

Obituary for Simon Tosali

by Paul Flanagan

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Simon Tosali.

PNG has lost one of its greatest public servants ever.

Simon Tosali was Secretary of the PNG Treasury from 2002 to 2013. Behind the scenes, and working with others in his quiet, wise, influential way, he helped shape the best economic times ever experienced by Papua New Guinea.

As Simon was buried on Sunday in his home village, many people would have told stories of his greatness, his humility, his humour, his wisdom, and his love of PNG with all of its complexities.

Let me focus on the numbers.

While Simon Tosali was Secretary of Treasury, the key parts of the economy grew at the fastest rate in PNG's history. As Simon understood, the real measure of growth was the non-resource sector, setting aside the resource sector which is largely foreign owned. In 2001, PNG's real non-resource GDP was K17 billion. By 2013, it had nearly doubled to K32.8 billion (2015 Kina prices).

While Simon Tosali was Secretary of Treasury, the non-resource economy grew at over 6% every year – double the population growth rate. In the decade before he was Secretary, the real non-resource economy did not grow at all – indeed, it slightly fell. In the years since Simon left as Secretary, the real non-resource economy has only grown by 1% per year.

The economic growth story:

- Before Simon, economic growth of 0% per year for a decade.
- With Simon, economic growth of 6% per year.
- Since Simon, economic growth of 1% per year.

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While Simon Tosali was Secretary of Treasury, employment levels grew at the fastest rate in PNG's history. Formal sector employment grew from 231,000 in 2002 to 395,000 jobs in 2013. This was a growth rate in the formal economy of an extra 15,000 jobs every year. From 1991 to 2002, the growth rate in jobs was 1,500 jobs per year – only one tenth the Simon rate. Since 2013, formal sector employment has gone backwards by 9,000 jobs per year to 350,000 at the end of 2018.

The jobs story:

- Before Simon, jobs growth of 1,500 per year for a decade.
- With Simon, ten times higher jobs growth of 15,000 per year
- Since Simon, job numbers going backwards by 9,000 per year.

While Simon Tosali was Secretary of Treasury, PNG's debt levels reduced by the largest amount in the country's history. The key debt to GDP halved from 70% in 2002 down to 34% in 2013.

While Simon Tosali was Secretary of Treasury, inflation fell from 12% per year to less than 5% per year.

As a nation, let us celebrate the life of one of PNG's greatest public servants.

I have lost a dear friend – I miss his wisdom and friendship. I enjoyed our lunches together since I was allowed back into PNG. I was so saddened to see him in the Port Moresby General Hospital after his stroke. I am angry that his abilities were not properly respected in the years since he was forced to leave the Secretary role. I will miss our sharing of a good bottle of red wine together. Tonight, I will open a bottle of Wolf Blass Shiraz that I had bought for what I had hoped would be another good time together – a State of Origin label in blue. Not many of us in PNG would have gone for the blue label rather than the maroon label!

In honour of a great PNG public servant. My condolences for his wife, his children and his broader family and friends.

With the greatest of respect to a dear friend and great leader in PNG.

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Paul Flanagan has a longstanding interest in public policy issues in Australia, PNG and more broadly. His 35-year public service career was evenly shared between Treasury/Finance and AusAID. He headed up Treasury's International Finance and Development Division from 2008-2011 before being seconded to a senior advisor position in the PNG Treasury until August 2013. He is Director of Indo-Pacific Public Policy and Economics, a leading commentator on economic developments in PNG, and a frequent contributor to the Devpolicy Blog.

Link: <https://devpolicy.org/obituary-for-simon-tosali-20200505-1/>