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PLENARY MEETING OF THE CENTRAL COMMITTEE
OF THE ROMANIAN COMMUNIST PARTY
OF DECEMBER 16, 1970

- SPEECH BY NICOLAE CEAUSESCU AT THE PROCEEDINGS
OF THE PLENARY MEETING OF THE CC OF THE RCP
OF DECEMBER 16, 1970
- SESSION OF THE GRAND NATIONAL ASSEMBLY OF THE
SOCIALIST REPUBLIC OF ROMANIA
OF DECEMBER 17 AND 18, 1970

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PLENARY MEETING OF THE CENTRAL COMMITTEE OF
THE ROMANIAN COMMUNIST PARTY

December 16, 1970

A Plenary Meeting of the Central Committee of the Romanian Communist Party took place on December 16, 1970. Its proceedings were attended, as invited guests, by ministers and other heads of State central institutions, heads of section at the CC of the RCP, members of the Party Central Collegium and chief editors of leading publications.

The Plenary Meeting discussed the draft plan for the development of the national economy and the draft state budget of the Socialist Republic of Romania for 1971. Considering that the provisions of the two drafts are in full concordance with the targets established by the Tenth Congress for the advancement of the economy, education, science and culture, for raising the people's living standard in the 1971-1975 period, the plenary meeting approved them and decided to submit them to the Grand National Assembly for legislation.

The Plenary Meeting also endorsed the measures decided on by the Executive Committee of the CC of the RCP, on the improvement of the 1971-1975 five-year plan, which will ensure the faster progress of the economy, a better use of the existing reserves, of the production capacities and of labour force, the increased efficiency of the whole economic activity and the growth of the national wealth.

The Plenary Meeting approved the measures proposed concerning the organization, planning and management of agriculture included in the exposé made by Nicolae Ceaușescu at the November meeting with agricultural executives and endorsed by the Executive Committee of the CC of the RCP. The implementation of these measures will lead to an increased agricultural output and to the economic consolidation of the

agricultural production cooperatives, to the economic, social and cultural advancement of the villages, to the sustained growth of socialist agriculture and its increased contribution to the general progress of the country.

The Central Committee of the Party conveys to the workers, the peasants, the engineers, the Party and public organizations, the Party and State active and that of the economy, to all working people regardless of nationality most heartfelt thanks and congratulations for this year's activity, for the outstanding successes recorded in the economic, social and cultural advancement of the country. The Central Committee of the Party calls on the entire people to work resolutely and with passion for the fulfilment in the best of conditions of the 1971 state plan - the first year of the new five-year plan - laying thus a lasting foundation for the fulfilment of the programme for the multilateral development of our socialist society, for raising the material and spiritual welfare of the working people, for the flourishing of the Socialist Republic of Romania.

The plenary meeting was informed about the proceedings of the Warsaw treaty Political Consultative Committee recently held in Berlin. The Central Committee approved the activity of the delegation of the Socialist Republic of Romania at that meeting, the documents endorsed on the occasion by the representatives of the participating states, expressing the determination of the Romanian Communist Party and of the Government of Socialist Romania to further act for international detente and cooperation, for security and peace in Europe and in the whole world.

Many participants spoke during the discussions.

Nicolae Ceaușescu made a speech at the conclusion of the plenary meeting's proceedings.

SPEECH BY NICOLAE CEAUȘESCU AT THE CONCLUSION OF THE
PROCEEDINGS OF THE PLENARY MEETING OF THE CC OF THE RCP
OF DECEMBER 16, 1970

Dear Comrades,

As you have seen the provisions of the 1971 State Plan are in keeping with the spirit of the Directives of the Tenth Party Congress as well as with the draft plan sent as early as last July to all the economic units. The specifications and additions made in the meanwhile have improved a series of provisions ensuring at the same time the possibility of a more marked rate of growth of our national economy. The salient feature of the plan for 1971, as actually of the next five-year plan as a whole is, however, that the Party and State bodies, all working people focus their attention on the qualitative rise of economic activity in all domains. This general feature will have to become more marked as time goes by. The growth of economic efficiency, the ensuring of a higher quality of the products, the growth of labour productivity are, in the last analysis, essential problems of economy on an efficient solving of which hinges the successful future development of our socialist society. I believe that we can aptly state that the implementation of the provisions of the next five-year plan will actually lift Romania to a higher stage of her economic development. It is therefore necessary for us to take every measure, to make all efforts for the plan provisions and especially those concerning an intensification of the qualitative facet of our economic activity, to be carried out in the best of conditions.

A special problem I would like to dwell on briefly is the increasingly intensive use of the domestic resources of raw and auxiliary materials. This will also have to be

a main preoccupation of all our economic bodies from the top to bottom and from bellow to the top. It is on the turning to account of domestic resources even of deposits with a poorer content of useful substance, that depends the fulfilment of the next five-year plan, the creation of a solid basis for future activity. We have in this country deposits that have been used still insufficiently, we have reserves in a series of domains of material production which, if well employed, can help us create important export availabilities. Precisely therefore, the provisions of the new plan have laid stress on the need for a better use of domestic resources of raw materials. Even in addition to what has been included in the draft put forward, new possibilities have been found and - until the debate of the five-year plan by the plenum of the Central Committee next spring or the National Conference next summer - we will have to make serious improvements in this domains.

The speakers here included first secretaries as also directors of centrals and enterprises, ministers and other members of our Central Committee. The discussions spotlighted full unanimity in approving the plan and budget, as well as the measures endorsed by the joint meeting of the Executive Committee and of the Council of Ministers, concerning the improvement of the draft of the 1971 plan and of the draft of the five-year plan as also the perfection of the organisation, management and planning of agriculture. Founded observations and criticism were justly made of the activity of some ministries and central bodies, several proposals were made for improving our work, most of which are just and which we shall have to take account of. Some of these will be introduced in the plan. Others concerning the work style and method in the economy, the need for improving the technical-material supply - which do not refer to the actual

plan provisions - must hold our attention in current activity, in the practice of implementing the plan.

Indeed comrades, the technical and material supplies should be looked upon further on as cardinal problems of economic activity. We have to take energetic measures so that within the plan provisions, within the consumption standards that were established we should achieve a steady supplying in adequate conditions, in all the branches of the national economy. The deficiencies in this domain are not so much due to the quantitative shortages of materials but to the fact that the delivery of raw materials and of other necessary products was not ensured on time, that cooperation among enterprises for the production of different parts and sub-assemblies leaves much to be desired. These shortcomings cause serious difficulties in the unfolding of the production process, affects the evenness of production. For improving the situation a series of measures were established, while others will have to be taken further on; as a matter of fact a bill is under way meant to better regulate the whole system of technico-material supplies. It is, however, clear that whatever law we might adopt, it would not solve by itself the problem if each ministry, each central and economic unit will not concern itself, with much responsibility, with ensuring the technical and material supply, with observing the consumption standards, with the good administration of the raw and auxiliary materials.

Criticism was levelled at the matter of concluding and observing economic contracts, pointing to a series of shortcomings in this respect. Indeed, the law on contracts was enacted only last spring. But nothing prevented the industrial centrals and enterprises from concluding the necessary contracts, especially if one bears in mind that the draft plan was sent to the units already in July and the subsequent mo-

difications do not affect the provisions as a whole, the substance of the development programme. The non-conclusion of some contracts for domestic production is completely unjustified. As to contracts with foreign partners, of course, we must take into account the fact that the conclusion of such contracts depends not only on us but also on the partners, yet here too, one should act more intensely in order to contract on time the bulk of output meant for the foreign market.

Greater concern is called for in all respects for enhancing the role of the centrals and enterprises. It must be said that both the question of technical and material supply and of the conclusion of contracts depend, in the end, on the work of each economic organisation and enterprise. Naturally, the ministries are in duty bound to help and efficiently support the units, to promptly step in where difficulties arise, but the centrals and enterprises must exercise to a greater extent their enlarged competence and responsibilities. As I have already said from early next year the powers of the centrals will be expanded still more especially with respect to foreign trade. Each central will be directly answerable for its export commitments. It must be understood that the tasks of management of production start with the procurement of the necessary raw material and equipment, and end with sale at home or abroad of the manufactured goods. Only when the counter value of the products has been cashed in - in lei or in foreign currency - does the production cycle conclude - and only after all this has been completed can one consider that the enterprise, its management, the whole staff have fulfilled their plan tasks, their duties to society.

I want to stress on this occasion too, that the ensuring of exports is a problem of capital importance of our

economic activity. This year a series of ministries, industrial centrals and counties fail to fulfil their export tasks. Of course, we have had difficulties in agriculture, in the food industry - branches for which we have cut down the initial export provisions in order to ensure the population's supplies. However, we discussed as early as the month of May, that we should compensate at least partly these cuts by supplementing the export of industrial products. Some ministries have indeed fulfilled this task and I would like to mention the effort and the positive activity in this respect of the Timber Industry Ministry which fulfilled in good conditions and in due time not only the production plan but also that of export, realizing even additionally several million lei foreign currency. There are, however, other industrial ministries which not only have not fulfilled the plan targets, but have also caused difficulties. The county Party committees and the people's councils too, ought to have paid greater attention to the problems of foreign trade, especially to increased export. In order to import and have in due time the equipment, plant and raw materials we need, we have to create the necessary foreign currency fund, the payment means for these products. As a matter of fact, starting next year, it will become a rule for the centrals and enterprises to have the possibility of covering their imports by exports. Only in the case of the units whose import needs are greater than the export possibilities, will the difference be supported by the budget. It will also be necessary for us to better phase out the export tasks per counties so that the county Party committees, having at hand the export plan figures of all the enterprises on the respective territory, should directly answer for their achievement.

In this context, I would like to mention again yet

another problem to which I have also referred in the meeting of the Executive Committee and of the Government, namely the necessity of paying greater attention to cooperation in production with the socialist states, as well as with other countries. Some actions have been carried through, a radical improvement in this field is necessary in 1971 and during the next five-year plan.

As to foreign trade questions, I would like to stress once more the stringent necessity for a more substantial reduction of imports. I know that many ministers and industrial central managers consider that they have made great efforts along this line. I consider, however, that important possibilities exist in this field, too, compared with the current provisions and that we have to continue this action of reduced imports, both in 1971 and in the next years. We must realize, in a short span of time, an active foreign trade, must ensure a well-equilibrated balance of our foreign payments. With this end in view, we must more intensively turn to account home resources, reduce imports and increase exports.

We must take firm measures for improving the quality of products in order to expand exports and to better meet home requirements. The ministries, the county Party committees and the industrial centrals must consider the quality of products, under all its facets, as a main question of our entire economic activity. The enterprises must no longer be allowed, under any reason, to deliver products of low quality. It is an obligation of utmost importance of the workers, technicians and experts, as well as of the control bodies, of enterprise managements and of ministries to ensure the strict observance of the technological discipline and of the quality norms, to do everything for the steady improvement of the Romanian products quality.

On the whole, comrades, we have every premise to realise in good conditions the plan for 1971 - the first year of the five-year plan. Starting out, as stressed in fact by many comrades in the Plenary Meeting, with a more thorough preparation, we shall undoubtedly have also better results. Essential is, however, the good organisation of the activity from the top to the bottom, enhancing the spirit of responsibility and strengthening labour discipline. In the final analysis, everything we achieve depends on the people, on the way they organise their activity and, each one at his job, works for the materialisation of the established decisions, for the implementation of the targets we set ourselves. But we must say that there are still serious shortcomings with regard to the spirit of responsibility, promptitude with which a number of comrades, even in higher management, solve the problems.

The problem of upkeep of equipment and installations has justly been raised here. This problem cannot be solved by merely ensuring increased quantities of spare parts. In fact, corresponding measures have been taken for ensuring the necessary spare parts. Many of the shortcomings manifest today are determined by the unsatisfactory upkeep of the equipment, by the lack of care in the rational use of the machines. Unfortunately, we meet with such negative phenomena even in modern works, in the chemical industry for example, just as in other branches. There are also deficiencies in the functioning of the power network, which bears upon the activity of many units. The Party and State bodies, the managements of economic units must act most resolutely for ensuring the good upkeep and use of installations, for strengthening production and labour discipline in all enterprises. Without discipline and a rigorous order, comrades, one cannot manage the automated works or installations we have today. For the solving of this problem, we must mobilise the Party

organisations, the trade union and youth organisations, the large masses of working people, because only in this way shall we be able to implement in good conditions the big tasks facing the economy.

One of our most important concerns must be the carrying through of the decisions we have taken with a view to training the cadres. Both our experience and that of other countries, most clearly show the necessity for all employees to periodically attend, after the working programme, refresher courses. Special concern is also necessary for the recycling of cadres and for ensuring the participation of our Party active in the training and refresher courses. The economic and social tasks are today so complex so that each Party and State activist must possess thorough knowledge in the field of management and organization, must have the capacity of promptly and efficiently solving the multiple new problems come about in various sectors of activity.

Generally, we have to pay greater attention to improving our work style and methods, to more firmly liquidate the bureaucratic phenomena in the activity of some cadres active in the Party and State apparatus. We have already discussed this problem - and wish to stress on this occasion too, the need of managing not from the office, not through papers but by direct and live contact with the people, promptly and directly solving the problems raised in the economic, social and cultural units. Unfortunately, many of our comrades hesitate in doing this, erroneously consider that they have done their duty if they have given written instructions or marked a report as solved. Not papers are needed but concrete activity for the solving of practical problems. At present, work is of such a nature that if we will not completely give up the old methods and will not introduce a new style, a new practice in management, a close and efficient

contact with life, with production, with the units at the bottom, we shall not succeed in implementing the tremendous programme facing us. What is needed now in our activity is precisely a radical change of the work style and methods, in step with the new exigencies of the economy, of the socialist society in full advancement.

We have spoken about the current activity and tasks of the county Party bodies and of the people's councils. I would only like to mention that, by concerning themselves with production problems, with other tasks to be solved, they should not forget for a moment the duty of ensuring the population's supply in good conditions. In the last analysis, comrades, the entire activity of socialist construction, everything we are building is meant for meeting the material and spiritual requirements of man, for raising his welfare from every point of view, for ensuring to all the members of society the conditions to fully enjoy the blessings of modern civilization. This presupposes special care for meeting the requirements of working people in towns and villages in terms of food and industrial products supply, of cultural and educational requirements, for all problems, generally, related to raising our people's living and cultural standard.

But, I must say that besides the difficulties caused by last spring floods, by the unfavourable conditions which greatly affected agriculture, a series of shortcomings in the deliveries to the market were due to the deficiencies in the activity of the home trade bodies and of the people's councils. One of the reasons for this situation is also the insufficient control and guiding activity of the trade and supply organs on the part of the county Party bodies.

I wish to inform the plenary meeting that compared with last year, we have bigger reserves and quantities of

meat, fish, fats, potatoes, rice and of other main foodstuffs, as well as of industrial goods. At some foodstuffs we succeeded in ensuring also by imports, a quantity almost double than that of one year ago. We have created in this way conditions for a good supply to the population. Important now is the concern for improving sales, for the good administration of the available goods. The Ministry of Home Trade and all the other bodies dealing with supply problems must pay the greatest attention to the adequate supply of the population, to meeting, at a corresponding level, the working people's requirements.

I do not want to dwell any longer on the problems of perfecting the organisation, management and planning of agriculture. The measures established have been published, extensively discussed by the cooperative farmers and work is proceeding now for their translation into life. It is necessary that we act most perseveringly for their full materialisation, because only in this way shall we be able to ensure a sustained development of our socialist agriculture, its enhanced contribution to the progress of the national economy, raising the living standard of the peasantry and of our entire people.

The introduction of the guaranteed minimum monthly income, will lead to the growth of the peasantry's incomes, of its purchasing power. At yesterday's meeting of the Executive Committee, it was also decided that the prices of industrial goods being sold to cooperatives and State units be unified. The prices of farm machinery and equipment, spare parts, oil, and electrotechnical products, cement, chemicals, and of other goods sold to the peasantry will also be cut; by these reductions 540 million lei savings will be obtained in the agricultural cooperatives in 1971 and some 18million lei by individual peasant households. The price of some machines,

equipment and materials needed for the implementation of the national irrigation programme and of land melioration works will also be cut, which will ensure to the agricultural cooperatives further savings amounting to 315 million lei, in the 1971-1975 period. Important advantages result also from the over 31 per cent reduction of the price of polyethylene sheets for protected crops.

If the results of our activity will be good and I am sure that they will be, comrades, we intend to take measures next year for increasing the allowances for children. In keeping with the decisions of the Executive Committee concerning the five-year plan, additional increase in the wages fund will be registered already next year following the employment of an increased number of employees.

All these measures will result in higher living standard of the population, in bigger money incomes. This situation calls for adequate measures in order to increase goods stock, to ensure a good supply in all sectors. The ministries, the county Party committees and the people's councils must bear these problems in mind, must take every measure to solve on time the market demands. They must make of the problem of good services to the population a permanent and primordial problem of their activity.

In connection with the State plan and budget I would like to mention, in conclusion, that I did not intend to dwell on the basic problems to which I have extensively referred in the meeting of the Executive Committee and the Government. I only wanted to stress some facets of our organisational work, the need for improving the quality and efficiency of our whole economic activity. I consider that we have every possibility at hand for the implementation in good conditions of the 1971 plan, creating thus a lasting foundation for the next five-year plan, for the ceaseless progress of our na-

tional economy, for the multilateral development of our society and raising the welfare of the large people's masses.

During the plenary meeting, comrades, you were informed about the proceedings of the Political Consultative Committee of the Warsaw Treaty member-states, which took place recently in Berlin. I would like to stress only that the proceedings passed in good conditions, that they concluded with positive results, demonstrating that comradely, principled discussions conducted in a spirit of receptivity and mutual respect yield satisfactory results for the interests of each socialist country, for the general cause of socialism and peace. The documents endorsed on the occasion are useful and offer an adequate basis for intensifying the activity devoted to achieving European security. As far as we are concerned, I want to reassert the unflinching determination of the Romanian Communist Party and of the Government of the Socialist Republic of Romania to further militate untiringly for strengthening the unity of the socialist countries, for achieving security on our continent, for international detente and cooperation, for safeguarding world peace.

In concluding the proceedings of this plenary meeting of our Central Committee, I want to stress once more that we have everything we need for the successful implementation of the targets for 1971, for creating the premises required by the full implementation of the next five-year plan provisions. I cannot conclude before pointing to the fact that the remarkable achievements registered this year, as well as during the Five-Year Plan we are now concluding, the ensuring of the conditions allowing for our forward march are the outcome of the untiring efforts, of the selfless activity carried on by the working class, the peasantry and the intelligentsia, by all working people regardless of nationality, who confi-

dently follow the policy of the Romanian Communist Party. A valuable contribution to the successful development of the national economy, to the general progress of the socialist society was made and continues to be made by the Party bodies and organizations, by the over two million communists in our homeland, the trade unions, the organizations of the union of communist youth, the other mass and public organizations. I express my full conviction that the Party and State bodies, our entire people will henceforth too, devote their creative energy and capacity to the implementation . of the Party programme, will join their efforts to raise to a higher qualitative level the entire economic and social activity - a sure basis for increasing the national wealth, for raising the people's material and spiritual welfare, for the homeland's flourishing and prosperity.

PROCEEDINGS OF THE SESSION OF THE GRAND NATIONAL ASSEMBLY
OF THE SOCIALIST REPUBLIC OF ROMANIA

December 17 and 18, 1970

The proceedings of the Fifth Session of the Sixth Legislature of the Grand National Assembly of the Socialist Republic of Romania, took place in Bucharest on December 17 and 18, in the presence of Nicolae Ceaușescu, General Secretary of the Romanian Communist Party, President of the State Council and of other Party and State leaders.

The deputies discussed and passed the Law on the endorsement of the State Plan of the national economy for 1971 and the Law for the endorsement of the State Budget for 1971.

The deputies also passed the Law for the prolongation, until December 31, 1971, of the application of Law No. 22/1967, concerning some measures for perfecting the management and planning of the national economy, endorsed decrees with the power of law issued by the State Council since the last session of the Grand National Assembly and modifications in the composition of some standing commissions of the Grand National Assembly.

EXPOSE ON THE DRAFT BILL FOR THE ENDORSEMENT OF THE STATE
PLAN OF THE NATIONAL ECONOMY FOR 1971

Presenting, on the authority of the Council of Ministers, the main development objectives of the national economy for 1971, deputy Maxim Berghianu, Chairman of the State Planning Committee, mentioned that the Executive Committee of the CC of the RCP and the Government examined the main provisions of the next five-year plan and of the draft plan for 1971, establishing the necessary measures for their implementation. The Plenary Meeting of the Party Central Committee, held on December 16, discussed and approved the provisions of next year's draft plan.

Further referring to the results with which the current Five-Year Plan concludes in a few days time, the rapporteur specified that the tasks envisaged for the 1966-1970 period will be fulfilled and in some domains even overfulfilled. The growth rate of industrial production is higher than originally established; the planned volume of investments is topped; important measures for perfecting economic and social life have been initiated and put into application; the qualitative facets in all spheres of activity have been accentuated and the economic efficiency has risen.

The speaker specified that compared with 1969, industrial output is 11.5 per cent higher in 1970, investments are 5.6 thousand million lei bigger and the national income seven per cent higher. The action for improving wages has been concluded, action which has ensured the rise of real wages by eight per cent. These results, he said, would obviously had been better if we would not have had to battle with the calamities of last spring which caused considerable material damages and losses, led to the non-achievement of the planned agricultural production and of the level esta-

plan. The livestock will grow in 1971 by 270,000 horned-cattle, 1.3 million pigs, 550,000 sheep over 1970. Envisaged for agriculture is an investment volume out of centralized funds by 15.8 per cent bigger than in 1970. Compared with this year, 47 per cent more fertilizers and 25 per cent more pestkillers, fungicides and herbicides will be delivered.

In keeping with the growth of industrial and agricultural output, with the development of building and foreign trade activities, the plan envisages a nine per cent increase in the volume of goods transport.

The total volume of investments in 1971 accounts for 89 thousand million lei, with 75.8 thousand million lei being earmarked from the state centralized funds, 57 per cent of these investments will be allotted to industry, one quarter to the development and modernisation of agriculture and transports. The building of over 300 units will start next year.

Romania's more and more intensive participation in the world circuit of trade exchanges is illustrated in the draft plan by the faster rate increase in the volume of foreign trade than in the social product. The trade exchanges, economic collaboration, cooperation in production with the CMEA member-countries, with all the socialist countries which will carry the main weight, just as hitherto, in the Romanian foreign trade will further be expanded. The trade relations with the other countries will also be developed.

The volume of export is envisaged to grow by over 18 per cent, with the chemical products, machines and equipment having to represent 44.3 per cent in the industrial export, as against 42 per cent in 1970.

By the targets established for the first year of the new five-year plan, the turning to account of reserves of the national economy will be accentuated, the process of improv-

blished by the plan for some products of the food industry, with implications on the incomes of the peasantry and the whole national income. Following the enthusiastic and selfless work of the entire people additional production has been obtained by industry, making good part of the damages, and reducing the effects of the calamities, so that the implementation on the whole of the 1970 plan falls within the same ascending dynamics that characterizes the current Five-Year Plan.

Referring to the tasks set for next year, the rapporteur assessed that these had already been known in June, 1970, and were the object of ample debates in enterprises, combines, industrial centrals and ministries. Since the summer, he stressed, numerous surveys and analyses were made to attenuate the unfavourable influences of this year's harvest to intensify the action of drawing into economic circuit some natural sources, to lead to a better use of the existing capacities.

The 1971 plan provisions taken as a whole spotlight the sustained growth rate of the economy, the continuation of the modernisation process of the structures, the accentuation of the qualitative facets of the development and of the advancement of the living standard within a balanced framework from the material, financial and currency point of view. In keeping with the provisions, the social product will increase by 10.6 per cent and investments by some 13 per cent compared with 1970; the sales through the trade network will reach almost 100 thousand million lei and the foreign trade volume will increase some 14 per cent. The draft plan establishes for industrial production a volume of over 321 thousand million lei, or nine per cent more than in 1970. Priority will be given next year too, to the machine-building, chemical building materials, electric and thermal power industries.

An output of 39 thousand million kwh is envisaged at electric power, i.e. by 11 per cent more than in 1970; coal extraction will grow by well-nigh one million tons and that of oil by over 300,000 tons; the methane gas output will be some six per cent bigger than in 1970.

In 1971, steel output will account for 6.7 million tons, the machine-building output will grow by 13 per cent, with stress being laid especially on the sectors of high technicity. This orientation is illustrated by the 21.3 per cent increase in the electronic industry, the well-nigh 29 per cent growth in the output of measuring and control instruments and of automation means, 35 per cent growth in the output of technological equipment for the chemical industry and some 34 per cent growth in the output of machine-tools.

The output of the chemical industry exceeds by 11.1 per cent the estimated achievements for 1970 and is planned in such a way so as to support the action for the intensive chemicalization of agriculture by a substantial growth in the deliveries of fertilizers, pest killers and biostimulants, to contribute to the replacement of scarce material by an adequate gamut of chemical yarns and fibres, of plastics and synthetic rubber.

In the building materials industry, the output will grow by 13.3 per cent, within which an about 16 per cent increase will be registered in the output of reinforced concrete prefabs and window glass, almost 21 per cent - asbestos cement plates and five per cent - cement.

In the timber industry, the plan envisages more important growth in the output of those products which ensure the superior turning to account of resources and, especially of low quality wood. The output of wood particle boards is to grow some 30 per cent and that of fibreboards by 50 per cent.

Compared with 1970, the output of the light industry will increase by 8.8 per cent due to important growth in the output of fabrics, knitwear items, ready-mades, footwear and glassware.

Envisaged for the food industry is a 7.8 per cent growth, with important increases to be registered in the output of meat and tinned meat, fish, tinned vegetables and fruits, milk, dairy products, sugar, etc.

The units of local industry, the handicraft cooperatives and the consumer cooperatives will make an important contribution to the growth of industrial output especially of consumer goods, building materials, small serial and single products output, as well as to the development of services to the population.

The rapporteur specified that in all sectors of activity there will be a more marked concern for the modernisation of production and improving its quality, a condition of the efficient growth of the national economy, of competitiveness in foreign markets. The problem of the products quality will become the key-problem of the entire activity being conducted by ministries and economic units which deliver products to the home and foreign market.

The draft plan for next year envisages that the value of the new and modernized products represent 11.5 per cent of the total industrial output. For this purpose, the plan envisages the realisation in 1971 of a research programme focused on essential and present-day problems of economic growth.

As to agricultural output, the draft plan envisages that, in the conditions of a normal agricultural year, an output of some 5.6 million tons of wheat-rye be obtained as against 4.7 million tons, on the average, in 1966-1970, and of over nine million tons of maize, as against 7.3 million tons which was the annual average in the present five-year

ing all the qualitative facets of economic development will be amplified. It is envisaged that the economic efficiency should grow next year in the national industry by more than seven per cent over 1970. Following the reduction of cost price some seven thousand million lei will be saved. It is envisaged that 74 per cent of the industrial production increase be obtained on the basis of higher labour productivity.

A synthetic expression of the increased industrial and agricultural production and of other productive activities, of the considerable cut in the material expenditures and raising labour productivity is the 13.9 per cent increase of the national income. The national income ensures the necessary means for raising the consumption fund per inhabitant by 6.6 per cent, compared with 1970. New jobs will be created, in consequence of which the number of wage and salary earners will increase by 180,000 and the wages fund by some 7 per cent. No less than 93,000 flats will be built with centralised funds or with the support of the State in terms of credit and execution, apart from the dwellings to be built by the population with their own funds.

The population will have available next year, as against 1970, eight per cent more meat and meat products, over 13 per cent more fish and fish produce, 16.5 per cent more eggs, almost eight per cent more milk and edible oil, over six per cent more sugar, 38 per cent more vegetables, 80 per cent more potatoes, 5.7 per cent more textiles, 15 per cent knitwear, 11 per cent more ready-mades, as well as an additional volume of durable goods like refrigerators, television sets, furniture, a.s.o.

In conclusion, the conviction was expressed that the entire people, the working class, peasantry, intelligentsia, will work selflessly, will dedicate all their energy, industry and skill to the translation into life of the tasks included in the 1971 plan, making thus a further and important contribution to the building up a powerful economy, with a modern and efficient structure, to raising socialist Romania onto steadily higher stages of progress and civilization.

REPORT ON THE DRAFT STATE BUDGET FOR 1971

Presenting, on the authority of the Council of Ministers, the draft of the State Budget of Romania for 1971 for the examination and endorsement by the supreme legislative body, deputy Florea Dumitrescu, Minister of Finance said that the proposals included in the draft have been worked out in concordance with the provisions included in the draft plan for the development of the national economy, aimed at the rigorous application of the tasks traced by the Party and State leadership concerning the judicious administration of the material and money means, the growth of the profitableness, the use with feeling of responsibility of public money.

The 1970 State Budget was carried into effect in good conditions and the money circulation comes within the planned limits - the speaker stressed - spotlighting in this respect the importance of experimentally applying - alongside of the other economic measures - the new regulations in the financial and banking domains, like those concerning the regime of benefits, the financing and crediting of investments, the financing and crediting of circulating means, perfection of financial relations and accounting in foreign trade, regulating the profitableness of a series of industrial products, measures that have contributed to raising the role of the economic financial levers, to strengthening economic administration of socialist organisations and to raising cointerestedness and responsibility for the results of the activity in each unit.

The rapporteur mentioned that the budgetary incomes of 1970 are estimated at 134.3 thousand million lei, 650 million lei more than the provisions, while the expenditures reach 131.2 thousand million lei compared with the planned

132.6 thousand million lei.

As a consequence of the fulfilment and overfulfilment of the production plans and the reduction of costs, the majority of the enterprises have obtained above plan benefits, contributing thus to the topping of the budgetary incomes as a whole. On the other hand, the money means mobilized at the State Budget have ensured the financing in good conditions of the economic, social-cultural actions and of the other tasks stipulated by the state plan.

In connection with the draft of Romania's State Budget for 1971 - the first year of the next five-year plan - the report mentions that it is balanced, amounting both at incomes and expenditures for 138.3 thousand million lei. The funds earmarked in the draft budget fully cover the financial requirements of the state plan, envisaging at the same time a budgetary reserve of 1.5 thousand million lei for meeting additional requirements that arise in the course of the year. The draft is characterized by the growth of financial resources resulting from the state socialist organisations, in the conditions of the concomitant increase of funds at the disposal of enterprises, centrals and other units, for ensuring broader possibilities of self-financing the development, diversification and modernisation of their economic activities. At the same time it reflects the effort made by the Romanian State for further ensuring a high economic growth rate, for the accentuation of the qualitative facets of the industrialisation, for intensifying the development and modernisation of agriculture.

The incomes chapter of the 1971 state budget envisages that the volume of money accumulations from benefits the tax on goods turnover and the tax introduced for the adjustment of profitability will stand at 100 thousand million lei. Of the total planned benefits, the State economic units will further have at their disposal 20 thousand mil-

lion lei, 11 per cent more than in 1970, for carrying into effect centralised investments, increased circulating means, setting up of funds for non-centralised investments and of reserve funds of the centrals, the formation of the bonus and award fund as well as for other purposes envisaged by law. Taxes and duties from the population amounting to 12.9 thousand million, represent 9.5 per cent of the total incomes envisaged by the draft budget.

With regard to expenditures, the draft state budget for 1971 stipulates for the financing of the national economy the sum of 78.6 thousand million lei, representing 56.8 per cent of the total expenditures. An important part of the budgetary expenditures, that is 35 thousand million lei, is destined for investments. At the same time an important volume of centralized investments will be financed from benefits, amortizations and other own resources of the economic units. Likewise, banking credits will also contribute to the financial covering of investments out of centralised state funds.

The draft budget envisages important funds for the development of state and cooperative agriculture, inclusive of those necessary for the application of the recently approved measures concerning the improvement of the organisation, planning and management of agriculture.

Appreciating that the steady development and diversification of production allow for the permanent expansion of Romania's economic relations with foreign countries, the rapporteur stressed the necessity of obtaining the highest possible economic, financial and currency efficiency in the foreign trade exchanges.

Social-cultural expenditures from the state budget in 1971 and for scientific research will account for 38.4 thousand million lei, which means 27.8 per cent of the total budget expenditures. The expenditures for education, culture, health, sports, social insurance and assistance, state

allowances for children, etc. will be of some 5,700 lei per family, i.e. 50 per cent more than in 1966.

The report spotlighted the care shown by the party and the Romanian state for permanently raising the population's living standard, recalling the fact that the increase in these expenditures are to be added to the measures taken for improving the wage scheme, the increase of lower wages and other similar measures. The population will be further supported by important loans to build privately-owned dwellings. The report specified that such loans to be granted in 1971 to the population by the savings bank will amount to well-nigh 2.9 thousand million lei, by over 700 million lei more than in 1970.

The sum of 2.7 thousand million lei was envisaged for the financing of state, central and local administration expenditures as well as for the expenditures of the courts and procurator's offices.

Budget funds totalling 7.5 thousand million lei, i.e. 5.4 per cent of the total expenditures, have been envisaged for strengthening the defence capacity of the country.

The last section of the report referred to the local budgets, an integral part of the state budget. The volume of financial means of local budgets amounts to 23.3 thousand million lei in 1971, stressing thus the importance of the territorial-administrative units, of the rights and targets of local bodies in meeting the social, cultural, economic and public administration requirements. The own incomes of these budgets are estimated to be of 19.7 thousand million lei (over 900 million lei more than in 1970) and to cover 84.5 per cent of the total expenditures from the local budgets.

At the end of his speech, the minister of finance submitted to the Grand National Assembly for endorsement the general account closing the 1969 budgetary year, which includes 147 thousand million lei incomes, 142.8 thousand million lei expenditures with a budget surplus of 4.2 thousand million lei.

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