



Independent State Of Papua New Guinea

# 2025 BUDGET SPEECH

*"Securing Papua New Guinea in 2025 and Beyond"*

Presented by:

**HON. IAN LING-STUCKEY, CMG. MP**  
*Minister for Treasury*

*For the year Ending 31st December, 2025*



*On the occasion of the Presentation of the 2025 National Budget*



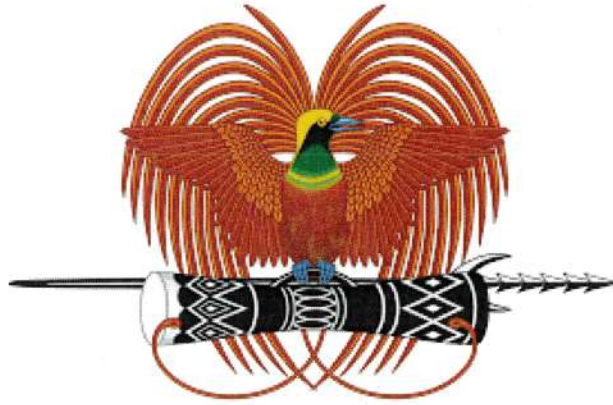
*Papua New Guinea Prime Ministers from 1975 to 2024*







**HON. IAN LING-STUCKEY, CMG. MP**  
Minister for Treasury



**MINISTER FOR TREASURY**

# **2025 Budget**

**“Securing Papua New Guinea  
in 2025 and Beyond”**

**HON. IAN LING-STUCKEY, CMG.MP**

**Minister for Treasury**

**29 November 2024**

Mr Speaker, today I introduce the 2025 Budget, the sixth annual budget, or if we include five Supplementary Budgets, our eleventh Budget, presented to this House.

A 28,357 million budget, K980 million larger than the 2024 Budget of K27,377 million. Revenues will total K25,408 million, K2,014 million more than the 2024 Budget of K23,394 million. And because revenues are growing much faster than expenditures, the budget deficit reduces by another K1,035 million in 2025, down to K2,949 million. Our budget deficit has fallen from 8.9% of GDP in 2020, down to just 2.2% of GDP in 2025, only one quarter the level, in just five years. Our debt sustainability continues to improve, with the debt to GDP ratio dropping down to 47.4% in 2025.

No matter what the Opposition claims, this is genuine budget repair, built on the back of hard, responsible, responsive, caring work, by the Marape-Rosso Government.

Keeping on the path to a surplus by 2027, and the option for the next Parliament to start repaying all our debt by 2034.

## **2024 In Retrospect or Looking Back**

Mr Speaker, 2024 was a tough year.

A tough start for our businesses with the January 10 lootings.

A tough time for political stability, weaponizing our Vote of No Confidence provisions, underpinned by a confused and divided Opposition, that culminated in a lottery or 7 bom kas, picking six or seven candidates for Alternate/PM, when we all knew, the end game would always be-the Other Guy!

And a tough time for law and order in our country.

The 22 deaths in our 10 January riots, massacres in Wapenamanda and East Sepik, the Mulitaka landslide where several hundred died, as reported by the UN, our unacceptably high levels of domestic violence, our sorcery killings.

These realities of 2024 bring great sadness to my heart.

The stories of deadly tribal fighting and other violence makes me weep.

It makes our country weep.

Out of our tears, we must take actions.

## **Securing PNG through our Police, Defence force and Judiciary**

Mr Speaker, the 2025 Budget is based on the theme of “Securing PNG in 2025 and Beyond”.

The centrepiece for this year’s budget is the police budget.

Mr Speaker, we had a headline in the National on the weekend stating “Police ask for K700 million”. The 2025 Budget gives the police more than they have asked for. We will give them a 19% increase in wages, so they are able to grow the force to 10,000 by 2030. We have increased their goods and services budget to K158.6 million, an extraordinary increase of 67% in just one year. Enough moneys to fund fuel for their vehicles, stationary to prepare court cases, and support for special operations. The capital budget is K200 million as they requested. Police will be given top priority in other areas of cross-agency funding, such as retirement funding.

This is a good budget for our police.

We want our police forces to understand, from this budget, that the Marape-Rosso Government stands along-side you, and your vital work.

Mr Speaker, backing up the police forces in times of crisis can be our defence force. In this security-focused budget, we have increased their wages budget by 15%. We have increased their goods and services budget by an extraordinary 32% and their capital budget by an even more extraordinary 116%. We are also standing beside our defence force, as they undertake your vital work in providing security to our country.

Security requires much more, than the work of our police and defence force. If someone is arrested, we need a well-funded judiciary, to help ensure, accusations of crimes come quickly before the courts. We want justice delivered swiftly, leading to further tensions. Operational funding for the Judiciary has been increased by 25%.

## **Securing PNG with a Focus on Growth and Jobs**

Mr Speaker, securing PNG must extend beyond physical security. We want to address the underlying causes, by lifting living standards and creating jobs through strong economic growth.

Mr Speaker, I must first provide, two cautious reflections, before discussing some good news.

First, I know that on average our people have lower standards of living than in 2012. From 2012, our people were driven down a deep economic hole. Living standards had dropped by 11% on average, by 2018. We are now climbing out of this deep hole and it will take much more than six years. The positive economic news in this budget says, we are only halfway back out of this deep hole. This is the real price of bad economic management. We know our people are doing it tough. Absolutely! We must all continue to work even harder. They are still worse off than they were in 2012. Even with record growth rates, it will take until 2029, to climb out of the hole we inherited, and simply back to



where we started in 2012. Of course, our people are feeling the pain of still being in this economic hole. And we must help.

But at least we know, that we are now better off, than we would have been, if we stayed, with the other guy, with a declining economy, with falling jobs, and with a quadrupling of debt. At least we are now being supported to climb back out of this hole.

The second caution is for members of the Opposition, the editor of the Post Courier, and much of social media. There is a venomous negativity, in so much that is put forward. Can I urge all of you, to consider the implications this has on our security? We need an Opposition that holds Government to account, but if you just focus on the glass half empty, continue with your hell bent talking down of our economy, failing to provide a balanced discussion, to include our many, many positive developments, you are helping stir social discontent. We must be responsible and accurate in the way we talk and present information. We

must be mindful of our shared responsibility, as leaders, so that we all contribute positively, to nation building.

### **A strong economy helps build economic security**

Mr Speaker, with those two cautious reflections, let me now spell out some facts.

Let me focus on PNG's real economic growth rate, in the non-resource economy. This is the 72% of our economy, that most affects our people. Real growth, so excluding inflation, of

- 4.2% in 2021
- 5.9% in 2022
- 4.7% in 2023
- 4.5% in 2024 and
- 5.2% in 2025

This is the first time in our history, we have ever had, five years in a row of real growth, in the non-resource economy, of over 4% a year.

This is what is helping get us out of the economic hole.

And with Papua LNG, and other major resource projects, heading towards Final Investment Decisions in 2025, there is an expected upside, to this already historically high growth performance.

Our overall economy, including the resource sector and including price increases, is expected to grow from K124 billion in 2024 to K137 billion in 2025. We are well on target, to meet the Prime Minister's objective, of reaching a K200 billion economy by 2030.

And a K300 billion economy by 2035.

And a One Trillion economy by 2048!

### **Securing PNG, through assisting families with cost-of-living pressures**

Mr Speaker, as I mentioned earlier, while these are very encouraging figures for economic growth, the Marape-Rosso government understands why households are experiencing tough times, especially on food prices. Food prices are 50% higher than they were 10 years ago.

Today, let me announce that the 2025 budget, builds on the historic Household Assistance Support Packages of K1,637 million, over the last three years.

In 2025, we will continue with the school project subsidies, that benefits an estimated, 2.3 million students around the country. We will continue the K20,000 tax-free threshold, with up to an extra K63 per fortnight in pay packets. We will lift the stamp duty exemption threshold, for first home buyers, from K500,000 to K700,000. We will freeze the bi-annual indexation, of excise on tobacco products and alcohol.

We will also deliver, on our promises to reduce GST, on key household goods. The IRC says their new GST Monitoring Systems, will allow for no GST, to be charged when buying essential goods, from a target date of 1 July 2025. The initial plan is for this measure, to extend through to 30 June 2026, and we will consider extending it further, as part of the 2026 Budget.

Mr Speaker, let me be more specific. When you go to your supermarket checkout from 1 July 2025:

On rice – no more GST!

On chicken – no more GST!

On tinned meat – no more GST!

On tinned fish – no more GST!

On tea and coffee, biscuits, noodles, flour, cooking oil - no more GST!

On women's sanitary products, an essential health item for our women – no more GST!

On soap, baby diapers – no more GST!

In total, another K685 million in support to our struggling families and households. Over the four years, since the Ukraine-Russian war led to surging international prices, we are delivering K2,322 million to households.

Doing more than any other Government, in our history, to help Papua New Guineans and to deal with inflation and the rising cost of food.



The Marape-Rosso Government, is a caring Government.

### **Securing PNG through capital investments**

Mr Speaker, the 2025 Public Investment Program, will once again invest record levels, into building the infrastructure essential, for securing our children's future.

A PIP budget of K7,617 million. A PIP budget that is 273% larger than the miserable K2,041 million invested by the former Government in 2018.

These infrastructure investments are changing lives. We've all seen the videos of joy, as these roads boldly go where no roads have gone before. There are many facts to confirm these impacts in terms of kilometres of new roads or better maintained roads or rural bridges. Let me take a personal example. We have just completed a road, from the New Ireland coastal highway, up to the Lelet Plateau. Our women farmers can now more easily, get their vegetables down to the markets in Namatanai, including for the Lihir mine. This is transforming lives, creating jobs, lifting incomes.

The Marape-Rosso Government is the infrastructure Government!

### **Securing PNG through essential services**

Mr Speaker, we want better quality education and better-quality health care.

We are securing PNG with massive investments in education of K4,568.8 million, a 11.6 per cent increase.

We are also securing PNG with massive investments in health of K2,860 million, a 13.1 per cent increase.

And my brother Governors, as your Provinces have such a vital role in providing essential services, we have increased funding to Provinces, by K313 million, or by over 20%, and we are working hard with the NEFC, to get block grants organised.

## **In Conclusion - Securing PNG in 2025 and Beyond**

Mr Speaker, we have shed too many tears due to violence. This is not what our forefathers, dreamed of, as we enter our 50<sup>th</sup> Independence anniversary year.

This budget marks a turning point. A real focus on building the security necessary, for creating the future our children deserve.

Standing by our police and defence forces, with record levels of support. Record levels of funding for the judiciary, for our health workers, for our teachers.

Securing PNG with a K2,322 million Household Assistance Package, including removing GST, at the supermarket checkout on 13 essential items.

Securing PNG through record levels, of targeted infrastructure investment.

Securing PNG with historic levels of economic growth.

And securing PNG, with continued implementation of our Budget Repair Plan, that remains on track, to deliver a

budget surplus by 2027, and when we can start paying down our debt.

This budget provides the framework, for starting to make life better, for our people in the next 50 years. This framework must now be converted by all in this House, by all our public servants, and ultimately by all our people, into practical implementation.

For our 50<sup>th</sup> anniversary, let us all commit to do better to meet the aspirations of our people. The 2025 Budget is a very good starting point.

Mr Speaker, I commend the 2025 Budget to the Parliament.

Thank you.



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





MEMBERS OF THE NATIONAL EXECUTIVE COMMITTEE AS FROM 24TH SEPTEMBER 1978

