

Defense Budget Increases Slightly in 1963

Minister of Finance Aurel Vijoli said in his Budget Report to the National Assembly on December 27 that allocations for defense would amount in 1963 to 5.1 per cent of total budgetary expenditures, that is 4,154,600,000 billion lei, against 3,988,500,000 lei envisaged for 1962. Last year's defense expenditures increased by 13.8 per cent over the figure planned for 1961.

At constant prices, the increase envisaged for 1962 would amount to four per cent over the figure planned for 1962, and reaches about the 1955 achieved level.

According to the Statistical Bulletin for the first half of 1962 the achieved allocations for defense fluctuated as follows:

1955	4,226,700,000 lei
1956	3,984,400,000 lei
1957	3,817,300,000 lei
1958	3,596,600,000 lei
1959	3,445,800,000 lei
1960	3,392,100,000 lei
1961	3,639,100,000 lei

The 5.1 percentage of planned allocations for defense in total planned budgetary expenditures for 1963 compares with 5.1 per cent in 1962 and 5.4 per cent in 1961. The planned allocations for defense in 1961 were exceeded by 140,000,000 lei or four percent. The figure achieved in 1962 is not yet available.

Industrial Production Increment Decreased in 1962

Sent in the clear is a paper on the outline of the 1963 economic plans as given by Gheorghiu-Dej. It might be added that it was estimated that industrial production would increase in 1962 by 55 per cent over 1959 with an average yearly increment of 15.7 per cent over the 1960-62 period. The average yearly increment for the 1960-62 period was 16 per cent which shows a decrease in 1962. Actually the increase was 16.9 in 1960 and 15.6 in 1961. This gives a rate of 14.7 per cent for 1962, if one takes into account the 55 per cent increase estimated for 1962

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over 1959. But the 1962 rate is still superior to that of the average 13 per cent planned for the 1960-65 period.

Vijoli on Revision of Bulk-Buying Prices

The Minister of Finance said in his Budget Report (December 27) that "the indices contained in the draft budget are calculated on the basis of new bulk-buying prices recently approved by the Council of Ministers". The new bulk buying prices had been imposed because of rapid economic expansion, the increase in technical progress, in labor productivity and the lowering of the cost price. They would lead to the elimination of most of the subsidies from the budget and "normal profitableness can be assured". Vijoli gave the assurances that retail prices would not be affected. This is a positive measure which lets bulk-buying prices become more realistic. For a more detailed discussion of the measure see Background Report "New Price Increases in Store in Rumania" of 1 December 1962. The last reform of bulk-buying prices was effected in Rumania in 1954/55.

Redefection Deadline Prolonged

Radio Bucharest reported on December 30 that according to a decree of the State Council, the term provided for repatriation of Rumanian exiles has been prolonged to 30 December 1965. The decree provides also for an amnesty of redefectors.

Re-election of President of Supreme Court and Prosecutor General

The National Assembly re-elected in its session of 28 December Alexandru Voitinovici as President of the Supreme Court of the RPR and Augustin Alexe as Prosecutor General. They had been elected to these positions in December 1957.

Changes in the Diplomatic Corps

The former director of Agerpres, Vasile Dumitrescu has been appointed Minister to Switzerland. At the same time the two countries elevated their Legations to the rank of Embassies. The former First Party Secretary of Arad and later on Chairman of the Executive Committee of the Regional People's Council of Banat, Ion Beldean, has been appointed Ambassador to Sofia, replacing Mihai Marin, a former secretary of the Trade Union Central Council

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who has been given other assignments.

Agerpres reported on 26 December that Gian Du Hoan, Ambassador of North Korea, presented his credentials in Bucharest the same day.

Corrections

In Situation Report of December 28, 1962, Rumanian 1963 Budget/Foreign Trade, page 4, second para from top, third line should read "against 15 per cent (and not 10 per cent) planned increase in 1962 over 1961". In Situation Report of December 12, chapter on Rumania/page 2, third para from top, second line should read "against a planned 4.7 billion lei in 1962" (and not 1961).