

The Poles Vote Differently at World Trade Conference

The Poles said "Nie" while the Soviet bloc abstained from voting on a resolution during the World Conference on Trade and Development in Geneva, Reuter reported June 2. The resolution was sponsored by 64 out of the 75 developing countries, and it called for the elimination of all preferential tariffs. The Poles who profit from such preferential treatment along with some other countries (including the USA), voted against the resolution.

The vote was also a logical consequence of Polish participation in GATT, if only as an associate member, (cf. Sit. Rep. May 12). Poland's advantages from this membership as well as from Poland's participation in the "Kennedy Round" were expounded in the periodical "Rynki Zagraniczne" of May 23 (cf. Polish Press Survey No. 1713 June 3). In this connection, attention is also drawn to another article of the same issue of "Rynki Zagraniczne" on "Poland's Trade Exchange with the Countries of the Common Market" (cf. Polish Press Survey No. 1714 June 4).

Soviet Economic and Technical Aid

At least two important agreements on Soviet economic and technical aid to Poland were signed in Warsaw June 3, Radio Warsaw and Reuter reported on the same date. From a rather short Reuter dispatch and a more extensive but poorly received broadcast, it appears that one agreement pertains to drilling and surveying equipment for the Polish oil and gas industry, and the second agreement deals with Soviet technical aid in the development of the mining and processing of Polish copper. Further details will be supplied when the daily press reports are available.

Polish-Czechoslovak Trade Protocol

A protocol, in addition to the existing one (cf. Sit. Rep. 23 December 1963), was signed in Warsaw on June 3, Radio Warsaw reported the next day. The protocol was signed after a mixed Polish-Czechoslovak trade commission decided to increase the trade turnover between the two countries in 1964 by about ten per cent. The two sides will increase their export of industrial goods, while Poland will also sell potatoes, various seeds and "other articles".

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Another event in the field of Polish-Czechoslovak economic cooperation was reported on June 4 from Prague by their Radio Warsaw correspondent there. According to this source, the ninth session of the Polish-Czechoslovak Committee for Economic, Technical and Scientific Cooperation took place in Prague between June 2 and 4. Deputy prime ministers Franciszek Waniolka for Poland and Ottokar Simunek for Czechoslovakia headed the two delegations. The subject of the session was cooperation between machine, chemical, steel and copper industries as well as cooperation between the two foreign trade ministries. "Full agreement" on all the problems and a "very cordial atmosphere" marked the session.

Agricultural Circles' Conference

A three day conference of the Central Union of Agricultural Circles started in Warsaw on June 4, Radio Warsaw reported on the same day. The subject of the conference is development of mechanization and general improvement of the operation of the circles.

"Zycie Gospodarcze" May 31 contained an article by Jan Stelmach on "Agricultural Circles in 1963" shedding much light on the actual strength of the circles. While official announcements refer to 30,000 agricultural circles at the end of 1963 (cf. for instance Sit. Rep. May 22), Stelmach revealed that at that date there were no more than 21,133 agricultural circles to which number should be added 102 mixed service and producers cooperatives and 72 cooperative farming centers. Only these agricultural organizations carry on economic activity, while the rest, i.e. about 8,700 circles, exist on paper only as merely registered ones, or, as Stelmach explained, "those which have not started their economic activities". Only by adding the active and "registered" circles does one arrive at the 30,000 figures for the end of 1963. Not all the active circles have tractors, although in this respect there has been an increase from 16,440 in 1962 to 20,550 circles in 1963, with the corresponding increase in the number of tractors from 19,498 to 27,591. Another improvement can be seen in the

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average number of working hours per tractor, which increased from 774 in 1962 to 873 in 1963, still below the required norm of 1,000 hours per year. The arable area tilled collectively by agricultural circles decreased from 135,000 hectares in 1962 to 113,500 hectares (against a total of arable area in Poland of over 20 million hectares), which was deplored by Stelmach as an unfavorable development. 79.1 per cent of active circles showed a profit in 1963, while 20.9 per cent produced a deficit.

Tax Alleviations to Spur Tourism

The Ministry of Finance announced some tax alleviations intended to facilitate tourist traffic, Radio Warsaw reported June 4. These alleviations, effective from June 1, pertain to persons letting or subletting private rooms to tourists, internal and foreign. So far, only three rooms could be let without an additional tax burden. According to the new regulation, those letting more than three rooms will be taxed on a different basis than heretofore, i.e. no longer will they be taxed as private entrepreneurs, who pay higher income taxes, higher rents and higher radio and TV fees. Instead, these owners and/or tenants of apartments who will be willing to let or sublet not only three but more rooms to tourists will be subject to only the normal tax on their wage earnings and will not be deprived of their family allowance, as was the case previously. They will also be allowed to sell meals to tourists, tax free, but no more than 20 per day. It is not clear from the short radio communiqué what will happen if the 21st tourist turns up to fill his hungry stomach or if the 20th tourist asks for a second helping.

The new regulation seems to be a step in the right direction, but confronted with the previous big talk about incentives for tourism (cf. Sit. Rep, January 23 and March 9) it is really a very modest one. Dealing with the subject of foreign tourism, "Zycie Gospodarcze" of May 31 supplied interesting comparative statistics showing Poland as probably in last place among European countries with respect to earnings from foreign tourists. Thus, while the share of earnings from tourism was 19 per cent

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of the total value of Austrian exports and the corresponding figure for Spain was 3.3 per cent in 1962, Poland earned in the same year no more than 0.4 per cent of the total value of her exports. In 1962 Poland earned less than \$ 6.5 million from foreign tourists, \$ 1 million less than Cyprus and only one third of what was earned from this source of income by Bulgaria. The "Zycie Gospodarcze" writer Kazimierz Libera pointed out that in 1929, when neither Yugoslavia nor Bulgaria nor Finland were in any significant tourist business, Poland earned 18.7 million dollars which was close to four per cent of her total export value.

A new appeal for^a more reasonable approach to tourism came from a Sejm committee, Radio Warsaw reported June 4. Presented as a "postulate" ("dezyderat"), the committee's suggestion is to treat tourism as a separate branch of the national economy in yearly and long-range plans, to further alleviate formalities in the issue of visas, and to include into the investment plan for the next few years the building of hotels in Szczecin, Zakopane and Swiebodzin (half way between Poznan and Frankfurt/Oder).