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SOURCE Newspapers as indicated.

CCP STRENGTHENS CONTROL OVER FINANCES

PASSES CURRENCY CONTROL REGULATIONS -- New York Hua-ch'iao Jih-pao, 25 Apr 50

On 7 April, the Administration Council announced its decision regarding control of cash resources of national agencies. The text of the decision is as follows:

The Administration Council has decided to enforce cash controls on various national agencies, to accomplish the projected control of currency circulation and economy in the use of cash. The council has designated the People's Bank of China (PBC) as the authority to administer cash controls, bear the responsibility for control methods, and examine matters attendant on cash control.

Cash and negotiable certificates held by any publicly operated business enterprise, government agency, army unit, or cooperative, excepting that specified amount approved for reserve, must be deposited in the local PBC or its duly authorized agency. Such funds shall not be deposited in private banks.

The amount of cash held by the various public business enterprises, government agencies, army units, and cooperatives is limited to 3 days' normal expenditures in places where there are PBC facilities, and to one month's normal expenditures where there are no PBC facilities.

All transactions among public business enterprises, government agencies, army units, and cooperatives must be handled by drafts drawn against their accounts in the PBC. Interport transactions must be handled by PBC drafts. Excepting such disbursements as wages, agricultural purchases, miscellaneous municipal payments, etc., which must be made in cash, all transactions shall be handled by PBC drafts and shall not be handled by cash payment.

The various public business enterprises, government agencies, army units, and cooperatives shall be required to submit periodic plans for balancing cash receipts and expenditures to the local Finance and Economics Commission for its approval. Subsequently, the reports shall be sent to the local PBC, which will formulate plans to reduce the money in circulation.

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As the PBC becomes the center for cash deposits and withdrawals, it should offer its assistance wherever possible and work toward improving its business procedures and facilities, so as to serve the needs of these various agencies.

CENTRAL CHINA CARRIES OUT FISCAL PLANS -- Canton Nan-fang Jih-pao, 29 Mar 50

Hankow, 27 March (Hsin-hua) -- The authorities of the provinces of Honan, Hunan, Hupeh, and Kiangsi are taking steps to carry out the new tax collection and warehouse inventory policy of the central government. Honan provincial authorities have ordered reductions in tax leaks, and have asked party leaders to furnish able cadres before the end of March 1950 to become tax office chiefs and tax investigators. K'ai-feng city authorities called a meeting of the heads of all government-operated enterprises to consult on carrying out the program. All present pledged careful cooperation.

The Hunan Trading Company has organized warehouse inventory committees in all its branches. Ch'ang-sha has carried out the same plan. A department has been organized for the coordination of all grain transport throughout the province with leaders to go out into the country to give personal supervision.

In Kiangsi, an inventory collation committee was organized 22 March to study the task for the whole province.

In Hupeh, a meeting of provincial cadres was called to hear the report of the deputy governor on financial conferences called by the central Ministry of Finance and the Central and South China Military and Political Council. The deputy governor pledged Hupeh to carry out the goals of tax and public grain collection and bond sales. Bond sales were to be completed by the end of March and the inventory collation program carried out promptly.

COMMODITY TAX CONFERENCE HELD -- Canton Nan-fang Jih-pao, 28 Mar 50

Peiping, 26 March (Hsin-hua) -- The Central Tax Bureau of the Ministry of Finance of the Central People's government convoked a conference in Peiping from 26 February to 13 March 1950 to discuss commodity tax problems. The conference discussions followed the commodity tax program of the Administration Council in connection with local experience. The conference discussed and prepared preliminary detailed recommendations on commodity tax collection procedures for the whole country. The conferees also decided on the periods in which collections are to be made, on a unification of the investigation and collection system, and other pertinent matters.

Smuggling was given considerable attention. It was acknowledged that heretofore many of those charged with handling the smuggling problem had considered it too lightly, with considerable resultant loss to the national revenue.

In addition to exchanging information based on experience in various parts of the country, the conference studied the Soviet practice, seeking to adapt it to conditions in China.

LOCAL GOVERNMENTS IMPLEMENT UNIFIED FINANCE PROGRAM -- Canton Nan-fang Jih-pao, 1 Apr 50

Peiping, 31 March (Hsin-hua) -- The various regional governments and important municipalities are taking rapid steps to implement the recently announced national unified fiscal policy by setting up trade treasuries.

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A part of the unification program is the inventory of all goods in the warehouses of the various government agencies throughout the country. Ch'en Yun and Yang Li-san have been appointed chairman and vice-chairman of the National Warehouse Property Liquidation and Redistribution Committee by the Administration Council.

The East China Military and Political Council has issued a directive on the matter, which, except for provisions for local arrangements, follows the general regulations issued by the Ministry of Finance for the whole country.

APPOINTED 13 DIRECTORS -- New York Hua-ch'iao Jih-pao, 29 Mar 50

Peiping, 22 March (Hsin-hua) -- To strengthen the government's control of the People's Bank of China, approximately 70 percent of whose stock was government-owned under the KMT, and to strengthen the financial position of the bank, the Administration Council has appointed 13 directors and five comptrollers. These men will replace the former KMT directors and comptrollers, many of whom are war criminals.

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