	4,543,655	7,038,325
Personnel Emoluments	3,512,400	3,512,400	2,714,416	797,984
Goods & Services	8,261,564	8,069,579	1,829,239	6,240,341
541 - National Housing Corporation	7,230,158	221,155	(1,285,642)	1,506,797
Personnel Emoluments	-	-	(1,506,797)	1,506,797
Goods & Services	7,230,158	221,155	221,155	(0)
542 - National Cultural Commission	4,669,020	5,592,769	5,329,394	263,375
Personnel Emoluments	3,183,070	3,183,070	2,919,695	263,375
Goods & Services	1,485,950	2,409,699	2,409,699	1
543 - National Development Bank	61,500,000	11,900,000	11,900,000	-
Goods & Services	61,500,000	11,900,000	11,900,000	-
545 - Rural Airstrip Authority	4,500,000	4,500,000	4,500,000	-
Goods & Services	4,500,000	4,500,000	4,500,000	-
546 - PNG Power Limited	34,000,000	15,985,000	12,985,000	3,000,000
Goods & Services	34,000,000	15,985,000	12,985,000	3,000,000
549 - Office of Coastal Fisheries Development Agency	25,602,633	20,478,978	19,670,858	808,120
Personnel Emoluments	1,885,590	1,885,590	1,104,170	781,420
Goods & Services	23,717,043	18,593,388	18,566,688	26,700
550 - Cocoa Coconut Institute Ltd	6,699,182	6,699,182	7,105,778	(406,596)
Personnel Emoluments	5,612,101	5,612,101	5,942,935	(330,834)
Goods & Services	1,087,081	1,087,081	1,162,843	(75,762)
551 - National Fisheries Authority	1,000,000	-	(138)	138
Personnel Emoluments	-	-	(138)	138

Attachment A

Commercial & Statutory Authorities - 2016 Personnel Emoluments and Goods and Services Expenditure

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Goods & Services	1,000,000	-	-	-
553 - Fresh Produce Development Company	8,677,180	8,256,411	8,256,411	0
Personnel Emoluments	3,735,885	3,735,885	3,735,885	-
Goods & Services	4,941,295	4,520,526	4,520,526	0
554 - PNG Coffee Industry Corporation	10,018,560	10,598,560	10,598,560	-
Personnel Emoluments	2,008,260	2,008,260	2,008,260	-
Goods & Services	8,010,300	8,590,300	8,590,300	-
557 - PNG National Forest Authority	34,374,653	36,863,681	36,863,681	0
Personnel Emoluments	23,713,761	23,713,761	23,713,761	-
Goods & Services	10,660,892	13,149,920	13,149,920	0
558 - Tourism Promotion Authority	9,841,089	10,809,782	10,308,008	501,774
Personnel Emoluments	2,132,589	2,132,589	2,132,589	-
Goods & Services	7,708,500	8,677,193	8,175,419	501,774
562 - National Agriculture Research Institute	13,498,610	13,284,624	13,284,624	0
Personnel Emoluments	9,444,511	9,444,511	9,444,511	-
Goods & Services	4,054,099	3,840,113	3,840,113	0
563 - National Agriculture Quarantine & Inspection Authority	10,413,662	8,913,662	15,493,881	(6,580,219)
Personnel Emoluments	8,413,662	8,413,662	14,993,881	(6,580,219)
Goods & Services	2,000,000	500,000	500,000	-
565 - Civil Aviation Safety Authority	12,275,341	15,164,098	15,228,381	(64,283)
Personnel Emoluments	11,302,116	11,302,116	11,366,399	(64,283)
Goods & Services	973,225	3,861,982	3,861,982	0
566 - Cocoa Board	16,847,866	16,796,293	16,796,293	(0)
Personnel Emoluments	3,929,866	3,929,866	3,929,866	-
Goods & Services	12,918,000	12,866,427	12,866,427	(0)
567 - National Road Authority	9,500,000	8,503,023	6,872,373	1,630,650
Personnel Emoluments	2,000,000	2,000,000	369,352	1,630,648
Goods & Services	7,500,000	6,503,023	6,503,021	2
569 - Independent Consumer and Competition Commission	9,772,191	9,587,225	9,587,225	0
Personnel Emoluments	6,493,073	6,493,073	6,493,073	-
Goods & Services	3,279,118	3,094,152	3,094,152	0
Grand Total	1,541,730,513	1,369,966,117	1,282,429,317	87,536,800

Attachment B

National Departments - 2016 Personnel Emoluments and Goods and Services Expenditure

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
202 - Office of Governor-General	5,229,011	5,501,998	5,279,318	222,680
Personnel Emoluments	2,522,311	2,573,811	2,351,131	222,680
Goods & Services	2,706,700	2,928,187	2,928,186	1
203 - Department of Prime Minister & NEC	108,339,623	146,113,525	117,676,512	28,437,012
Personnel Emoluments	53,142,023	53,142,023	55,066,829	(1,924,806)
Goods & Services	55,197,600	92,971,502	62,609,683	30,361,818
204 - National Statistical Office	10,401,908	9,969,078	11,710,089	(1,741,011)
Personnel Emoluments	4,899,408	4,899,408	6,794,141	(1,894,733)
Goods & Services	5,502,500	5,069,670	4,915,948	153,722
205 - Office of Bougainville Affairs	3,388,028	3,153,313	3,958,832	(805,519)
Personnel Emoluments	1,933,428	2,013,428	2,904,355	(890,927)
Goods & Services	1,454,600	1,139,885	1,054,476	85,408
206 - Department of Finance	49,376,145	53,636,316	52,900,120	736,196
Personnel Emoluments	20,597,349	20,837,249	22,960,532	(2,123,283)
Goods & Services	28,778,796	32,799,067	29,939,588	2,859,479
208 - Department of Treasury	150,375,303	180,918,642	138,527,516	42,391,126
Personnel Emoluments	20,954,903	20,732,903	13,900,350	6,832,553
Goods & Services	129,420,400	160,185,739	124,627,165	35,558,573
209 - Registrar For Political Parties	7,753,832	7,365,304	7,648,541	(283,237)
Personnel Emoluments	5,084,532	4,599,232	4,904,738	(305,506)
Goods & Services	2,669,300	2,766,072	2,743,803	22,269
211 - PNG Customs Service	59,631,721	52,443,992	36,890,236	15,553,756
Personnel Emoluments	29,023,521	29,635,521	30,597,141	(961,620)
Goods & Services	30,608,200	22,808,471	6,293,095	16,515,376
212 - Information Technology Division	18,340,042	16,756,148	15,827,107	929,041
Personnel Emoluments	5,888,617	5,853,617	2,851,817	3,001,800
Goods & Services	12,451,425	10,902,531	12,975,290	(2,072,759)
213 - Fire Services	29,015,004	16,453,754	20,758,398	(4,304,644)
Personnel Emoluments	11,398,104	11,698,104	17,108,395	(5,410,291)
Goods & Services	17,616,900	4,755,650	3,650,003	1,105,647
217 - Department of Foreign Affairs and Trade	59,931,794	59,427,414	47,883,358	11,544,056

Attachment B

National Departments - 2016 Personnel Emoluments and Goods and Services Expenditure

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Personnel Emoluments	33,061,425	36,561,425	25,527,868	11,033,557
Goods & Services	26,870,369	22,865,989	22,355,490	510,499
218 - Office of the Public Prosecutor	7,393,762	7,923,493	9,016,401	(1,092,908)
Personnel Emoluments	5,343,962	5,343,962	6,432,264	(1,088,302)
Goods & Services	2,049,800	2,579,531	2,584,138	(4,607)
219 - PNG Institute of Public Administration	10,162,631	9,126,345	9,774,197	(647,853)
Personnel Emoluments	5,242,831	5,242,831	5,959,095	(716,264)
Goods & Services	4,919,800	3,883,514	3,815,102	68,412
220 - Department of Personnel Management	22,077,797	21,734,282	19,170,685	2,563,597
Personnel Emoluments	16,349,297	15,582,612	13,110,156	2,472,456
Goods & Services	5,728,500	6,151,670	6,060,529	91,141
221 - Public Service Commission	6,435,483	6,150,417	5,881,243	269,174
Personnel Emoluments	5,261,083	5,161,083	4,895,006	266,077
Goods & Services	1,174,400	989,334	986,237	3,097
222 - Office of the Public Solicitor	12,559,548	12,306,448	12,173,708	132,740
Personnel Emoluments	8,821,948	8,821,948	8,690,605	131,343
Goods & Services	3,737,600	3,484,500	3,483,103	1,397
225 - Department of Attorney-General	105,500,000	113,924,585	129,261,428	(15,336,843)
Personnel Emoluments	73,725,641	73,725,641	90,783,261	(17,057,620)
Goods & Services	31,774,359	40,198,944	38,478,166	1,720,778
226 - Department of Corrective Institutional Services	139,699,381	138,425,039	138,051,225	373,814
Personnel Emoluments	87,188,381	81,938,381	82,067,494	(129,113)
Goods & Services	52,511,000	56,486,658	55,983,731	502,927
227 - Provincial Treasuries	45,153,661	42,040,568	46,436,789	(4,396,221)
Personnel Emoluments	35,689,679	35,689,679	41,233,790	(5,544,111)
Goods & Services	9,463,982	6,350,889	5,202,999	1,147,890
228 - Department of Police	361,294,687	388,416,176	444,736,937	(56,320,762)
Personnel Emoluments	196,518,462	196,518,462	259,285,692	(62,767,230)
Goods & Services	164,776,225	191,897,714	185,451,245	6,446,469
229 - Department of National Planning and Monitoring	102,085,979	84,517,208	84,252,346	264,862
Personnel Emoluments	11,084,167	11,084,167	11,519,904	(435,737)
Goods & Services	91,001,812	73,433,041	72,732,442	700,599

Attachment B

National Departments - 2016 Personnel Emoluments and Goods and Services Expenditure

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
230 - Electoral Commission	21,741,378	47,164,573	48,538,290	(1,373,717)
Personnel Emoluments	6,712,279	7,364,498	6,277,625	1,086,873
Goods & Services	15,029,099	39,800,075	42,260,665	(2,460,590)
231 - National Intelligence Organisation	4,669,962	4,649,802	4,900,774	(250,972)
Personnel Emoluments	2,602,262	2,519,262	2,878,785	(359,523)
Goods & Services	2,067,700	2,130,540	2,021,989	108,551
232 - Provincial and Local Government Affairs	18,226,881	29,127,276	28,921,114	206,162
Personnel Emoluments	9,690,184	23,220,184	23,161,093	59,091
Goods & Services	8,536,697	5,907,092	5,760,021	147,071
233 - Office of Censorship	3,675,840	3,414,027	3,065,945	348,082
Personnel Emoluments	2,675,840	2,675,840	2,338,226	337,614
Goods & Services	1,000,000	738,187	727,719	10,468
234 - Department of Defence	256,474,765	239,676,860	249,072,688	(9,395,827)
Personnel Emoluments	115,102,765	115,176,465	154,706,537	(39,530,072)
Goods & Services	141,372,000	124,500,395	94,366,150	30,134,245
235 - Department of Education	852,555,017	316,268,992	246,599,432	69,669,560
Personnel Emoluments	145,072,305	144,789,305	152,296,555	(7,507,250)
Goods & Services	707,482,712	171,479,687	94,302,876	77,176,810
236 - Department of Higher Education Research Science & Technology	137,248,390	116,351,918	121,554,779	(5,202,861)
Personnel Emoluments	6,127,235	6,127,235	4,194,296	1,932,939
Goods & Services	131,121,155	110,224,683	117,360,482	(7,135,799)
237 - PNG National Commission for UNESCO	3,062,017	2,521,474	860,200	1,661,273
Personnel Emoluments	2,194,355	2,116,355	860,200	1,256,155
Goods & Services	867,662	405,119	-	405,119
240 - Department of Health	320,651,064	337,188,516	312,320,826	24,867,690
Personnel Emoluments	78,456,060	79,119,660	98,519,546	(19,399,886)
Goods & Services	242,195,004	258,068,856	213,801,281	44,267,575
241 - Hospital Management Services	677,538,040	622,899,070	571,944,461	50,954,609
Personnel Emoluments	275,321,280	308,839,184	407,628,084	(98,788,900)
Goods & Services	402,216,760	314,059,886	164,316,376	149,743,509
242 - Department of Community Development	13,928,930	16,058,533	14,506,475	1,552,058
Personnel Emoluments	9,958,030	8,638,030	7,102,842	1,535,188

Attachment B

National Departments - 2016 Personnel Emoluments and Goods and Services Expenditure

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Goods & Services	3,970,900	7,420,503	7,403,633	16,870
245 - Conservation and Environment Protection Authority	16,532,507	15,521,015	15,188,469	332,546
Personnel Emoluments	6,626,748	6,626,748	7,175,062	(548,314)
Goods & Services	9,905,759	8,894,267	8,013,406	880,861
246 - Office of Urbanization	1,753,723	1,698,141	2,360,837	(662,696)
Personnel Emoluments	1,501,704	1,501,704	2,168,491	(666,787)
Goods & Services	252,019	196,437	192,345	4,092
247 - Department of Agriculture and Livestock	17,815,575	18,215,671	14,128,445	4,087,225
Personnel Emoluments	12,889,643	12,889,643	9,630,462	3,259,181
Goods & Services	4,925,932	5,326,028	4,497,983	828,044
252 - Department of Lands and Physical Planning	39,596,665	30,304,077	29,577,839	726,237
Personnel Emoluments	16,618,962	16,618,962	16,087,893	531,069
Goods & Services	22,977,703	13,685,115	13,489,946	195,169
254 - Department of Mineral Policy and Geohazards Management	11,695,800	10,204,773	9,961,383	243,390
Personnel Emoluments	5,522,668	5,522,668	5,317,304	205,364
Goods & Services	6,173,132	4,682,105	4,644,079	38,027
255 - Department of Petroleum and Energy	47,537,026	38,476,910	30,494,286	7,982,625
Personnel Emoluments	11,426,447	11,026,447	9,717,133	1,309,314
Goods & Services	36,110,579	27,450,463	20,777,153	6,673,311
257 - Department of Public Enterprises	7,777,378	6,724,928	4,807,080	1,917,848
Personnel Emoluments	2,712,778	2,712,778	1,955,810	756,968
Goods & Services	5,064,600	4,012,150	2,851,270	1,160,880
258 - Department of Information and Communication	7,274,803	4,101,018	3,799,831	301,187
Personnel Emoluments	1,785,497	1,785,497	1,671,056	114,441
Goods & Services	5,489,306	2,315,521	2,128,775	186,746
259 - Department of Transport	24,704,857	21,669,426	21,009,677	659,750
Personnel Emoluments	12,900,004	12,900,004	12,817,219	82,785
Goods & Services	11,804,853	8,769,422	8,192,458	576,964
261 - Department of Commerce and Industry	26,143,883	21,816,390	17,904,720	3,911,670
Personnel Emoluments	9,201,650	9,201,650	6,840,463	2,361,187
Goods & Services	16,942,233	12,614,740	11,064,257	1,550,483
262 - Department of Industrial Relations	33,431,144	28,457,074	29,294,306	(837,233)

Attachment B**National Departments - 2016 Personnel Emoluments and Goods and Services Expenditure**

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Personnel Emoluments	14,308,898	14,308,898	14,892,453	(583,555)
Goods & Services	19,122,246	14,148,176	14,401,853	(253,678)
263 - National Tripartite Consultative Council	862,859	803,420	630,338	173,082
Personnel Emoluments	519,953	519,953	359,972	159,981
Goods & Services	342,906	283,467	270,366	13,101
264 - Department of Works and Implementation	701,898,081	493,412,011	477,045,262	16,366,748
Personnel Emoluments	61,669,412	57,964,412	62,994,665	(5,030,253)
Goods & Services	640,228,669	435,447,599	414,050,597	21,397,001
267 - Department of Implementation and Rural Development	65,629,697	66,460,175	64,826,054	1,634,121
Personnel Emoluments	7,688,493	7,688,493	6,122,342	1,566,151
Goods & Services	57,941,204	58,771,682	58,703,712	67,971
268 - Central Supply & Tenders Board	2,727,530	3,965,974	3,875,849	90,125
Personnel Emoluments	1,544,941	1,544,941	1,827,822	(282,881)
Goods & Services	1,182,589	2,421,033	2,048,027	373,006
Grand Total	4,629,299,152	3,873,456,086	3,685,004,345	188,451,741

Source: Department of Treasury

Attachment C

Provinces - 2016 Personnel Emoluments and Goods and Services Expenditure

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
571 - Fly River Provincial Administration	113,973,400	111,984,000	126,012,747	(14,028,747)
Personnel Emoluments	51,873,500	51,873,500	65,902,247	(14,028,747)
Goods & Services	62,099,900	60,110,500	60,110,500	-
572 - Gulf Provincial Administration	95,116,200	95,155,400	88,103,509	7,051,891
Personnel Emoluments	33,916,600	33,916,600	31,607,809	2,308,791
Goods & Services	61,199,600	61,238,800	56,495,700	4,743,100
573 - Central Provincial Administration	145,215,600	145,381,800	166,116,792	(20,734,992)
Personnel Emoluments	60,888,700	60,888,700	81,859,892	(20,971,192)
Goods & Services	84,326,900	84,493,100	84,256,900	236,200
574 - National Capital District	66,425,000	66,666,600	66,621,452	45,148
Personnel Emoluments	-	-	(12,148)	12,148
Goods & Services	66,425,000	66,666,600	66,633,600	33,000
575 - Milne Bay Provincial Administration	153,421,300	153,421,300	155,116,189	(1,694,889)
Personnel Emoluments	66,788,600	66,788,600	71,418,589	(4,629,989)
Goods & Services	86,632,700	86,632,700	83,697,600	2,935,100
576 - Oro Provincial Administration	87,890,402	88,257,302	95,630,059	(7,372,757)
Personnel Emoluments	34,082,102	34,082,102	41,454,859	(7,372,757)
Goods & Services	53,808,300	54,175,200	54,175,200	-
577 - Southern Highlands Provincial Administration	174,105,484	172,685,884	206,476,631	(33,790,747)
Personnel Emoluments	89,041,270	89,041,270	128,392,517	(39,351,247)
Goods & Services	85,064,214	83,644,614	78,084,114	5,560,500
578 - Enga Provincial Administration	149,183,828	149,183,828	175,527,706	(26,343,878)
Personnel Emoluments	55,991,526	55,991,526	90,254,104	(34,262,578)
Goods & Services	93,192,302	93,192,302	85,273,602	7,918,700
579 - Western Highlands Provincial Administration	169,662,590	166,662,590	180,421,234	(13,758,644)
Personnel Emoluments	82,602,200	82,602,200	102,260,844	(19,658,644)
Goods & Services	87,060,390	84,060,390	78,160,390	5,900,000
580 - Simbu Provincial Administration	183,155,290	183,796,590	198,480,130	(14,683,540)

Attachment C

Provinces - 2016 Personnel Emoluments and Goods and Services Expenditure

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Personnel Emoluments	72,901,000	72,901,000	92,484,540	(19,583,540)
Goods & Services	110,254,290	110,895,590	105,995,590	4,900,000
581 - Eastern Highlands Provincial Administration	233,768,704	233,768,704	238,627,140	(4,858,436)
Personnel Emoluments	91,818,500	91,818,500	106,576,936	(14,758,436)
Goods & Services	141,950,204	141,950,204	132,050,204	9,900,000
582 - Morobe Provincial Administration	298,451,300	299,345,700	295,381,606	3,964,094
Personnel Emoluments	179,869,700	179,869,700	182,385,777	(2,516,077)
Goods & Services	118,581,600	119,476,000	112,995,829	6,480,171
583 - Madang Provincial Administration	228,278,600	228,937,600	235,116,593	(6,178,993)
Personnel Emoluments	108,053,500	108,053,500	122,132,493	(14,078,993)
Goods & Services	120,225,100	120,884,100	112,984,100	7,900,000
584 - East Sepik Provincial Administration	209,816,710	211,582,310	232,635,882	(21,053,572)
Personnel Emoluments	74,035,010	74,035,010	100,988,582	(26,953,572)
Goods & Services	135,781,700	137,547,300	131,647,300	5,900,000
585 - Sandaun Provincial Administration	175,730,200	166,730,200	148,795,416	17,934,784
Personnel Emoluments	69,100,200	69,100,200	59,776,716	9,323,484
Goods & Services	106,630,000	97,630,000	89,018,700	8,611,300
586 - Manus Provincial Administration	72,512,000	72,512,000	65,080,128	7,431,872
Personnel Emoluments	37,205,700	37,205,700	30,273,828	6,931,872
Goods & Services	35,306,300	35,306,300	34,806,300	500,000
587 - New Ireland Provincial Administration	115,754,500	114,693,700	98,282,306	16,411,394
Personnel Emoluments	75,441,600	75,441,600	60,030,206	15,411,394
Goods & Services	40,312,900	39,252,100	38,252,100	1,000,000
588 - East New Britain Provincial Administration	167,317,100	168,041,100	183,138,767	(15,097,667)
Personnel Emoluments	89,124,600	89,124,600	104,222,267	(15,097,667)
Goods & Services	78,192,500	78,916,500	78,916,500	-
589 - West New Britain Provincial Administration	120,504,900	120,504,900	123,361,866	(2,856,966)
Personnel Emoluments	66,766,200	66,766,200	69,623,166	(2,856,966)
Goods & Services	53,738,700	53,738,700	53,738,700	-

Attachment C**Provinces - 2016 Personnel Emoluments and Goods and Services Expenditure**

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
590 - Autonomous Bougainville Administration	248,007,500	206,357,100	211,020,873	(4,663,773)
Personnel Emoluments	106,239,800	106,239,800	113,903,573	(7,663,773)
Goods & Services	141,767,700	100,117,300	97,117,300	3,000,000
591 - Hela Provincial Administration	133,444,974	105,152,774	108,336,828	(3,184,054)
Personnel Emoluments	31,775,263	31,775,263	44,359,317	(12,584,054)
Goods & Services	101,669,711	73,377,511	63,977,511	9,400,000
592 - Jiwaka Provincial Administration	100,719,013	100,988,413	117,998,617	(17,010,204)
Personnel Emoluments	33,805,008	33,805,008	55,715,212	(21,910,204)
Goods & Services	66,914,005	67,183,405	62,283,405	4,900,000
Grand Total	3,442,454,595	3,361,809,795	3,516,282,471	(154,472,676)

Source: Department of Treasury

Attachment D:**2016 Personnel Emoluments and Goods and Services Expenditure under Provincial Government Grants & Subsidies Transfers**

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
571 - Fly River Provincial Administration	113,973,400	111,984,000	126,012,747	(14,028,747)
Personnel Emoluments	51,873,500	51,873,500	65,902,247	(14,028,747)
PS Leave Fare	2,106,000	2,106,000	2,106,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	20,482,800	20,482,800	14,109,473	6,373,327
Teach Leave	3,571,000	3,571,000	3,571,000	-
Teacher Sal Gr	25,713,700	25,713,700	46,115,774	(20,402,074)
Goods & Services	62,099,900	60,110,500	60,110,500	-
Admin Grant	161,500	161,500	161,500	-
C/Gr-SA & PA	33,500,000	31,510,600	25,510,600	6,000,000
Ed Function Gr	2,980,000	2,980,000	2,980,000	-
Health Funct Gr	3,814,300	3,814,300	3,814,300	-
Infrast. Grant	4,434,000	4,434,000	4,434,000	-
Land Mediation	75,800	75,800	75,800	-
LLG Vill Ser Gr	3,782,000	3,782,000	3,782,000	-
Op Exp (NP)	11,400,000	11,400,000	11,400,000	-
Prim Prod Gr	1,216,300	1,216,300	1,216,300	-
Serv Del Gr	561,800	561,800	561,800	-
SSG	-	-	6,000,000	(6,000,000)
Vill Courts Gr	174,200	174,200	174,200	-
572 - Gulf Provincial Administration	95,116,200	95,155,400	88,103,509	7,051,891
Personnel Emoluments	33,916,600	33,916,600	31,607,809	2,308,791
PS Leave Fare	500,000	500,000	411,400	88,600
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	14,897,400	14,897,400	12,216,219	2,681,181
Teach Leave	800,000	800,000	626,700	173,300
Teacher Sal Gr	17,719,200	17,719,200	18,353,490	(634,290)
Goods & Services	61,199,600	61,238,800	56,495,700	4,743,100
Admin Grant	2,410,800	2,410,800	1,983,500	427,300
C/Gr-SA & PA	1,000,000	1,039,200	926,900	112,300
Ed Function Gr	4,844,600	4,844,600	3,985,800	858,800
Health Funct Gr	6,115,100	6,115,100	5,031,100	1,084,000
Infrast. Grant	7,199,800	7,199,800	5,923,500	1,276,300
Land Mediation	75,700	75,700	62,300	13,400
LLG Vill Ser Gr	3,075,700	3,075,700	3,075,700	-
Op Exp (NP)	22,000,000	22,000,000	22,000,000	-
Prim Prod Gr	2,461,100	2,461,100	2,024,800	436,300
Serv Del Gr	2,613,400	2,613,400	2,150,200	463,200

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Trf to Govt	9,000,000	9,000,000	9,000,000	-
Vill Courts Gr	403,400	403,400	331,900	71,500
573 - Central Provincial Administration	145,215,600	145,381,800	166,116,792	(20,734,992)
Personnel Emoluments	60,888,700	60,888,700	81,859,892	(20,971,192)
Overtime	-	-	-	-
PS Leave Fare	422,900	422,900	422,900	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	16,962,800	16,962,800	17,217,431	(254,631)
Teach Leave	2,316,800	2,316,800	2,316,800	-
Teacher Sal Gr	41,186,200	41,186,200	61,902,761	(20,716,561)
Goods & Services	84,326,900	84,493,100	84,256,900	236,200
Admin Grant	1,917,500	1,917,500	1,917,500	-
C/Gr-SA & PA	350,000	516,200	516,200	-
Ed Function Gr	6,289,000	6,289,000	6,289,000	-
Health Funct Gr	6,073,200	6,073,200	6,073,200	-
Infrast. Grant	10,695,500	10,695,500	10,695,500	-
Land Mediation	65,000	65,000	65,000	-
LLG Vill Ser Gr	2,063,700	2,063,700	1,827,500	236,200
Op Exp (NP)	51,300,000	51,300,000	51,300,000	-
Prim Prod Gr	2,031,300	2,031,300	2,031,300	-
Serv Del Gr	3,137,700	3,137,700	3,137,700	-
Vill Courts Gr	404,000	404,000	404,000	-
574 - National Capital District	66,425,000	66,666,600	66,621,452	45,148
Personnel Emoluments	-	-	(12,148)	12,148
Payroll Cost	-	-	(12,148)	12,148
Goods & Services	66,425,000	66,666,600	66,633,600	33,000
C/Gr-SA & PA	40,000,000	40,241,600	40,241,600	-
CRI	20,000,000	20,000,000	20,000,000	-
Land Mediation	25,000	25,000	25,000	-
Op Exp (NP)	100,000	100,000	67,000	33,000
Town/Urban Serv	3,300,000	3,300,000	3,300,000	-
Training	3,000,000	3,000,000	3,000,000	-
575 - Milne Bay Provincial Administration	153,421,300	153,421,300	155,116,189	(1,694,889)
Personnel Emoluments	66,788,600	66,788,600	71,418,589	(4,629,989)
Payroll Cost	-	-	-	-
PS Leave Fare	400,000	400,000	400,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	10,597,500	10,597,500	8,732,937	1,864,563
Teach Leave	1,500,000	1,500,000	1,500,000	-
Teacher Sal Gr	54,291,100	54,291,100	60,785,652	(6,494,552)
Goods & Services	86,632,700	86,632,700	83,697,600	2,935,100
Admin Grant	1,913,500	1,913,500	1,913,500	-

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
C/Gr-SA & PA	10,000,000	10,000,000	8,950,000	1,050,000
Ed Function Gr	7,804,200	7,804,200	7,769,100	35,100
Health Funct Gr	7,608,200	7,608,200	7,608,200	-
Infrast. Grant	7,437,300	7,437,300	7,437,300	-
Land Mediation	67,100	67,100	67,100	-
LLG Vill Ser Gr	2,746,000	2,746,000	2,746,000	-
Prim Prod Gr	2,417,200	2,417,200	2,417,200	-
Serv Del Gr	4,538,600	4,538,600	4,538,600	-
Trf to Govt	41,600,000	41,600,000	39,750,000	1,850,000
Vill Courts Gr	500,600	500,600	500,600	-
576 - Oro Provincial Administration	87,890,402	88,257,302	95,630,059	(7,372,757)
Personnel Emoluments	34,082,102	34,082,102	41,454,859	(7,372,757)
Overtime	-	-	-	-
Payroll Cost	-	-	-	-
PS Leave Fare	800,000	800,000	800,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	13,189,402	13,189,402	11,846,373	1,343,029
Teach Leave	1,400,000	1,400,000	1,400,000	-
Teacher Sal Gr	18,692,700	18,692,700	27,408,486	(8,715,786)
Goods & Services	53,808,300	54,175,200	54,175,200	-
Admin Grant	1,292,600	1,292,600	1,292,600	-
C/Gr-SA & PA	5,000,000	5,366,900	5,366,900	-
Ed Function Gr	4,426,900	4,426,900	4,426,900	-
Health Funct Gr	5,206,800	5,206,800	5,206,800	-
Infrast. Grant	4,642,200	4,642,200	4,642,200	-
Land Mediation	72,800	72,800	72,800	-
LLG Vill Ser Gr	2,338,700	2,338,700	2,338,700	-
Prim Prod Gr	2,321,900	2,321,900	2,321,900	-
Serv Del Gr	2,249,600	2,249,600	2,249,600	-
Trf to Govt	25,900,000	25,900,000	25,900,000	-
Vill Courts Gr	356,800	356,800	356,800	-
577 - Southern Highlands Provincial Administration	174,105,484	172,685,884	206,476,631	(33,790,747)
Personnel Emoluments	89,041,270	89,041,270	128,392,517	(39,351,247)
Overtime	-	-	-	-
Payroll Cost	-	-	-	-
PS Leave Fare	400,000	400,000	400,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	32,897,870	32,897,870	33,067,033	(169,163)
Teach Leave	800,000	800,000	800,000	-
Teacher Sal Gr	54,943,400	54,943,400	94,125,484	(39,182,084)
Goods & Services	85,064,214	83,644,614	78,084,114	5,560,500
Admin Grant	257,957	257,957	257,957	-

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
C/Gr-SA & PA	9,500,000	8,080,400	7,419,900	660,500
Ed Function Gr	3,414,054	3,414,054	3,414,054	-
Health Funct Gr	3,926,304	3,926,304	3,926,304	-
Infrast. Grant	3,050,101	3,050,101	3,050,101	-
Land Mediation	65,000	65,000	65,000	-
LLG Vill Ser Gr	3,182,410	3,182,410	3,182,410	-
Op Exp (NP)	50,000,000	50,000,000	50,000,000	-
Prim Prod Gr	634,722	634,722	634,722	-
Serv Del Gr	720,141	720,141	720,141	-
Trf to Govt	10,000,000	10,000,000	5,100,000	4,900,000
Vill Courts Gr	313,525	313,525	313,525	-
578 - Enga Provincial Administration	149,183,828	149,183,828	175,527,706	(26,343,878)
Personnel Emoluments	55,991,526	55,991,526	90,254,104	(34,262,578)
Overtime	-	-	-	-
Payroll Cost	-	-	-	-
PS Leave Fare	200,000	200,000	200,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	19,596,198	19,596,198	13,028,371	6,567,827
Teach Leave	900,000	900,000	900,000	-
Teacher Sal Gr	35,295,328	35,295,328	76,125,733	(40,830,405)
Goods & Services	93,192,302	93,192,302	85,273,602	7,918,700
Admin Grant	1,868,806	1,868,806	1,868,806	-
C/Gr-SA & PA	2,000,000	2,000,000	2,000,000	-
Ed Function Gr	5,231,842	5,231,842	5,231,842	-
Health Funct Gr	4,999,961	4,999,961	4,999,961	-
Infrast. Grant	10,572,402	10,572,402	10,572,402	-
Land Mediation	65,565	65,565	65,565	-
LLG Vill Ser Gr	2,338,753	2,338,753	2,320,053	18,700
Op Exp (NP)	9,000,000	9,000,000	7,500,000	1,500,000
Prim Prod Gr	1,189,368	1,189,368	1,189,368	-
Serv Del Gr	3,036,263	3,036,263	3,036,263	-
Trf to Govt	52,500,000	52,500,000	46,100,000	6,400,000
Vill Courts Gr	389,342	389,342	389,342	-
579 - Western Highlands Provincial Administration	169,662,590	166,662,590	180,421,234	(13,758,644)
Personnel Emoluments	82,602,200	82,602,200	102,260,844	(19,658,644)
Overtime	-	-	-	-
Payroll Cost	-	-	-	-
PS Leave Fare	400,000	400,000	400,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	10,630,400	10,630,400	12,963,774	(2,333,374)
Teach Leave	1,100,000	1,100,000	1,100,000	-
Teacher Sal Gr	70,471,800	70,471,800	87,797,070	(17,325,270)

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Goods & Services	87,060,390	84,060,390	78,160,390	5,900,000
Admin Grant	967,859	967,859	967,859	-
Ed Function Gr	6,092,884	6,092,884	6,092,884	-
Health Funct Gr	4,467,280	4,467,280	4,467,280	-
Infrast. Grant	8,700,953	8,700,953	8,700,953	-
Land Mediation	78,782	78,782	78,782	-
LLG Vill Ser Gr	2,180,399	2,180,399	2,180,399	-
Op Exp (NP)	16,000,000	13,000,000	11,000,000	2,000,000
Prim Prod Gr	1,325,241	1,325,241	1,325,241	-
Serv Del Gr	1,946,212	1,946,212	1,946,212	-
Trf to Govt	44,900,000	44,900,000	41,000,000	3,900,000
Vill Courts Gr	400,780	400,780	400,780	-
580 - Simbu Provincial Administration	183,155,290	183,796,590	198,480,130	(14,683,540)
Personnel Emoluments	72,901,000	72,901,000	92,484,540	(19,583,540)
Overtime	-	-	-	-
Payroll Cost	-	-	-	-
PS Leave Fare	200,000	200,000	200,000	-
Sal & Allow	-	-	-	-
Staffing Grants	16,435,000	16,435,000	21,578,261	(5,143,261)
Teach Leave	800,000	800,000	800,000	-
Teacher Sal Gr	55,466,000	55,466,000	69,906,279	(14,440,279)
Goods & Services	110,254,290	110,895,590	105,995,590	4,900,000
Admin Grant	2,848,216	2,848,216	2,848,216	-
C/Gr-SA & PA	-	641,300	641,300	-
Ed Function Gr	9,362,153	9,362,153	9,362,153	-
Health Funct Gr	7,680,875	7,680,875	7,680,875	-
Infrast. Grant	10,576,015	10,576,015	10,576,015	-
Land Mediation	75,208	75,208	75,208	-
LLG Vill Ser Gr	1,724,500	1,724,500	1,724,500	-
Op Exp (NP)	11,000,000	11,000,000	10,000,000	1,000,000
Prim Prod Gr	1,882,581	1,882,581	1,882,581	-
Serv Del Gr	3,416,466	3,416,466	3,416,466	-
Trf to Govt	61,000,000	61,000,000	57,100,000	3,900,000
Vill Courts Gr	688,276	688,276	688,276	-
581 - Eastern Highlands Provincial Administration	233,768,704	233,768,704	238,627,140	(4,858,436)
Personnel Emoluments	91,818,500	91,818,500	106,576,936	(14,758,436)
Payroll Cost	-	-	-	-
PS Leave Fare	700,000	700,000	700,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	16,587,700	16,587,700	9,625,967	6,961,733
Teach Leave	1,000,000	1,000,000	1,000,000	-
Teacher Sal Gr	73,530,800	73,530,800	95,250,969	(21,720,169)
Goods & Services	141,950,204	141,950,204	132,050,204	9,900,000

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Admin Grant	3,166,154	3,166,154	3,166,154	-
Ed Function Gr	10,811,446	10,811,446	10,811,446	-
Health Funct Gr	7,594,914	7,594,914	7,594,914	-
Infrast. Grant	17,590,320	17,590,320	17,590,320	-
Land Mediation	75,213	75,213	75,213	-
LLG Vill Ser Gr	2,737,361	2,737,361	2,737,361	-
Op Exp (NP)	12,200,000	12,200,000	9,200,000	3,000,000
Prim Prod Gr	2,865,759	2,865,759	2,865,759	-
Serv Del Gr	4,055,583	4,055,583	4,055,583	-
Trf to Govt	80,200,000	80,200,000	73,300,000	6,900,000
Vill Courts Gr	653,454	653,454	653,454	-
582 - Morobe Provincial Administration	298,451,300	299,345,700	295,381,606	3,964,094
Personnel Emoluments	179,869,700	179,869,700	182,385,777	(2,516,077)
Overtime	-	-	-	-
Payroll Cost	-	-	-	-
PS Leave Fare	1,400,000	1,400,000	1,400,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	43,919,100	43,919,100	33,785,535	10,133,565
Teach Leave	5,000,000	5,000,000	5,000,000	-
Teacher Sal Gr	129,550,600	129,550,600	142,200,241	(12,649,641)
Goods & Services	118,581,600	119,476,000	112,995,829	6,480,171
Admin Grant	585,300	585,300	585,300	-
C/Gr-SA & PA	500,000	1,394,400	894,400	500,000
Ed Function Gr	2,000,000	2,000,000	2,000,000	-
Health Funct Gr	1,275,800	1,275,800	1,275,800	-
Infrast. Grant	2,266,300	2,266,300	2,266,300	-
Land Mediation	65,000	65,000	65,000	-
LLG Vill Ser Gr	6,999,400	6,999,400	6,919,229	80,171
Op Exp (NP)	17,300,000	17,300,000	17,300,000	-
Prim Prod Gr	465,300	465,300	465,300	-
Serv Del Gr	967,500	967,500	967,500	-
Trf to Govt	86,000,000	86,000,000	80,100,000	5,900,000
Vill Courts Gr	157,000	157,000	157,000	-
583 - Madang Provincial Administration	228,278,600	228,937,600	235,116,593	(6,178,993)
Personnel Emoluments	108,053,500	108,053,500	122,132,493	(14,078,993)
Payroll Cost	-	-	-	-
PS Leave Fare	800,000	800,000	800,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	33,232,100	33,232,100	26,017,288	7,214,812
Teach Leave	1,700,000	1,700,000	1,700,000	-
Teacher Sal Gr	72,321,400	72,321,400	93,615,204	(21,293,804)
Goods & Services	120,225,100	120,884,100	112,984,100	7,900,000

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Admin Grant	3,613,000	3,613,000	3,613,000	-
C/Gr-SA & PA	-	659,000	659,000	-
Ed Function Gr	9,450,800	9,450,800	9,450,800	-
Health Funct Gr	9,534,300	9,534,300	9,534,300	-
Infrast. Grant	12,998,200	12,998,200	12,998,200	-
Land Mediation	69,800	69,800	69,800	-
LLG Vill Ser Gr	4,477,900	4,477,900	4,477,900	-
Op Exp (NP)	17,900,000	17,900,000	13,000,000	4,900,000
Prim Prod Gr	3,807,800	3,807,800	3,807,800	-
Serv Del Gr	3,772,300	3,772,300	3,772,300	-
Trf to Govt	54,000,000	54,000,000	51,000,000	3,000,000
Vill Courts Gr	601,000	601,000	601,000	-
584 - East Sepik Provincial Administration	209,816,710	211,582,310	232,635,882	(21,053,572)
Personnel Emoluments	74,035,010	74,035,010	100,988,582	(26,953,572)
Payroll Cost	-	-	-	-
PS Leave Fare	1,200,000	1,200,000	1,080,000	120,000
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	23,187,810	23,187,810	18,606,300	4,581,510
Teach Leave	1,000,000	1,000,000	1,000,000	-
Teacher Sal Gr	48,647,200	48,647,200	80,302,281	(31,655,081)
Goods & Services	135,781,700	137,547,300	131,647,300	5,900,000
Admin Grant	3,451,800	3,451,800	3,451,800	-
C/Gr-SA & PA	-	565,600	565,600	-
Ed Function Gr	12,755,000	12,755,000	12,755,000	-
Health Funct Gr	11,941,200	11,941,200	11,941,200	-
Infrast. Grant	21,291,500	21,291,500	21,291,500	-
Land Mediation	77,100	77,100	77,100	-
LLG Vill Ser Gr	4,810,200	4,810,200	4,810,200	-
Op Exp (NP)	5,600,000	6,800,000	4,800,000	2,000,000
Prim Prod Gr	4,184,900	4,184,900	4,184,900	-
Serv Del Gr	3,782,900	3,782,900	3,782,900	-
Trf to Govt	67,000,000	67,000,000	63,100,000	3,900,000
Vill Courts Gr	887,100	887,100	887,100	-
585 - Sandaun Provincial Administration	175,730,200	166,730,200	148,795,416	17,934,784
Personnel Emoluments	69,100,200	69,100,200	59,776,716	9,323,484
Overtime	-	-	-	-
Payroll Cost	-	-	-	-
PS Leave Fare	700,000	700,000	635,800	64,200
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	18,546,900	18,546,900	9,207,818	9,339,082
Teach Leave	1,100,000	1,100,000	1,100,000	-
Teacher Sal Gr	48,753,300	48,753,300	48,833,098	(79,798)

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Goods & Services	106,630,000	97,630,000	89,018,700	8,611,300
Admin Grant	3,871,300	3,871,300	3,516,400	354,900
C/Gr-SA & PA	6,000,000	7,000,000	7,000,000	-
CRI	9,000,000	-	-	-
Ed Function Gr	10,061,800	10,061,800	9,139,500	922,300
Health Funct Gr	10,696,000	10,696,000	9,715,500	980,500
Infrast. Grant	8,392,500	8,392,500	7,623,200	769,300
Land Mediation	72,400	72,400	65,800	6,600
LLG Vill Ser Gr	4,443,100	4,443,100	4,443,100	-
Op Exp (NP)	1,000,000	-	-	-
Prim Prod Gr	4,073,600	4,073,600	3,700,200	373,400
Serv Del Gr	2,914,600	2,914,600	2,647,400	267,200
Trf to Govt	45,700,000	45,700,000	40,800,000	4,900,000
Vill Courts Gr	404,700	404,700	367,600	37,100
586 - Manus Provincial Administration	72,512,000	72,512,000	65,080,128	7,431,872
Personnel Emoluments	37,205,700	37,205,700	30,273,828	6,931,872
PS Leave Fare	500,000	500,000	500,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	14,323,300	14,323,300	8,111,189	6,212,111
Teach Leave	550,000	550,000	550,000	-
Teacher Sal Gr	21,832,400	21,832,400	21,112,639	719,761
Goods & Services	35,306,300	35,306,300	34,806,300	500,000
Admin Grant	1,066,100	1,066,100	1,066,100	-
Ed Function Gr	2,977,900	2,977,900	2,977,900	-
Health Funct Gr	2,492,700	2,492,700	2,492,700	-
Infrast. Grant	4,059,000	4,059,000	4,059,000	-
Land Mediation	65,000	65,000	65,000	-
LLG Vill Ser Gr	746,200	746,200	746,200	-
Op Exp (NP)	1,700,000	1,700,000	1,700,000	-
Prim Prod Gr	998,600	998,600	998,600	-
Serv Del Gr	1,419,100	1,419,100	1,419,100	-
Trf to Govt	19,500,000	19,500,000	19,000,000	500,000
Vill Courts Gr	281,700	281,700	281,700	-
587 - New Ireland Provincial Administration	115,754,500	114,693,700	98,282,306	16,411,394
Personnel Emoluments	75,441,600	75,441,600	60,030,206	15,411,394
Overtime	-	-	-	-
Payroll Cost	-	-	-	-
PS Leave Fare	350,000	350,000	350,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	25,179,600	25,179,600	14,869,985	10,309,615
Teach Leave	850,000	850,000	850,000	-
Teacher Sal Gr	49,062,000	49,062,000	43,960,221	5,101,779

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Goods & Services	40,312,900	39,252,100	38,252,100	1,000,000
Admin Grant	203,600	203,600	203,600	-
C/Gr-SA & PA	1,500,000	1,939,200	1,939,200	-
Ed Function Gr	965,500	965,500	965,500	-
Health Funct Gr	1,051,100	1,051,100	1,051,100	-
Infrast. Grant	1,013,200	1,013,200	1,013,200	-
Land Mediation	73,900	73,900	73,900	-
LLG Vill Ser Gr	1,395,000	1,395,000	1,395,000	-
Op Exp (NP)	5,300,000	5,300,000	5,300,000	-
Prim Prod Gr	453,700	453,700	453,700	-
Serv Del Gr	211,400	211,400	211,400	-
Trf to Govt	28,100,000	26,600,000	25,600,000	1,000,000
Vill Courts Gr	45,500	45,500	45,500	-
588 - East New Britain Provincial Administration	167,317,100	168,041,100	183,138,767	(15,097,667)
Personnel Emoluments	89,124,600	89,124,600	104,222,267	(15,097,667)
Payroll Cost	-	-	-	-
PS Leave Fare	500,000	500,000	500,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	24,442,200	24,442,200	20,876,083	3,566,117
Teach Leave	1,100,000	1,100,000	1,100,000	-
Teacher Sal Gr	63,082,400	63,082,400	81,746,184	(18,663,784)
Goods & Services	78,192,500	78,916,500	78,916,500	-
Admin Grant	504,100	504,100	504,100	-
C/Gr-SA & PA	-	724,000	724,000	-
Ed Function Gr	6,567,700	6,567,700	6,567,700	-
Health Funct Gr	4,290,200	4,290,200	4,290,200	-
Infrast. Grant	6,129,800	6,129,800	6,129,800	-
Land Mediation	74,800	74,800	74,800	-
LLG Vill Ser Gr	3,475,000	3,475,000	3,475,000	-
Op Exp (NP)	6,000,000	6,000,000	6,000,000	-
Prim Prod Gr	1,897,500	1,897,500	1,897,500	-
Serv Del Gr	3,217,600	3,217,600	3,217,600	-
Trf to Govt	45,800,000	45,800,000	45,800,000	-
Vill Courts Gr	235,800	235,800	235,800	-
589 - West New Britain Provincial Administration	120,504,900	120,504,900	123,361,866	(2,856,966)
Personnel Emoluments	66,766,200	66,766,200	69,623,166	(2,856,966)
Overtime	-	-	-	-
Payroll Cost	-	-	(15,597)	15,597
PS Leave Fare	1,250,000	1,250,000	1,250,000	-
Retirement	-	-	18,397	(18,397)
Sal & Allow	-	-	(2,800)	2,800
Staffing Grants	17,808,200	17,808,200	11,965,757	5,842,443
Teach Leave	3,000,000	3,000,000	3,000,000	-

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
Teacher Sal Gr	44,708,000	44,708,000	53,407,409	(8,699,409)
Goods & Services	53,738,700	53,738,700	53,738,700	-
Admin Grant	963,700	963,700	963,700	-
Ed Function Gr	5,868,100	5,868,100	5,868,100	-
Health Funct Gr	4,794,100	4,794,100	4,794,100	-
Infrast. Grant	3,829,800	3,829,800	3,829,800	-
Land Mediation	77,900	77,900	77,900	-
LLG Vill Ser Gr	2,074,600	2,074,600	2,074,600	-
Op Exp (NP)	1,100,000	1,100,000	1,100,000	-
Prim Prod Gr	2,854,600	2,854,600	2,854,600	-
Serv Del Gr	1,822,600	1,822,600	1,822,600	-
Trf to Govt	30,000,000	30,000,000	30,000,000	-
Vill Courts Gr	353,300	353,300	353,300	-
590 - Autonomous Bougainville Administration	248,007,500	206,357,100	211,020,873	(4,663,773)
Personnel Emoluments	106,239,800	106,239,800	113,903,573	(7,663,773)
ABG Community A	1,500,000	1,500,000	1,500,000	-
ABG Electoral C	1,700,000	1,700,000	1,700,000	-
Overtime	-	-	-	-
Parliamentary Se	9,000,000	9,000,000	9,000,000	-
PS Leave Fare	300,000	300,000	300,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	-	-
Staffing Grants	40,269,600	40,269,600	33,232,087	7,037,513
Teach Leave	1,500,000	1,500,000	1,500,000	-
Teacher Sal Gr	51,970,200	51,970,200	66,671,486	(14,701,286)
Goods & Services	141,767,700	100,117,300	97,117,300	3,000,000
ABG Chief Tax C	2,500,000	2,500,000	2,500,000	-
C/Gr-SA & PA	10,000,000	8,349,600	8,349,600	-
Funct/Pwrs	400,000	400,000	400,000	-
G&S Gr-ABG	15,000,000	15,000,000	15,000,000	-
Land Mediation	65,000	65,000	65,000	-
Op Exp (NP)	3,000,000	3,000,000	3,000,000	-
P&S Gr-ABG	3,802,700	3,802,700	3,802,700	-
Trf to Govt	107,000,000	67,000,000	64,000,000	3,000,000
591 - Hela Provincial Administration	133,444,974	105,152,774	108,336,828	(3,184,054)
Personnel Emoluments	31,775,263	31,775,263	44,359,317	(12,584,054)
Payroll Cost	-	-	-	-
PS Leave Fare	150,000	150,000	150,000	-
Sal & Allow	-	-	-	-
Staffing Grants	11,919,373	11,919,373	16,776,039	(4,856,666)
Teach Leave	250,000	250,000	250,000	-
Teacher Sal Gr	19,455,890	19,455,890	27,183,278	(7,727,388)
Goods & Services	101,669,711	73,377,511	63,977,511	9,400,000
Admin Grant	1,567,772	1,567,772	1,567,772	-

Agency	2016 Initial Appropriation	Revised Appropriation	Total Expenditure	Variance
C/Gr-SA & PA	4,500,000	4,707,800	3,207,800	1,500,000
CRI	15,000,000	3,000,000	3,000,000	-
Ed Function Gr	2,673,257	2,673,257	2,673,257	-
Health Funct Gr	4,387,311	4,387,311	4,387,311	-
Infrast. Grant	2,912,142	2,912,142	2,912,142	-
Land Mediation	73,295	73,295	73,295	-
LLG Vill Ser Gr	2,312,900	2,312,900	2,312,900	-
Op Exp (NP)	28,600,000	12,100,000	12,100,000	-
Prim Prod Gr	1,125,359	1,125,359	1,125,359	-
Serv Del Gr	1,319,722	1,319,722	1,319,722	-
Trf to Govt	37,000,000	37,000,000	29,100,000	7,900,000
Vill Courts Gr	197,953	197,953	197,953	-
592 - Jiwaka Provincial Administration	100,719,013	100,988,413	117,998,617	(17,010,204)
Personnel Emoluments	33,805,008	33,805,008	55,715,212	(21,910,204)
Payroll Cost	-	-	-	-
PS Leave Fare	100,000	100,000	100,000	-
Retirement	-	-	-	-
Sal & Allow	-	-	10,582,489	(10,582,489)
Staffing Grants	6,711,908	6,711,908	562,746	6,149,162
Teach Leave	400,000	400,000	400,000	-
Teacher Sal Gr	26,593,100	26,593,100	44,069,977	(17,476,877)
Goods & Services	66,914,005	67,183,405	62,283,405	4,900,000
Admin Grant	1,872,548	1,872,548	1,872,548	-
C/Gr-SA & PA	3,000,000	3,269,400	3,269,400	-
Ed Function Gr	5,622,905	5,622,905	5,622,905	-
Health Funct Gr	4,568,531	4,568,531	4,568,531	-
Infrast. Grant	9,317,776	9,317,776	9,317,776	-
Land Mediation	75,330	75,330	75,330	-
LLG Vill Ser Gr	875,040	875,040	875,040	-
Prim Prod Gr	1,135,693	1,135,693	1,135,693	-
Serv Del Gr	1,893,152	1,893,152	1,893,152	-
Trf to Govt	38,200,000	38,200,000	33,300,000	4,900,000
Vill Courts Gr	353,030	353,030	353,030	-
Grand Total	3,442,454,595	3,361,809,795	3,516,282,471	(154,472,676)

Source: Department of Treasury

Appendix 1 – Movements of Funds in Trust Accounts 2016

Table A1: Movement of funds in Trust Accounts 1st January to 31st December 2016 (Kina, millions)

Description	Balance as at 1-Jan-16	Debit (Receipt)	Credit (Payment)	Balance as at 31-Dec-16
Outstanding Special Support Grants	0.1	0.0	0.0	0.1
Education Sector Infrastructure Rehabilitation	0.3	0.0	0.3	0.0
Higher Education Sector Infrastructure Rehabilitation	20.1	4.2	0.0	24.2
National Parliament Infrastructure Rehabilitation	0.0	0.0	0.0	0.0
Transport Sector Infrastructure Rehabilitation	9.3	0.0	9.3	0.0
Resettlement of Rabaul Volcano Victims	0.2	0.0	-0.0	0.2
Hospital and Healthcare Centre Rehabilitation	0.3	0.0	0.0	0.3
Rehabilitation of Housing for Nurses	0.2	0.0	0.2	0.0
Rehabilitation of Housing for Police	7.9	0.0	7.9	0.0
Highlands Highway Rehabilitation	0.0	0.0	0.0	0.0
District Services Improvement Program	18.9	0.0	18.9	0.0
Urbanisation Pilot	0.1	0.0	-0.0	0.1
Housing Development Pilot	0.0	0.0	0.0	0.0
National Aids Council Secretariat	1.6	0.0	1.3	0.3
Lae City Roads Rehabilitation	0.0	0.0	0.0	0.0
Madang Marine Park Development	3.2	0.0	0.1	3.1
Konebada Petroleum Park	0.0	0.0	0.0	0.0
Central City	34.9	0.0	0.9	34.0
Petroleum Outstanding Commitments	0.0	0.0	0.0	0.0
Infrastructure Development Grants	50.5	0.0	0.0	50.5
Coastal Vessels	0.1	0.0	0.0	0.1
PNG LNG High Impact Infrastructure	0.7	0.0	0.0	0.7
Port Moresby Roads	0.0	0.0	0.0	0.0
District Offices Rehabilitation	0.4	0.0	0.4	0.0
Rural District Roads Support	2.1	0.0	2.1	0.0
Mining Legal Costs	0.1	0.0	-0.0	0.1
Varirata National Park Rehabilitation	0.0	0.0	0.0	0.0
REDD Program	0.0	0.0	-0.0	0.0
Provincial Government Members entitlement	0.0	0.0	0.0	0.0
Outstanding MOA Liabilities	0.0	0.0	0.0	0.0
Kokopau to Arawa Road Upgrading	0.0	0.0	0.0	0.0
Coastal Fisheries Development Program	0.1	0.0	0.1	0.0
National High School Renovation and Upgrading	0.0	0.0	0.0	0.0
Trans East-West New Britain Highway	0.1	0.0	0.0	0.1
Central Malalaua Highway	0.0	0.0	0.0	0.0
Tuition Fee Free Education	72.1	601.9	655.3	18.7
2015 Pacific Games	11.1	0.0	-0.0	11.1
Port Moresby General Hospital Infrastructure and Improvement	0.0	0.0	0.0	0.0
Defence Barracks Maintenance and Improvement	0.0	0.0	0.0	0.0
LNG Project Development Cost	0.0	0.8	0.0	0.8
2010 National Census	0.0	0.0	0.0	0.0
PNG LNG Additional Equity	0.7	0.0	-0.0	0.7
Public Service Audit Program	1.1	0.0	0.4	0.8
Regional, Provincial Treasury and District Admin Office	0.2	0.0	0.2	0.0
PNG Fire Service Infrastructure Rehab	1.7	0.0	0.0	1.7
ABG Mining	0.4	0.0	0.0	0.4
PNG Customs Technology	8.5	0.0	0.0	8.5
Restoration and Development Grant (ABG)	30.7	0.0	20.6	10.1
Trade Skills Scholarships	2.7	0.0	0.6	2.0
Rural Airstrip Rehabilitation & Maintenance Prog	1.3	0.0	-0.0	1.3
Special Intervention Fund	37.2	14.0	51.1	0.0
TOTAL	318.8	621.0	769.8	169.9

Source: Department of Finance

Appendix 2 – Movements of Funds for DSIP Trust Accounts

Table A2 below shows the movements of funds for each of the 89 DSIP subsidiary Trust Accounts

Table 2: Movement of funds in DSIP Trust Accounts 1st January to 31st December, 2016 (Kina, millions)

District	Balance as at 1-Jan-16	DSIP Debits (Receipts)	Non DSIP Deposits	Credits (Payments)	Balance as at 31-Dec-16
Abau	0.0	0.0	0.0	0.0	0.0
Goilala	2,610.5	0.0	0.0	2,610.5	0.0
Kairuku Hiri	34,603.2	0.0	0.0	34,603.2	0.0
Rigo	1,262.1	0.0	0.0	1,262.1	0.0
Gazelle	26,005.7	0.0	0.0	26,005.7	0.0
Kokopo	13,939.8	0.0	0.0	13,939.8	0.0
Pomio	7,694.4	0.0	0.0	7,694.4	0.0
Rabaul	108.4	0.0	0.0	108.4	0.0
Ambunti-Drekikir	26,840.0	0.0	0.0	26,840.0	0.0
Angoram	2,275,573.8	0.0	0.0	2,275,573.8	0.0
Maprik	409,075.1	0.0	0.0	409,075.1	0.0
Wewak	1,906,835.6	0.0	0.0	1,906,835.6	0.0
Wosera-Gawi	69,743.8	0.0	0.0	69,743.8	0.0
Yangogoru-Saussia	0.0	0.0	0.0	0.0	0.0
Daulo	35,263.0	0.0	0.0	35,263.0	0.0
Goroka	57,265.7	0.0	0.0	57,265.7	0.0
Henganofi	4,795.0	0.0	0.0	4,795.0	0.0
Kainantu	943.6	0.0	0.0	943.6	0.0
Lufa	14,066.8	0.0	0.0	14,066.8	0.0
Obura-Wonenara	0.0	0.0	0.0	0.0	0.0
Okapa	4,867.5	0.0	0.0	4,867.5	0.0
Unggai-Bena	0.0	0.0	0.0	0.0	0.0
Kandep	13,108.3	0.0	0.0	13,108.3	0.0
Kompam-Ambum	6,500.6	0.0	0.0	6,500.6	0.0
Lagaip-Porgera	1,524.3	0.0	0.0	1,524.3	0.0
Wabag	26,705.4	0.0	0.0	26,705.4	0.0
Wapenamanda	0.0	0.0	0.0	0.0	0.0
Kerema	12,549.0	0.0	0.0	12,549.0	0.0
Kikori	3,812.0	0.0	0.0	3,812.0	0.0
Bogia	292,244.4	0.0	0.0	292,244.4	0.0
Madang	233,291.6	0.0	0.0	233,291.6	0.0
Middle Ramu	1,960.5	0.0	0.0	1,960.5	0.0
Raikos	1,729.9	0.0	0.0	1,729.9	0.0
Sumkar	0.0	0.0	0.0	0.0	0.0
Usino-Bundi	72,982.9	0.0	0.0	72,982.9	0.0
Manus	5,005,730.2	0.0	0.0	5,005,730.2	0.0
Alotau / Rabaraba	16,501.0	0.0	0.0	16,501.0	0.0
Esa'ala	351,169.6	0.0	0.0	351,169.6	0.0
Kiriwina	209,911.5	0.0	0.0	209,911.5	0.0
Samarai Murua	3,606.1	0.0	0.0	3,606.1	0.0
Bulolo	21,343.6	0.0	0.0	21,343.6	0.0
Finschaffien	975.0	0.0	0.0	975.0	0.0
Huon Gulf	51,348.2	0.0	0.0	51,348.2	0.0
Kabwum	0.0	0.0	0.0	0.0	0.0
Lae	279.4	0.0	0.0	279.4	0.0
Markham	534,561.9	0.0	0.0	534,561.9	0.0
Menyamy	12,304.7	0.0	0.0	12,304.7	0.0
Nawaeb	136,379.3	0.0	0.0	136,379.3	0.0
Tewa-Siasi	879,259.2	0.0	0.0	879,259.2	0.0
Moresby North	120,941.9	0.0	0.0	120,941.9	0.0
Moresby North West	0.0	0.0	0.0	0.0	0.0
Moresby South	32,367.2	0.0	0.0	32,367.2	0.0
Kavieng	295,301.3	0.0	0.0	295,301.3	0.0
Namatanai	853,736.0	0.0	0.0	853,736.0	0.0
Central Bougainville	10,132.2	0.0	0.0	10,132.2	0.0
North Bougainville	7,990.4	0.0	0.0	7,990.4	0.0
South Bougainville	96,530.8	0.0	0.0	96,530.8	0.0
Ijivitari	3,340.3	0.0	0.0	3,340.3	0.0
Sohe	24,202.0	0.0	0.0	24,202.0	0.0

District	Balance as at 1-Jan-16	DSIP Debits (Receipts)	Non DSIP Deposits	Credits (Payments)	Balance as at 31- Dec-16
Aitape-Lumi	28,823.1	0.0	0.0	28,823.1	0.0
Nuku	0.0	0.0	0.0	0.0	0.0
Telefomin	0.0	0.0	0.0	0.0	0.0
Vanimo-Green	3,826,243.2	0.0	0.0	3,826,243.2	0.0
Chuave	12,875.2	0.0	0.0	12,875.2	0.0
Gumine	0.0	0.0	0.0	0.0	0.0
Karamui-Nomane	31,861.8	0.0	0.0	31,861.8	0.0
Kerowagi	1,009.4	0.0	0.0	1,009.4	0.0
Kundiawa-Gembogl	21,871.1	0.0	0.0	21,871.1	0.0
Sinasina-Yongumugl	0.0	0.0	0.0	0.0	0.0
Ialibu-Pangia	1,548.6	0.0	0.0	1,548.6	0.0
Imbongu	-10.6	0.0	0.0	-10.6	0.0
Kagua-Erave	74,255.4	0.0	0.0	74,255.4	0.0
Komo-Magarima	0.0	0.0	0.0	0.0	0.0
Koroba-L/Kopiago	28,371.1	0.0	0.0	28,371.1	0.0
Mendi	0.0	0.0	0.0	0.0	0.0
Nipa-Kutubu	8,321.4	0.0	0.0	8,321.4	0.0
Tari-Pori	29,346.8	0.0	0.0	29,346.8	0.0
Kandrian	0.0	0.0	0.0	0.0	0.0
Talasea	2,366.4	0.0	0.0	2,366.4	0.0
Middle Fly	168,014.0	0.0	0.0	168,014.0	0.0
North Fly	19,562.0	0.0	0.0	19,562.0	0.0
South Fly	1,135.1	0.0	0.0	1,135.1	0.0
Dei	251,484.9	0.0	0.0	251,484.9	0.0
Hagen	11,539.2	0.0	0.0	11,539.2	0.0
Jimi	0.0	0.0	0.0	0.0	0.0
Mul/Bayer	124,515.4	0.0	0.0	124,515.4	0.0
North Waghi	550.6	0.0	0.0	550.6	0.0
South Waghi	0.0	0.0	0.0	0.0	0.0
Tambul-Nebiler	1,376.8	0.0	0.0	1,376.8	0.0
Total	18,870,875.6	0.0	0.0	18,870,875.6	0.0

Source: Department of Finance

Appendix 3

Table A3 below presents a status update on the major Public Investment Program projects of 2016. Many projects have seen significant progress in 2016 and thus contributed to establishing the enablers of growth and development. For more detailed and comprehensive information on the progress of all major commitments of the government, the reader is kindly referred to the National Government Critical Activity Matrix Report, and the 2016 Annual PIP report, published by the Department of National Planning.

Table A3: Actual Expenditure and Project Status of major Public Investment Program Projects (Kina Millions)

PROJECTS	2016 Budget	2016 Supp. Budget	2016 Warrants	2016 Outcome	% complete	PROJECT STATUS
Provincial Hospitals Infrastructure	225.0	160.0	23.0	23.0	70%	Coverage of 70% Provincial Hospitals infrastructures and hospital housing renovation are completed and are operating in its standards.
Infrastructure Development Grant	120.0	90.0	90.0	60.0	80%	Funds have been released to projects, however recipient provinces need to provide acquittals for the use of these funds.
Highlands Highway - Lae - Komo Upgrading & Sealing	100.0	75.0	75.0	75.0	0.0%	At the Tender Stages
Court House Design and Maintenance	80.0	80.0	80.0	80.0	15%	Fully funded in 2016. Contract awarded and construction in progress Hagen and Waigani Court house is now into its finishing stage.
Special Interventions Program -Bougainville	70.0	30.0	30.0	30.0	65%	Programs has been tender and procurement initial stages project in progress
Tourism Infrastructure Program	50.0	5.0	5.0	5.0	45%	Contracts awarded and Development to Regional Cities
Lae-Nadzab Road (4Lane)	45.0	45.0	45.0	45.0	75%	Along the Lae to Nazab 65% of the road 4mile to 9mile development complete to standards it has come to a halt due to Land disputes.
Agriculture and SME Funding	35.0	7.3	7.3	7.3	75%	Recapitalization of the Agriculture SME lending portfolios are ongoing where most PNGeans has buy into and has seen 100% impact in informal sector. Though there were cuts in budgets.
Additional MOAs	27.7	11.7	11.7	5.1	55%	Fix commitment and a ongoing government obligation disbursing funds to impact resource provinces.
Identity Card (with Biometrics)	20.0	20.0	20.0	19.7	15%	The project is in progress. The project coverage has rolled out to 11 provinces the PSC has been established and need more clarity with reporting.
National Land and Housing Program	20.0	20.0	20.0	20.0	15%	Work at Gerehu Stage 3B is progressing in development contracts has been award to Chinese Rail Road contractor for service development.
Port Moresby City Roads	20.0	20.0	20.0	20.0	100%	Since contracts awarded back in 2013 have seen that all the major road construction have been completed *Gerehu – Hanuabada 100%, Hubert Murray Highway100%, 2-mile

PROJECTS	2016 Budget	2016 Supp. Budget	2016 Warrants	2016 Outcome	% complete	PROJECT STATUS
						Badili completed 100%, Kookaburra Flyover 100%, 9mile – Gerehu 100%
Port Moresby General Hospital Rehabilitation	20.0	20.0	20.0	20.0	70%	POMGEN has been renovated and its now into its finishing stage. According to the report its now at its General Hospital Standards.
Wharves and Jetties Rehabilitation and Construction	20.0	14.9	14.9	14.9	75%	Construction is currently in progress on selected Wharves and Jetties, completed coast line of NGI and other Coastal provinces. Number of infrastructure has to be reported
Rd Maint and Rehab. Project (RMRP) Phase 2- Additional Fundin	20.0	11.0	11.0	11.0	80%	Road seal from Hiritano Highway (Malalaua – Epo – Gulf Province 56km completed.
Transport Sector Support Program Phase 2	20.0	11.0	11.0	6.4	35%	Construction is currently in progress for specific selected projects has per the implementation agencies. Report is still required to verify the selected complete roads.
UPNG Science IV Building	20.0	7.0	7.0	7.0	20%	Construction was in progress for land scaping development but came to a held due to Student Political unrest
New Central Provincial Hospital Development	20.0	6.0	6.0	5.0	15%	First Stage of the project is completed and land development in progress.
Stret Pasin Retail Incubation Program	20.0	2.3	2.3	2.3	10%	PSC and PMU has already established keeping track of the program. More information is still required by the Committees.
Financial Management Project	16.0	13.0	13.0	11.1	75%	IFMS has achieve most of the core functions in most government departments but in slow pace since establishment. Now its roll out to provinces.
West Pacific University	15.0	15.0	15.0	15	10%	First Payments has already made for Land acquisition stage.
National Highway - Magi	15.0	10.0	10.0	5.4	65%	Most of the Road works and Bridges builded connecting the Central districts along has been completed
High Performance Center	15.0	7.2	7.2	7.2	0.0%	Funds disbursed to implementing agency
Pacific Adventist University Infrastructure Development	15.0	3.0	3.0	3.0	75%	Two Student dormitories 100% and School of Business Building 100% also Lands Scape for additional infrastructure Building 35%.
FIFA Womens Under 21 World Cup	10.0	14.0	14.0	14.0	63%	Gerehu High School sporting facilities 45% Bava Sporting Facilities 65% Sir John Gaius Stadium 75% PNGIPA Sporting facilities 65%
CS Infrastructure	10.0	10.0	10.0	10.0	35%	Land Capping Construction and Land acquisition – project in progress
Hiri Lai Road	10.0	10.0	10.0	100	50%	Construction – ground works and land scaping and 36km road construction completed.
PNG Church State Partnership Program	10.0	10.0	10.0	9.9	90%	Since establishment of programs has been implemented completely thou there has been funding disbursement due to revenue inflow 100 per cent completed.
RASII Project: Replacement of Ageing Tax Collection System	10.0	9.5	9.5	9.5	65%	The Admin Smith International Consultants has installed a Tax system in a slow pace since establishment – SIGTAS required to improve the Tax collection.

PROJECTS	2016 Budget	2016 Supp. Budget	2016 Warrants	2016 Outcome	% complete	PROJECT STATUS
Sustainable Development Program	10.0	9.0	9.0	9.0	35%	PSC and PMU has been established – reporting of status is required
Trade Skills Scholarship	10.0	9.0	9.7	9.7	75%	Total number of 810 PNG school leavers and non-school leavers has benefited since 2012. In 2016 additional double figure the beneficiaries.
ADB Bridge Replacement & Improve Rural Access Project	10.0	8.8	8.8	7.8	45%	27 bridges along the priority corridors has have been awarded. Completed bridges have been completed along Magi and Hiritano High way.
UNRE Infrastructure Development	10.0	8.5	8.5	8.5	65%	Project at its finishing stage and administration keeping track of project implementation when it come to a halt in 2015.
Revenue Raising Initiatives	10.0	8.5	8.5	5.4	55%	PSC and PMU established monitoring the progressive implementation
Restoration and Development Grant	10.0	8.0	8.0	8.0	20%	Funds disbursed to implementing agency as ongoing
UPNG Law School Building	10.0	8.0	6.5	6.5	68%	Land Scaping and work in progress Stage for the Project came to halt because of the Student political unrest.
Highlands Region Roads Improvement Program (HRRIP II)	10.0	7.5	7.5	7.5	100%	A total of 127km roads was maintained and upgraded from various districts in Highlands 60km in Laiagam – Pogera, 50km in Mendi
Lae City Roads-(GoPNG)	10.0	7.0	7.0	5.4	30%	Construction is currently in progress in a slow pace for the Roads within the Lae city
National Highway - Sepik	10.0	7.0	7.0	6.5	0.0%	Funds disbursed to implementing agency no road works done yet
Angau Memorial Hospital Redevelopment	10.0	6.0	6.0	5.8	60%	Most of the renovation stage within the General Hospital is completed.
Library Extension	10.0	6.0	6.0	6.0	0.0%	Project on hold – Student unrest in 2016
Mess Extension	10.0	6.0	6.0	6.0	0.0%	Project on hold – Student unrest in 2016
Sports Enhancement Program for Districts & Provinces	10.0	5.2	5.2	5.2	45%	Sporting Facilities is 35% complete so the PNG – Games is been twice defer from 2016 – 2017.
Hela Township & Growth Centers (HIP)	10.0	5.0	5.0	5.0	0.0%	Funding disbursed to implementing agency
Jackson's Airport Upgrade and Rehabilitation	10.0	5.0	5.0	5.0	100%	Major roads constructions have been 100%. Major extension of the Terminals in 100% done
TIPA Administration Relocation (HIP) Component	10.0	3.0	3.0	3.0	0.0%	Funds disbursed to implementing agency
Divine Word University Infrastructure Development	10.0	2.0	3.0	3.0	45%	Project at the initial stage land scaping and project design.
Hulia Agro Center (HIP)	10.0	2.0	2.0	2.0	0.0%	Funds disbursed to implementing agency.
Nursing College Infra. Rehabilitation	10.0	2.0	3.0	3.0	10%	Funds disbursed to implementing agency
Teacher's College Infra Rehabilitation	10.0	2.0	3.0	3.0	10%	Funds disbursed to implementing agency
Technical and Business College Infra. Rehabilitation	10.0	2.0	3.0	3.0	10%	Funds disbursed to implementing agency

Source: Department of National Planning and Monitoring

