



INDEPENDENT STATE OF PAPUA NEW GUINEA

2024 BUDGET SPEECH

Theme: "Securing Our Future"

Presented by:
HON. IAN LING-STUCKEY, CMG. MP
Minister for Treasury

For the Year Ending 31st December, 2024

Tuesday 28th November, 2023

On the occasion of the Presentation of the 2024 National Budget



MINISTER FOR TREASURY

2024 Budget

“Securing our Future”

HON. IAN LING-STUCKEY, CMG.MP

Minister for Treasury

28 November 2023

Mr Speaker, today I introduce the 2024 Budget for Parliament's consideration, the fifth annual Budget, that I have had the honour, to present to this House.

Mr Speaker, the high level facts of the 2024 Budget.

A record K27,377 million budget. A budget that is K2,810 million larger than the 2023 Budget of K24,567 million. And a responsible budget! Revenues will total K23,394 million, K3,811 million more than the 2023 Budget of K19,582 million. And because revenues are growing much faster than expenditures, the budget deficit reduces by another billion Kina down to K3,984 million.

Continuing with disciplined budget repair, with the aim to get back to a surplus by 2027, and the option of repaying all debt by 2034.

The record 2024 Budget is based on the theme of "Securing our Future". Today, I will go through and demonstrate how the 2024 Budget of the Marape-Rosso Government, is indeed securing the future of our people, all across the country.

Securing our Future, with a Focus, on Growth and Jobs

Mr Speaker, inclusive economic growth is key to better lives for our people, and through growth, more revenues and larger budgets.

During COVID19, we protected the budget, protected the economy. And we are now seeing the benefits of such a policy.

Our economy is expected to grow from K111 billion in 2023 to K122 billion in 2024. This is over 50 per cent higher than the K79 billion we inherited.

Using the best measure, of improving living standards for our people, non-resource growth, will continue, at its high levels of 5.2% in 2022, 4.5% in 2023 and 4.7% in 2024.

This is only the second time, in PNG's post-Independence history, where there have been three years in a row, of real non-resource growth, of over 4.5 per cent.

The other period was 2010 to 2012, and that was based, on the massive boost of the PNG LNG project, put in place by our Grand Chief Somare.

And this time, we are getting this strong growth, even before the expected, commencement of the Papua LNG project next year, and the other resource projects.

Mr Speaker, I remind the house, of the words of our Prime Minister, when he opened this 11th session of Parliament. He stated "I seek to anchor my statement, on the remarks I made on this floor, on 30 May 2019. I wanted Papua New Guinea, in the next decade, to be a K200 billion economy".

Mr Speaker, his Government is delivering! We could be delivering more, We should, be delivering more and We must, deliver more.

Even without any new resource projects, included in Treasury's economic forecasts, we will be a K200 billion economy by 2030.

And a K300 billion economy by 2034.

And a One Trillion economy by 2048!

Mr Speaker, these are bold numbers. Record budgets. Record growth.

But I know, that many in our community, do not feel, as if they are sharing, in such record growth and budgets. I know, that there are businesses, that are still going bankrupt. I know, that there are still enormously, long queues for anyone that seeks a job in our cities. I know, that there are cost of living pressures, on our families and some, feeling hungry.

But what I can assure the people of PNG, is that things are going better, than if we were still, under the other team, and the other guy.

Higher incomes and more jobs, than under the other team and the other guy.

Better budget repair, with a clear plan to a budget surplus, than the other team and the other guy.

A more responsive and responsible approach, to dealing with cost-of-living pressures than the other team and the other guy.

Even with our better policies, it will take decades, of hard work, to catch up, to the economic successes, of other countries.

We will keep working hard, to do more for our people, but beware- the return to spin doctors, liars, rich timber companies and generous contractors!

Support for Economic Growth

Mr Speaker, the Marape-Rosso government, is looking for inclusive growth, growth that benefits everyone around the country.

Mr Speaker, this is why the 2024 Budget, has a very major expansion, in its support for PNG's economic sector. A very strong focus, on creating domestic growth and jobs.

The economic sector, will receive an extraordinary 45.9 per cent in increased funding. A total budget of K1,608 million, K506 million more than in the 2023 budget.

Within this, there are very major increases for key agriculture sector agencies, for the forest and tourism sectors, and support for Special Economic Zones.

Mr Speaker, on top of this 45.9 per cent budget increase to the economic sector, the 2024 Budget, has increased funding for the utilities of power and water by an extraordinary 58.9 per cent compared to the 2023 Budget. A total budget of K1,201 million, K445 million more than in the 2023 Budget.

A government, making the budget allocations, in line with the MTDP IV, and our Prime Minister's vision, to grow the economy and create a million more jobs, by 2027. These extraordinary increases in funding, indicate a commitment, to provide the funds to fix the problems.

Securing Our Future through capital investments

Mr Speaker, the 2024 Budget will have the largest capital budget in PNG's history.

A capital budget of K10,700 million. This is nearly a billion Kina more, than in the 2023 Budget.

The largest part of the capital budget, is our own funded, Public Investment Program, the PIP budget.

Mr Speaker, can I ask members of this Parliament, if we remember the size of the PIP budget in 2018?

K2,040 million. Nowhere near enough, for the infrastructure needs of our people!

Today, Mr Speaker, I announce, that we have increased the level of PIP funding since 2018, by 257%, to a record K7,281 million.

The Marape-Rosso Government, is now investing, K5,241 million more every year than in 2018, under the other guy.

The Marape-Rosso Government, is the infrastructure Government!

Providing funding, for our historic PNG Connect program, including K905 million for missing links and K100 million in arrears – clear funding of over K1 billion.

Mr Speaker, who can forget those extraordinary, WhatsApp images, as the road to Telefomin was opened for the very first time. The looks of joy and excitement as, finally, people and communities, were connected to the rest of PNG. This is the human face, of these major budget allocations.

And across our nation, we are seeing the benefits, of these massive infrastructure developments.

Major travel time savings, and massive reductions in vehicle operating cost, by the trucking companies and PMV operators.

This is a clear example, of how good capital investments, can reduce business costs, and this should be passed on, as lower costs to consumers, helping fight cost-of-living pressures.

Mr Speaker, the high level work of budget allocations for growth, has been done – it is now up to agencies, to spend these funds effectively, in ways that increase incomes and create jobs, and start on the path of fixing our power and water issues. And all, in this house, need to back up this vision, with the opportunities, provided to us, through our SIP and infrastructure funds.

This really must be a team effort.

Securing Our Future, through essential services

Mr Speaker, the health and education sectors, also receive strong funding increases.

The 2024 Budget has increased funding for health and education, from K6,158 million in 2023 to K6,670 million. This is an increase of K512 million or 8.3 per cent.

This funding will support another 3,400 teachers, a 5 per cent increase.

The funding will also support another 840 health workers, a 5 per cent increase.

Funding for the Government Tuition Fee Subsidy (GTFS) increases from K764 million to K851 million, increasing by K87 million or 11.3 per cent, helping make sure, the fee support, gets through to all our registered schools.

Securing Our Future, through investing, in our police and judiciary

Mr Speaker, we all know the law and order issues that are becoming a growing problem. The causes are complex. But everyone agrees, that part of the solution, is that there must be more police in PNG – we just don't have enough police.

There is a 9.5 per cent increase for the law and justice sector. This includes on-going support, for an additional 500 police a year. We are committed to increasing police numbers to well over 10,000 by

2032. There is a four-fold increase in funding, for the Independent Commission Against Corruption. Judiciary funding receives another major increase, to support more judges, and full funding for the Ombudsman Commission.

Securing Our Future, through assisting families, with cost-of-living pressures

Mr Speaker, the Marape-Rosso government understands why, households are experiencing tough times, especially on food prices.

This is why the Government, is doing more than any government in history, to deal with these cost of living pressures.

The Government, has provided K1,177 million, over the last two years, to help families, struggling with cost-of-living pressures, in its Housing Assistance Package.

Mr Speaker, the Marape-Rosso Government, will provide another K440 million in 2024, to support families, facing cost of living pressures.

Continuing school project fee subsidies, such that parents no longer have to pay, up to 20% school project fees, for any of their children attending schools.

The Marape-Rosso Government will also make permanent, the increase in the tax-free threshold to K20,000, at an estimated cost of K280 million.

For workers earning K769 per fortnight or more, this will provide a fortnightly saving of K63, which can be used to help with household purchases.

Conclusion - Securing our Future

Mr Speaker, I have set out in this 2024 Budget speech, some very good news, for our country.

Securing our future, by the largest K27 Billion budget in PNG's history, with record revenues, while continuing with responsible budget repair, of another K1 billion cut in the deficit, with a plan to return to a budget surplus, by 2027.

Securing our future, with a focus on growth and jobs, massive increases in funding, for the economic sector and utilities, massive investments, into infrastructure and health and education, massive investments, in our police and our judiciary, and further help for families, facing cost-of-living pressures.

All of this high level work of budget allocations, must now be converted, to the hard work of effective and efficient implementation. This becomes a much wider job, than just that of the Treasurer. May we all work better, to meet the aspirations of our people.

May I thank Secretary of the Treasury, Andrew Oaeke and our treasury staff, as well as, all those other key departments and

agencies, who contributed to the success, in compiling the 2024 Budget. Finally, my deepest appreciation, to my depleted Advisory team, for their ever constant oversight, with the process and details supporting my department.

Mr Speaker, I commend the 2024 Budget to the Parliament and wish the people of PNG and Members of this Parliament, a Merry Xmas and a prosperous 2024 New Year!.

Thank you.



The Hon. Ian Ling-Stuckey, CMG.MP
Treasurer

to chris gai, micheal panda, glenson yanga, fiona cheong, ezekeil towon, bettyrose sesiguoc, robison wesley, martha gart, muriel hiob, stato, roly, benma, ralph, possie, tommy and not forgetting ol straksa mama, papa and yuts-tenku tumas lo dedication na sacrifice ikamap lo peles, taim yumi implementim policy blo marape-rosso, wantaim kdda. tingim na laikim yupla tumas..





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