

## MB MPs statement of non-acceptance of state budget



MB claimed there were violations of the Constitution and believed there was a flagrant violation of the Law and the Constitution by the People's Assembly.

Head of the Planning and Budget Committee of the People's Assembly Ahmed Ezz admitted that there was fake incomes added to the LE 24.3 billion state budget since there are actual surplus of accounts included in social security and pension funds as "revenue", which is a clear and flagrant violation of article 28 of Law No. 53 for the year 1973 on the state's general budget, which states "The State's final account shall be prepared to cover the fiscal year that elapsed. The State's final account shall include actual uses and resources distributed among the various sections in the implementation of the state's general budget."

The final account was issued in violation of the provisions of Article 8 of the Social Insurance Act No. 79 of 1975 as stated in the report, adding " This behavior conducted by the Government and the Planning and Budget Committee

MPs considered the deliberate insistence on violating the Constitution and the law may lose Egypt's government its legitimacy.

Opposition and independent MPs have justified their denial claiming the report issued by the Commission overlooked L.E 1272 billion total of private current account should have been annexed to the State's budget in accordance with Article 3 of Act No. 53 for the year 1973 on the state's general budget, noting that the government— represented by the Minister of Finance— directly denied commenting to clarify these sums although it detected irregularities on funds, private accounts and special units, which amounted to L.E. 4 billion.

"These amounts were spent in extending congratulations, condolences, illegally refurbishing the offices and offering raises and bonuses at a time when Egyptians suffering from poverty is evident in many areas, including

education, health, housing and transportation as well as the lack of safe drinking water, sanitation and low-wage workers and salaries of state employees, " as shown the report.

One of the main reasons to disapprove the state's general budget is the decline in revenues due to the dissipation of wealth stated in the statement, adding the export of natural gas and oil to the Israeli Occupation Authorities at a price less than the extraction costs in other words is unacceptable. Egypt's regime subsidizes usurper Israelis while Egyptians strongly suffer because of low-income, and poor services provided to them by the government and the collapse of the infrastructure. "

"Amounts allocated to the development of Upper Egypt is constant and at the low-level while amounts dedicated to sustain exports fund doubled to reach L.E. 4.4 billion for the benefit of big investors," as explained in the report.

It was indicated in the report that the final account on taxes representing the largest part of the budget revenues are collected from staff, where they pay 9.8 billion pounds, while total income tax from industrial and commercial activities does not exceed 4.4 billion pounds meaning that workers are the only ones who pay taxes, while they are not paid by larger investors and senior businessmen.

Commenting on the reasons for their rejection of the final account, it is stated in the report that "Illegal activities taking place is in full swing on the current uses, amendments to the original rating for revenues and state budgets of the public economic institutions owned to the administrative system on items and sections in some authorities rose to 134% of the origin rating."

Brotherhood and independent MPs wrapped up their statements by stating "We, the PA deputies, the undersigned of this statement on all of the above mentioned and other reasons listed on 180 audit report by the Central Auditing Agency covering more than 25000 page, believe that endorsing the final account statement is contrary to what we pledged to maintain for the people's interests and showing respect for the Constitution and law. Adopting these explicit violations through the PA is a suspicion of complicity by the People's Assembly accusing them of being part of the deliberate waste of public funds, covering up the corruption and looting of public funds by government officials. Consequently, we decry the PA's planning and budget Committee report and disagree to endorse the final account of the State budget for the fiscal year 2008/2009.