



**23 November 2018**

MEDIA STATEMENT

### **Parliament Passing of 2019 Budget welcomed by Chamber**

*Major new resource projects set to make a key contribution to revenue in 2019*

The PNG Chamber of Mines and Petroleum has welcomed the 2019 Budget which has passed in the National Parliament of Papua New Guinea.

Deputy Prime Minister and Treasurer Hon. Charles Abel last week presented his 2019 Budget, outlining the framework and agenda for the government's financial priorities over the next year.

The Chamber congratulated the government and Treasurer's commitment to fiscal stability and its focus on ensuring global competitiveness and continued international investment.

"The budget signals that the government has an eye on the investment environment whilst also continuing its strategy to grow revenue and reduce spending based on stable and effective fiscal policies," said Dr Albert Mellam, Executive Director of the PNG Chamber of Mines and Petroleum.

"Whilst there are ongoing threats from external fiscal pressures, we are pleased to see consistent and prudent budget management which will continue to help drive a broad-based economy in PNG."

In his budget speech to Parliament, Mr Abel referred to large mining and petroleum projects starting in 2019 which will further underpin revenue and GDP growth in PNG. The Treasurer estimated a four per cent GDP growth in 2019, premised on "buoyant domestic conditions, including early works from large new mining and petroleum projects."

"The resources industry in PNG significantly contributes directly and indirectly to State revenues, whilst also delivering wide-ranging socio-economic benefits to the people of PNG," said Dr Mellam.

"I was pleased to hear the Treasurer report that 2018 revenue was actually *higher* than expected, for the first time since 2011. This was largely due to increased taxes collected from the resources sector. This will only continue through new mining and petroleum projects which will help to further underpin PNG's economy next year and well into the future."

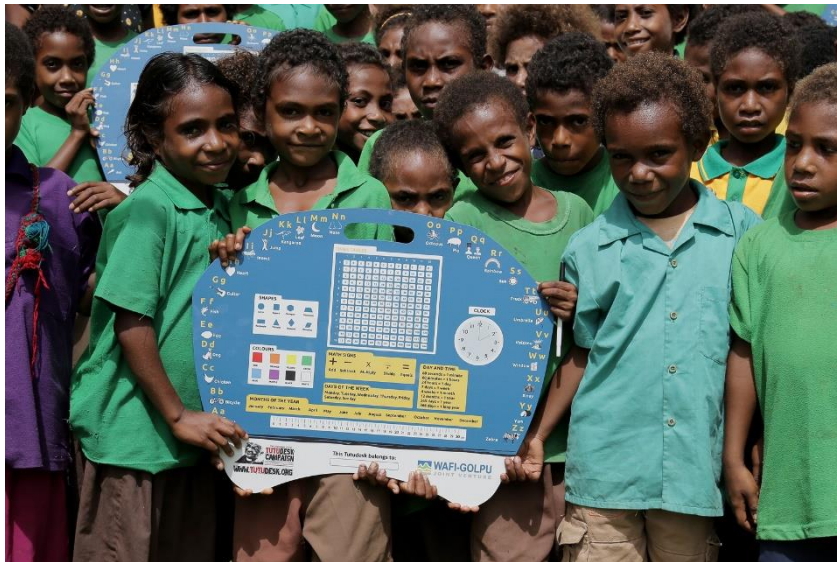
The budget also outlined the government's intention to undertake some policy and legislative changes to the Mining Act 1992 and the Petroleum Act 1998.

The Chamber and industry has expressed its desire for regular dialogue and meaningful discussions with the PNG government ahead of any proposed legislative changes.

“We are deeply concerned about several of the changes to the Mining Act which have been proposed in the past,” said Dr Mellam.

“As an industry, we encourage the government to provide a landscape that offers active investment within a predictable and consistent regulatory framework. The industry is ready to participate constructively in the review of the Mining Act that will help to not only meet the needs of PNG, but will also continue to encourage active investment in the sector.”

- Ends -



**Caption:** *New resource projects expected in 2019 will continue to help increase government revenue and also social benefits to communities; like these schoolchildren from Zindaga Denga Elementary in the Wafi-Golpu project area. – Picture courtesy of Newcrest Ltd*

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