



STATE OF ISRAEL
MINISTRY OF FINANCE

SPOKESPERSON'S OFFICE

INTERNATIONAL AFFAIRS
DEPARTMENT

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Press Release

**TODAY MINISTER OF FINANCE STEINITZ SUBMITTED THE 2011-2012
STATE BUDGET TO THE KNESSET**

Today, Minister of Finance **Dr. Yuval Steinitz** submitted the 2011-2012 budget bill and economic policy to the Knesset. Dr. Steinitz, together with the top echelon of the Ministry of Finance, presented the budget bill and the economic policy at a press briefing held at the Ministry of Finance in Jerusalem at 11:00 a.m.

The budget proposal that was submitted to the Knesset is a biennial budget bill to which is appended the Economic Policy Bill for 2011-2012 (Legislative Amendments), 5771, which reflects the government's economic policy for the next two years. The biennial budget enables the government to plan for the long term and helps to reinforce the stability and certainty of the economy, placing emphasis on the development of the economy's growth engines.

The economic plan for 2011-2012 was formulated in accordance with responsible and durable fiscal rules, which will also contribute to enhancing economic stability in coming years. In accordance with the cabinet's resolution, the new economic plan presents various major priorities, among which are lower-school education, higher education and major growth engines, such as developing infrastructures and promoting science-intensive industries. The new state budget also curbs the continual increase in the defense budget in recent years.

The budget was submitted in accordance with the law, which requires every finance minister to submit the state budget to the Knesset no later than 60 days before the end of the fiscal year. The budget was submitted about two weeks before the deadline, previously accorded with the speaker of the Knesset and the Knesset's legal adviser.

Minister of Finance Steinitz noted that "The economic plan of the Ministry of Finance was submitted after an in-depth analysis of the strengths and weaknesses of the Israeli economy, in cooperation with the various government ministries and other economic organizations. The goal of the economic policy is to generate a new cycle of growth in Israel, while closing social gaps."

The state's draft budget and the 2011-2012 Economic Policy Bill are available on the website of the Ministry of Finance at:
http://www.mof.gov.il/BudgetSite/StateBudget/Budget2011_2012/Pages/Budget2011_2012HP.aspx.