



# CSBAG BUDGET NEWS BRIEF



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Advocating for a People Centered Budget that Dignifies Humanity



## Experts back **Supreme Court ruling on MPs' salary increment**

**"Anybody who wants to create a charge on the consolidated fund must first inform Government; Article 93 of the Constitution is meant to achieve that," Supreme Court ruled on July 25, 2019.**



Members of Parliament during a plenary session at Parliament. In a unanimous decision, a coram of seven judges of the Supreme Court upheld a 2016 Constitutional Court verdict that declared Section 5 of the Parliament (Remuneration of Members of Parliament) Act unconstitutional.

Economists and socio-economic transformation experts have backed the recent Supreme Court ruling that reduced powers of Members of Parliament (MPs) to increase their own salaries and allowances, saying it is a good move to minimize remuneration disparities in public sector. According to the court ruling, MPs can only increase their salaries through the Government.

"Anybody who wants to create a charge on the consolidated fund must first inform Government; Article 93 of the Constitution is meant to achieve that," Supreme Court ruled on July 25, 2019.

MPs had for long been increasing their salaries and allowances, latest being the 39% allowance increase in May 2019, an issue that was castigated by civil society organizations under their umbrella, the Civil Society Budget Advocacy Group (CSBAG).

### Expert views

On the ruling, experts argued that arbitrary increase of MPs' salaries by Parliament takes away funds which would have been spend on other sectors such as infrastructure, health, education, agriculture, and other social services.

"Of course nobody should be given the right to increase their own emoluments because if we all had that, where would our country be? When MPs wanted to increase their allowances in May, my concern was about the example they were setting for other agencies especially the semi-autonomous bodies," said Ramadhan Goobi, a senior economist.

Supreme Court ruled that it is unconstitutional for MPs to increase their emoluments basing on Section 5 of the 1981 Parliament Act which speaks

to Remuneration of Members. The court also ruled out that the foresaid law contravened Article 93(2) of the 1995 constitution of the Republic of Uganda.

"The economy will not grow as projected if we allow people to raise the wage bill which currently stands at around UGX4.7trillion; 11% of the FY2019/20 National budget and 17% of the discretionally budget," said Goobi.

Goobi also said that researchers have found out that countries which have a high wage bill tend to find it difficult to provide services to the people and to achieve economic growth because high wage bills tend to crowd out social and infrastructure spending.

Prof. Augustus Nuwagaba, an expert on international transformation welcomed the Supreme Court's ruling on MPs' salary increments saying it helps reduce the increasing levels of salary discrepancies. Prof. Nuwagaba warned that is very bad for an economy to have salary discrepancies because we all go to the

Same markets. Why should some people pay themselves as they wish?" he stated.

The Ministry of Public Service needs to establish a salaries commission to harmonize remuneration among Government officials and public servants in order to avoid de-motivating people," he stated.

### Spendthrift Agencies

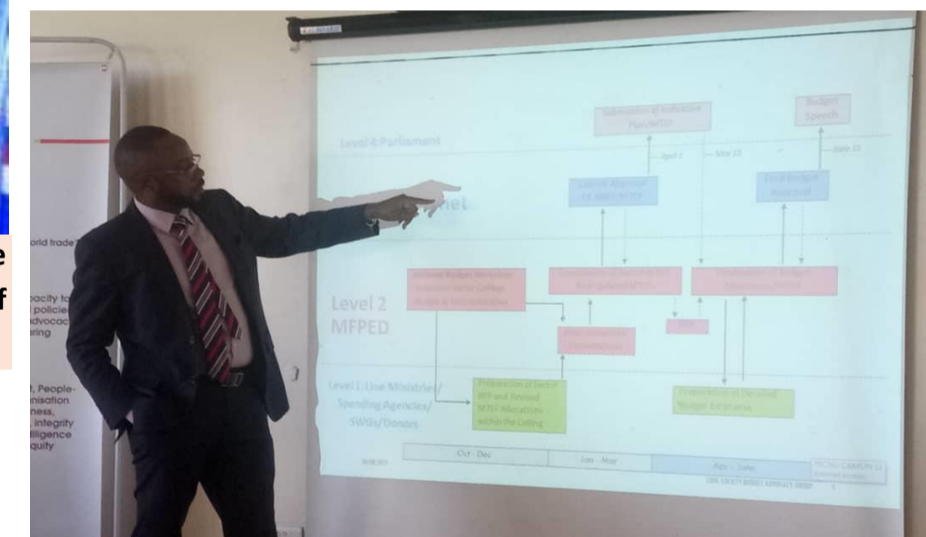
However, according to Goobi, the wage bill of MPs, including salaries and allowances, is far lower than that of some Government Agencies.

"Besides Parliament, more Government Ministries, Agencies and Departments are determining their salaries and allowances. In the FY2017/18 National Budget for example, Parliament had total wage budget of UGX87billion, Makerere University had total wage budget of UGX128billion, Uganda Revenue Authority; UGX112billion, and Kampala Capital City Authority;UGX10billion," said Nuwagaba.

## OUR WORK IN PICTURES



CSOs participating in a strategic meeting to generate comments for the draft Uganda Development Cooperation Policy in Kampala on 7<sup>th</sup> August 2019. © CSBAG 2019



CSBAG's Budget Policy Specialist, Patrick Katabaazi Kiconco making a presentation on the budgeting process during a workshop on financing for development organized by SEATINI, CSBAG, AFIC, and OXFAM on 6<sup>th</sup> August 2019. © CSBAG2019

## UPCOMING EVENTS

- **Strategic Meeting on the CSO Budget Advocacy Roadmap for FY2020/21**  
Date: 15<sup>th</sup> August 2019  
Time: 8am – 1pm  
Venue: Golf Course Hotel
- **National CSO Dialogue on Gender and Equity Responsive Budgeting**  
Date: 22<sup>nd</sup> August 2019  
Time: 8am – 1pm  
Venue: Hotel Africana
- **Meeting to develop a CSO Position Paper on NDP III Strategic Objective 5**  
Date: 14<sup>th</sup> August 2019  
Time: 8am – 1pm  
Venue: Eureka Place Hotel