Law and order, corruption, infrastructure still top three concerns for PNG business: survey

Author: Ashlee Betteridge and Stephen Howes  
Date: July 9, 2013

A survey by PNG's Institute for National Affairs has shown that the key concerns for the private sector are still law and order, corruption, and infrastructure, but that the business environment in the country has shown improvement since the same survey was last conducted in 2007.

The survey, Business and Investment Environment in Papua New Guinea in 2012: Private Sector Perspective [pdf], which is carried out by INA every five years, gathered responses from 136 businesses of various sizes from around the country at the end of 2012.

On a scale of 1 to 6, where 6 is “extremely problematic” and 1 is “not a problem,” law and order got the highest (worst) rating (4.8) followed by corruption (4.6) and the state of transport infrastructure (4.6) out of a list of some 20 factors affecting business. These were also the top 3 concerns in 2007 except that telecoms were then rated a bigger problem than roads. Telecoms show improvement in 2012, but concern with roads is slightly higher. The corruption and law and order ratings are better (lower) than 5 years ago, but they are still the highest and equal second highest ranked concerns respectively.

Encouragingly, respondents flagged significant improvements in the business environment since 2006, with 37 per cent saying it had 'fairly improved', while 7 per cent noted a 'big improvement' and 4 per cent identified a very big improvement.