

**Public statement
by Rt Hon Sir Mekere Morauta
Port Moresby, 25 May 2017**

O'Neill spending cuts to cripple health care



Prime Minister Peter O'Neill is planning to cut the health budget by a further 30 percent over the next few years, further crippling the nation's health services.

By 2021, health spending will have been slashed by two-thirds from K220 per person in the 2015 Budget to K77.

"Mr O'Neill's cuts are the reason why Papua New Guineans are dying from preventable diseases in their thousands, mothers and babies are dying in their thousands at childbirth, and our bubus are dying in their thousands from lack of basic treatment in villages around the country," Sir Mekere said.

"Mr O'Neill is wrecking the health system while he is building monuments to himself in Port Moresby such as APEC House, grand hotels, stadiums, and roads and bridges that fall apart almost as soon as they are built. The latest road involves the destruction of Ela Beach.

"This week Modilon General Hospital – one of our leading health facilities, serving Madang and Madang Province – was forced to drastically scale back its operations and increase its fees because of its 'dire financial situation'.

"Last Sunday on EMTV we heard from Priscilla Miau, community health worker for the villages of Keapara, Alukuni and Karawa in the Rigo District of Central Province. Her aid post is the only one operating in Rigo – held by PNC's Ano Pala. The other 16 are closed, leaving Ms Miau responsible for treating up to 5000 people, often without adequate equipment, supplies or transport.

"A few days earlier there was a report in the Post-Courier about the almost total collapse of the health service in Iokea, Gulf Province. The Moru aid post is almost unusable, with rotting floors and broken walls and windows and an inadequate sewerage system.

"Health officer Chris Larry reported that medicine and other supplies either do not arrive or are delivered late, and there is no ambulance – patients pay K200 a time to use a Provincial Works vehicle in emergencies. Mothers sometimes travel as far as Port Moresby to get their children immunized.

"Prime Minister, stop your wasteful, self-promoting spending in Port Moresby and use it to save lives instead. Show some respect for people, show them you care. The Peter Never Cares (PNC) attitude is not acceptable."

Sir Mekere said the current level of health spending was demonstrably inadequate, and that Mr O'Neill's planned cuts through to 2021 show a callous disregard for the lives of vulnerable Papua New Guineans.

Not only is Mr O'Neill cutting health spending by two-thirds in real terms. His cuts will also mean that PNG's spending will fall to about half of the World Health Organisation's recommended minimum level of \$86 per person, using a standardised dollar value known as Purchasing Power Parity.

WHO has recommended that \$86 per person is the minimum level of health spending necessary to make progress on universal health care.

The Prime Minister's 2016 Budget cuts took PNG below the WHO minimum spending level of \$86. By 2021 PNG's health spending will be \$44, about half the WHO benchmark.

Mr O'Neill is dragging PNG to the bottom of the health care rankings. In 2014 PNG was ranked 148th out of 191 in health spending per person. By comparison, Fiji spent almost three times as much per person and was 119th. O'Neill's planned spending of \$44 per person in 2021 would be equivalent to 168th in the 2014 ranking (alongside Zimbabwe).

"Mr O'Neill should be ashamed of himself for letting the people down in this way," Sir Mekere said. "There is no excuse for not finding adequate funding for an essential service such as health.

"Rather than borrow hundreds of millions of kina more from opportunistic commercial banks and loan sharks, he should humble himself and ask the World Bank, the International Monetary Fund and our friendly neighbors and partners to help us out.

"That entails a proper multi-year reform program using concessional finance. Failure to do that will only make matters worse and entrench the suffering that he has already caused."