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SOURCE Rude Pravo.

CZECHOSLOVAK NATIONAL BUDGET FOR 1953

Comment: The following report is taken from an address delivered to the Czechoslovak National Assembly on 21 April 1953 by Jaroslav Kabes, Minister of Finance, recommending that the assembly approve the proposed budget for 1953; and from comments by other members of the National Assembly.

It may be pointed out that this report gives much more detailed information and many more absolute figures than were available on the 1952 budget. As part of the discussion of the 1953 budget, the Assembly was also given final budget figures of the Ministries of Schools, Health and Physical Education, and Social Welfare for 1951.⁷

KABES PROPOSES BUDGET TO THE NATIONAL ASSEMBLY -- Prague, Rude Pravo, 22 Apr 53

Jaroslav Kabes, Minister of Finance, yesterday presented to the Czechoslovak National Assembly, for approval, the 1953 budget. He stated that the figures presented are based on the results of the state economy in 1952, as well as on the planned increases for 1953. Planned total national income will be 435.2 billion crowns which, compared with 1952, shows an increase of 32.5 percent. Planned expenditures for 1953, according to his proposal, total 430.9 billion crowns, showing an increase over 1952 of 23.1 percent. Excess of income over expenditures will total 4.3 billion crowns.

Of the large increase over 1952 -

the amount of 79.8 billion crowns, apparent in both income and expenditure, is only an apparent increase, since this year for the first time the budget includes social security receipts and expenditures; also, all figures used reflect the full amount of both income and expenditure of each of the budgetary organizations and not just the difference between income and expenditure, as has been the custom heretofore. Only the remainder of the increase over 1952 of some 31.1 billion crowns, therefore, represents actual growth of the economy.

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Income

Kabes stated that the largest single component of income is the turnover tax in the amount of 292.3 billion crowns, which is 67.1 percent of the total national income. The second important source of national income is the actual profit of national enterprises. Roughly two thirds of the profits of all national enterprises will be turned over to the national treasury. The remaining one third will be retained by the enterprises to be used for planned investments [buildings, machinery, and other assets]; for an increase in operating funds; for apportionments to management funds; and for other purposes.

By close supervision of the remittance of profits by each enterprise to the national treasury, pressure is exerted by the management for the establishment of true cost accounting, for reduction of production costs in the enterprises, and for increased efficiency. It cannot be said that all of the productive ministries have expressed, through this method, their understanding of the problems, tasks, and needs of the state. Accumulation (akumulace) is good evidence, and perhaps the main one, of good management in the enterprise.

The results shown by the Czechoslovak state farms in 1952 were unsatisfactory, and hence burdened the state budget with planned as well as unplanned losses. The state farms in 1952 did not fulfill the production plan; failed to observe fully the agrotechnical time schedules, planned per-hectare yields, and planned productivity of animals; did not secure the planned amount of fodder and feed stocks; and failed to operate with truly economical efficiency. They have been instructed to reduce their cost of production expenditures by some 13 percent in 1953.

Some enterprises of the Ministry of Metallurgy and Ore Mines have failed to fulfill their plans because of an inordinate amount of idle time caused by delays in deliveries of new productive means. Some enterprises of the Ministry of Fuel and Power have shown a high percentage of interrupted production caused by lack of deliveries of production machinery. Kabes continued as follows: "Rejects and defective materials are the scourge of our industry. It will be imperative to insist that losses caused by such defective production be charged to the plant or enterprise which caused them; and in the audit and supervision of the enterprises it shall be noted if such losses have been charged back to the plants guilty of poor work."

The second reason for failure to fulfill planned accumulation is the lack of appreciation of financial management. The national plan and the national budget are dependent on the total of all economic activity. Hence it is essential and unavoidable that we create supervisory organs and financial departments in all the branches of the state administration and in the main administrative bodies; it is imperative that the directors of all organizations depend more than they have in the past on their own financial and accounting workers to act as guardians of financial discipline.

It is not possible to permit or condone disorderly accounting, laxity in meeting accounting deadlines, or delay in the preparation of statistical reports.

According to orders issued to the Ministries on 10 February 1953, all enterprises must make monthly reports of the fulfillment of the plan and simultaneously must make provisions for the removal of all deficiencies as well as for the reduction of excess expenditures.

The taxes paid by the individual citizens will amount to 8.3 percent of the total national income and will total almost 36 billion crowns, which sum includes the amounts formerly contributed by the employees to the social security fund.

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Just as the workers pay an income tax, so the farmers, too, must pay their agricultural tax, and steps must be taken to prevent a recurrence of the old lax method of tax collections, which resulted in many tax delinquencies. The National Committees as well as the farmers must solve this problem.

Expenditures

According to Kabes, the state expenditure for 1953 as projected in the budget totals 430.9 billion crowns, and is to be apportioned as follows:

<u>Department</u>	<u>Billion Crowns</u>	<u>Percent of Total</u>
National Economy	254.5	59.1
Culture and Social Welfare	111.1	25.8
Defense and National Security	41.8	9.7
Administration	18.8	4.3
National Debt	<u>4.7</u>	<u>1.1</u>
Total	430.9	100.0

The largest single item listed above is the sum set aside for the national economy and its development; of this sum almost 60 billion crowns will be allocated for investments. In addition, the enterprises will expend about 37 billion crowns of their own funds for this purpose.

In 1952, investments increased substantially over the year 1951, and in 1953 it is planned to continue this expansion. In order to accomplish this, the government has instructed its ministries to reduce the amounts needed for construction work by some 20 percent; not by slowing down construction work, but by eliminating superfluties in the projects, and by deleting and simplifying the finishing processes in the buildings as well as in the production of construction materials used. To secure a speedy completion of such investment works, it is necessary to center activities on the most important objectives: on the purchase and procurement of those objects most urgently needed by industry, on the repair of those now in use, and on completion of construction work now in process.

There are several things hindering the investment program. One of them is the inefficient or negligent use of all industrial plants. Another is the incomplete preparation of plans for a projected building or plant. The Investment Bank will not, and cannot, authorize funds for the construction of objectives where complete and detailed plans and budgets have not been prepared.

The operating funds of the individual enterprises for 1953 have been increased over 1952 by more than 12 billion crowns, of which the national budget provides some 4.6 billion crowns and the balance is provided by the enterprises themselves.

This increase in operating funds of the enterprises is dependent on several factors. Speedup of turnover is one of the major problems of industry. Any such program presupposes reduction of work in process, reduction of delivery time, increased deliveries of raw materials, strict scheduling of raw materials, and a stringent discipline as to the fulfillment of plans.

In the national budget, the speedup of sales means quicker turnover in current funds and more speedy release of such funds for other uses.

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This increase in the ratio of turnover is especially important as far as the ministries of Heavy Industry and of Internal Trade are concerned. These two ministries have a great deal of investment funds lying idle in their vast inventories. In 1952, these stocks were not reduced; on the contrary, they have been increased. This was caused partly by the failure to fulfill the production plan, the investment plan, and the plan for retail sales.

Agricultural expansion is one of the main tasks in the socialist state, hence the government has set aside 3.5 billion crowns for the improvement of plant culture and animal husbandry. This amount does not include the sums allocated to agricultural research. There are billions set aside by the state for the expansion, maintenance, and repair of machinery in the MTS. The JZD (Unified Agricultural Cooperatives) also receive state assistance in the form of credit and reduction in rates charged by other government agencies [for goods and services]. Credit available to the JZD has been increased 50 percent over 1952; hence it means also increased responsibility for the proper use of such funds. This important role falls to the Czechoslovak State Bank and the Investment Bank.

The strength of the JZD rests in their own inner organization and not in subsidiary grants made by the state. For this reason, the government has made strict rules regarding the credit to be extended to the individual JZD, since only through well organized credit will it be able to maintain its affairs in good order.

The general repairs plan for 1953 almost trebles the money allocated for the same purpose in 1952. General repairs, if done properly and in time, will prevent heavy expenditure for replacements and will prevent unnecessary stoppages and delays.

The second largest item of the state budget is the fund set aside for culture and social welfare. It is apportioned as follows:

<u>Item</u>	<u>Billion Crowns</u>	<u>Per Capita in crowns</u>
Education and Enlightenment	33.9	2,692
Social Security	52.4	4,159
Health and Preventive Medicine	<u>24.8</u>	<u>1,961</u>
Total	111.1	8,812

The fund for hospital and maternity beds is increased 6.5 percent over 1952, and for creches, 9.4 percent. The number of children cared for in kindergartens is to be increased 10.4 percent; the number of pupils in national and middle schools, 5.6 percent; and the number of students attending institutions of higher learning, 11.3 percent.

Because norms for expenditure in the culture, social welfare, and health programs have not yet been established on a scientific basis, it is imperative that all sums appropriated for these purposes be utilized to the very best advantage; undoubtedly it is possible to obtain more value for the sums expended.

The government has set aside one billion crowns for scientific research. 1952 will remain a banner year in Czechoslovak socialist history, inasmuch as the Czechoslovak Academy of Sciences, the Slovak Academy of Sciences, and the Czechoslovak Academy of Agricultural Sciences came into being during this year.

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Defense and National Security

The allocations made for the purpose of defense and national security amount to 9.7 percent of the total national budget. This is comparatively a large sum, but it would be a serious error on our part not to face reality and not to be prepared to defend the cause of peace, in case of aggression or attack.

Administrative Expense

The administrative organs of the government require an expenditure of 18.8 billion crowns. Although in recent years a determined effort has been made to reduce the amount of money expended for administrative purposes, all the possibilities for savings in state administration, such as simplification of work and better organization, have by no means been exhausted.

The establishment of wage funds in 1952 has done a great deal to stabilize work discipline, and has also led to the creation of predetermined bases for a better arrangement of the plan of work for 1953.

The broad indexes of the plan of work must necessarily be supplemented by detailed plans to conform with the goals and/or tasks of each separate organization. For this reason, the government, in its approval of the state economic development plan for 1953, insisted that the systemization of all the administrative offices should continue to be the major task.

This systemization should also set a new task for the financial organs. They must compile a register of all approved administrative workers, with details on their status and personal qualifications. They must also render reports regarding wages, including the monthly average wage and the status of wage funds; and the amount of administrative as well as operational overhead.

The budgets of the National Committees are now completely independent; the committees may no longer dip into the state funds, regardless of the amount of their own income they may have at their disposal. On the contrary, they must hold down their own expenses to conform with the income they obtain from their own sources and the planned allotments from state taxes. This fact in itself will be an inducement to them to see that the state income plan is fulfilled.

This year, for the first time, administration of the National Committees will include local enterprises, both industrial and communal, their allocations and remittances, so that their economic results will be reflected in the status of the National Committees.

The national budget sets the total expenditures of the National Committees at 70.1 billion crowns; their own income is set at 19.1 billion crowns and the difference, 55 billion crowns, has been allocated from the state tax revenue.

The National Committees are the basic organization in Czechoslovak society. Their activity brings them into direct contact with millions of citizens and with the problems of their daily life. The largest amount of the committees' expenditures, 65.2 percent, is devoted to cultural and social welfare expenses. The National Committees are directly responsible for the provision of such services as repair and maintenance shops. The remittances of communal enterprises, which were formerly sent to the Ministry of the Interior, are now the main source of income for the National Committees.

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The national budget is the synopsis of the tasks and goals set for the current year of the Five-Year Plan. The year 1952 has been successful in the following sectors: industrial production exceeded that of 1951 by 18.3 percent and hence almost doubled that of 1937; the socialization of small business is almost 99 percent complete, whereas as late as 1948, 88 percent of the retail (small) business was controlled by private enterprise. Concomitantly with higher industrial production and increased agricultural production, consumption has increased. In 1952, the consumption of meat has risen 2 percent over that of 1951, and 27.5 percent compared with 1936. In 1952, the consumption of lard exceeded that of 1951 by 9 percent; bread, 10 percent; baked goods, 23 percent; synthetic edible fats, 3 percent; frozen vegetables, 17 percent; and cigarettes, 10 percent.

The higher living standard has been achieved not only by greater productivity, but also by the exchange of national products for those of other nations, particularly those of the people's democracies.

STATEMENT ON THE 1953 BUDGET BY JOZEF VALO, VICE-PRESIDENT OF THE NATIONAL ASSEMBLY -- Prague, Rude Pravo, 22 Apr 53

The national budget for 1953, just presented to the Assembly, lists a total expected income of 435,207,287,000 crowns, and expenditures of 430,910,216,000 crowns, leaving a surplus of 4,297,071,000 crowns. The expenditures include 70 billion crowns for new investments. This is in addition to the billions already earmarked for the replacement, maintenance, and repair of factory buildings, machinery and equipment.

The 1953 budget allocates 23.3 billion crowns for education, which is 24 times the amount spent for this purpose in 1937; 24.3 billion crowns for health and social welfare, which is 27 times the amount spent in 1937; and 53,975,000,000 crowns for unemployment, sick benefits and family allotments, which is 13 times the amount spent in 1937.

The National Committees prepared the various segments of this budget in 23 all-day sessions. A great deal of attention was given to the development of the basic industry and the development of natural resources. Czechoslovakia has a great many unexploited deposits and undeveloped areas which must be utilized.

The Ministry of Fuel and Power was criticized by the National Committees for slow mechanization of the mines. Even though the USSR has furnished modern machinery, the mining industry has not yet learned to make effective use of it.

It is of the utmost importance that the Ministry of Heavy Machine Building fulfill the plans set for it, since it not only furnishes machinery for the use of Czechoslovak industry, but for the people's democracies and the USSR as well. Every delayed shipment is a hindrance to the great work of building socialism.

ASSEMBLY DISCUSSES THE 1953 BUDGET -- Prague, Rude Pravo, 23 Apr 53

Deputies of the National Assembly continued their discussion of the 1953 budget with Mme Anezka Hodinova-Spurna, vice-president, presiding.

Mme B. Machacova-Dostalova compared the Czechoslovak budget with the budgets of the capitalistic countries. Among other comparisons, she stated that the US allocates 4 percent of its entire budget for direct military purposes.

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O. Burda, deputy, spoke on the necessity of the budget's provisions for military defense and national security purposes.

E. A. Ziak, vice-president of the National Assembly, said that in 1953 the industrial production in Slovakia will be more than five times that of 1937. In 1952, heavy industry alone reached a level of more than six times that of 1937.

The plan for 1953 calls for an increase in coal production by 34 percent, electric power by 36 percent, and iron-ore mining by 23 percent, as compared with 1952. Deputy Ziak also stated that at the end of 1952 almost half of the agricultural land in Slovakia was farmed by the socialist sector and there were some okreses, such as Martin, Turcianske Teplice, Samorin, and Calovo, where agriculture had been socialized up to 98 percent.

In addressing the assembly, both A. Fiala, another vice-president of the Assembly, and Dr D. Polansky, deputy, praised present conditions in Czechoslovakia.

Deputy Holicka in his discussion brought up the need of securing a sufficient supply of ores for the nation. Both the industrial potential and greater agricultural production are dependent on the development of natural resources. The chief hindrances in the field of geological research are the lack of technical equipment, of instruments, and of trained personnel. During 1952, planned research excavations were fulfilled (in meters) 97 percent. Of this amount, 88 percent consisted of borings. The situation remains critical so far as trained personnel is concerned. During 1952, several geologists came from the universities. On the whole, these were young men, graduates of the School of Mines, who were not weighed down with obsolete prejudices. Unfortunately they lacked experience, and the geological services of the mining enterprises need experienced people.

Actually decrees regarding improvement in geological research not only are not being fulfilled, but in some instances neither the enterprises themselves nor the mines are familiar with their provisions. The budgetary group of the Ministry of Metallurgical Industry and Ore Mines has set aside sums at least three times as great as in 1952 for the development of research, especially geological research of the nation's natural resources.

Deputy Jan Teper spoke on the great development and expansion of the mining industry. In 1952, the production of coal and brown coal had increased 5,223,450 tons over the 1951 production. Teper stated, however, that the Czechoslovak mining industry has not fully adopted the Soviet cycle work schedule. It was planned that in February of this year 180 cycles would be completed, whereas only 111 were actually completed. The March plan called for 197, but only 109 were completed.

Deputy M. Smok, an engineer, spoke on the extreme importance of electrification for the socialist program. This year, power production will be 3½ times the amount produced in 1937. In the period since 1950, Czechoslovak power production has increased more than 50 percent.

Deputy B. Kozelka stated that at the end of 1952 the production of pig iron was 37 percent greater than in 1937. The production of steel was 62 percent over that of 1937, and rolled consumer goods exceeded by 49 percent the production of 1937. Since October, the SOEP (Spojene Ocelarny, Narodni Podnik, United Steel Works, National Enterprise) in Kladno, with the assistance of Soviet technicians, has been able to meet and even to exceed plan requirements. Despite such successes, however, there are grave deficiencies in Czechoslovak

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metallurgical production. The government, by its decree on 9 November 1951, has tried to remove these serious difficulties. It must be admitted that the provisions of this decree have not been fully observed. The high rate of rejects, especially in the Konev factory (SOMF group), increased last year by 11.12 percent.

Deputy J. Bina reported on the 1952 development of the construction industry, which fulfilled its plan by 97 percent. Although this was not full completion, it was the highest percentage achieved during any of the years of the Five-Year Plan. During 1952, the following construction was completed: 287 kilometers of highways; 200 kilometers of railroad track; 1,616 lineal meters of bridges; 1,704,868 square meters of factory space; power plants with a capacity of approximately 8,000,000 kilowatt hours, 599 kilometers of waterways and canals; 24,059 housing units which represent 1,055,557 square meters of residential space; schools for 10,655 pupils; hospitals totaling 3,000 beds; 6,382 square meters of salesroom space; brick-making plants with an annual capacity of 12,000,000 bricks; and 873 meters of tunnels.

On 1 May, Czechoslovakia will place in production its first aluminum plant. This will end Czechoslovakia's dependence on the capitalistic countries for imports of this material.

About 1 May, the initial shaft of the Jablunkov tunnel, Ostrava Kraj, on the Trat Druzby (Cooperative Track), will be driven; when completed, it will shorten the distance from Czechoslovakia to the USSR.

The main task facing Czechoslovakia in 1953 is the reduction of the inordinate amount of absenteeism and labor turnover. The planned production goal for 1953 calls for an 18 percent increase over last year.

Mme P. Simonkova-Hruba, deputy, stated that the greatest losses in the national economy are caused by inexcusable absences. In addition to the hours lost because of illness or accident, which account for the absence of approximately 200,000 employees daily, during the first half of 1952 there were 1,406,000 absences (one-shift), in industry alone, for which no reason was given. This represents a labor loss of 10,000 workers.

Despite the fact that the construction industry has made great progress, unaccountable absences and the turnover in this field are so great as to overshadow the good work done.

Absenteeism in the Ostrava-Karvina region ⁷during the first half of 1952⁷ was approximately 18 percent; in the Kladno region, about 15 percent; and in the North Bohemian brown coal mines near Most, about 13 percent.

Labor turnover is another indication of bad discipline. During the first half of 1952, the Ministry of Fuel and Power received 28,918 new workers, but those leaving numbered 24,182. In the Ministry of Metallurgy and Ore Mines, new employees numbered 23,734 and those leaving, 18,178.

NATIONAL ASSEMBLY CONTINUES ITS BUDGET DISCUSSIONS -- Prague, Rude Pravo, 24 Apr 53

Deputy F. Kutis stated that in order to fulfill the agricultural production plan, all the neglected fields, especially those on the borders, must be cultivated.

Deputy J. Boruvka stated that in 1952 the increase in the number of JZD was a satisfying achievement. In 1950, there were only 1,585 type III and type IV JZD; in 1951, 2,985; by the end of 1952, 5,869; and in the first quarter of 1953, 6,800.

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Boruvka complained that last year there were a great many JZD as well as JZD members who were interested in the annual plan only because the value of each working unit had been raised.

Deputy J. Danis stated that the chief task before the state farms is the mechanization of agriculture.

Deputy B. Klich stated that national safety demands full conformity with the law of the socialist state.

Deputy A. Pavlovic spoke on the work of the National Committees. One of the sectors for which they are responsible is education. A great development has taken place in this sector, and it has therefore been allocated 158 million crowns more than last year. The National Committees are also responsible for the public health sector, which is allotted 205 million crowns more than in 1952.

Deputy J. Glava presented a detailed breakdown of the sums devoted to public health. In 1946, the amount allotted for this purpose was 1,815,700,000 crowns; in 1949 5,635,453,000 crowns; in 1952, 20,394,199,000 crowns; and in 1953, more than 24.8 billion crowns. He stated that the rate of population increase per 1,000 amounted to 11.5 persons in 1952, thus testifying to the high standard of living. During 1952, the hygienic and antiepidemic stations completed 5 million separate research projects in the laboratories, and 650,000 inspections, inquiries and interventions in factories and other places, especially in the food processing plants and food distribution points. Contagious diseases in 1952 were reduced 20 percent, as compared with 1951.

Deputy F. Koktan spoke on the increased attention devoted to social welfare. In 1937, sick benefits amounted to 358 million crowns, whereas in 1950 this item amounted to 5 billion crowns. The present budget has 7,614,000,000 allocated to this purpose. This is more than 21 times the amount set in 1937. Well equipped clinics serve 71 percent of all the children and 95 percent of all pregnant women. Children between the ages of 3 and 15 years are given medical examinations at least once a year. Family allotments for the support of children amounted to 2,469,000,000 crowns in 1946, whereas the present budget is allocating 6,677,000,000 crowns for this purpose.

Koktan stated that the rotation vacation system of the ROH (Trade Union Movement) comes in for a larger share of state funds. In 1947, 81,685 persons benefited from this vacation period; in 1952, 302,224 persons; and this year it is planned to have 340,000 persons benefit.

Unemployment insurance is another part of this program. In 1937, there were 1,134,281 beneficiaries and approximately 4 billion crowns were spent for this purpose. The 1953 budget allows for 1,858,700 beneficiaries and the amount to be paid is 30 billion crowns.

Care must be exercised in adjudging the new needy cases as beneficiaries. During 1952, approximately 71,000 new applicants were favorably considered, 30 percent of whom were entitled to disability benefits accruing to persons between the ages of 50 and 59 years. This is a warning signal. A high sickness rate or, worse yet, a high accident rate should be reduced by search for and elimination of underlying causes. The ministries and the National Committees, as well as enterprise management, should give consideration to the removal of causes underlying the high injury rate.

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Deputy J. Drda discussed the importance of higher education and the budget allocations for this purpose. In 1935, 18,796 persons were studying in the nation's universities, whereas today there are 46,830 registered for the regular course of study and approximately 12,000 enrolled in the various people's courses at the college level. A total of 2,178,500,000 crowns has been allotted to the colleges and universities; this is 1,580 percent greater than in 1937. In 1938, there were 9 colleges with 27 faculties, of which Slovakia had one college with 3 faculties. Today, there are 30 colleges and universities with 81 faculties, of which 10, with 27 faculties, are located in Slovakia. In other words, today in Slovakia alone there are more institutions of higher learning with as many faculties as there were in the entire country in 1938.

Mme M. Krizova, deputy, spoke on the urgent need for speedy education of highly trained technicians and mechanics.

Deputy J. Berak's discourse touched on the importance of science in its service to the people.

Deputy O. Klokoc stated that the rapid development of education in Slovakia could be called a cultural revolution. The number of kindergartens increased from 108 in 1949 to 899 in 1952, when more than 19,000 children received all-day care. This number will be increased in 1953 so that more mothers may be able to enter industry.

In 1952, there were 464 youth groups with a total of 31,167 members; 1,111 school creches, in which almost 60,000 children were fed; 153 asylums with 2,642 children; and 141 children's and pupils' homes with more than 14,000 children. The number of children's asylums and creches will double in 1953.

The industrial schools in Slovakia also have shown a rapid development. The number of schools has increased from 19 in 1949 to 43 in 1952, and the number of students has trebled, so that these schools in the 1952-53 school year show an enrollment of just under 12,000 pupils.

In 1952, some 1,012 students attended the State Workers Courses in the institutions of higher learning; this is three times the 1949 enrollment. In addition, 129 special classes trained 2,364 students for industrial and other employment.

In the 1930's, there was one college located in Bratislava; in 1952, Slovakia has a total of 10 colleges with more than 11,000 students. Some of these institutions of higher learning have been established in Kosice, Zvolen, Presov, and Nitra.

The concluding statement regarding the state budget for 1953 was made by Jozef Valo, vice-president of the Assembly, who stated that the budget was drawn up to assure a happy, forward-looking future for the nation.

ASSEMBLY DISCUSSES AND APPROVES THE FINAL REPORT ON THE 1951 BUDGET -- Prague, Rude Pravo, 22 Apr 53

During the discussion of the 1953 budget, the Assembly also discussed the final budget figures for 1951, as presented by the budget Committee.

Josef Janous, deputy, compared the final report of actual expenditures (in crowns) for 1951 with that for 1937, as follows.

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	<u>1951</u>	<u>Per Capita</u>	<u>1937</u>	<u>Per Capita</u>
Ministry of Schools	15,899,684,016	1,325	997,005,519	66.50
Ministry of Health and Physical Education	9,892,410,808	824.40	857,307,029	57.15
Ministry of Social Welfare	25,931,266,101	[not given]	990,961,872	66.10

The Budget Committee, according to Janous, verified the actual expenditure of the National Committees as compared with those projected for 1951. The Kraj, Okres, and Local National Committees fulfilled planned income in the Czech provinces at an average of 108 percent, and in Slovakia by 97 percent. The average for the nation as a whole was 106 percent. The net surplus of income over expenditures for 1951 amounted to 14,265,796,062.85 crowns.

In making an analysis of the 1951 actual figures, it was found that though the actual expenditures for the year exceeded the planned expenditures by some 23 percent, planned investments had not been realized; only about 92 percent of the allocated funds were used. The plan for current supplies was fulfilled 96 percent; and for machinery and equipment, 88 percent.

A very great deficiency was shown in the maintenance of financial discipline. Almost all of the units subject to budgetary control were guilty in this respect. In one ministry, radio receivers valued at 1,340,630 crowns were purchased and left in the warehouse. In another ministry, the offices had 102 radio receivers in use, and still another ministry had a total of 168 receivers in use.

The greatest deficiency appeared in the auditing of accounts. The Central offices [?] were negligent in making periodic audits of the enterprises under their supervision. This deficiency in auditing of accounts was true not only of the national enterprises, but of the National Committees as well.

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