

## Final Remarks

### **Dr. Samir Abu Eisheh**

We can speak about the employment quickly; there is an objective division of these jobs. when we say 1,300 teachers or employees in the health sector this is a need for certain numbers every year, this year it was higher and in 2007 we tried to bring it down a little bit. So we restricted to the number of employees according to the budget of 2005, in that budget there were 5,370 employees as I remember and we abided by a certain number in 2006 it did not increase and it was limited to Education and Health Ministries. All those who were appointed in 2006 were either for vacant posts and this was very limited or employees by contract until the budget is endorsed by the PLC and there were no exceptional appointments. So we totally abided by the law. There were also 1,000 employees in all various ministries and public institutions and it was also done on contract basis.

I want also to say the president did not stop spending for these people, the question was: are these 5,500 military personnel part of a certain security agency or not. There was clear policy and clear standards in cooperation with the General Personnel Office. We have no problem to disclose these figures to any interested person.

In the ministry of education, for instance, 2500 new employees; there was total transparency. There were certain points calculated by the computer and the information was published on the website of the ministry, so it was very transparent in the ministry of education.

In the ministry of health there were announcements, interviews and appointments were done in very transparent way. People were employed on contract basis but on November 6, we took a decision that the vacant jobs should be filled through a process based on advertisement and competition, and the ministry of education, and ministry of agriculture there was full transparency in appointing people.

I think this is enough for this part, let me respond to other some questions, and some of them were made by Dr. Rafiq.

Throughout last year we did not discriminate in expenditure between those who in the PLO or those who are not related to PLO. The current budget includes everything that is spent to the PLO and to other things, and everything is done on agreement with the presidency and 99% was in agreement with the presidency.

The range paid of the salaries for the military was higher than the salaries paid to the civil servants. We really hope that the banks dealt with the government in the right way; we understand the situation and that's why I said clearly that if we certainly take measures against these banks, then certainly no bank will continue working in Palestine, but through agreements with the monetary authority and with the banks and in order to avoid being a reason for any problem for the banking system. So we want to protect the normal and ordinary people who have small accounts. We want to

protect them and the situation proved last year in accordance with what was published by the banks in association with the monetary authority.

The post office bank is not a bank. It is an office but before that it dealt with certain things, we expanded the volume of works of this post office bank without violating the system in general and this activity is not violating the law.

We are very keen to follow things in a legal way and transparent way.

With regards to the unified account, we want very much to have a unified account but the government has one account although the funds were in the post office bank and whatever entered was registered and all information about them were issued in our quarterly reports and our annual report.

Commenting on the remarks of Dr. Rafiq; in fact the climate of the agreement makes me try avoiding any comments on certain remarks made by Dr. Rafiq because I really respect him and there are no problems with him on 99% of the issues.

Mr. Abu Laila... I did not prepare the reports because of this symposium. No, this is part of our commitment, and of course, in an atmosphere of strikes and employees who don't show up at work and the general directors don't come to work. One month after they came back, we were able to gather the whole financial picture of last year and coordinate with the presidency's office and coordinate things at the postal bank to include everything in the bank and issue all that in one month, this was miraculous. And the people in the ministry did their best and exerted efforts to present this information to you and to the public and put it on website.

The website was updated, it was under construction but after this construction period the information was updated and there are elaborate tables that were put for the first time and soon it will be in English so that the donors and the whole world can have a access to all information.

I didn't have time to speak about policies that we at the government had regarding the expenditure and the revenues. We had many points that we started last year and it was suggested to continue this year during 2007, including not reducing the fund of the social affairs or the prisoners affairs, so it wasn't possible for us to cover the entitlements for the prisoners and injured people and their families at the time when we were not able to pay the salaries of employees. Certainly there are allocations and we will try to cover them soon I hope.

The total arrears for 2006 were 800 million dollars and 520 million dollars of them were the arrears of the salaries, but these started to decline until they reached 400 million dollars now and we are doing our best to reduce this amount. There were also arrears of 120 million dollars, there were arrears of 585 million dollars until the 31 of December 2005, when we compare we should not say that the total arrears in this government reached 1 billion and 57 million dollars but there was 585 million dollars that were forwarded from the previous government.

Regarding some economic indicators that we received last month; we have a general picture but we need some details. The GDP declined by 6.6% and the percentage of unemployment remained unchanged, according to the definition of ILO it was 23.5%

now it is 23.6%. This is the total unemployment that we received from Central Bureau of Statistics and this was handed with the budget to the Budget Committee of the PLC.

Abu Laila said he did not receive the documents. I said he should have received the documents. The funds in the bank were 4.9 millions so the indicators are not so pessimistic, there is a decline and there is an impact for that, but at the same time, in general the situation is not so pessimistic, and there were some achievements. It should be recorded not just for this government but also to the people who exerted tremendous efforts to move the economic wheel, they paid more taxes, I have the figures and they are on the website.

**Ghassan Khatib** - Can we conclude from what you said there is an Israeli siege but no International siege

**Dr. Samir Abu Eishah** - This is correct. The assistance during this government increased to 1.7 percent.

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### Dr. Rafiq Husseini

We hope we will get rid of these problems that we are facing and we send our greetings to Dr. Abdul Razeq (Minister of Finance) who is prisoner because he was relieved of the problems and maybe he watches us on TV as we fight here and he might be smiling.

Our GDP declined by 6.6% and the GDP in Israel (our enemy) increased by 8% or more so we must understand the economic conflict and ask ourselves what is our strategy to face our enemies who are occupying our country, our GDP declined and the Israeli GDP went up. Now we should not record any political gains at the expense of the people, the government should be wise and capable not through its ideology but also through serving its people under occupation.

The issue of 35 million dollars that were seized in Egypt in Cairo; wasn't it better for the prime minister to leave these funds in Sudan and then Sudan will really donate the 35 million dollars to the Arab League and this amount would be brought into the country through official or formal channels and be given to the military personnel salaries rather than causing their seizure and wasting them. Did we really need to show that the prime minister has gone a tour around and brought with him cash money? This was not necessary.

The issue of the PLO having the money with the presidency I know, I don't say Dr. Samir but Dr. Attalah Abu A-Sabe' issued a decision in front of the people that 32 million dollars were given to the offices of PLO Executive Committee members and that it is exactly what he said and of course this is false, I don't know where he got these figures from but these are the statements made by a minister in the government and you can understand what the aim at.

The payments to the military personnel, the Europeans are responsible mainly for the defect, shouldn't we really reform the defect or increase it, we did not reform it correctly and the military people are demanding their entitlement because the civil employees got some of the Europeans, but the military people did not get that and this a problem we have to solve.

In brief Hamas found itself after the legislative elections in a difficult situation not because it won the elections, it found itself either to continue working according to its declared policies and brought us to an impasse or another option. It should have consulted the people and say to the people that if we implement the policies according to which you voted for us, then we will not achieve anything. And there were other options like dissolving the authority and there are agreements that Hamas doesn't recognize. We have to find the basis and the policies capable of achieving the national project, and establishing the state or at least maintaining it in the coming stage which is a very dangerous stage which can lead us to a very deteriorating situation compared with what we are in.

We hope the eleventh government is able to learn from lessons and mistakes of the tenth government and the governments before, the ninth and eighth and the seventh, so it will be able to bring us to the shore of safety and protect the steadfastness of the Palestinian people.

This we should understand we should study; we should to think of carefully. Thank you.

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### **Dr. Naser Abdul Karim**

Commenting on what Dr. Samir said, I want to discuss the methodology and not figures throughout the period of all the authority and the current authority, there should be committees and methodologies for employment and the senior positions just like any other country, this is unreasonable, I see people appointed as directors and general directors without understanding how these appointments were done.

There will be also a banking problem if the situation continues; the banks will find themselves losing.

We should not take the economic indicators lightly; we should read within the micro level; without this it is not permissible and to look at the deterioration of one year we have to look at the environment as well.

As for the accountability and transparency, it is not sufficient for the people to look at the figures in English or Arabic. There should be accountability from the PLC and from the popular bases and there should be legislative accountability.

I haven't seen any effort by the PLC to withdraw the confidence.

Dr. Ghassan spoke about the national coalition government. I am not optimistic that the coming government will be able to lift the siege and the problem will come to an end, I am almost sure that the coming government will gather the two evils and not the two options and I am quite afraid the corruption and mismanagement will be turned in a quota system and sharing jobs and the failure of Hamas program will theorize and decide for a period to come in the future without control and monitoring. People will say in the future that we tried the people who raised the slogan of reform and you have seen the results. this also should be taken into consideration. Thank you.

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### **Ghassan Khatib**

I would like to conclude with an optimistic remark. I think that the Palestinian people and their leaders benefited from the negative experiences over the past periods when the government was run by parties, certain parties without the presentations of all factions. We hope in the coming future that the performance will be better because it will consist of the majority of the major political forces if not all the forces.

Let us conclude by expressing some hope that the coming government will be able to benefit from the mistakes of the previous governments.

We will have another meeting with you 100 days after the national coalition government is formed so we can evaluate and study the degree of success of that government.

Sorry for the delay and thank you very much.