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IPBC DIVIDEND TO HELP FUND HOSPITALS REHABILITATION

January 24 2012

The managing director of IPBC, Mr Thomas Abe, said today IPBC will pay a dividend of K50 million to the State in support of the O'Neill-Namah Government's Hospital Rehabilitation Program.

"The IPBC Board has approved the dividend, which will be paid from an IPBC term deposit with BSP. The cheque will be paid into Consolidated Revenue tomorrow (Wednesday January 25).

"IPBC will be reimbursed by Public Enterprises by way of their annual dividend to IPBC".

Mr Abe said the Government and IPBC are focusing on the payment of dividends by Public Enterprises for two reasons.

"The first is that the practice was devised in 2002 as a way of enforcing commercial discipline. The second is that the State has a right to expect a return on its investment.

"Public Enterprises must remember that they are owned by the people of Papua New Guinea, and they are funded by the people of Papua New Guinea through taxes, licences and charges.

"People are entitled to expect a return on their funds to be put to good use – for example in the Government's decision to provide free medical care and to rehabilitate our public hospitals."