



STATE OF ISRAEL
MINISTRY OF FINANCE

SPOKESPERSON'S OFFICE

INTERNATIONAL AFFAIRS
DEPARTMENT

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Press Release

The recommendations of the Trajtenberg Committee were submitted today to the Prime Minister and the Minister of Finance

The conclusions of the Trajtenberg Committee were submitted to the Prime Minister and Finance Minister this afternoon. Minister Steinitz thanked the members of the Committee and said: "You have done an excellent job in a short time. This step will significantly improve the standard of living, lower the cost of living, support parents with small children and reinforce the weak workers by means of negative income tax. The Prime Minister has returned from a major battle that he waged at the UN and I am returning to you from the Annual Meeting of the International Monetary Fund in Washington, during which I met with finance ministers from all over the world. The picture regarding Europe is frightening. European finance ministers are beginning to speak openly about the unavoidable drop in the standard of living and in the level of social services during the decade ahead. Therefore, the fact that here in Israel we are dealing with the question of how to lower the cost of living and how to encourage and strengthen weak workers and support families with small children is gladdening. What makes this possible is the fact that Israel's economy is growing, unemployment is low and the investment in the real economy is high relative to the rest of the world. All this is the result of the government's budgetary discipline and economic policy. In addition, we attach great importance to the Committee's recommendations regarding the defense establishment – recommendations that provide us with the budgetary increments for implementing the Report. When I took up my position, I set two goals for historical corrections in the defense establishment: one, to raise the retirement age for the IDF, which began around a year ago, and the other – to apply transparency and control over the budgetary expenses and salaries in the defense establishment, which

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is now being carried out by means of the Trajtenberg Committee. These two corrections free resources for the benefit of the State and its citizens and, in the long run, are beneficial to the defense establishment as a whole.”