



AUSTRALIAN HIGH COMMISSION PORT MORESBY

10 September 2014

MEDIA RELEASE

Study on the Manus economy

A new study of the Manus economy has found that the Regional Processing Centre is making a positive economic difference to the lives of ordinary Manusians and the Province more broadly.

The study drew on input from a wide range of government, non-government, business and community sources. It was conducted by a contractor, Adam Smith International.

The study found that the RPC and related construction activities, including development assistance, has created around 1000 extra jobs for Manusians, and around 110 for Papua New Guineans from other provinces.

This is estimated to be a 70 per cent increase in the number of formal jobs in the Manus economy and means an increase through wages of around PGK 15 million in 2013 and, for 2014, around PGK 16 million.

The additional jobs are contributing to growth in the Manus economy, through the purchase of goods and services as well as remittances to other parts of Manus and PNG. This has led to an increase in business activity in Manus. Manus businesses have realised increases in sales of between 60-200 per cent.

The study found that Manusians are saving more money - financial institutions reported an increase in customer deposits of 30 per cent over the year to May 2014.

Manus is benefitting from increased air and sea links with the rest of PNG, with 55 commercial ship arrivals in 2013, compared to 30 arrivals in 2012.

The RPC and related construction activities have been buying goods and services from local suppliers, amounting to around PGK3 million per month, or approximately PGK10 million in 2013. Purchases include goods like fresh food, fuel and water, but also services such as car, equipment and machinery hire and accommodation services.

Australian High Commissioner to Papua New Guinea, HE Ms Deborah Stokes, said "I commend the study as a useful tool to better understand the Manus economy, current drivers of growth and opportunities for the future."

The study is available on the Australian High Commission website <http://www.png.embassy.gov.au/pmsb/media.html>



A vendor at Lorengau Market, which is being redeveloped with Australia's assistance to support economic activity