

Report on the 1954 State Budget Draft

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Chairman, members and comrades:

Today, I submitted a report on the 1954 National Budget Draft to the Central People's Government Committee for review and approval.

The draft national budget for 1954 was prepared on the basis of the successful completion of the national economic plan for the first year of the first five-year construction plan in accordance with the country's general tasks during the transition period. This draft budget is in line with the requirements of the national economic development in 1954. The implementation of the budget for 1953 and the draft budget for 1954 are described as follows:

1. Implementation of the State Budget in 1953

Great achievements have been made in national economic construction in 1953, and the first year of the first five-year plan was successfully completed. The national industrial and agricultural output value (the following are all estimated completions) increased by 11.4% over 1952 (calculated at constant prices in 1952). In the total output value of industry and agriculture, modern industry accounted for 31.6% (28% in 1952), handicraft industry accounted for 7.8%, individual handicraft industry accounted for 6.3%, and agriculture and sideline industry accounted for 54.4%. The proportion of modern industry has obviously increased.

The total industrial output value in 1953 was 28% higher than that in 1952. The output value of its Chinese industry increased by 33.7%, the cooperative industry increased by 46.5%, the public-private partnership increased by 39%, and the private sector increased by 18.5%. Of the 34 main products in the state-owned industry, except for the four types of sacks, salt, flour, and sugar, which were not completed due to weather and raw materials, all other products were over-fulfilled. Among them, 111.6% of coal was completed, 103.1% of power generation was completed, and 109 of crude oil was completed.

7%, pig iron was 102.4%, steel was 107.4%, cotton yarn was 102.6%, paper was 102.9%, and cigarettes were 119%.

In 1953, the capital construction investment of the various departments of the Central Finance and Economics increased by 116.6% compared with 1952, and its investment in China's industrial construction increased by 145.9%. In 1953, there were a total of 173 major economic construction projects, and a total of 107 industrial construction projects above the quota. The major projects that were completed and put into production in 1953 included: Anshan Iron and Steel's large-scale rolling mill, seamless steel tube plant, No. 7 and No. 8 No. blast furnace, Xi'an Power Station, Zhengzhou Power Station, Fengman Power Station's 7th and 8th generators, Fuxin Haizhou Open-pit Mine (partially put into production) and Northwest Second Textile Factory, etc. Capital construction completed 91.2% of the investment, and the capital construction of 14 central ministries and local state-owned industries increased compared with 1952

71.2%.

Regarding agriculture, natural disasters in 1953 were a relatively serious year since the liberation of the country. Therefore, agriculture did not meet the original plan, but the total output value still

increased by 1.5% over 1952. Except for cotton and peanuts, the main products have declined slightly, and the total output of grain is still slightly higher than the level of 1952. The farmers organized in the agricultural production mutual aid groups and cooperatives, as of October 1953, have accounted for 43% of the total number of farmers in the country, and the number of agricultural production cooperatives has reached 14,192.

In terms of transportation, the new railway line has laid tracks for 589 kilometers, and the total volume of railway freight has increased by 19.9% over 1952; the total volume of passenger transport has increased by 36.8% over 1952. Transportation, post and telecommunications have all exceeded the plan.

In terms of domestic trade, retail sales of goods increased by about 20% over 1952, and its Chinese business increased by 56.6%. In order to ensure that the people's living standards are increasing in demand for food supplies, the state began to implement planned food purchases and planned supplies in the winter of 1953, which has achieved remarkable results. This is a major victory on the country's food front, especially in the advancement of the socialist transformation of agriculture.

Due to the development of industrial and agricultural production and the increase in labor productivity, the annual average real wages of employees in various sectors of the state-owned economy in 1953 increased by more than 5% compared with 1952. Due to the increase in employee wages, farmers' income, and industrial and commercial profits, the expansion of employment, and the massive increase in investment in the country's economic construction, social purchasing power increased by about 20% compared to 1952.

In 1953, cultural education and health services also made great progress. In terms of education, 109.3% of the enrollment plan for higher education was completed, 113.6% for the enrollment plan for senior high schools, 104% for the enrollment plan for secondary normal schools, and 128% for the enrollment plan for junior high schools. In terms of health, the number of hospital beds in hospitals under the Ministry of Health increased by 25,000 compared with 1952. Corresponding developments have also been made in other cultural sciences. The above figures indicate that all tasks specified in the national economic plan for the first year of my country's first five-year construction plan have been over-fulfilled except for the individual projects of agricultural disasters and 296 industry; socialism and semi-socialism The proportion of the economy has increased considerably; the socialist transformation of agriculture, handicrafts, and capitalist industry and commerce has all advanced to varying degrees; the people's material and cultural life has also been further improved on the basis of production development. improve.

On the basis of the above-mentioned national economic development, the implementation of state calculations in 1953 was good. According to the received final accounts and estimated figures, in terms of budget revenue, excluding the 1952 balance, the total revenue of this year in 1953 was 215,477.4 billion yuan [1], which was 105.92% of the original budget, compared with 1952. An increase of 22.45%. Various taxes were completed at 119,439.1 billion yuan, which was 55.43% of total revenue, of which industrial and commercial taxes were completed at 92,525.9 billion yuan; agricultural taxes were completed at 26,913.2 billion yuan. The revenue of state-owned enterprises was 75,448.5 billion yuan, 35.02% of the total revenue. Credit insurance and other income completed 20,589.8 billion yuan, representing the total income

9. 55%.

In terms of expenditure, total expenditure totaled 213,882 billion yuan, which was 91.6% of the original budget, an increase of 27.41% over 1952. Expenditures for economic construction costs

86,017.9 billion yuan, accounting for 40.22% of total expenditures, of which the main projects are industrial investment of 42,863.4 billion yuan; investment in agriculture, forestry, and water conservancy, etc.; 11,316.9 billion yuan; railways, transportation, post and telecommunications, etc. The investment is 12,422.14 billion yuan. Expenditures for social, cultural and educational expenses are 31,851.5 billion yuan, which is 14 of the total expenditures.

89%. The defense expenditure is 69,187.8 billion yuan, which is 32.35% of the total expenditure. Administrative expenses were 21,069 billion yuan, which was 9.82% of total expenditures. Other expenditures were 5,818.5 billion yuan, which was 2.72% of total expenditures. As a result of the implementation of the budget in 1953, expenditures for economic construction, social, cultural, and educational, and administrative expenses were less than the original budget. This is because some of the numbers in these items were originally too large; and, more importantly, we paid attention to saving all the expenses that can be saved while fully ensuring all the necessary expenses. The defense expenditure items in 1953 increased by 16,934.1 billion yuan from the original budget. This was mainly because the United States planned to actively expand the Korean War in the first half of 1953. In order to cope with various possible situations, we must take effective measures in defense. As a result, defense expenditures have increased significantly.

The above revenue and expenditure figures show that the implementation of the state budget in 1953 was successful. As a result of the implementation of the budget, due to revenue exceeding, expenditures were reduced. Not only was the 1952 balance of 30,059.5 billion yuan originally expected to be used (the final account actually reached more than 41,232,322 billion yuan), it was not used, and the current year's revenue and expenditure offset the remaining balance. 1,594.8 billion yuan. Adding in the balance of the final accounts in 1952, the balance at the end of 1953 totaled 42,827 billion yuan. This has enriched the country's credit funds, consolidated monetary credit, and increased fiscal working capital. In the execution of the budget, we have not only ensured the necessary funds for the country's economic, cultural, educational, and national defense construction, but also saved the country a lot of expenditures that should be reduced, and strengthened the financial reserve.

The implementation of the National Economic Plan and State Budget in 1953 resulted in the above-mentioned achievements due to the correct leadership of the Communist Party of China and the Central People's Government, and the efforts of the people's democratic united front formed by various democratic classes, various democratic parties, and various people's organizations. Due to the efforts of governments, economic agencies, financial agencies, and trade unions at all levels in economic and financial work, and the soaring enthusiasm, creativity and great friend of the working people across the country, the Soviet Union faced the result of our huge assistance in technology and experience.

However, it must be pointed out that there were many mistakes and shortcomings in the financial work in 1953. We made some changes to the taxation system at the beginning of 1953, which were beneficial to the capitalist economy and not conducive to the socialist economy. Guqiao.com made a principled error. With regard to local finances, we have also violated local conditions and hindered local enthusiasm. When we prepared the budget, due to insufficient experience and insufficient experience in the Soviet Union, we did not integrate the state credit plan, did not take into account the quarterly difference working capital in the fiscal aspect, and included all the balance of the previous year in the budget, and made the current year. As a result of preparing budgets in this way, not only has we often been in a state of insufficient credit funds and lack of fiscal reserves, but also in some aspects of investment, it has promoted the tendency to blindly and aggressively divorce from reality. Some of them are close to reality after two or three reductions. In addition, in terms of

revenue, the plans for industrial and commercial taxation and certain corporate revenues are too conservative, resulting in more than a lot of implementation results. This major shortcoming cannot but affect the accuracy of the national budget. It is precisely because of the above-mentioned major errors and shortcomings that, during the implementation of the state budget in 1953, we experienced unfavorable situations in cash scheduling and budget balance. This situation was quickly changed due to the important instructions issued by the Central Committee of the Communist Party of China and a series of effective measures in its work. The results of budget execution are good, and the experience and lessons are worthy of our deep memory.

2. The State Budget of 1954 The task of the State Budget in 1954 is to increase production, expand exchanges of materials, increase labor productivity, reduce costs, enforce economy, and correctly implement taxation plans and tax policies. In order to increase income and accumulate funds to ensure the country's needs in the second year of my country's first five-year construction plan, the first is the need for industrial construction, while at the same time strengthening the national defense force, and further improving the working people's safety on the basis of the development of production. Material and cultural life. In order to achieve this task, the state budget must be established on a reliable and stable foundation, the principle of balance of payments must be adhered to, and the results of the implementation must be achieved to achieve more revenue than expenditure and a considerable reserve force.

The 1954 draft state budget stipulated that the total revenue was 274,708 billion yuan, of which the actual income this year was 231,816 billion yuan, and the balance carried over from the previous year was 42,827 billion yuan. The total expenditure was 249,457.8 billion yuan. Of the expenditure this year, the balance of the previous year was 17,5766.2 billion yuan. The surplus of 25,250,800 million yuan in total revenue this year will be used as a balance for the year to be used as state credit funds and fiscal quarterly balance working capital. This auspicious, the amount of income used for this year is actually 249,457.8 billion yuan. The composition of revenue and expenditure is now divided into the following: Sources of budget revenue The total revenue of the state budget in 1954, in addition to the 17,5766.2 billion yuan carried over from the previous year, the current year's revenue is 231,881 billion yuan, including: Various taxes totaled 132,531.3 billion yuan, accounting for 57.15% of total revenue, an increase of 10.96% over the estimated implementation amount in 1953. Among them, the industrial and commercial taxes are

104,455.1 billion yuan, accounting for 45.05% of total revenue, an increase of 12.9% over the previous year, and the amount of agricultural tax collected remained at the level of 1952.

The income of state-owned enterprises totaled 83,334.18 billion, accounting for 35.94% of total income, an increase of 10.46% over 1953, and if incomparable factors were excluded, it would increase by 16.58%.

Credit insurance and other income totaled 16,085 billion yuan, accounting for 6.91% of total income, a decrease of 22.25% from 1953.

It is worth mentioning here that the 1954 national economic construction bonds approved by the Central People's Government Committee had subscribed for 8.160 billion yuan by the end of April, which was 36% more than expected. Among them, the number of employees (including military and government officials) subscribed by more than 1.5 times, private industrial and commercial workers and urban residents has exceeded 37%. The farmers' subscription has not yet ended. This shows our people's active support for the country's economic construction and their full trust in the people's government.

According to the analysis of the source of the state budget revenue in 1954, the proportion of state-owned economic contributions has increased from 62.60% in 1953 to 63.58%; the cooperative economy has increased from 2.48% to 2.

56%; the public-private partnership economy has increased from 1.23% to 2.93%; because the people's government has adopted measures to stabilize the burden within two years, farmers have subscribed for a certain amount of public debt this year, the proportion of which is still 13.48%. It dropped to 13.43%; private industry and commerce dropped from 17.02% to 15.40%. The distribution of national fiscal revenue sources in 1954 was in line with the actual situation of the further development of our national economy, the growth of the socialist economy, and the changes in the proportion of public and private economies.

Distribution of budget expenditure Our national budget is a budget for constructive and peaceful economic development. The vast majority of budget funds are used for the development of industry, agriculture, transportation, commerce, public-private joint ventures, and social, cultural and educational undertakings. The distribution is as follows: the allocation for economic construction is 113,227 billion yuan, accounting for 45.39% of the total national budget expenditure, an increase of 31.63% over 1953. Among them, the capital construction appropriation is 75,111.6 billion yuan, accounting for 66.34% of the economic construction cost; the circulating fund is 16,000 billion yuan, accounting for 14.13% of the economic construction cost; the operating expenses and other expenditures are 22,115.4 billion yuan, accounting for 19 of the economic construction costs.

53%. This huge investment in economic construction will increase my country's total industrial and agricultural output value in 1954 by 12.6% over 1953. The focus of national economic construction in 1954 was the development of industry, especially the development of heavy industry. Therefore, the national budget allocated to the industrial sector amounted to 54,121.8 billion yuan, accounting for 47.8% of economic construction costs, an increase of 26.27% over 1953. Among them, the allocation for heavy industry, namely coal, electricity, petroleum, steel, chemical, machinery manufacturing, etc., was 42,359.3 billion yuan, accounting for 78.3% of the industrial allocation; light industry, namely the extraction of cotton yarn, sacks, sugar, paper, cigarettes, etc. The funds amounted to RMB 11,762.5 billion, accounting for 21.7% of the industrial appropriations.

In this way, not only the need for investment in this year's economic construction centered on the 14th item is guaranteed, but also the development of this year's production is guaranteed. The output value of modern industry in 1954 will increase by 18.3% over 1953. The output of several major products of the Central Ministry of Industry will increase by 12.8% over 1953, power generation by 14.9%, pig iron by 31.1%, steel by 18.8%, cotton yarn by 6.2%, and paper by 14%, sugar increased by 23.2%, cigarettes increased by 16.6%.

The total appropriation for agriculture, forestry, and water conservancy was 11,942.9 billion yuan, accounting for 10.55% of economic construction expenses, an increase of 5.53% over 1953. Requirements in 1954: grain output reached 360 billion catties, cotton reached 27.49 million quintals, state-owned mechanized farms increased by 54, farmers organized to participate in mutual assistance and cooperation would reach about 59% of the total number of farmers in the country, and agricultural production cooperatives increased by 80,000 more than one. The allocation for railways, transportation, post and telecommunications was 17,649.3 billion yuan, accounting for 15.59% of economic construction costs, an increase of 42.09% over 1953. In 1954, 603 kilometers of railway tracks were laid. The total volume of railway freight increased by 15.5% over the previous year, and passenger turnover increased by 14%.

In terms of transportation, inland water freight volume increased by 26.6% compared with the previous year, and its Chinese business increased by 32.6%; maritime freight volume increased by 44% compared with the previous year, and its Chinese business increased by 31.7%. Appropriations for commerce, foreign trade, and grain were 12.790.7 billion yuan, accounting for 11.29% of economic construction expenses, an increase of 28.05% over 1953. In 1954, the total national retail sales of goods were planned to be 370,800 billion yuan, an increase of 13.8% over the previous year. Its Chinese commerce increased by 8.2%, and the cooperative commerce increased by 35%. The total retail sales of private businesses across the country will also increase.

Appropriations for reserve materials, urban construction, etc., amounted to 15.77 trillion yuan, accounting for 13.93% of economic construction expenses.

In order to gradually implement the socialist transformation of private industry and commerce and steadily expand the state capitalist economy of public-private joint ventures, the state allocated 948.7 billion yuan for public-private joint ventures in 1954, accounting for 0.84% of economic construction costs. For other investments, the investment in public-private joint ventures is 2.5 trillion yuan.

In 1954, labor productivity will be further improved, requiring state-owned industries to increase by 13.2%. On the basis of developing production and increasing labor productivity, the average wages of employees in state-owned enterprises, cultural and educational departments, and state agencies will increase by 5.2% in 1954. The purchasing power of the people will increase by 13.8% compared to 1953, and the lives of working people will be further improved.

The national budget not only reflects the development of our country's economy and the strengthening of socialist economic factors, but also reflects the country's concern for culture, education, science, health, and social welfare. In 1954, the state budget allocated 36,692 billion yuan for society, culture, education, science, and health (social labor insurance increased by 15.2% in 1953). Of this, the expenditure on culture, education, and health was 27,904.48 billion yuan; Expenditures for social relief and special care were 4.657.8 billion yuan. In 1954, colleges and universities planned to enroll 90,505 students, an increase of 13,988 over the previous year. Secondary technical schools and Gongnong fast-track high schools enrolled 127,130 students, an increase over the previous year 24,535 people. There were 1,349,650 students enrolled in general middle schools, high schools and junior high schools, an increase of 353,476 over the previous year. In 1954, the number of hospital beds in hospitals under the Ministry of Health reached 207,533, an increase of 16,468 over the previous year. The national administrative expenses were allocated 23,873.7 billion yuan in 1954. Although the figure increased slightly from 1953, the proportion of total national budget expenditure has dropped from 9.82% in 1953 to 9.57%. At the same time as economic construction, we must continue to strengthen our national defense capabilities. Our country has always pursued a policy of peace-building since the day the nation was founded. However, we must always follow the war policy of the US imperialist militants and the actions hostile to our country. Maintain a high degree of vigilance. Although the national defense expenditure stipulated in the 1954 state budget was lower than that in 1953, it still listed 52,670 billion yuan, which was 21.11% of the total expenditure. This is completely necessary.

It can be seen from the above figures that 60.1% of the state budget expenditure in 1954 was used for economic and cultural education construction, especially for the construction of industry and heavy industry, and only 33.74% was used for national administration, national defense and other aspects. The 6.16% of the budget is used as the total reserve cost. It can be seen that the focus of the budget is very obvious. It fully embodies the spirit of the country's general line and general tasks

during the transition period, and fully reflects the requirements of the people of our country to further develop the national economy and improve material and cultural life.

In order to develop local economic and cultural undertakings accordingly, ensure the successful realization of the country's first five-year economic construction plan, and give full play to the local government's enthusiasm in exploring financial resources to monitor revenue and expenditure, financial management must be given to local governments. With appropriate authority to adapt to the different economic conditions of various regions. Therefore, in 1954, it is absolutely necessary to conscientiously implement the hierarchical management policy under the unified leadership and plan of the central government. In 1954, the total local budget expenditures of various provinces (municipalities) were 59,646.2 billion yuan, accounting for 23.91% of the national budget, an increase of 14.9% over 1953, of which local economic construction expenses accounted for 23.86%.

The total value of industrial production will increase by 31.3% over 1953; social, cultural and educational expenses will account for 40.64%; administrative expenses will account for 29.16%. The budget also includes 3,618.5 billion yuan in reserve expenses, and 1,755.3 billion yuan in working capital outside the budget. In this way, the stability of the local budget and quarterly cash dispatch can be ensured.

The development of local economic construction is an inseparable part of the economic development of the entire country. In 1954, the allocation number and growth rate of local economic construction can meet the needs. Local governments at all levels should be within the scope of the unified national plan and cooperation with key constructions. Make better arrangements based on the needs of the people. On the one hand, we must enable state funds to be effectively used for production, on the other hand, we must strictly reduce all non-productive expenditures, and earnestly abide by the principle of conservation. Cultural education is directly related to the people's increasing requirements for cultural welfare. The cultural and educational undertakings allocated to the localities in 1954 are still far from the local requirements, but in terms of the overall distribution of state expenditures, the figures are no longer small, as long as local governments at all levels and relevant institutions, pay attention to controlling the establishment of business personnel, verifying expenditure standards in detail, and reducing all unnecessary expenditures. At the same time, in terms of primary education, it is possible to solve the problem by advocating non-government and appropriate development of the form of non-government assistance.

The proportion of local administrative expenditure is obviously not small. In order to ensure that state funds are used for construction, we must continue to resolutely streamline the staffing of administrative and institutional agencies and strictly control the construction of agency houses. The soundness of local budget implementation is one of the important factors related to the balance of national budget revenue and expenditure. Local governments at all levels should exercise strict control over budget implementation. The total reserve expenses and inter-annual expenses must be used in regulations and be strictly reviewed. The surplus from the previous year should be used as much as possible to increase the working capital or supplement the working capital of local state-owned enterprises, so as to strengthen the reserve force of the local budget.

In summary, it can be seen that the preparation of the 1954 state budget was a significant improvement over the 1953 state budget. Among the various types of income in the budget, the state tax and state-owned enterprise income account for about 93% of the total income, and the other income is only about 7%. These incomes are reliable. In terms of expenditures, all necessary expenditures have been fully guaranteed. The figures were determined based on the implementation of the budget in 1953 and the requirements of the national economic development in 1954.

Therefore, they are relatively close to reality. A major improvement in the 1954 budget was the attention paid to the National Credit Plan in the preparation of the budget. The balance of the previous year was 42,827 billion yuan, except for the carryover to the current year.

In addition to the used RMB 17,576.62 billion, the remaining RMB 25,250.8 billion has fully enriched the state credit funds and the working capital of the quarterly fiscal balance. In addition, the budget has also allocated additional working capital for the corporate sector (of which 8.0 billion is allocated to the Ministry of Commerce). These are not only necessary for state-owned enterprises to expand reproduction and expansion of material exchanges, but also important measures that must be taken to consolidate the national budget. In addition, we have also made more appropriate regulations in terms of local budgets. Therefore, we have reason to believe that the state budget in 1954 can achieve better results in its implementation than in 1953.

3. Striving to increase production, practice economy, and successfully complete the 1954 budget. The distribution ratio of the sources of revenue and expenditures of the state budget in 1954 fully demonstrates the superiority of our people's democratic state system. The local system of the state budget in 1954 has made a lot of progress compared with 1953. The listed income and expenditure are more realistic, and attention has been paid to combining the state's credit plan, which gives the state budget a more reliable and reliable foundation. But this is not to say that the 1954 budget was flawless. Since we must ensure all necessary expenditures in 1954, we still spent 17.5762 billion yuan in the previous year's balance in the 1954 budget.

We may also encounter difficulties in terms of credit planning and cash flow. It is especially important to note that in our large-scale economic construction, it is often inevitable to increase new construction projects and new investments; we must be highly vigilant against the US imperialist war policy at all times, and we must also Guard against possible natural disasters. Therefore, we must not hold the attitude that everything is good for the 1954 budget, but must make unremitting efforts and take effective measures to increase revenue and save expenditures during the process of implementing the budget throughout the year. Chairman Mao instructed us: "Increase production, save more, and keep more reserve forces are the three reliable lines of defense for consolidating the national budget." This is the policy that we must earnestly implement in our financial work. We must strive for the results of the implementation of the 1954 budget. Not only will we not use the surplus of more than 17 trillion yuan from the previous year, but we will also require more surplus of the ancient woods, in order to further strengthen the national financial reserve. In order to achieve this task, it is necessary to increase revenue and save expenditure. Therefore, in the implementation of the 1954 state budget, the following efforts must be made:

First, complete the national economic plan. The comprehensive completion and over-fulfillment of the above-mentioned 1954 National Economic Plan indicators are the basis for the proportional growth of various economic sectors and the realization of the 1954 state budget in the whole country. To this end, governments at all levels and enterprises must fully mobilize, and the large employees and the people, continue to implement the campaign to increase production and save, and strive to complete the planned targets set by the state; must strive to increase production, improve quality, and increase production and improve quality. Strive to reduce costs under the conditions. The indicators for cost reduction in various departments are: state-owned and local state-owned industries reduced by 5.2%, railway transportation reduced by 5.3%, construction and installation costs in capital construction will be reduced by 8%, and state-owned commercial trade circulation rates will be reduced by 13.7 %—13.8%. We believe these indicators can be achieved and should be exceeded.

Among the revenue sources of the state budget in 1954, funds from state-owned enterprises accounted for 63.58% of the total budget revenue, and 45.39% of budget expenditures were allocated to the infrastructure and undertakings of economic construction. Therefore, strengthening corporate financial management has a decisive role in accelerating the country's socialist industrialization and the successful realization of the budget.

It should be pointed out that the preparation and implementation of the financial plan of state-owned enterprises in 1953 has taken a big step forward compared with previous years. With the exception of individual departments, most departments exceeded the plan in the withholding of profits and basic depreciation. The capital construction investment has completed 91.2% of the plan, while the eight industrial ministries of the central government have completed 96.1%. The organization and system of corporate finance have also been strengthened. The preparation of accounting statements has also been improved. Some departments have also achieved some success in handling sluggish materials in production and surplus materials from capital construction. However, there are still serious shortcomings in the preparation and implementation of production plans, capital construction plans, especially financial plans. Generally, the production plan, especially the low financial plan, is not enough to tap the potential. For example, the financial plans for domestic commerce and railway transportation are set at a lower level, and the results of the implementation are much higher. Except for a few departments and units, most of the disbursements of profits and basic depreciation funds are not timely, uneven, tight, and some even occupy the due payments for a long time, which damages the stability of the national budget. In the implementation of the accounting system, quarterly and annual final accounts reports were not prepared in time, incomplete, low in quality, and insufficient in analysis and research. There are also shortcomings in the implementation of the capital construction plan. The most important thing is the lack of focus on key construction, so that the use of investment is somewhat scattered, and the effectiveness of investment cannot be brought into full play in time. In some construction and installation projects, due to insufficient design strength and poor construction preparations, serious lagging occurred at the beginning of the year. Some of the completed projects are of substandard quality, reworked and reworked, and some surplus materials are not processed in time, making the country's useful materials unable to make the best use of them. There are also many shortcomings or wastes in the financial work of capital construction. For example, project budgets and project costs are generally high, widening and narrow use, a large amount of overstocked materials, and individual units have misappropriated production and capital construction funds to carry out unplanned projects. Engineering and other phenomena. Financial settlement work is also done poorly, some are not settled in time, not handed over to the production department in time, and some are not transferred in time after handing over to the production department, so that the basic depreciation fund cannot be withdrawn in time, and the accuracy of the cost plan is affected. . In order to strengthen the financial management of enterprises, implement the economic accounting system, and achieve the purpose of strict economy and accumulation of funds, party committees, governments, economic agencies, and enterprises at all levels must strictly abide by the economy system and fight resolutely against waste; financial plans must be improved. Work, establish a strict expenditure review system; must pay attention to finding tricks, tap potential, improve labor organization, increase labor productivity, correctly formulate reasonable production quotas and technical quotas; strengthen the management of raw materials and materials, and strengthen the warehouse storage work of various economic departments , To overcome the backlog of wear and tear, improper use; take care of the machine, strengthen maintenance and safety measures; accelerate the turnover of funds, reduce the standard of miscellaneous expenses, in order to reduce costs. Enterprise profits must be withdrawn in full and in accordance with the budgetary figures and

actual production performance in a timely manner; the practice of reducing revenue, spending more, and lowering the profit plan is wrong and must be corrected. Capital construction must start from strengthening planning and organization, and correctly formulating various quotas. Construction management should establish basic responsibilities and systems according to the production area, gradually establish and improve economic accounting systems, and gradually establish a design project budget system, and strive to reduce Engineering costs. Therefore, all capital construction units are required to actively give play to the enthusiasm and creativity of the workers and the masses, and work hard to study how to reduce the material quota while ensuring the quality of the project. For all completed projects, the surplus materials should be dealt with in a timely manner, and the price should be returned to the national treasury to correct the mutual flow of infrastructure funds and production funds.

In order to meet the above requirements, the responsible personnel of various corporate departments and capital construction units must also pay attention to strengthening the financial and accounting organization and improving the financial system and accounting system. Financial work must be brought to its proper position, so that financial work, production work, and infrastructure work must be closely integrated to prevent the phenomenon of being out of touch with each other.

Second, complete various taxes. In 1954, various taxes accounted for 57.15% of the total revenue of the national budget. The completion of taxation is the key to the smooth realization of the national budget. In 1953, the industrial and commercial taxation work was still in good condition, but the phenomenon of slack and tightness still existed in the collection work. The tax evasion of industrial and commercial households was still quite serious. There were some abnormalities in the tax burden and the personal taxation of individual tax workers. The style of forcing orders has not yet been completely overcome. In order to correct the above-mentioned shortcomings, the taxation work in 1954 must conscientiously implement taxation policies based on economic development and market business conditions, pay close attention to revenue, and further improve collection management. For industrial and commercial households, on the one hand, we must strengthen the ideological education of patriotism and abiding by the law and pay taxes, and on the other hand, we must continue to wage a serious struggle against tax evasion.

For agricultural tax work, we must continue to implement the principles set out in the June 1953 Directive of the Central People's Government Administration Council on agricultural tax work, and further implement the fair and reasonable burden policy that encourages increased production, so as to give full play to farmers' enthusiasm for pseudo-production and promote the development of agricultural production.

The third is to cut down on the expenditures of state agencies and streamline state administrative institutions. This is an important method for the country to accumulate funds for industrialization. Chairman Mao pointed out in June 1950: "A substantial reduction in funding for state institutions" is one of the three conditions for achieving a fundamental improvement in the financial and economic situation. Therefore, reducing the non-productive expenditure of all agencies as much as possible and practicing strict economy are the principles that we must adhere to and implement. A large part of the economic construction expenses, cultural and educational expenses and state agency expenses listed in the state budget are personnel salaries and official and miscellaneous expenses of the agency. Therefore, starting from the actual needs of the work of various regions and departments, the gradual implementation of the quota system is of great significance to the reduction of national funds. We used to stipulate certain quotas and quotas for economic construction and cultural and educational expenses in the past. It seems that these regulations are

not specific and clear enough, and some parts are not fully in line with the actual situation, so that they are still being implemented. There are certain disorders. For example, the ratio of middle school faculty and staff to students is 1:17 and 1:10. Another example is the expenditure subsidy standard for a comprehensive hospital bed. Some are 5.23 million yuan, and some are 6.33 million yuan. The difference in level is obviously unreasonable. In the future, in order for the state funds to be used correctly and reasonably, and to reduce the possible savings, it is necessary to determine the establishment quota and the necessary physical use standards and financial expenditure standards based on the specific conditions from the bottom up. , And then approve and approve level by level from top to bottom as the basis for budgeting, appropriating funds and implementing financial supervision. With regard to the funding of state agencies, the prevailing problems at present are still large organizations, multiple levels, and excessive staff. The expenditures of some departments or units are still extravagant and wasteful. Therefore, the downsizing machine is effectively implemented

It is also a problem that personnel departments and financial departments at all levels should pay attention to to solve the problem of appropriate reduction of staff in order to improve work efficiency and reduce the expenditure of administrative agencies. It is necessary to adhere to the rule that no increase in staff is allowed without the approval of the Central Organization Committee. Certain departments have adopted the practice of squeezing surplus personnel into their operating expenses due to the tightening of administrative organs, which violates fiscal discipline and must be stopped. The establishment committees at all levels must put forward reasonable and feasible administrative establishment plans based on the actual situation, and the financial departments and relevant departments must formulate actual expenditure standards. Once the quota is determined, it must be calculated based on actual calculations, and appropriations must be reviewed. Personnel expenses other than those specified and expenses other than items must be resolutely eliminated except for those approved by the competent authority at a higher level under special circumstances.

Fourth, strengthen fiscal supervision and strict fiscal discipline. It must be understood that financial supervision is an important method to help enterprises, institutions, and administrative agencies improve their organization and management, implement economic accounting, and implement a strict economy system. Over the past few years, although we have conducted some inspections on certain enterprises, undertakings, and infrastructure construction units, we still appear weak, or the inspections are not deep enough, we have not found problems in time, have learned lessons, or have found problems but failed. Sternly fight against those who violate financial discipline. Bureaucracy and documentaryism are serious among the personnel of the financial department. Many people are just immersed in desk work, busy issuing official documents, making forms, and eagerly reviewing budget and final accounts on paper, but rarely go to the scene for inspection. It should be admitted that we are still not good at using the weapon of fiscal supervision to overcome waste and violation of fiscal discipline and play a role that is conducive to economic development. Chairman Mao has repeatedly instructed us to pay attention to financial supervision, but until now, this work has not been seriously established. This is a phenomenon that cannot be tolerated and must be obtained in future work.

Really correct. In order to ensure the correct implementation of the 1954 state budget, fiscal supervision should be one of the important tasks of fiscal work this year. The financial department must be determined to correct bureaucracy and documentaryism, and conduct on-site inspections of certain departments and regions in a focused manner. For example, for corporate departments, check whether their cost reduction plans, financial plans, and payment plans are completed, whether there is a backlog of raw materials and funds, and whether non-production expenditures are too

large; for capital construction units, check their project costs Whether it is too high, whether the funds are used according to the plan, how effective is the use, whether the inclusion of the cross-year project in the budget complies with the regulations; for cultural and educational institutions, check whether their quotas are reasonable, and whether the business plan is consistent with the financial plan; for administrative agencies, It is necessary to check whether they have tightened their staff according to the regulations of the central government, and whether there is a phenomenon of large organizations and overwhelming numbers of people.

Fifth, the personnel of financial institutions must improve their political and professional level, combine politics with business, combine theory with practice, develop criticism and self-criticism, oppose feelings of arrogance and complacency, strictly abide by government laws and regulations, and do their best in the implementation of fiscal discipline. To their own responsibilities.

It must be understood that fiscal work is a comprehensive political work related to all aspects, and the state budget is a concrete manifestation of the state plan. Therefore, financial personnel must obey the leadership of the party and the government, must rely on the support of the broad masses of the people, and must obtain the cooperation and assistance of other departments in order to do a good job. The strengthening of the leadership of financial work by party committees and governments at all levels and their frequent concern and inspection of their work have always been the guarantee for us to complete the tasks of financial work. We believe that as long as the above requirements can be implemented in our work, there will be no doubt about the smooth realization of the 1954 state budget.