PNG budget and service delivery

Papua New Guinea’s 2013 budget was in the spotlight at a special National Budget Forum jointly organised by PNG’s National Research Institute (NRI) and the Development Policy Centre as part of the Promoting Effective Public Expenditure (PEPE) in PNG Project.

Senior PNG Cabinet Ministers, the Hon Don Polye, Minister for Treasury and the Hon James Marape, Minister for Finance, discussed the significant increase in devolved funding to PNG’s provinces and local governments – up from 5 per cent of the total budget last year to 15 per cent in 2013. The Ministers also detailed plans to monitor spending and ensure accountability.

Professor Stephen Howes, Director of the Development Policy Centre, told the forum that while there have been welcome increases in priority sectors, especially for national roads rehabilitation and maintenance, there are also clear signs of front-line service delivery being squeezed as a result of the massive increase in devolved project funding. This will worsen in coming years if the projected slow revenue growth eventuates. For example, under reasonable assumptions, the number of teachers per student has already fallen to 80 per cent of its level a decade ago, and will fall to almost 50 per cent of that level by 2017 under current projections.

The forum also heard from Andrew Anton Mako of NRI and PEPE Project Manager Colin Wiltshire of ANU. They reported back on the just completed PEPE survey which visited more than 200 schools and 150 health facilities. Their presentation included accounts of the adventures required to reach the more remote facilities, as well as initial impressions from the survey.

The forum attracted more than 120 participants, and received wide media coverage. The next ANU-NRI budget forum will be held on August 29, and will present full results from the PEPE survey. All presentations by Ministers, ANU and NRI researchers and the World Bank are available here.
Pacific Update 2013
July 8/9 @ANU

Following the success of the 2012 Pacific Update (more details including video, presentations and a blog series available [here](#)) we are pleased to announce that the 2013 Pacific Update will be held on July 8 and 9 here at the ANU. It will be co-sponsored with the Asian Development Bank and the Asia & the Pacific Policy Studies Journal. Stay tuned for more details, including registration information and speakers.

**Railroad expansion and entrepreneurship: Evidence from Meiji Japan**

*Dr John Tang, Crawford Award Winner 2012, Research School of Economics, College of Business & Economics, ANU*

**Friday February 22 @ 12pm (light lunch available beforehand)**

Acton Theatre, Level 1, JG Crawford Building 132, Lennox Crossing, ANU

Does infrastructure promote economic growth? Dr John Tang will present his award-winning paper which assesses the effect of railroad access on startup firm activity across Japan in the 19th century.

**Economic benefits of a One Health approach**

*Jonathan Rushton, Professor of Animal Health Economics, Royal Veterinary College.*

**Tuesday February 26 @ 12.30pm (light lunch provided)**

Lennox Seminar Room, Level 1, JG Crawford Building 132, Lennox Crossing, ANU

The One Health Initiative is a movement to forge inclusive collaborations between physicians, veterinarians and other scientific-health and environmentally related disciplines. It’s a transdisciplinary way of thinking, used by those working towards a common goal of optimising human and animal health globally. One Health concepts and ideas are some of the oldest in the health discipline, yet they have not become mainstream. In this public lecture, Jonathan Rushton will explore the economic logic of health interventions, areas where One Health can add value to an infectious disease management and whether this added value is sufficient for a One Health business case in order to improve resource allocation and improve economic and social returns.

**Meetings**

Devpolicy staff met with the new World Bank Country Director for the Pacific Islands, Papua New Guinea and Timor-Leste, Franz Drees-Gross and his colleagues from the World Bank and IFC.

Anthony Swan attended a roundtable discussion with the Australia-PNG Business Council to discuss areas of mutual research interest and how we might collaborate in the future. The PNG Promoting Effective Public Expenditure (PEPE) project was a focus of discussion, with the Council eager to hear the initial results.

Sir Mekere Morauta and the team appointed to review the Pacific Plan in 2013 met with academics at ANU last week, including Devpolicy’s Matt Dornan. Among the comments the review team heard from ANU academics were arguments that the existing Pacific Plan has set too many priorities and is driven by the CROP agencies rather than national governments. The review team has asked for comments from the public, and especially from Pacific islanders, [here](#).

Robin Davies joined former and current senior staff of a number of multilateral organisations for a two-day workshop organised by Griffith University in Brisbane, 18-19 February. This was part of an ongoing Australian Research Council project led by Professor Patrick Weller, which is undertaking a comparative analysis of the complex interactions between the leaders, governing bodies and staff of international organisations.

**Blog posts**

Here is a list of Devpolicy blog posts (organised thematically) since our last newsletter, a month ago. We
also provide monthly wraps (buzzes) on Australian aid, global development, education & development, and aid & Asia, as well as fortnightly wraps on the Pacific.

Blog Digest

January blog digest: aid and governance – time to give up or change tack? By Stephen Howes.

Aid

That $375 million for asylum seekers: where will it go? By Robin Davies and Jonathan Pryke.

How Australia’s aid program is helping to pay the asylum-seeker bill by Jonathan Pryke and Robin Davies.

AusAID’s first Annual Review of Aid Effectiveness (part 3): some suggestions for next time by Stephen Howes and Robin Davies.

Why the MDGs are both too ambitious and not ambitious enough by Terence Wood.

AusAID’s first Annual Review of Aid Effectiveness (part 2): more questions than answers by Stephen Howes and Robin Davies.

AusAID’s first Annual Review of Aid Effectiveness (part 1): is our aid program really that good? By Stephen Howes and Robin Davies.

Fowl or Fish? A submission to the ACIAR Review by Robin Davies and Stephen Howes.

Development


An interview with Michael Clemens (part 1): US seasonal worker program and skilled vs. unskilled migration by Michael Clemens and Stephen Howes.


Pacific

The economic costs of non-communicable diseases in the Pacific Islands by Ian Anderson.

Fiji’s 2013 budget: on the road to growth? By Matt Dornan.

2013 Fiji budget: an analysis by Biman Prasad.

Small isn’t always beautiful: how smallness undermines public financial management in the Pacific and what to do about it by Tobias Haque, David Knight and Dinuk Jayasuriya.

PNG


Governance in PNG: what can donors do? By Graham Teskey.
Notes

Asylum-seeker costs - wrong questions, wrong people by Robin Davies.