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## MEDIA RELEASE

### Justify raise in slush funds

It has been 21 years since a Papua New Guinean government started issuing 'slush funds' to Members of Parliament. In 1984 they were K20,000, and they quickly rose to K1,500,000 in 1999. The funds were reduced under Sir Mekere Morauta to K500,000 in 2001, and now the ever-punished PNG people are seeing an attempt to raise them once more to K1,500,000. The sums have changed dramatically, and a good question may be "How much higher will they go? Will eventually the whole national budget be apportioned to MPs equally, 109 ways?" But the reason for their continued existence remains the same - expedient, ugly money politics.

Transparency International PNG (TI PNG) sympathizes with Members who say they are only trying to bring desperately needed services to their electorates, and that the Waigani bureaucracy simply does not deliver. If the slush funds were the solution to this problem, the TI PNG Board would recommend they be increased by more than K1,000,000. But they are not the solution, and they never have been. Instead, the slush funds have played a key role in the decay of good governance within the PNG public domain. As far as TI PNG knows, there has never been a public review of the slush funds. If any MP has any sound evidence to show that the slush funds are a legitimate public expenditure program, then we ask the m to come forward. After 21 years of this public program, where are the development outcomes? Where are the schools staffed with teachers, the operating health clinics, the roads leading to marketplaces, the electricity mains, the wharves and airstrips that transport people and goods? PNG citizens deserve an answer.

If one tracks the increase in the electoral slush funds on a graph over time since, it is almost uncanny how closely the increase in slush funds corresponds with the decrease in other indicators, such as human development, and GDP per capita. The TI PNG position is that expressed by Jeremy Pope, founding Director of Transparency International who said the PNG slush funds "breach the basic rule of separation of powers (and) convert the watchdog into the burglar", and furthermore, "they are an endless source of corruption, cronyism and non-accountability". The evidence is clear - electoral slush funds are an integral part of the money politics that degrade governance within any society. TI PNG oppose their existence - to increase them by K1,000,000 for each MP is particularly abhorrent and a slap in the face to every Papua New Guinean.

A public forum will be held at the UPNG Main Lecture Theatre on Thursday night starting at 7pm. The TI PNG Chairman Mike Manning, and Directors will be in attendance and look forward to putting forward the case against the exemption of MPs from dismissal, as well as the existence, and especially the increase, in the electoral slush funds.

Jeremy Pope, New Zealand barrister and founding Director of Transparency International, will be in Port Moresby in early November this year to conduct a one week workshop on anti-corruption.

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