

**Senate Standing Committee on Foreign Affairs, Defence and Trade
Inquiry into matters relating to the Torres Strait region
Friday 18 December 2009**

1. Mortality rate of infants in the South Fly (p24 Senate Committee Hansard)

Accurate data on infant mortality (the number of infants who die between birth and the first birthday), by district within the Western Province (WP), is unavailable.

However, data by district within the WP is available for three relevant proxies to infant mortality: measles vaccine coverage (under one year), childhood malnutrition, and pneumonia case fatality rate of children (under five years).

- A recent presentation (2009) to the Torres Strait Cross Border Health Issues Committee by the Western Province Health Administrator, included information on measles vaccine coverage (under one year), by district
 - 2008 - South Fly coverage just over 50 per cent, Middle and North Fly approximately 35 per cent
 - 2007 - South and Middle Fly approximately 40 per cent coverage, North Fly approximately 45 per cent
 - 2004 - North and South Fly almost 50 per cent coverage, Middle Fly approximately 30 per cent
- The Annual Health Sector Review (PNG National Department of Health, 2009) also contains data on the proxies relevant to infant mortality, by province:
 - Measles vaccine coverage (under one year)
 - 2008 – 62 per cent for PNG overall, 42 per cent for the WP (third lowest province)
 - 2007 – PNG 53 per cent, WP 42 per cent
 - 2004 – PNG 50 per cent, WP 41 per cent
 - Childhood malnutrition
 - 2008 – PNG 1.24 per cent, WP 1.7 per cent (seventh highest province)
 - 2007 – PNG 1.34 per cent, WP 1.42 per cent
 - 2004 – PNG 1.53 per cent, WP 1.39 per cent
 - Pneumonia case fatality rate of children under 5 years
 - 2008 – PNG 2.73 per cent, WP 5.57 per cent (second highest province)
 - 2007 – PNG 2.42 per cent, WP 1.25 per cent
 - 2004 – PNG 2.98 per cent, WP 2.63 per cent
- The Demographic Health Survey (PNG National Department of Health with support from Asian Development Bank) is conducted every 10 years. Data from the most recent survey in 2006 includes:
 - PNG national infant mortality of 57 deaths per 1,000 live births (2002-2006). Infant mortality has declined over the 15 years preceding the 2006 survey (the 1996 survey estimated infant mortality at 69 deaths per 1,000 live births)¹

¹ PNG's infant mortality rate remains poor by regional standards, and compares with rates of 27 per 1000 live births in the Solomon Islands and 31 in Vanuatu.

- Infant mortality by region
 Southern (including the WP) 45 deaths per 1,000 live births
 Highlands 72 deaths per 1,000 live births
 Momase 55 deaths per 1,000 live births
 Islands 50 deaths per 1,000 live births
- The National Economic and Fiscal Commission (NEFC) report (March 2004 Review of Intergovernmental financing arrangements – District Development Index) presented information on infant mortality by province (based on the year 2000 census data). This report showed that the WP has the eighth highest rate of all the provinces (approximately 66 deaths per 1,000 live births).

2. Information on health expenditure in Western Province (p26 Senate Committee Hansard)

Western Province’s total health financial envelope is difficult to estimate as funding comes from multiple sources: Health Function Grants (from the National Treasury), National Department of Health transfers to Daru Hospital, Church Health Services, and the Health Sector Improvement Program (HSIP, includes donor funds). Data on these funding sources are provided below. Other sources of funding include the Evangelical Church of PNG, North Fly Health Service Development Program, and the National Aids Council. Potential funding sources include the District Services Improvement Program, the Special Support Grant and the WP provincial government’s internal revenue. In respect of the latter, it is important to note that the WP provincial government receives substantial revenue directly through royalties and dividends from the Ok Tedi mine (projected at K60 million in 2010). Several non-government organisations also support health, including PNG Sustainable Development Program Ltd.

In terms of the NEFC’s 2005-2008 expenditure performance assessment (using the Cost of Services estimate as a benchmark), Western Province spent 59 per cent of what was necessary to deliver basic health services. This made Western Province the ‘best’ performing province in terms of the amount spent in the health sector against the cost of services benchmark. In contrast to the other provinces in PNG, WP’s total revenue flows are substantially above that required to fully fund basic services, including health.

(1) Health Function Grants (transfer from National Government, Treasury) Kina²

	2007	2008	2009	2010
Budget	476,500	481,800	875,500	879,100
Actual	500,800	481,800	n/a	n/a
Variance	+ 24,300	-		

Timely access to Health Function Grants presents an impediment to the delivery of health services in the Province. The release of these funds is controlled by senior level administrators and political processes at both National and Provincial levels. The late

² 1 Kina is currently worth \$A 0.41.

and sporadic release of funds has led to serious delays in activities. For example, in 2009 it was not until June 2009 that monies were released for the Health Function Grants.

(2) National Department of Health Transfers to Daru Hospital (Recurrent Budget)

	2007	2008	2009	2010
Budget	2,817,500	4,353,300	4,644,500	5,388,300
Actual	3,538,600	5,710,400	4,673,900	n/a
Variance ¹	-721,100	+1,327,100	-29,400	

(3) Church Health Services Western Province

	2007	2008	2009	2010
Budget	3,920,000	4,373,200	5,165,400	6,118,500
Actual	4,160,500	4,472,700	n/a	n/a
Variance (overspend) ¹	-240,500	-99,500		

(4) Health Sector Improvement Program (HSIP)

	2007	2008	2009	2010
Budget	190,192 ²	224,070	287,784 ³	372,431 ³
Actual	-	73,742	123,761 ³	n/a
Variance	190,192 ²	150,328	164,023 ³	n/a

² AusAID understands that no HSIP expenses were incurred in 2007 in Western Province because WP failed to satisfy one condition for access to these funds, that is, the 6 per cent provincial internal revenue contribution.

³ During 2009, HSIP funding to the WP provincial trust account was suspended due to: (a) insufficient reporting and (b) not acquitting funds. HSIP tranches are released after at least 60 per cent of expended funds have been acquitted. Because of the timely acquittals are difficult to obtain. A joint review (Development Partners and GoPNG) of the HSIP Trust Fund arrangements is addressing the problem of timely acquittals, recognising that the remote locations of health facilities in the WP may make it difficult to meet the current requirements.

3. How much does the WP benefit from the Basic Education Development Program (BEDP)? (p24 Senate Committee Hansard)

BEDP funds relate to three broad areas of activity:

Maintenance:

From November 2005 to September 2009 K180,367 was spent on maintenance activities for the majority of schools in the Western Province.

Infrastructure:

A total of K335,184 in Infrastructure Grants has been allocated for eight schools in the Western Province. All buildings are scheduled to be completed in 2010. No new BEDP-funded school buildings are planned for Western Province at this stage.

Capacity Development:

In 2010, the WP will benefit from capacity development support from BEDP. This focuses on the School Improvement Management Plan.