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11 September 1978

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POLITICAL, SOCIOLOGICAL AND MILITARY AFFAIRS
No. 1585

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BULGARIA

LEADERS SEND GREETINGS TO ROMANIAN LEADERS

Sofia RABOTNICHESKO DELO in Bulgarian 23 Aug 78 1 AU

[Text] Todor Zhivkov, BCP Central Committee first secretary and state council chairman, and Stanko Todorov, council of ministers chairman, have sent the following telegram to Nicolae Ceausescu, RCP secretary general and president of the Socialist Republic of Romania, and Manea Manescu, prime minister of the Romanian Government:

Esteemed comrades, on behalf of the BCP Central Committee, the State Council and Council of Ministers of the People's Republic of Bulgaria, on behalf of all Bulgarians and on our own behalf we convey most cordial greetings and wishes to the RCP Central Committee, the State Council and Government of the Socialist Republic of Romania, to all Romanians and to you, personally, on the occasion of the 34th anniversary of the liberation of the country from fascist domination.

As a result of the crushing victories of the Soviet Army against the Hitlerite fascist invaders and of the successful armed uprising against the military-fascist dictatorship, organized by the RCP, on 23 August 1944, the Romanian people rejected the bourgeois-Kulak slavery forever and undertook the path toward building socialism. During the years of people's regime and under the RCP leadership, the Romanian people have turned their motherland into a country of developed industry, modern agriculture and socialist culture.

The Bulgarian people sincerely enjoy the achievements the Romanian people are attaining in accomplishing the decisions of the 11th RCP Congress and of the National Party Conference.

Our countries are making their contribution to strengthening the Warsaw Pact and CEMA which is in keeping with their basic interests--the building of a developed socialist society--and which also serves the cause of peace and security in Europe and throughout the world.

The Romanian people welcome their national holiday at a time when the peoples are intensifying the struggle for further strengthening detente, which is an expression of a change in the balance of forces in the international arena

in favor of peace and socialism, a change that has emerged as a result of the peaceful Leninist policy of the Soviet Union and the other socialist countries as well as of the efforts of all peace-loving forces in the world.

We note with deep satisfaction the increasing development of all-round Bulgarian-Romanian relations. The friendship and cooperation between our countries are constantly deepening on the basis of Marxism-Leninism, socialist internationalism and of the 1970 friendship, cooperation and mutual assistance treaty. We deeply believe that their constant strengthening and expansion is in the interest of the two fraternal peoples, the unity and cohesion of the countries of the socialist community, the international communist and workers movement and of all progressive forces in the world.

On the day of the national holiday of the Socialist Republic of Romania, we express wishes to the fraternal Romanian people and to you, dear comrades, for further greater successes in socialist building and in the struggle for the triumph of socialism and peace in Europe and throughout the world.

CSO: 2200

'NEPSZABADSAG' MARKS ROMANIAN LIBERATION ANNIVERSARY

Budapest NEPSZABADSAG in Hungarian 23 Aug 78 3 AU

[Untitled, unattributed article]

[Text] The fraternal peoples, the working people of neighboring socialist Romania are celebrating the 34th anniversary of their country's liberation today. They are commemorating the August 1944 uprising that, amid the Soviet Army's irresistible advance, overthrew the Antonescu fascist dictatorship. The RCP, which led the uprising, advocated that the country could only preserve its independence if it allied itself closely with the Soviet Union. It proceeded from the fact that the fierce anticommunism and antisovietism of the Romanian ruling class had caused grave losses and suffering to the country.

Ultimately, the conditions created by the successes of the Soviet Army furnished the basis for the people, led by the communists, who organized the antifascist resistance and courageously defied retaliation, to turn against those who sold out the country to the Hitlerites. Along with the royal court and influential groups of the military command, a sector of the ruling circles which, by then, wanted to break away from the fascist bloc, decided to change sides and consented to cooperate with the popular forces led by the communists. Romania and its army turned against Hitlerite Germany and, in the final phase of the war, fought stoutly, at the cost of heavy casualties, alongside the Soviet Army in the battles waged to liberate the country and then to liberate Hungary and Czechoslovakia.

More than three decades have elapsed since then. In this time liquidating the monarchy and embarking on the path of socialism, Romania, building a new life, has gone a long way and covered an upward path worthy of respect. The fraternal peoples of Romania can be justly proud of everything they have achieved through their devoted work in socialist construction.

As we greet socialist Romania on its holiday, we greet a country we are linked to through ties of a mutual treaty of friendship, cooperation and assistance. We are working together, jointly with the rest of the fraternal socialist

countries. We are both members of the Warsaw Pact and CEMA, because we know that the socialist countries' political, military and economic cooperation realized through these organizations provides firm and lasting frameworks for the constructive work and security of all of us and for the joint defense of our achievements.

On their national holiday we extend our heart-felt greetings to the fraternal peoples of the Socialist Republic of Romania. We wish them further successes in their socialist construction and that relations and cooperation between the two neighboring socialist countries, Romania and Hungary, may develop on the basis of the principles of Marxism-Leninism and proletarian internationalism and in the spirit of the meeting between Janos Kadar and Nicolae Ceausescu last June, thus effectively contributing to strengthening the unity of the fraternal socialist countries and defending the cause of peace.

CSO: 2500

ROMANIA

LAW ON ORGANIZATION, MANAGEMENT OF STATE SOCIALIST UNITS

Bucharest BULETINUL OFICIAL in Romanian Part I No 56, 12 Jul 78
pp 1-31

/Law approved by the Grand National Assembly on the Organization and Management of State Socialist Units/

/Text/ On the basis of Article 57 of the Constitution of the Socialist Republic of Romania, we sign and order to be published in the Official Bulletin of the Socialist Republic of Romania Law No 5 of 6 July 1978 regarding the organization and management of state socialist units.

Nicolae Ceausescu, President of the Socialist Republic of Romania
Bucharest, 10 July 1978

Law Regarding the Organization and Management of State Socialist Units

The carrying out of the Program of Creating a Multilaterally Developed Socialist Society and Advancing Romania Towards Communism requires the continuing improvement of the forms and methods of organizing and managing society and of participation by the broad masses of workers in the adoption of decisions at all levels of social and state life.

In accordance with the multilateral development of the national economy and all economic and social life, the Romanian Communist Party has consistently worked for the establishment of a comprehensive system of collective leadership organs, the use of certain forms of participation of all workers in the management and administration of units, the application of the newest advances in the science of organization and management and the raising of management in socialist units to a qualitatively higher level.

On the basis of the broad program of measures established by the Romanian Communist Party, the participation of the working class and all categories of workers, regardless of their nationality, is ensured in the management activities in the economic, political and social fields and in the continual improvement of the activities of the collective leadership organs and all central and local state organs.

The measures approved for raising worker self-management to a higher level and strengthening economic-financial self-administration ensure the growth of the role of workers' collectives in the management of all economic and social life and place the economic-financial mechanism in agreement with the democratically created organizational framework in order to provide economic units and collective leadership organs with the levers and economic-financial means to effectively exercise the rights and responsibilities conferred by law and to manage with maximum efficiency the portions of the national wealth entrusted to them by society for administration.

All these measures contribute to the acceleration of the development of production on the basis of modern technologies, the continuing improvement of product quality, the achievement of high efficiency and the increase of profitability, and the qualitative improvement of all economic life. Thus, conditions are created for increasing the contribution of each enterprise to the general development of our socialist society and, at the same time, for more directly involving the workers' collectives in fulfilling plan provisions and in economically developing each enterprise, which will be reflected in increasing the workers' income, according to the program of raising the standard of living established by the party and state.

The role of planning and financial activities will especially increase in fulfilling the development programs for production forces at high rates. There will also be an increase in the initiative and responsibility of the enterprises and centrals in planning and managing their own activities.

The harmonious combination of the autonomy of each enterprise, by broadening its field of competence and attributes, with the unified management of all economic and social life on the basis of democratic centralism ensures the full use of the advantages of the socialist order, the acceleration of our country's progress and the development of socialist democracy.

The improvement of the system of organization and management of the economy is achieved under the conditions of concentrating production in large economic units, of categorizing and specializing production units and of using more fully and rapidly introducing to production the results of scientific research.

The enterprise, as the basic unit of the national economy, carries out its activities on the basis of the plan and has the role of managing material and monetary means with maximum efficiency, ensuring the steady and integral fulfillment of tasks established by the plan and producing certain products of superior quality under conditions of increased economic efficiency.

Planning activities begin at the basic economic and territorial-administrative units. Plans are elaborated on the basis of economic contracts which will ensure the certainty of supply and sales. The management of financial activities is carried out on the basis of the enterprise's income and expenses budget. The strengthening of economic-financial self-management requires that all enterprises have the obligation of covering their production and distribution expenses, of obtaining profits from which they can provide for their own development and contribute to the general development of society, and of creating the resources for the participation of the workers in the profits and for covering the expenses necessary to satisfy certain social-cultural needs of the workers within the framework of the program of raising the standard of living.

The industrial central, as a large autonomous economic unit, is created by grouping together certain enterprises and other units according to the criterion of homogeneity of the products or the production technologies, cooperation in production, integration in the production of certain finished products or the territorial location of component units. The measures to improve economic-social management and planning provide the centrals, in their position as holders of the plan, increased opportunities for the development of scientific research and the introduction of technological progress, the shaping and specialization of products, the development of relations for international economic cooperation and foreign trade, the efficient use of fixed assets and facilities, the reduction of production costs and the increase of the profitability of production overall and for each subordinate enterprise.

Within the framework of the vast program to improve the qualitative facets of economic activities, the enterprises, industrial centrals and other economic units must concentrate their efforts to raise the technical and qualitative level of the products, to more rapidly develop domestic raw materials, to rationally manage fuels and energy, to accentuate the growth of worker productivity, to

rapidly increase the efficiency of fixed assets, to increase the degree of use of raw materials and other materials and to accentuate the reduction of production costs.

Beginning with the need to continually improve socialist production relations and the position of the workers as owners of the means of production, producers and recipients of all the material and spiritual goods of society, corresponding to broadening and raising socialist democracy to a higher level, the workers have the entire responsibility for the direct and effective management of each economic unit and the efficient management of the goods entrusted to them for administration, with the duty of being constantly concerned for the proper operation of units of which they are a part. Through its own content, socialist property requires the organic integration of the masses in the activities of organizing and managing production, the strengthening of the discipline and social responsibilities of each citizen in the fulfillment of assigned tasks, the direct participation of the workers in making decisions and the exercise of a strict review by workers of the manner in which the adopted decisions are fulfilled.

The institutionalization of workers' general assemblies, the organization of workers' councils in all enterprises and other state socialist units, the granting of increased attributes to all of these collective leadership organs and the expansion of their field of competence and the increase in the percentage of workers and masters who work directly in production in the workers' councils have created an organizational framework of effective participation of the working class and all workers in the process of drawing-up and adopting decisions and in the direct management of the units and the entire society, of fully demonstrating socialist democracy and of exercising worker self-management.

Designating the secretary of the party organization as the president of the workers' council and the director as the president of the executive bureau ensures improving the role of the workers' council and increasing the responsibility of the party organization in the proper carrying out of enterprise activities, as well as more clearly specifying the attributes and tasks of the executive bureau and the director in carrying out the decisions of the general assembly and the workers' council.

By regulating the forms of collective leadership, an expression of the consistent democracy of our order, in all state socialist units - ministries, other central state organs, local state organs of administration, economic units and institutes, collective leadership represents a general principle of the entire institutional framework of our socialist state.

In order to continue to improve the relations of production, to improve the organization of the workers' councils and the other organs of collective leadership and to broaden the framework of participation of the working class and all workers in the management of units and the development of worker self-management, the Grand National Assembly of the Socialist Republic of Romania approves the present law.

Chapter I

The Organization and Operation of the Enterprise

Article 1. - The state enterprise is the basic unit in which economic and social activities are carried out and in which workers directly exercise the prerogatives that they have stemming from their positions as owners of the means of production - goods belonging to all the people, as producers and as recipients of material goods. Each worker, enrolling himself in the collective of a state socialist unit, becomes a participant in the management of the enterprise and in the administration of the property entrusted to him and the enterprise, acquires rights and assumes the obligations outlined by law, and pledges to the entire society to make all efforts to ensure the efficient use and continuing development of public property, to place all his abilities and creative powers in the service of general interests and to fully participate in the economic and social activities in the unit.

The enterprise has as its objective, according to its specific nature, the production of goods, the execution of projects or the provision of services, and the supply and sale of products.

Enterprises are organized and operate on the basis of the principle of worker self-management and economic-financial self-administration. At the same time, the organization of economic activities is founded upon the principle of democratic centralism, which organically combines the unified management of the economy with the functional autonomy of each unit. The enterprise carries out its activities according to the laws in effect on the basis of the plan, which is an integral part of the unique national plan for economic and social development, having, at the same time, broad attributes in the fields of planning, scientific research and technological engineering, designing, investments, supply and sale of products, in the training of workers, in the organization of production and work, as well as autonomy in the management of assets. The enterprise answers to the organ to which it is subordinated for the fulfillment of the plan and all technical, economic and financial indicators.

Article 2. - The financial activity of the enterprise is carried out on the basis of the income and expenses budget. The strengthening of economic-financial self-management requires that the enterprises assume the obligation of covering their production and distribution expenses and of obtaining profits from which they can return the funds received from society, in order to ensure their own development, to contribute to the general development of society and to create the resources for the participation of workers in the profits, as well as to cover the expenses necessary to satisfy certain social-cultural needs within the framework of the general program of raising the standard of living of the workers as established by the party and state.

The enterprises have legal personality, which they acquire on the date of their registration with the Ministry of Finance or, in the case of those of local subordination, with the county or Bucharest Municipality financial organs.

The enterprises have their own plans, corresponding to the activities they carry out, plans that are an integral part of the unique national plan for economic and social development, conclude reviews, have accounts at the bank, benefit from bank credit, have economic, financial and legal relations with other units, use forms of material incentives outlined by law and exercise control over all the activities they carry out.

Factories, plants, exploiting units, mines, groups of worksites and other similar units without legal personality have economic-financial autonomy within the framework of the enterprises to which they belong, in which case they have their own plan and income and expenses budget. Dealings with the state budget are handled through the enterprise to which they belong.

Article 3. - Enterprises of national interest are established by Council of State decree and enterprises of local interest are established by decisions of the people's councils. Through the act of establishment, the name, location and purpose of the enterprise are established.

The enterprises are directly subordinated to industrial centrals or units similar to these, ministries, other central state organs, people's councils, according to the act of establishment.

The dissolution of enterprises, their reorganization, the modification of the name, location or purpose is done by the organ that had authority in their establishment.

The organization of enterprises is done on the basis of unitary structural norms established by law; the organizational structure of each enterprise includes compartments for production, design, as well as functional compartments.

Combines and large enterprises can have in their structure sections or centers for scientific research and technological engineering which carry out projects for the introduction of technical progress for the combine or respective enterprises.

Alongside the enterprises, sections or workshops can be established for the production of consumer goods for the purpose of completely using the raw materials and secondary materials resulting from the production process.

Similarly, in addition to the enterprises, units of a social-cultural nature can operate.

Article 4. - At their creation, enterprises are equipped with fixed assets and are equipped with their own facilities necessary to carry out their activities.

Fixed assets cannot be transferred, mortgaged or assigned and cannot be sued on the grounds of any title or in any way.

Fixed assets that become available, are in operation or are used, are transferred, put to better use or taken out of operation, whatever the case, according to law.

Raw materials, materials, fuels and other similar goods to be used in the production process, to the degree in which they exceed the needs of the holding units, can be forwarded for cash, under the conditions of law.

Finished products are used on the basis of economic contracts or under other conditions outlined by law.

In the payment of debts, only the monetary means of the enterprise can be used.

Article 5. - The enterprises have direct budgetary relations. They make payments representing drawings for society from the value of net production, for taxes on the distribution of goods and for a part of the profits under conditions established by law and other incomes due to the state budget.

For enterprises in the electrical and thermal energy branch of the economy, the payments to the state budget are made through the industrial centrals, while post and telecommunication units make their payments through hierarchically superior organs, according to law.

Article 6. - The enterprise has at its disposal and uses, under the conditions of law, the following funds:

- a) the fund for economic development;
- b) the fund for equipment;
- c) the fund for housing construction and other investments of a social nature;
- d) the fund for social actions;
- e) the fund for the participation of the workers in the profits;
- f) the fund for scientific research, technological development and the introduction of technical progress;
- g) the fund for worker safety;
- h) other funds outlined by legal provisions.

Article 7. - The profits realized within the framework of the plan are distributed, under conditions established by law, to restore the funds received from society, for creating its own funds and for payments to the state budget.

Those profits made above the plan level are distributed, according to law, for its own fund for economic development, the fund for housing construction and other investments of a social nature, the supplemental contributions to the fund for the participation of the workers in the profits and payments to the state budget.

Article 8. - The enterprise also benefits, under conditions outlined by law, from the funds distributed by the organ to which it is subordinated.

Article 9. - In the fields of planning, execution and review of the fulfillment of the plan tasks, the enterprise has the following principal attributes:

A. In the elaboration and justification of plan tasks

a) It elaborates five year and annual plans for all activities, keeping within the suggested levels and within the norms for the plan received from the central or organ to which it is subordinated. In the elaboration of its plans, the enterprise ensures:

- the study and thorough understanding of the domestic and foreign markets, the timely contracting of all production so that the economic activity serves the specific needs of the economy;

- the maximum use of the production potential through the integral use of the production capacity; the application of the results of scientific research for the purpose of modernizing production and promoting technical progress; the higher use of raw materials, materials, fuels and energy; the improvement of the use of fixed assets and other production funds;

- the rational use of the workforce;

- the broadening of the production profile in order to permanently adapt to the demands of domestic consumption and exports;

- the creation of the necessary financial resources;

b) It elaborates, directly or together with the appropriate institutes, studies and forecasts regarding the development of the enterprise in the future;

c) It elaborates special programs for the higher use of resources, the rational use of production capacities, the growth of worker productivity, the reduction of production and distributions costs, the growth of the efficiency of the production assets;

d) It cooperates with supply and recipient units and with local organs, permanently ensuring the correlation of the provisions with the tasks of the central or organs to which it is subordinated and with the requirements of the plan in the local area;

e) It establishes in subunits, sections and workshops tasks for these units and defines the measures necessary for their achievement.

B. In the execution of the plan

a) It ensures the steady and integral fulfillment of the plan indicators and periodically reports to the organ to which it is subordinated regarding the manner of achieving those indicators;

b) It organizes the records of production capacities and takes measures for the optimum use of those capacities;

c) It pursues the achievement of special programs for the purpose of the efficient use of the resources at its disposal;

d) It takes measures so that the plan will be exceeded for those products with ensured sales for export and domestic use;

e) It fulfills, similarly, other attributes outlined by law in this field.

Article 10. - In the field of research and development, the enterprise has the following principal attributes:

A. Scientific research, technological engineering and the introduction of technical progress

- a) It elaborates, together with the appropriate research and design institutes, its own five year and annual plans for scientific research, technological engineering and the introduction of technical progress and ensures the funds necessary to achieve these projects; It makes proposals for objectives of scientific research, designing and technological engineering to be included in the unique national plan for economic and social development;
- b) It elaborates studies, documentations and designs and carries out research for the making of new products and the modernization of existing ones, the development and modernization of equipment and installations, re-equipping and the extension of production capacities, the improvement of the production processes, the introduction of new technological methods and procedures, the increase of the level of use of raw materials and materials, the more rapid development of domestic raw materials, the introduction into production of certain new materials and the replacement of deficient materials;
- c) It applies in production and pursues the results of using completed scientific studies and research and those received from the hierarchically superior organ, as well as those that are appropriate and were achieved in other units;
- d) It organizes factory research activities and the introduction of technical progress and cooperates with scientific research and technological engineering units, as well as with institutes of higher learning in order to achieve the objectives of scientific research recorded in the plan; It concludes contracts for the objectives of scientific research, technological development and the introduction of technical progress for the entire period of the projects, from the beginning of the projects to the introduction of the results in production;
- e) It elaborates the preparation documentation for production, it elaborates the norms of consumption for raw materials, materials, fuels and energy, as well as the norms for the consumption of manpower per product;
- f) It organizes and ensures the carrying out of activities for inventions and innovations; it ensures the registration and protection of patentable technical solutions achieved within the framework of the units and takes measures for experimentation with

and the application of these solutions, it elaborates draft standards, technical norms and plans and instructions for use with the products that fall within its nomenclature;

g) It provides technical-scientific information, documentation and propaganda;

h) Similarly, it also fulfills other attributes established by law regarding scientific research and technological engineering, designing and the introduction of technical progress.

B. Investments and construction

a) It elaborates plans for investments, finances and the crediting of these plans;

b) It provides on a timely basis, according to law, the technical and economic documentation necessary for the planning and achieving of investments;

c) It approves, according to law, the technical and economic documentation for investments;

d) It concludes contracts to execute investment projects, provides the location and the finances for the project and achieves the project in accordance with a timeline; it organizes the execution of projects under its own control;

e) It concludes contracts and completes, in cooperation with the supplier, the schedule for the delivery of equipment, correlated with the graduated schedule for investments and the timeframe for putting the project into operation; it pursues respect for the delivery schedules;

f) It ensures the realization of its own resources destined to finance the investments;

g) It pursues the achievement of the objectives of the investments and is responsible for putting into operation on time the new production facilities; it approves the reception of investments where technical-economic documentation falls within its sphere of approval;

h) It names the equipment that was not specified by the hierarchically superior organ and which is to be acquired within the framework of the investment funds outlined in the plan;

i) Similarly, it also fulfills other attributes established by law in this field of activity.

C. The organization of management, production and work

a) It ensures the organization of management and production activities on scientific bases; it carries out studies regarding the improvement of the organizational structure, the rationalization of the informational system and the introduction of modern methods of calculation, the elaboration and improvement of the regulations on organization and operation, the establishment of precise attributes and responsibilities for all fields of activities;

b) It takes measures for the application of the most modern and efficient methods of organization, programming and follow-up, optimal use of production changes and the improvement of the work processes, maintenance, repairs, factory transportation and ensures the extension and spread of these methods;

c) It ensures the continuing improvement of the organization and standardization of work and elaborates standards and norms for work specifically for its field of activity; it elaborates the plan for work output and takes measures for its fulfillment; it ensures the application of work norms with scientific justifications for all categories of personnel;

d) It ensures the rational organization of all work places, as well as the judicious organization of shiftwork;

e) It ensures the application of studies and drafts for its own organization and those forwarded from the central or ministry for widespread use;

f) It ensures that organization drafts are also included in the drafts for new investment projects.

Article 11. - In the field of production, the enterprise has the following principal attributes:

a) It organizes and ensures the fulfillment of the production plan under conditions of increased efficiency;

b) It ensures staying within the consumption norms for raw materials, materials, fuels and energy; it takes measures to better use raw materials and materials;

c) It ensures the steady achievement of production and the gradual delivery of products in correlation with the contract schedule; it provides spare parts of the necessary type and number for the production equipment;

d) It ensures the achievement of the tasks for cooperation in production with other enterprises;

e) It establishes measures for the making of high quality products, it organizes technical quality controls during the phases of the production process, it is responsible for the production and delivery of products of the qualitative parameters outlined in state standards, technical norms or other technical documentation and in concluded contracts;

f) It establishes projects of small mechanization and ensures their documentation and realization;

g) It ensures the reduction of specific levels of consumption, optimizes the use of stocks of material value, eliminates uneconomical expenditures from its own activities and increases the profitability of products;

h) It ensures the operation, rational use, maintenance, repair and modernization of fixed assets;

i) It ensures the optimal loading of production capacities, the intensive use of machinery, equipment and installations; it ensures attaining the projected parameters for new production facilities put into operation; it takes measures to achieve a higher level of production per 1,000 lei of fixed assets;

j) It provides supplies of fuels, electrical power, thermal energy, water and other utilities for the needs of the enterprise; it takes measures for the rational use of thermal energy installations, the modernization of technological processes at installations that consume large amounts of fuel and energy; it ensures the application of measures for the continuing reduction of energy consumption and for the conservation of fuels and energy; it completes reviews of energy use and takes measures for the rational use of energy resources;

k) It ensures the application of standards for worker safety and hygiene in view of preventing work accidents and professional illnesses and the application of the norms for preventing and extinguishing fires and those of guarding goods, as well as the other supplementary measures necessary in accordance with the specific conditions in the unit; it completes the program of projects for worker safety and ensures its fulfillment; it ensures the application of measures to prevent and combat pollution of the environment;

l) It proposes technical norms for worker safety, norms for equipment for protection and wear specifically for its own activities when these items are not covered in national and departmental standards;

m) It also fulfills other attributes established by law in this field.

Article 12. - In the commercial field, the enterprise has the following principal attributes:

A. Technical-material supply

a) It elaborates and justifies, corresponding to the contracted production and plan tasks, the technical-material supply program which includes the necessary amounts from within the country and from imports and the delivery schedules, with respect for the norms and standards for consumption and stockpiling approved for raw materials and materials, fuels and energy, as well as the most efficient use of all material resources;

b) It is responsible for providing the material base necessary to achieve the plan tasks in good conditions; it concludes economic contracts for long term, annual and shorter periods of time and is responsible for the integral achievement of these contracts, ensuring the technical-material supply on the schedules necessary for the steady achievement of production;

c) It elaborates proposals for stockpile norms for raw materials, materials, fuels and spare parts; it takes measures to prevent the overstockpiling and the effective use of available stocks;

d) It receives raw materials, materials, parts, semi-finished goods and sub-assemblies and ensures the storage and conservation of these items in the appropriate conditions.

B. Sales

a) It concludes economic contracts over the entire five year period for the production outlined in the five year plan concerning domestic consumption, in accordance with the destinations of the products, so that there will be firm, concluded contracts at the time the plan is approved for all internal consumption; similarly, it concludes long term contracts for products that it produces, for periods of time longer than five years, on the basis of guidelines and forecasts for development in the future and cooperative agreements with other countries, especially for deliveries that are to be made within the framework of actions for international cooperation for machinery, installations and equipment that have long production cycles;

b) It adapts and details, if it is necessary, through annual plans the provisions in concluded contracts for periods of time up to five years; it is responsible for the delivery of the products

on schedule and under the conditions outlined in the economic contracts;

c) It participates in the review of the domestic market for the purpose of understanding the consumption requirements; it ensures the advertising and presenting of the products; it participates at expositions, practical demonstrations and markets in-country and abroad; it makes and distributes commercial catalogues;

d) It exercises its attributes, according to law, in the position of coordinator of results;

e) It takes measures to begin production on only those products for which sales have been ensured by contracts or firm orders; at the same time, the production enterprises are obligated to contract, in accordance with their production capacities and type of production, all the products requested by the receiving units;

f) It organizes the use of installations and equipment delivered to it, as well as "service" activities according to contractual clauses, both in country and abroad;

g) It ensures the resolution of complains referring to product quantity and quality, packaging, delivery schedules or other conditions outlined in economic contracts;

h) It approves transport plans using its own means; it pursues and is responsible for the appropriate use of its equipment and takes measures for the optimum use of transportation resources.

C. Foreign trade and international economic cooperation

a) It draws-up the plan for foreign trade and international economic cooperation;

b) It takes measures so that at the time the plan is approved the production for export and the necessary imports are assured on the basis of firm contracts, contract outlines, orders or agreements which will ensure the certainty of supply and sales;

c) It works to ensure the necessary amount of orders and contracts over the longest possible timeframes and to enter into cooperative agreements with enterprises and firms in other countries and ensures the effective adaptation of production to meet the demands of foreign markets;

d) It is responsible for the appropriate organization of production destined for export and the achievement and delivery of the amount of goods destined for export, in accordance with the schedules and

contractual clauses; it takes measures to introduce into production for export those products which ensure a higher use of raw materials and to continually update those products destined for export, ensuring, at the same time, a competitive technical and quality level and production costs as low as possible;

e) It participates, together with the specialized foreign trade enterprises, in reviewing the foreign market, negotiating and concluding firm contracts, contract outlines, orders or agreements for export production;

f) It participates in cooperation in production with foreign firms and organizations, directly - if it is authorized to do so, or through specialized foreign trade enterprises; it can initiate, negotiate and conclude, within the limits of its authority, cooperative actions, including participation in the creation of joint companies;

g) It permanently pursues the growth of financial and hard currency efficiency in foreign trade operations;

h) It resolves complaints referring to product quantity and quality, packaging, delivery schedules and other conditions outlined in foreign economic contracts;

i) It also fulfills other attributes established by law regarding economic contracts, foreign trade and economic and technical-scientific cooperation and other legal regulations in this field.

Article 13. - In the field of accounting and finance, the enterprise fulfills the following principal attributes:

A. Completing and executing the incomes and expenses budget

a) It draws-up the incomes and expense budget, the basic instrument of financial management and planning and of ensuring financial stability. In the elaboration and execution of the incomes and expenses budget, the enterprise is obligated to cover its production and distribution costs, to obtain profits from which to repay the funds received from society, to provide for its own development, to contribute to the general development of society and to create the resources for the participation of the workers in the profits and for covering the costs necessary to satisfy certain social-cultural needs;

b) It includes in the incomes and expenses budget, according to its specific type of activities:

- incomes, expenses, financial results regarding production, services, the distribution of goods and other basic or auxiliary activities; receipts from foreign trade activities;

- the enterprise's own funds outlined in Article 6;

- bank credits;

- payments to the state budget;

- other incomes, resources and expenses;

c) It makes proposals for the credit and finance plan;

d) It makes studies and analyses for the purpose of increasing the efficiency of fixed assets, increasing monetary reserves and accelerating the turnover of goods;

e) It establishes the maximum level of stocks of raw materials, materials, products, goods and other elements of commerce, with respect for the suggestive levels approved by the central or ministry and other central or local state organs;

f) It takes measures for the exact execution of the incomes and expenses budget, as well as for making on time and in the amount established those payments owed to the state budget or the hierarchically superior organ, whichever is required;

g) It ensures the creation of financial resources to cover the production and distribution costs, the normal carrying out of economic activities, the creation of its own funds, the repayment of bank credits, as well as the maintenance of a balance between incomes and expenses.

B. Other attributes

a) It organizes and exercises the financial-preventative review and the basic administrative review of the management of material and monetary resources;

b) It organizes and heads up accounting, it completes the accounting balance sheet and the report on the principal economic and financial indicators;

c) It establishes, with the agreement of the recipient, the prices and duties on products and services for which it has authority, as well as price increases and reductions, under conditions of law;

- d) It follows the status of the stocks of material values and takes measures to stay within the established maximum levels;
- e) It takes inventories of the goods found in the possession of the unit and takes appropriate measures, according to law;
- f) It establishes or proposes, whatever the case, the entering in the production or distribution expenses account of any shortages of material values uncovered during inventories that are above the legal standards, in cases where the shortages are not the fault of certain physical persons, as well as shortcomings in the administration of other damages, under conditions outlined by legal provisions;
- g) Similarly, it also fulfills other attributes established by law in the field of finances, prices, duties, financial review and accounting records.

Article 14. - In the field of personnel activities, the enterprise has the following principal attributes:

- a) It organizes the professional orientation, selection and assignment to work and promotion of personnel, according to the requirements established for each job; it provides personnel records; it takes measures for the application of certain objective criteria in the annual evaluation of worker personnel and the assignment and judicious use of these personnel;
- b) It establishes the necessary number of personnel for the future by craft and specialty;
- c) It completes its own plan to obtain, train and improve its workforce by craft and specialty and takes measures to achieve this; it organizes personnel training through qualification courses, professional schools, on-the-job training, masters schools and others, on the basis of the training plan and within the limits of the funds allocated by the plan; in collaboration with the institutes of learning, it organizes and follows practice work in production units for students and the apprentice stage for high school graduates; it ensures the timely training of the necessary personnel for new investment projects;
- d) It organizes the updating of worker training through on-the-job instruction, courses organized in the unit, individual study, practice stages or through other forms that are carried out within its framework or outside the unit;
- e) It provides the material base for school units, the equipment for laboratories and workshops and places for students to practice, as well as the necessary specialized personnel;

f) It ensures the application of the legal provisions regarding payment of salary according to the quantity and quality of work and applies the forms of material stimulation for the workers, as established by law, which will ensure a closer correlation of the salary with the results obtained;

g) It takes measures for the organization of activities to defend state secrets;

h) It takes measures for the improvement of work conditions, the prevention of work accidents and professional illnesses, as well as for the rational use of the workforce; it ensures respect for work discipline and the full use of work time;

i) It ensures the carrying out of its tasks, according to law, for the creation of canteens, child care centers, kindergartens and social groups and for the creation of housing conditions, the resolution of medical care problems and living space, as well as material base necessary for cultural-sport activities;

j) It ensures the completion of the pension folder for workers in the enterprise, as well as the correct records of all the necessary data to establish a pension;

k) It ensures taking all the necessary measures for re-educating through work those persons who have committed violations and infractions of the norms of social behavior and the laws of the country;

l) Similarly, it also fulfills other attributes established by law regarding the assignment and promotion in work, education, salary, updating of worker training and other regulations in this field.

Article 15. - The enterprises subordinate to centrals fully exercise the attributes in the field of production, as well as the attributes appropriate to other fields which are not justified from an economic point of view to be achieved in a centralized manner. The attributes regarding scientific research and technological engineering, investments and training and updated training for personnel are usually centrally exercised for the use of the enterprises by the central to which the enterprises are subordinated.

The enterprises in the distribution and service sectors exercise the attributes included in Chapter I of this law, adapted to their specific type of activity.

Chapter II

The Organization and Operation of the Centrals

Article 16. - The central is an autonomous economic unit of production, construction, distribution, transportation and other services. The central includes subordinate enterprises and component units such as: factories, plants, exploitation units, groups of work sites or construction-assembly sites, motor pools, sections, workshops, sectors and other similar organizations; similarly, it can have in its composition units for scientific research and technological engineering, designing, foreign trade, supply, sales, computers, training and updating personnel, services and other units necessary for the fulfillment of its tasks.

The central ensures the management, guidance and review of the activities of its subordinate enterprises and component units.

The central is usually formed on the structure of a large enterprise and representatives. The grouping of the subordinate enterprises and units within the framework of the central is mainly done on the basis of the criterion of homogeneity of the products or the production technology, cooperation in production, the integration into production of certain finished products or the territorial location of the units belonging to the central.

Article 17. - The industrial centrals, railroad regional centers, groups of enterprises or other units similar to these, called centrals in this law, are organized and operate on the basis of economic-financial self-management.

Article 18. - Centrals have legal personality, which they acquire on the date they are registered with the Ministry of Finance or, in the case of those having local subordination, with the county and Bucharest Municipality financial organs.

Centrals have their own plans - an integral part of the unique national plan of economic and social development. They hold reviews, have bank accounts, benefit from bank credits, maintain economic, financial and legal relations with other units, as well as with foreign recipients and suppliers.

Article 19. - Centrals are established, reorganized - by merger, absorption, total or partial division, or dissolved by Council of State decree.

Centrals are subordinate, depending on the case, to ministries, other central state organs of administration or people's councils and the Bucharest Municipality.

The act establishing a central sets its name, location and purpose.

Article 20. - Upon their establishment, centrals are given fixed assets and equipped with their own facilities necessary for carrying out their activities.

Article 21. - Centrals have direct budgetary relations for their own activities and for investments regarding new economic units and more important developments at units already in operation, as well as for other activities outlined by law.

Article 22. - The central has at its disposal and uses, under legal conditions, the following funds:

a) the fund for financing investments at new enterprises, including funds for housing construction and other investments of a social nature for these enterprises, as well as for financing important developments at subordinate enterprises already in operation and distinctly established in the unique national plan. This fund is created from part of the amortization of the fixed assets taken from the enterprises and other resources outlined by law, as well as from allocations from the state budget;

b) the fund for scientific research, technological development and the introduction of technical progress;

c) the reserve fund for facilities, created by taking a quota of .5 percent of the facilities fund annually created by the subordinate enterprises;

d) the reserve fund, in the framework of the allocated hard currency funds, to meet certain urgent import needs;

e) other funds, according to legal provisions.

Article 23. - The provisions of Article 6 and Article 7, referring to their own funds, as well as to the planned profits and those attained above planned levels, also apply appropriately to the industrial centrals and units similar to them, both for their own activities and those of their subordinate enterprises.

Article 24. - The central can award bonuses and other stimulants to the workers, under conditions outlined by law.

Article 25. - In the area of planning and the review of task fulfillment, the central, as a plan holder, has full responsibility for the elaboration of the plan in its field of activity and for the fulfillment of the plan goals for the overall central and for each subordinate enterprise and has the following principal attributes:

A. In the elaboration and justification of plan tasks

a) It elaborates its own five year and annual plans on the basis of the proposals of its subordinate enterprises and component units, staying within the suggested levels and plan standards received from the State Planning Committee. In the establishment of these tasks and the means to achieve them, the central will especially pursue:

- the timely conclusion of supply and sales contracts so that, when the plan is approved, it will be practically fully covered by contracts with domestic recipients and suppliers. And, for exports and imports, it will have at its base as large a number of contracts, contract outlines, orders and agreements as possible so as to ensure the certainty of supplies and sales;
- the intensive use of the full production potential of its subordinate enterprises and component units;
- the optimum development of production capacities and the modernization and development of existing units;
- the specialization of production and the establishment of programs for cooperation between the units of central, as well as with other centrals;
- the assimilation of new and redesigned products, the introduction of advanced technologies and the use and spread of the results of its own scientific research and those of the other units of scientific research and technological engineering;
- the management of material and monetary funds with maximum efficiency, the ensurance of a program of strict economy and the strengthening of plan discipline in all units;
- the efficient use of the workforce in accordance with the norms for increasing physical and value worker productivity, staying within personnel standards;

b) It elaborates, together with the ministries or other appropriate central organs, the suggested levels and plan norms and establishes

them for each subordinate enterprise; after approval of the unique national plan for economic and social development, it carries out the plan tasks in the subordinate units and establishes measures to fulfill these tasks;

c) It elaborates special programs by product, groups of products, sub-branches, activities or type of problem, by county or location; Included in these programs will be specific ways and means to ensure the material base and the higher use of resources, the rational use of the production capacities, the introduction of technical progress, the creation and updating of personnel training, the increase of worker productivity, the reduction of production costs and the growth of the efficiency of the productive funds and other elements which define the qualitative and quantitative facets of all economic activities;

d) It elaborates studies and forecasts regarding the future development of the central's activities and its principal products;

e) It creates a plan reserve in the salary fund of up to 1.5 percent from the total salary fund approved by the central; for seasonal activities and construction-assembly activities, the fund can be as much as two percent of the quarterly approved salary fund. In a corresponding manner, a plan reserve is also created for the number of personnel;

f) It cooperates with its subordinate enterprises, other centrals, coordinating ministries and with local organs in the elaboration and justification of plan tasks.

B. In the execution of the plan

a) It pursues the steady and full achievement of the overall plan for the central and for each of its subordinate enterprises; it takes measures for the growth of plan discipline and the effective resolution of those problems that arise in carrying out the plan;

b) It pursues the application and achievement of special programs; it takes measures to reactivate those programs in accordance with the supplementary needs to increase production and economic efficiency;

c) It uses the plan reserve in the salary fund and the number of personnel to resolve certain problems that arise in its subordinate enterprises during the process of achieving the plan;

d) It organizes the records of the central's production capacities and those of its subordinate enterprises and component units;

it takes measures for increasing the level of use of those capacities for the purpose of achieving the physical production goals approved in the plan and bringing into production supplemental requirements of the domestic and export markets;

e) Similarly, it also fulfills other attributes established by law regarding the planned economic-social development of the country.

Article 26. - In the field of research and development, the central has the following principal attributes:

A. Scientific research, technological engineering and the introduction of technical progress

a) It elaborates, together with the central research institutes, its own five year and annual plans for scientific research, technological development and the introduction of technical progress, ensuring the outlay necessary to achieve these projects which are at the base of central's and enterprises' orientation towards producing new products of high quality and technical nature that are competitive from a technical and economic point of view with similar products on the foreign markets; it makes proposals for projects for scientific research, technological development and the introduction of technical progress to be included in the unique national plan for economic and social development and ensures the realization of the approved plan;

b) It draws up, together with the central research institutes, studies and forecasts for the overall development of the central, its subordinate enterprises and its component units for the purpose of specializing those organizations, concentrating their production and categorizing their products and subassemblies; it approves studies regarding the directions of development and the role of its subordinate enterprises and component units that are drawn up by these organizations;

c) It ensures technical-scientific cooperation with units abroad and concludes contracts with them, within the limits of its authority;

d) It organizes and guides design activities and takes measures for the use of standard, normal and reuseable designs;

e) It organizes and ensures activities for scientific research and technological engineering both for its own needs and for other units for new products and technological procedures; it concludes contracts with specialized units for projects of scientific research, technological development and the introduction of

technical progress for the entire period of work on the project, beginning from the moment of initiating the project until the introduction of the results in production; it ensures, together with the appropriate units in this field, technical assistance at new investment projects;

f) It completes comparative studies of offers for complex imports and proposes its options;

g) It elaborates or, if need be, organizes the elaboration of studies for the assimilation of new products within the role of the central, as well as for the modernization and improvement of the technical-quality level of the products; it takes measures for beginning production of newly assimilated products;

h) It organizes the elaboration of studies regarding the improvement of technologies, concomitantly with the improvement of work conditions, for the beginning of production of certain new materials of high quality and increased efficiency and the replacement of deficient or imported materials; it ensures the introduction and extension of new and high productivity technological procedures; it takes measures for the extension of mechanization and automation in production, the modernization of equipment and installations and the introduction of mechanized and automated means of computing;

i) It presents proposals to the ministry for acquiring licenses;

j) It establishes the thematic plan for inventions and innovations; it ensures the measures necessary for the identification and protection of patentable technical solutions achieved within the framework of its subordinate enterprises and component units; it takes measures and ensures the experimentation, application and spread of inventions and innovations; it makes proposals for the patenting and use of inventions abroad;

k) It provides technical-scientific information, documentation and propaganda;

l) It establishes, together with the central research institutes, measures for the development of the material base of its own units for design, scientific research and technological engineering; it ensures the experimentation, confirmation and quick application to production of the results of the scientific research;

m) It elaborates the norms and standards for consumption that are approved by the unique national and departmental plan for raw materials, materials, fuels and energy; it establishes such norms

and standards for other raw materials and materials for the purpose of providing technical-economic justification of production consumption;

n) Similarly, it also fulfills other attributes established by law in the field of scientific research and technological engineering, designing and the introduction of technical progress.

B. Investments and construction

a) It draws up investment plans for the central on the basis of its own studies and the proposals of its subordinate enterprises, institutes and component units; on the basis of these proposals, it elaborates the financing and credit plans for investments;

b) It ensures the elaboration, together with the central research institutes, either through its own design organizations or through a third party, of the technical-economic documentation necessary for the planning and achievement of investments; it takes steps so that the production of new investment projects is principally achieved using raw materials, materials and equipment in the country; it makes proposals for the location of production units, keeping in mind the existence of a workforce, the reduction of transportation and the use of utilities in the area; it completes comparative studies of offers regarding complex imports and proposes the central's position;

c) It approves, according to law, the technical-economic documentation for investments;

d) It concludes contracts with construction units for the execution of investment projects or can empower its component units to conclude these contracts; it organizes, where it is economically justified, the execution of projects within its own realm of authority;

e) It establishes, in cooperation with suppliers, the schedule for the delivery of equipment and installations, correlating these delivery schedules with the gradual pace of investments and the beginning of production;

f) It pursues the attainment of the resources destined to finance the investments, for which it takes measures to create, according to the plan, the funds obtained from profits and other sources;

g) It distributes the investment funds, which can be disposed of in the following order:

- for putting into operation those capacities and projects that are to be used during the year of the plan;

- for achieving the physical stages established in the schedules for those projects underway or new projects;

h) It organizes the reception of investment projects; it approves the reception of investment projects for which technical-economic documentation falls within its sphere of approval;

i) It fulfills, similarly, other attributes established by law in the field of investments.

C. The organization of management, production and work

a) It ensures the organization and carrying out of management activities in the central and its subordinate units on scientific bases; it takes measures for the application of modern methods of management, the development of collective leadership and the justification of decisions using computers; it ensures the application of uniform norms for structure and the improvement in continuation of the informational system according to the attributes and responsibilities of each organizational level, bringing the decisionmaking authorities closer to the production process;

b) It takes measures for the organization of production on scientific bases for the purpose of rationally using production capacities, applying modern forms and methods of organizing and programming production for the purpose of optimizing production processes and using rational systems for the movement of raw materials, materials and products; it ensures the application of modern methods for organizing maintenance, repair work, factory transportation, loading and unloading and other indirect production activities;

c) It ensures the continuing improvement of the organization and standardization of work, the rationalization of office work and the rational organization of the workplace and the organization of shiftwork; it elaborates uniform work standards and norms specifically for its field of activity, with the agreement of the branch trade unions;

d) It draws up, on the basis of the proposals of its subordinate enterprises and component units and its own analyses, the plan for technical norms for work and takes measures to fulfill them; it ensures the application of scientifically proven work norms to all activities and categories of personnel; it reviews the manner of applying work norms;

e) It pursues the use of its own studies and those made by its subordinate enterprises and component units through their applicatio .

extension and spread; it elaborates, on the basis of these studies, synthetic calculations regarding the possibilities of increasing production, increasing worker productivity and achieving profits above the planned levels;

f) It grants assistance in this specialty to its subordinate enterprises and component units in problems relating specifically to the organization of management, production and work;

g) It ensures that draft works on organization are included in the drafts of new investments.

Article 27. - In the field of production, the central has the following principal attributes:

a) It ensures the steady achievement of the production plan by its component units under conditions of high economic efficiency;

b) It elaborates documentation for the technological preparation of production for standardized technological processes, as well as production programs for its subordinate enterprises and component units for which these activities are centrally carried out;

c) It ensures the continued reduction of specific consumption of raw materials, materials, fuels and energy; it checks on energy reserves and pursues the application of conservation measures for fuels and energy as a result of these reviews;

d) It organizes and pursues the application of modern methods of preparation-programming-start-up and follow-up of production for the purpose of rationally using production capacities and manpower;

e) It establishes the plan for cooperation in production for its subordinate enterprises and component units; it pursues and takes measures for the full fulfillment of this plan; it ensures the cooperation in production with other centrals;

f) It organizes and reviews the use, maintenance and repair of equipment and installations and measurement and control devices for tool production, as well as spare parts for its own equipment, metrology and other auxiliary production activities or services through which service is provided to its subordinate enterprises and component units; it plans capital repairs of its fixed assets and ensures their maintenance in proper operation for the full period of service;

g) It organizes and guides the carrying out of technical quality control activities;

h) It establishes the measures to prevent work accidents and professional illnesses, keeping in mind the specific conditions in the units; it ensures the application of measures for the prevention and the extinguishing of fires and fighting environmental pollution and for the cleaning and protecting of water quality;

i) It ensures the full use of production capacities at maximum efficiency and the attainment of the projected parameters for new production capacities within planned timeframes; it takes measures to achieve higher levels of production per 1,000 lei of fixed assets;

j) Similarly, it also fulfills other attributes established by law in the field of production, use of fixed assets, product quality and other similar activities.

Article 28. - In the commercial field, the central has the following principal attributes:

A. Technical-material supply

a) It ensures the elaboration of technical-material supply programs which contain the necessary amounts from within the country and from imports, the suppliers and the delivery schedules, with respect for the norms and standards of consumption and stockpiling that have been approved and the use of all material resources with maximum efficiency; it elaborates technical-material supply programs for carrying out activities in those enterprises that are not to be in operation during the period of drawing up the plan;

b) It provides, according to the destinations of the materials in stock, the material base necessary for the steady carrying out of the production process at its subordinate units; it assists in and pursues the conclusion of contracts for technical-material supply by its subordinate enterprises during the entire five year period, as well as for other periods of time outlined by law; it pursues the establishment of contractual relations, usually with traditional suppliers, with respect for the indicators to optimize the zonal transportation and calculation of supplies;

c) It contracts with supplying enterprises for raw materials, materials, fuels and energy necessary for the operation of units newly put into operation during the period of elaborating the plan, as well as for those products whose supply is provided by the central;

d) It ensures the appropriate size of stocks, taking measures to establish stock norms for raw materials, materials and fuels; it takes measures for the prevention of creating stock surpluses and for the elimination of existing ones; it approves stock norms that are within its authority; it ensures redistribution between its subordinate enterprises and component units, as well as to other units of stock surpluses and other stocks available for re-introduction to the economic circuit;

e) It follows the manner in which its subordinate enterprises and component units conclude contracts and achieve their technical-material supply for products within their sphere of authority; it resolves pre-contractual litigations between its subordinate enterprises;

f) It organizes, if need be, its own supply depots.

B. Sales

a) It ensures the contracting for the production established by the five year plan for the entire period of five years, in accordance with the destinations of the material reserves, pursuing the conclusion of firm contracts for domestic consumption, as well as firm contracts, contract outlines or other agreements for products destined for export; it concludes contracts to sell the production of units newly placed in operation during the period of drawing up the plan;

b) It adapts and details, if it is necessary, through annual plans the provisions in the concluded contracts for periods up to five years;

c) It concludes long term contracts, for periods longer than five years, on the basis of orientations and forecasts for future development of the branches and sub-branches which it coordinates and on the basis of agreements for cooperation with other countries, especially for deliveries that are to be carried out within the framework of international cooperative actions for machinery, installations and equipment having a long production cycle;

d) It completes reserve stock amounts for the five year and annual plans for those products for which it is the stock coordinator, with the obligation to ensure covering the necessary amounts required by the country's economy, using its own resources and those of its suppliers, as well as those coming from imports; it cooperates with other supplying centrals and units and buyers and with the hierarchically superior organs of these units for the establishment of the most efficient solutions to balance out these material stocks; it ensures the judicious sizing of stocks, keeping

consumption within the established norms and standards and extending the use of replacements for certain items and the use of in-country raw materials and materials, taking or proposing measures for the intensification of the production of these items; it records in these stocks the appropriate plan reserves for the purpose of steadily carrying out the production process and achieving plan goals and uses them according to its authority; it ensures the optimal use of transportation for those products for which it is the stock coordinator;

e) It establishes the list of products that are contracted and sold by the central and those sold by its subordinate enterprises; it establishes direct relations with the buyers for the establishment of a portfolio of orders and the determination of other elements useful to conclude economic contracts; it takes measures to process all contracts and orders that correspond to the needs of the national economy and works for the strengthening of contractual discipline, the full respect for the obligations assumed by its subordinate units and the acceleration of the turnover of goods, as well as for the use of material and monetary funds with maximum efficiency;

f) It elaborates, together with other producers, and distributes commercial catalogues containing the products produced by its subordinate enterprises and component units, with instructions for all the elements necessary to establish contractual relations, including those for which it has the role of stock coordinator; it annually revises and improves its catalogues;

g) It organizes a review of the domestic market for the purpose of understanding consumer demands; it provides for the advertising and presentation of its products; it organizes and, if need be, participates in fairs, expositions and practical demonstrations for the products for which it is stock coordinator or which are produced by its subordinate enterprises and component units; it produces albums and prospecti containing the qualitative features and range of uses of its products and takes measures for the broad distribution of these items;

h) It fulfills, according to law, the function of general supplier for the delivery of complex installations;

i) It organizes, if need be, its own sales depots or warehouses to show and sell its products in-country, and services, as well as sales on consignment;

j) It resolves complaints referring to quality, quantity, packaging, delivery schedules or other clauses outlined in domestic contracts.

C. Foreign trade and international economic cooperation

- a) It elaborates plans for exports, imports and international economic cooperation on the basis of its own studies and the proposals received from its subordinate enterprises; it lays out the plan indicators approved for its subordinate units;
- b) It provides for contracting all goods destined for export;
- c) It organizes and pursues the making in production units all the goods destined for export, in accordance with the schedules and clauses in the concluded contracts; it is responsible for completely fulfilling the delivery schedule for goods slated for export from the central in the monthly and quarterly increments established in the plan; it is responsible for increasing the financial and hard currency efficiency of its foreign trade operations;
- d) It recommends to the hierarchically superior organ the hard currency funds required for imports and, after approval, takes measures for their use in strict accord with the objective needs of its subordinate enterprises and component units; it elaborates technical files for the import of production and investments and ensures the timely contracting and delivery scheduling for imported products through the specialized foreign trade enterprises; it ensures that its subordinate enterprises and component units are supplied with imported products;
- e) It participates, alongside the specialized foreign trade enterprises, in studying the foreign market and in negotiating and contracting for products;
- f) It organizes and pursues the improvement of the variety and quality of the products delivered for export;
- g) It concludes contracts with the Romanian Foreign Trade Bank to obtain hard currency credits;
- h) It ensures the resolution of complaints regarding the quality, quantity, packaging, delivery schedules or other conditions outlined in foreign trade contracts;
- i) The central participates in cooperation in production with foreign firms and organizations, directly, if it is authorized to do so, or through foreign trade enterprises; it can initiate, negotiate and conclude, within the limits it has in cooperative actions, including participation in the creation of joint

companies for: obtaining raw materials and other products of high economic importance; broadening the export of installations, machinery, equipment and other products having a high degree of finishing and competitiveness on the world market; granting technical or specialized assistance; extending, modernizing and reusing certain existing facilities; more rationally using hard currency to be used for imports; accelerating the introduction into production of certain modern technologies and raising the qualitative technical level of production and service, as well as ensuring a high level of worker productivity;

j) It fulfills, according to law, the function of general foreign supplier;

k) Similarly, it also fulfills other attributes established by law in the fields of economic contracts and foreign trade and international economic cooperation activities, as well as other regulations in this field.

Article 29. - In the field of accounting and finance, the central has the following principal attributes:

A. Completing the incomes and expenses budget

a) It elaborates the incomes and expenses budget which contains the incomes and expenses of the entire activity of the central, as well as the funds that are created for its use according to Article 22;

b) It ensures the mobilization of all reserves at the disposal of its subordinate units, staying within the suggested levels received from the hierarchically superior organs;

c) It establishes suggested levels regarding the financial indicators for its subordinate enterprises and component units;

d) It makes proposals for credit and finance plans and assigns approved levels to its subordinate enterprises and component units;

e) It makes studies and analyses regarding the efficiency of production funds, the evolution of monetary accumulations and the structure of material expenses, stocks of material values and other financial indicators;

f) It analyzes the proposals of the hard currency plan for non-commercial services and operations received from its subordinate enterprises and component units and completes the draft hard currency plan for the central;

g) It elaborates the directives for the application of the methodology and formulas of financial planning in its subordinate enterprises and component units.

B. Executing the incomes and expenses budget

a) It ensures the fulfillment of the incomes and expenses budget for the overall central, its subordinate enterprises and its component units, pursuing the achievement of monetary accumulations and its financial obligations to the state and the increase of profitability and the efficient use of material and monetary resources, as well as respect for financial discipline;

b) It takes measures for the acceleration of the turnover of goods through the improvement of technical-material supply, production programs and sales activities; it follows the status of stocks of material values and takes measures to keep its subordinate enterprises and component units within the total level of goods, to eliminate stock surpluses and those available, as well as to also prevent the formation of these types of stock surpluses;

c) It analyzes the causes which lead to exceeding the planned funds and the failure to repay bank credits on schedule in the subordinate enterprises and component units and takes measures which ensure staying within the limits of these planned funds;

d) It verifies and centralizes accounting reviews and the status of the monthly economic and financial principal indicators of the subordinate enterprises and component units; it completes accounting reports for all central activities, which it forwards to the appropriate organs;

e) It establishes or proposes, whatever the case, placing on the account of production or distribution expenses any shortages of material values found during inventories that are above the norms set by law, in cases where the shortages are not the fault of a physical person, as well as shortcomings in the administration of other damages, under the conditions of legal provisions;

f) It establishes the schedules for carrying out the annual property inventory at the subordinate enterprises; it examines and resolves property litigations between its subordinate enterprises and resolves litigations having a value of less than 1,000 lei where the subordinate enterprises are short of property;

g) It organizes the preventative financial review under conditions of law and organizes and exercises the basic administrative review of the material and monetary resources at the subordinate enterprises and component units;

h) It establishes prices and charges, according to legal provisions and authority; it reviews and is responsible for the manner of establishing prices and charges, as well as the agreement between product quality and the established prices;

i) It redistributes the available fixed assets to its subordinate enterprises and component units, within the framework of its granted authority;

j) Similarly, it also fulfills other attributes established by law in the field of finances, prices and charges, financial review and accounting records.

Article 30. - In the field of personnel activities, the central has the following principal attributes:

a) It organizes the application of certain scientific criteria in the selection, training and assignment to work and promotion of worker personnel; it is concerned with the timely formation of personnel together with the learning institutes;

b) It establishes and ensures the necessary number of personnel in the future by craft and specialty, keeping in mind the specific nature, requirements and development of the coordinated sector;

c) It completes the plan to acquire and train the workforce through qualification courses, both during and outside of production, practice on-the-job, high schools, professional schools, apprenticeships, masters schools and others, on the basis of its own proposals and those received from its subordinate enterprises;

d) It elaborates the plan to update personnel training according to the rapid development of technical progress and the requirements of the scientific management of production and work;

e) It organizes the training of worker personnel through qualification courses, on-the-job practice, high schools, professional schools, as well as through masters schools and others on the basis of the training plan and within the limits of the funds allocated through the plan; it organizes and pursues student practice in production and the level of practice for high school graduates in cooperation with the learning institutes; it organizes, according to law, the updating of personnel training in the field of the central's activities and in problems of management and organization;

f) It provides the material base for the school units and the equipment, laboratories, workshops and places of work for students to practice, as well as the necessary specialized faculty;

g) It ensures the application of the legal provisions regarding the payment of salaries according to the quantity and quality of work performed and applies forms of material incentives for worker personnel established by law which will ensure a closer correlation of the pay and the results obtained;

h) It takes measures for the organization of activities to protect state secrets by the worker personnel within the framework of the central and its subordinate enterprises and component units;

i) It takes measures for the improvement of work conditions and the rational use of the workforce; it organizes and pursues the realization of social actions for the overall central referring to the establishment of canteens, child care centers, kindergartens, housing areas and the solution of medical care problems, as well as providing for the material base necessary for cultural-sport actions;

j) It establishes measures and pursues the respect for work discipline and the full use of work time in all the units of the central;

k) It ensures the completion of the pension folder for the personnel of the central and its subordinate units;

l) It ensures taking all the measures necessary to re-educate through work those persons who have committed violations and infractions of the norms of social behavior and the laws of the country;

m) Similarly, it also fulfills other attributes established by law regarding the assignment to and promotion in work, the education, salary, updating of personnel training and other regulations in this field.

Chapter III

The Management of Economic Units

Article 31. - The worker personnel in each state socialist unit have the responsibility for the management of the property entrusted to them and for the economic results obtained in the unit. Each worker, in his position as a participant in the administration of national property, has the responsibility towards his collective for fulfilling his own work tasks and, together with his entire collective, for the proper operation of his unit's general activities.

The Constitution of the Socialist Republic of Romania establishes the role of the Romanian Communist Party as the leading political force of the entire society. The party organizations in each socialist unit exercise the political leadership of economic and social life and pursue and review the carrying out of tasks in good conditions that stem from the programs for economic and social development.

Article 32. - The management of state socialist units is achieved on the basis of the principle of collective work and management through the direct participation of the workers in discussions and the solution of problems in the unit's economic and social activities and in the elaboration and carrying out of the measures necessary to fulfill plan tasks and to improve the work and living conditions of the entire collective.

The organs through which the collective management is exercised in the enterprises, centrals and other socialist units are: the general assembly of workers, the workers' council and the executive bureau of the workers' council.

Section I

The Organization and Operation of the Workers' Council in the Enterprises

Article 33. - The workers' council is composed of personnel having responsible party and state jobs, specialists with superior experience and representatives elected from the workers. In those units where there are workers from the ranks of the coinhabitating nationalities, workers belonging to these nationalities also belong to the council. According to the size and complexity of the enterprise, the workers' council is made up of 15 to 35 persons and has the following composition:

- a) a president, a position filled by the secretary of the party organization in the enterprise;
- b) a first vice president, a position filled by the director of the enterprise;
- c) a vice president, a position filled by the president of the trade union committee;
- d) a vice president, a position filled by a elected representative of the workers, a worker who works directly in production;
- e) a vice president, a position filled by the secretary of the Union of Communist Youth organization;

f) members:

- deputy directors or, in some cases, the chief engineer and chief accountant;
- the chief of the technical quality control compartment;
- the president of the women's commission in the enterprise;
- the chiefs of certain work compartments and heads of the more important shops, sections, work areas and factories, as well as highly qualified specialists and scientists.

The members of the workers' council from among the ranks of these personnel are named by the organ where they work on the basis of the proposals of the general assembly of workers; the members of the workers' council from outside the enterprise are named with the agreement of the unit management where they work:

- from seven to 17 worker representatives elected every two years in the general assembly of workers from the ranks of the workers, master workers, technical and economic personnel and other types of personnel; at least 75 percent of the number of worker representatives will work directly in production.

In those enterprises with a large number of women, the president of the women's commission will also fill the position of vice president of the workers' council.

The total number of persons in the workers' council, as well as the number of worker representatives is established by the general assembly of workers, in accordance with annex No 1 of this law and keeping with the volume and complexity of production and territorial dispersal, as well as other specific factors.

Article 34. - In those enterprises that carry out their activities in a number of counties, the workers' council has the following composition:

- a) a president, a position filled by the enterprise director;
- b) a vice president, a position filled by the secretary of the party organization in the most representative unit;
- c) a vice president, a position filled by one of the deputy directors or the chief engineer in cases where there is no deputy director;
- d) members:

- members of the workers' council are outlined in Article 33, letter f);
- the president of the trade union committee in the enterprise or the delegate of the trade union in those units without their own trade union committees;
- the secretary of the Union of Communist Youth organization in the unit.

In those enterprises which carry out their activities in territorially dispersed units, but within a single county, the composition of the workers' council will be the one outlined in Article 33.

In unusual cases, for some enterprises or institutes which coordinate socialist units having legal personality situated in the same county, the ministries, together with the county party organs and the approval of the Council for Economic and Social Organization, can decide the organization of the workers' councils, according to the provisions of paragraph one of this article.

Article 35. - The workers' council in the enterprise has the following attributes:

- a) It elaborates the five year and annual plan with respect for the suggested levels and plan norms established by the central; it approves the distribution of plan indicators to its component units;
- b) It makes changes, in justified cases and in accord with sales requirements and opportunities, to annual production goals in its natural units for those types of goods which make up the groups of products that are approved in the unique national plan, yielding profits and respecting the total annual goals for those groups of products, as well as the value indicators established in the plan and the budget;
- c) It periodically analyzes and is responsible for how the fixed assets in its inventory are used, maintained and repaired and it takes measures to ensure the most rational use of these assets;
- d) It draws up the incomes and expenses budget and approves the accounting review; it analyzes the evolution of monetary accumulations and profitability and the structure of expenses and the stocks of material values and takes measures to use production funds with maximum efficiency;
- e) It approves the organizational structure on the basis of the uniform norms for structure and types of structures; it approves

the organization and operation regulation of the enterprise and the operation regulation of the workers' council; it decides the establishment and organizational grade assignment of sections, production workshops, work sites, groups or other similar units on the basis of the grading methodology approved by Council of State decree; it approves measures to improve the informational system and to mechanize and automate data processing;

f) It establishes the program to elaborate and re-examine local work norms and standards, as well as the program of measures to increase worker productivity and to subject them to approval of the general assembly of workers;

g) It organizes the training, improvement, assignment and promotion in work of worker personnel;

h) It decides the assignment and dismissal of management personnel in the factories, plants, exploitation units, work sites and other similar units, as well as the section and service chiefs;

i) It ensures taking all the measures to understand and apply party and state laws and decisions; it ensures the material conditions and assists the activities to raise the level of socialist awareness for the purpose of developing a progressive attitude toward work, the protection and management of public property and the civic education of the workers;

j) It analyzes the fulfillment of unit tasks regarding the punishment and re-education through work of those persons who have committed violations and infractions of the norms of social behavior and the laws of the country;

k) It elaborates, together with the trade union committee, the collective work contract and subjects it to the approval of the general assembly; it analyzes periodically the fulfillment of the provisions of this contract and the achievement of measures for worker safety and combatting environmental pollution; it assigns living quarters;

l) It analyzes the manner of achieving measures regarding providing work and living conditions for the workers and improving these conditions;

m) It ensures the creation and use of funds for housing construction and other investments of a social nature, to which end:

- it permanently reviews the status of carrying out housing construction projects;

- it organizes the construction of housing within its own authority or contracts for this type of project with specialized enterprises;

- it assigns, together with the trade union organs, housing from its own housing resources and establishes which personnel are to receive credits for private housing construction;

- it organizes the administration of enterprise housing funds;

n) It approves the creation and use of the fund for social actions; it approves the granting of tickets for treatment and rest, with discounts for those personnel distinguished by the title of front-ranker in socialist competition;

o) It approves, together with the trade union committee, the regulation on interior order;

p) It designates the members of the executive bureau of the workers' council;

r) It analyzes periodically the manner in which the executive bureau of the workers' council carries out the attributes conferred upon it by law, as well as the decisions adopted by the workers' council;

s) It analyzes and presents during the general assembly of workers the manner in which the economic-financial indicators were fulfilled in the enterprises and establishes measures to fully achieve these indicators;

sh) It fulfills any other attributes outlined by law, as well as tasks established by the general assembly of workers or the collective leadership organs of the units subordinate to the enterprise.

Article 36. - The executive bureau of the workers' council of the enterprise is composed of from five to 11 members. The number of executive bureau members is approved by the general assembly of workers and the people are approved by the workers' council.

The executive bureau is composed of the enterprise director, who fills the position of president, and the deputy directors, or in some cases, the chief engineer and the chief accountant, as well as other management personnel and specialists within the enterprise named by the workers' council from the ranks of its members.

The secretary of the party organization normally participates in the sessions of the executive bureau.

In the discussion of the main problems concerning the realization of economic goals, as well as those regarding worker rights and duties, the president of the trade union committee, the secretary of the Union of Communist Youth organization and the president of the women's commission also participate.

Article 37. - The executive bureau of the workers' council has the following principal attributes:

a) It organizes and pursues the fulfillment of the plan tasks for the enterprise, sections, workshops and other sectors of activity; it approves the monthly assignment of quarterly plan indicators and establishes measures for the full use of production capacities and the rational use of the workforce and work time;

b) It establishes technical and organizational measures and ensures the application of these measures for the purpose of realizing plan goals and mobilizing all reserves and using the economic and technical potential of the enterprise at a higher level;

c) It establishes measures for the timely conclusion of economic contracts and ensures the delivery of products within the timeframes outlined in contracts;

d) It establishes measures for the supply of raw materials and materials necessary for production before the beginning of the production process;

e) It analyzes and takes measures for the steady fulfillment of the export-import plan, respect for delivery schedules and other obligations outlined in contracts and the increase of foreign trade efficiency;

f) It periodically analyzes the activity carried out to ensure product quality; it takes measures to continue production on only those products having superior technical and quality parameters, to modernize existing products, to assimilate new products and technologies and to rapidly introduce into production concluded research; it pursues the complete use of raw materials and secondary materials resulting from the production process by the sections and workshops established to produce consumer goods;

g) It approves material stocks for which it is the coordinator; it approves the consumption norms for raw materials, materials and fuels for those activities for which there are no departmental or national norms;

h) It modifies, in justified cases, the annual and quarterly plan tasks for the sections, workshops and other units in production with respect for the level of the indicators approved for the overall enterprise for the year and the quarter involved, as well as the obligations resulting from concluded economic contracts;

i) It approves, within the limits established by law, the technical and economic documentation and the acquisition of equipment for investments outlined in the plan; it approves the acquisition of equipment that are included overall in the investment plan and do not figure in the general estimates;

j) It names, according to law, the acceptance commission for investment projects, in accordance with investment approval authority; it approves putting into operation and the measures to achieve the technical-economic indicators for investment projects within its realm of authority;

k) It establishes measures for the scientific organization of production and work and ensures that these activities have a continuing and systematic nature; it adopts the program for improvement studies on organization and management and ensures the fulfillment of these studies;

l) In commercial units, as well as those which provide services to the population, it analyzes and adopts measures for the improvement of supplies to the population, the achievement of sales and services plan for the population and the cash receipts plan, the reduction of distribution costs, the more efficient use of the technical-material base for trade and services, the introduction and extension of modern forms of service, the diversification of the trade network, the organization of commercial advertising and publicity and the efficient use and management of the stocks of goods and raw materials;

m) It analyzes the manner of achieving the management of material goods and takes measures to ensure the integrity of the unit's property and establishes measures, within its legal authority, to recover damages to public property;

n) It approves the total volume of expenses that can be made for advertising and publicity from within the framework of production expenses; it approves the reduction from management of shortages of material values uncovered during inventories that are above legal standards and entering these shortages in with the costs of production in cases where the shortages are not the fault of a physical person, as well as other damages under the conditions outlined by legal provisions;

o) It establishes, with the agreement of the buyer, the prices and charges for products and services within the enterprises authority, as well as price increases or reductions, according to legal regulations;

p) It approves, according to law, the employment salary and other salary rights of work for the worker personnel in the enterprise; it names the personnel who can receive salary increases for unusual situations and can be placed in work groups I or II for the purpose of retirement and for work site increases, within the limits of the criteria approved by the hierarchically superior organ; it approves the gradual promotion and grades of unit personnel and the reduction of the minimum time in grade necessary for promotion, according to legal regulations;

r) It approves the employment and dismissal of leadership personnel who are not covered by Article 35, letter h), with the approval of the interested organs; it approves transfers in the interest of service without the approval of the hierarchically superior organ for the production personnel in the enterprise; transfers in the interest of service will have this approval for specialized personnel having higher training in education, health or other branches of the economy for which laws in that field require the approval of the coordinating ministry;

s) It applies disciplinary sanctions, under conditions and in cases outlined by law, to management personnel in the factories, plants, exploitation units, work site groups and other similar units, as well as to section and service chiefs;

sh) It approves, with confirmation from the hierarchically superior organ, the plan indicators for paying worker personnel for which such indicators were not established;

t) It approves, with the approval of the trade union organ in the enterprise, the local work norms and standards;

tz) It takes measures for the appropriate application of worker safety standards and the protection of the environment and the prevention and extinguishing of fires; it establishes measures for the continuing improvement of work conditions and the elimination of noxious elements so as to avoid to the maximum extent possible strenuous work under harmful conditions;

u) It ensures, according to legal provisions, conditions for the appropriate operation of canteens and the achievement of actions of a social-cultural nature for the workers in the unit;

v) It analyzes and takes measures for the socioprofessional integration of young school graduates with different forms of professional training and graduates of higher education in their training stage;

x) It presents reports before the workers' council regarding the manner in which the decisions made were fulfilled;

z) It fulfills any other attributes outlined by law and tasks established by the workers' council in the enterprise.

Article 38. - The members of the executive bureau of the workers' council are responsible for the proper management and use of all material and financial resources of the unit and the respect for the legal provisions in adopting any type of decision.

The members of the executive bureau of the workers' council, according to the Work Code, have the collective material responsibility for damages to the unit because of their fault; the responsibility of the members of the executive bureau for the decisions adopted does not exclude the responsibility of the director and the chief accountant.

The commitment of material and monetary expenses of the units is done, according to law, only by the director and his chief accountant.

The director and chief accountant are responsible for respecting plan discipline, both contractual and financial discipline, and taking measures to ensure the integrity of public property and to efficiently develop and manage the goods entrusted to them, with the obligation to refuse, under legal conditions, any property operation which is counter to legal provisions.

Article 39. - The director of the enterprise ensures the current management of the enterprise and brings about the fulfillment of the decisions of the workers' council and its executive bureau, as well as the tasks established by the organ to which the enterprise is subordinated, to which end:

a) It takes measures to achieve all of the enterprise's plan indicators in the unique national plan for economic and social development and the state budget, to increase the qualitative facets of production and the good organization of production and work, to continually raise the level of economic efficiency of the enterprise's activities and to create the appropriate work conditions for all worker personnel;

b) It establishes measures to improve the quality of products, it approves the enterprise's technical norms, it organizes the technical quality control during the phases of production and it ensures the technical documentation to achieve new products and modernize existing ones, as well as the appropriate means for measurement and control;

c) It establishes measures for a steady flow of supplies, corresponding to the requirements of the production process, of raw materials, materials, fuels and energy; it ensures the application of measures adopted for the reduction of the consumption of raw materials, materials, the elimination of non-productive expenses and the optimum use of stocks of material values;

d) It establishes, in cooperation with suppliers, the delivery schedules for equipment and installations for investments within the realm of the enterprise's approval authority;

e) It approves the transportation plan using its own means, pursues and is responsible for the appropriate use of these means and takes measures to avoid the uneconomical use of transportation;

f) It ensures the application of measures approved regarding the integrity of the enterprise's property and the recovery of damages made to public property;

g) It approves quantitative compensation for shortages uncovered during inventories, according to legal norms; it establishes time-frames for carrying out the annual property inventory;

h) It establishes, on the basis of the organizational structure and the organization and operation regulation, the manner of work and cooperation between work compartments in the functional structure and production; it organizes the review of task fulfillment and pursues the application of approved measures;

i) It employs and dismisses production personnel in the unit and other personnel who are not covered by the authority of the collective leadership organs;

j) It ensures the review of task fulfillment and pursues the application of approved measures; it takes measures for all worker personnel to understand the party decisions and normative acts dealing with the unit's activities and ensures complete respect for them;

k) It ensures the application of the principle of collective work in the activities carried out by the executive bureau; it ensures that each member of the executive bureau actively participates

in the resolution of problems and fulfills the tasks that were entrusted to them;

1) It provides operative information to the members of the workers' council and the executive bureau regarding the carrying out of unit activities and the principal problems resolved and the measures adopted.

Article 40. - The director of the enterprise represents the unit in relations with legal and physical persons, as well as before jurisdictional organs. Similarly, the director can empower a representative or other personnel in the enterprise for this purpose.

Article 41. - Under the management of the workers' councils, the following commissions are organized and operate within the enterprise: the Commission for Increasing Worker Productivity and Scientifically Organizing Production and Work; the Commission for Production Quality and Economic Efficiency; the Commission for Development, Investments and Technical Progress; the Commission for Supply, Sales and Import-Export; the Commission for Pensions and Social Welfare; the Commission for Training and Improvement and Assignment and Promotion in Work.

Similarly, according to law, the technical-economic council also operates within the enterprise.

Within the framework of the enterprise, alongside the workers' council, the worker judiciary councils carry out their activities. The attributes, manner of operation and organization of the worker judiciary councils are established by law.

Article 42. - The commissions have the role of assisting the collective management organs of the enterprise in the adoption and application of the measures necessary to achieve the plan, increase the qualitative facets of production and raise the level of economic efficiency of all activities. In the realization of their tasks, the commissions work closely with the work compartments in the enterprises and initiate actions to mobilize all the workers to fulfill the plan tasks in an exemplary manner. The principal attributes of the commissions are outlined in annex No 2 of this law.

Article 43. - The commissions carry out their activities as public organs, are composed of from three to 11 members and are led by a member of the workers' council. In these commissions, there are workers of high qualification and long experience in production, master workers, section or work shop chiefs, technicians, engineers,

economists and other specialized personnel named by the general assembly of workers.

The commissions work on the basis of specific programs of action conforming to their attributes and tasks established by the workers' councils.

Section II

The Organization and Operation of Workers' Councils in the Centrals

Article 44. - The workers' council in the central, depending on the size and complexity of the central, has between 35 and 53 members and is composed of:

- a) a president, a position filled by the director general of the central;
- b) a vice president, a position filled by secretary of the party committee of the enterprise on whose structure the central is created; at those centrals with a distinctive apparatus, this position will be filled by the secretary of the party organization of the most representative enterprise;
- c) a vice president, a position filled by one of the deputy director generals of the central; at those centrals with a distinctive apparatus, one of the central's directors will fill this position;
- d) members:
 - the directors in the central, the chief engineer and the chief accountant;
 - the president of the workers' council, the presidents of the executive bureaus and other management personnel from the subordinate enterprises and component units named by the leadership of the hierarchically superior organ at the proposal of the director general of the central;
 - from three to ten members, specialists from within and from outside the central, faculty, scientists, representatives of financial and banking organs and other personnel with long experience and high qualifications; the hierarchically superior organ to the central, at the proposal of the director general, establishes the number of these members and names them; the members of the workers' council from outside the central are named with the approval of the management in the units where they work;

- from five to 15 worker representatives, workers and master workers from the main subordinate enterprises or component units of the central, elected every two years in the general assembly of workers in these units;

- the president of the commission of trade union organizations in the central's units.

The number of worker representatives is established by the general assembly of workers in the central. Those enterprises from which the worker representatives will be elected are established by the central together with the branch union of trade unions and with agreement from the county party committee in the county where the enterprise operates.

Article 45. - In those sessions of the workers' council of the central in which there are discussions of certain problems of special importance for the overall activities, such as approving the plan, the review and studies regarding future development, and typing and specializing production in the central's units, the secretaries of the party organizations, the directors and the presidents of the trade union committees in the enterprises and other units of the central will participate.

To the discussions in the workers' councils of the central for certain problems which concern the activity of an enterprise subordinate to the central, the secretary of the party organization, the director, the president of the trade union committee and the secretary of the Union of Communist Youth organization will also be invited.

Article 46. - The workers' council of the central has the following attributes:

a) It approves the five year and annual plans for the central with respect for the suggested levels and plan standards received from the State Planning Committee together with the ministries; it approves the distribution of the plan indicators to the subordinate enterprises and component units and establishes the measures necessary to achieve them;

b) It approves changes for the subordinate enterprises and component units in the structure of the variety which makes up the products of group of products that are approved in the plan. These changes are determined by justified requirements of domestic demand and by fulfillment of export tasks, with respect for the overall goals outlined for these groups and their place in the production volume

and the hard currency balance established in the plan for the year and each quarter and without changes to the basic indicators established in the plan and the budget of the central;

c) It approves the plan for scientific research, technological development and the rapid introduction of technical progress into production, as well as projects to improve the organization of management, production and work;

d) It approves measures to profile and specialize the component units;

e) It approves taking at the central level certain attributes in the fields of scientific research, designing, investments, product supply and sale and training and improving worker personnel which can be economically justified to be carried out in a centralized manner, as well as the limits in which the subordinate enterprises exercise the attributes outlined in Chapter I;

f) It approves the incomes and expenses budget for the central; it periodically discusses economic-financial activities and establishes measures to improve these activities; it approves the economic-financial reports of the subordinate enterprises; it approves the quotas for participation of the subordinate enterprises for covering the central's expenses; it approves the total volume of expenses that can be made from the production costs account for publicity and advertising; it establishes the component units that are to have a discount account at the bank, depending of the specific conditions of carrying out their activities;

g) It approves the organizational structure of the central elaborated on the basis of the uniform norms for structure; it approves the central's organization and operation regulation, the interior order regulation and the operation regulation for the workers' council;

h) It proposes the establishment and organizational grading of units without legal personality - factories, plants, exploitation units and other similar units; it decides the establishment and organizational grading of sections, workshops, work sites, groups and other similar production units within the component units;

i) It periodically analyzes and is responsible for the manner in which activities are carried out to understand, assign, promote and train personnel; it ensures the training of personnel necessary to man new objectives that are to be put into operation;

j) It establishes the number of technical, economic and other specialized and administrative personnel for the subordinate enterprises and component units within the limit of the work plan and salaries approved, with respect for the uniform norms for structure and the maximum percentages established for personnel; it adapts, between activities, the number of personnel and the salary fund with respect for the percentage of approved personnel;

k) It decides, under legal conditions, the employment and dismissal of the director or head of the subordinate enterprises and other component units. For the large and complex subordinate enterprises, as established by the ministries, other central organs or the executive committees of the people's councils, the naming and dismissal of the director is done with the agreement of the minister or heads of these organizations and the approval of the interested organs;

l) It analyzes the manner of achieving the measures concerning ensuring work and living conditions for the workers and the improvement of these conditions;

m) It ensures the creation and use of the fund for housing construction and other investments of a social nature;

n) It establishes the manner of creating and using the fund for social actions; it approves granting tickets for treatment and rest with discounts for personnel distinguished by the title of frontrunner in socialist competition;

o) It analyzes the central's units' fulfillment of their tasks in party decisions and normative acts in effect regarding punishment and re-education through work of those persons who commit violations and infractions of the norms of social behavior and the laws of the country;

p) It names the members of the executive bureau of the workers' council;

r) It fulfills any other attribute outlined by law and the duties established by the organ to which the central is subordinated.

Article 47. - The executive bureau of the workers' council is composed of from seven to 13 members and is made up of the director general, who fills the position of president, the directors of the central, other management personnel and specialists from the central, as well as the president of the commission of the trade union organizations in the central's units. The number of members

in the executive bureau is established by the general assembly of workers and the names of these members is established by the central's workers' council.

Article 48. - The executive bureau of the workers' council has the following attributes:

- a) It organizes and pursues the fulfillment of plan tasks for the entire central and each subordinate enterprise and component unit; it takes measures for the full use of production capacities in its units and the rational use of manpower and for the most complete use of the central's technical and economic potential;
- b) It pursues the full achievement of the tasks of its subordinate enterprises in the unified program of cooperation in production approved for the entire central;
- c) It takes measures to provide in a useful period of time constructive and technological documentation on products and typified technological processes or on those for which the central exercises the activity;
- d) It ensures the technical-material base necessary to all the subordinate enterprises and component units for the full achievement of plan goals;
- e) It takes measures to provide in a useful period of time a portfolio of orders necessary for the uninterrupted production in its subordinate enterprises and component units;
- f) It approves the material stocks for which the central fulfills the job of coordinator, as well as the stocks of the different goods which compose the products or groups of products for which the stocks are approved by the leadership of the organ to which the central is subordinated;
- g) It analyzes and takes measures for the steady fulfillment of the export-import plan, the respect for delivery schedules and the achievement of the other obligations outlined in contracts and the raising of the level of efficiency of foreign trade activities; it approves supplementary amounts to the export plan, throughout the period of the plan, for products whose stocks are not subjected to approval by the Council of Ministers;
- h) It operatively pursues the achievement of investments, putting capacities into operation and the attainment of projected parameters within the timeframe outlined in the plan;

- i) It approves, within the limits established by law, the technical-economic documentation for investments outlined in the plan and the acquisition of equipment for investments; it names, according to law, the acceptance commission for investment projects; it approves putting into operation and measures for achieving the technical-economic indicators for investments within its approval authority;
- j) It approves, in cases of proposals for inventions and innovations, according to law, the assignment of funds for design work, construction of prototypes and experimentation; it approves projects to improve the organization of production and work;
- k) It approves the transportation plan using its own means for its units; it approves the positions that have the right to discount transportation costs in headquarters locations;
- l) It approves the transfer of fixed assets to other centrals or enterprises within the framework of the same central organ to which the central is subordinated, within the limits of its authority as established by this central organ;
- m) It approves the removal from administration of shortages of material values uncovered during inventories that are above the legal norms and transferring these shortages to production costs accounts in cases where the shortages are not the fault of a person, as well as other damages, under the conditions outlined by legal provisions;
- n) It approves the prices and charges for products and services left in the authority of the central, as well as the increases and reductions, with the approval of the buyer; it takes measures to provide legally approved prices for new products before production is begun, with the exception of areas outlined by law;
- o) It approves the standards for consumption and stocks for all materials and products within its authority; it approves the work norms and standards unified by groups of units within its authority, with the approval of the appropriate trade union organs;
- p) It approves, according to law, the salary for employment and other rights due the workers in the central apparatus, as well as for the personnel whose appointment is within the authority of the central; it approves the gradual promotion and grading of personnel in the central apparatus and those in the leadership of its subordinate units and the reduction of the minimum time in grade necessary for promotion, according to legal regulations;

r) It approves, according to law, the reduction or elimination of the scale to decrease salaries in the event that the tasks are not fulfilled for the leadership of the units subordinate to it; it approves awarding personnel in the central apparatus, as well as management personnel in its subordinate units; it approves awarding personnel in its subordinate units from its own funds;

s) It approves working supplementary hours with the agreement of the branch union of trade unions, within the limits of legal provisions;

sh) It approves, under legal conditions, the reduction of the length of probationary service for personnel with exceptional training who have management jobs, except for personnel in the leadership of the central;

t) It approves the number of specialist workers for the subordinate enterprises and other component units;

tz) It approves the use of plan reserves in the salary fund and number of personnel created at the level of the central;

u) It approves the program for hiring, training and improving the work force, within the limits of the training plan and the funds outlined in the unique national plan for economic and social development;

v) It decides the hiring and dismissal of service chiefs, section chiefs and heads of the other work compartments in the structure of the central; it approves the assignment and dismissal of deputy directors or chief engineers, chief accountants and other chiefs in the subordinate enterprises; it approves the transfer in the interest of service for production personnel of the central without the approval of the hierarchically superior organ in education health or other branches of the economy and the transfer in the interest of service will be done with the approval of the respective coordinating ministry, according to law;

x) It approves the measures regarding ensuring the workers' work and living conditions and the improvement of these conditions; it guides, coordinates and reviews the fulfillment of the measures for worker safety;

y) It presents reports before the workers' council regarding the manner in which it fulfilled the decisions made;

z) It fulfills any other attribute outlined by law and the tasks established by the workers' council of the central.

Article 49. - The provisions of Article 38 are also applied appropriately to the members of the executive bureau of the workers' council in the framework of the centrals.

Article 50. - The director general provides the current leadership and brings to fulfillment the decisions of the workers' council, its executive bureau and the general assembly of workers and the tasks established by the organ to which the central is subordinated. To this end:

- a) He takes measures necessary to achieve all the central's indicators in the unique national plan for economic and social development, as well as to resolve the problems that affect the fulfillment of the plan by each subordinate enterprise; he is responsible for adopting measures necessary for the full and timely fulfillment of plan goals;
- b) He pursues the continuing growth of the economic efficiency of the central's activities, the improvement of the technical level of the products and the increase of the percentage of production destined for export, the more accentuated growth of worker productivity, the efficient use of fixed assets, the reduction of material costs and the increase of product profitability, as well as other facets of a qualitative nature of the central's activities;
- c) He organizes prognoses, prospecti and the future development of the central and its enterprises; he ensures the elaboration of product prognoses and forecasts for activities or sub-branches in its field of activity;
- d) He establishes operative measures to ensure the improvement of activities for scientific research, designing, investments, supply, sales and other activities that are carried out by the central for its subordinate enterprises;
- e) He ensures the application of measures to improve the management and organization of production and work and the elaboration and application of organizational studies and projects;
- f) He ensures the review of economic and financial activities and the administration of the units; he is responsible for taking the measures necessary to ensure the integrity of public property, the proper administration of material and monetary funds and the respect for the norms of socialist discipline and issues orders within the limits of his authority for the recovery of damages to public property; he approves the transfer of fixed assets between enterprises of the central;

g) He approves the list of products, goods, packaging and materials that meet the conditions of compensation for its subordinate units, according to legal norms;

h) He approves the delegation of attributes to hierarchical levels and work compartments on the basis of the organizational structure and the organization and operation regulation of the central;

i) He assigns and dismisses production personnel in the central and other personnel who are not covered by the authority of the collective leadership organs;

j) He ensures the application of the principle of collective work in the activities carried out by the workers' council and its executive bureau; he pursues the situation so that each member of the workers' council and the executive bureau actively participates in the resolution of problems and fulfills the tasks entrusted to him;

k) He provides the operative information to the members of the worker's council and its executive bureau regarding the central's activities;

l) He organizes the review of the task fulfillment within the framework of the central and its subordinate units and pursues the application of approved measures and informs the workers' council and the executive bureau regarding the measures taken along the way;

m) He takes measures so that all worker personnel understand party decisions and the normative acts that concern the central's activities; he takes measures to completely apply these decisions and acts.

Article 51. - The director general represents the central in relations with legal and physical persons as well as before jurisdictional organs. Similarly, he can empower representatives and other person in the unit to this end.

Article 52. - Within the framework of the central, the technical-economic council, a consultative organ of the workers' council, operates. The composition of the technical-economic council, as well as its organization and operation regulation, are approved by the workers' council.

Section III

Common Provisions for the Workers' Councils and Their Executive Bureaus

Article 53. - The collective management of the operational activities of the socialist units is carried out by the executive bureau of the workers' council.

Article 54. - The organs of collective management have a deliberative nature, carrying out their activity in the presence of at least two-thirds of the number of members and adopt decisions with a vote of at least one-half plus one of the number of its members.

In cases where the president or first vice president of the workers' council in the enterprise or, in some cases, the president or vice president of the workers' council of the central have different opinions compared to the majority of the members of the council, the problem over which agreement cannot be reached is submitted to the hierarchically superior organ for a decision.

In cases where there is disagreement between the president and the majority of the members of the executive bureau of the workers' council, the problem over which agreement cannot be reached is submitted to the workers' council for a decision. The decisions of the workers' council and the executive bureau are recorded in writing specifying the tasks to be done and the persons responsible for bringing about their fulfillment.

The proceedings of the secretariat of the organs of collective management are maintained by the chief of the planning or finance office or another person from this office, as designated by the executive bureau.

Article 55. - The work sessions of the workers' council take place once each quarter in the centrals and once each month in the enterprises; the work sessions of the executive bureau of the workers' council take place every ten days, both in the central and the enterprises.

The work sessions of the workers' councils and the executive bureaus can take place whenever there is a need at the initiative of the president, first vice president or at the request of at least one-third of the number of the members.

Article 56. - For the analysis of certain large and complex problems or problems which are of interest to all the activities of the central and the enterprises, as well as for the elaboration

of certain proposals to resolve these problems, the organs of collective management can create work groups containing specialists from within the units or from outside them; for specialist from outside the unit, it will request the approval of the leadership of these units.

Article 57. - To the sessions of the workers' councils and the executive bureaus, delegates can be invited from central organs, banks, economic organizations and institutions interested in the examination of the problems under discussion; similarly, depending on the problem that is to be analyzed, specialists can be invited both from within the unit and from outside it.

In the sessions of the workers' councils in the enterprises, a representative will participate from the workers' council of the central or the organ to which the enterprise is subordinated.

Article 58. - The workers' councils have the obligation to present before the general assembly of workers the review of the unit's activities, its economic and financial report, the tasks for the next period and the organizational and technical measures for their achievement.

The workers' councils are responsible to the general assemblies of workers for the manner in which the plan tasks were achieved and the measures regarding providing the work conditions for the worker personnel, as well as for fulfilling all the attributes of the council.

The executive bureau is responsible to the workers' council for all activities that it carries out and for the manner in which it fulfilled its attributes, according to law.

Article 59. - The workers' councils and their executive bureaus are responsible for the activities of their respective units to the collective leadership organ of the hierarchically superior organ; at the same time, each member is responsible to the collective leadership of which he is a part, as well as to the workers that elected him, both for fulfilling his assigned tasks and for all the activities of the unit.

The members of the workers' council, after their election or appointment by the collective leadership, take an oath of faith and allegiance to the Socialist Republic of Romania. The oath is taken before the general assembly of workers.

Section IV

The General Assembly of Workers

Article 60. - The general assembly of workers is the higher form of collective leadership, the forum through which the working class and the masses of workers participate in an organized manner in the management of economic and social activities and in the discussion and resolution of problems tied to fulfilling the unique national plan of economic and social development. As an expression of the democracy of the socialist order, the general assembly exercises the review over the organs of leadership of the units and at the same time represents a means of developing the socialist awareness of the workers, of strengthening their social discipline and responsibility and of stimulating the creative initiative of the masses for the proper management of public property.

Article 61. - The general assembly of workers is organized in all the enterprises and centrals, as well as in the other socialist units that are organized and operate according to the legal regulations regarding the enterprises or centrals.

At large enterprises or those with broad territorial coverage, general assemblies of the representatives of the workers are organized; for this, meetings of the works will be organized in advance in the sections, work shops, sectors, work sites, factories, exploitation units and other similar units in which they will elect by open vote the workers' representatives for the general assembly of the enterprise.

Article 62. - The general assembly of workers has the following principal attributes:

a) It discusses and adopts the five year plan, the annual plans and the incomes and expenses budget, as well as the programs of measures necessary for the fulfillment and overfulfillment of the units tasks in the unique national plan for the economic and social development and for the mobilization of the entire technical and economic potential that is to lead to raising the technical and qualitative level of production, the more accentuated increase of worker productivity, the use of production capacities with increase efficiency and the use of all fixed assets, the increase in the level of use of material and energy resources and the reduction of material costs, the increase of the percentage of production destined for export and the improvement of work and social-cultural conditions for all worker personnel;

- b) It approves the pledge of the work collective regarding exceeding the plan indicators, as well as the technical and organizational measures that will ensure the fulfillment of the plan indicators and the assumed pledges;
- c) It approves the collective work contract, which is signed by the president of the executive bureau on behalf of the collective leadership organ and by the president of the trade union committee on behalf of the workers;
- d) It discusses and approves the plan for incomes and expenses for the funds destined for social actions;
- e) It establishes the projects of a social nature - clubs, canteens and other similar things, that are to be built from the savings that are made on investment projects, as well as the funds that are to be allocated for this purpose;
- f) It analyzes the progress of fulfilling the plan indicators, the pledges and the provisions of the collective work contract on the basis of reports presented by the workers' council and it adopts measures for the purpose of improving activities during the coming period;
- g) It approves the program for elaborating and re-examining work norms and standards; it analyzes the manner of fulfilling the measures established during previous sessions;
- h) It analyzes the activities carried out to raise the technical and quality levels of the products, to assimilate new products and technologies, to promote the technical progress in all sectors of activity and to rapidly use concluded scientific research in production;
- i) It distributes the funds for participation in the profits to their legal recipients in accordance with the contributions made to the development of society and the length of service in the unit;
- j) It analyzes and establishes measures for the continuing improvement of activities to raise the level of socialist awareness of the workers and for the improvement of activities in political education and culture and sports for the masses;
- k) It approves the annual report, on the basis of reviews, regarding the activities of the units and the collective leadership and the manner of using the profits under the conditions and according to the criteria outlined in legal provisions;

l) It approves the number of members in the workers' council of the unit and the number of members in the council's executive bureau; as well as the number of worker representatives in the council;

m) It elects the worker representatives which are part of the collective leadership and decides upon the recall of those who have not carried out an appropriate activity;

n) It designates the persons who will fulfill the functions of president, first vice president and vice president in the workers' council according to the provisions in Article 33 and Article 44;

o) It elects a worker representative, a worker who works directly in production, to fill the position of vice president of the workers' council in the enterprise;

Article 63. - The general assembly of workers and the general assembly of the worker representatives, hereafter called the general assemblies, are legally constituted if at least two-thirds of the number of worker personnel participate from the number of worker representatives or members which compose the general assembly.

The members of the workers' councils, the representatives of the hierarchically superior organs, as well as those from party organs and mass organizations will participate at general assemblies in the enterprises.

Article 64. - The number of worker representatives elected for the general assembly in the enterprise is established by the trade union committee together with the workers' council, according to the number of worker personnel and the specific possibilities of carrying out the assembly.

The worker representatives for the general assembly will be elected for a period of one year.

In the case of failure to fulfill the plan tasks as a result of its own inappropriate activities or in the case of disciplinary infractions committed by the worker representatives during the period for which they were elected, those at fault will be recalled and replaced by the workers' assemblies in the sections, work shops, sectors, work sites and exploitation units where they were elected.

Article 65. - The general assemblies in the enterprises meet semi-annually in regular sessions by the trade union committees and by

common agreement with the workers' council. The general assembly can also be convened at the request of at least one-third of the number of workers or their representatives, whatever the case.

In those units having seasonal activities, the general assemblies are organized at the beginning and end of the campaigns.

Article 66. - The general assembly of workers at the central is composed of members of the workers' council at the central and members of the workers' councils in the central's subordinate enterprises and component units or their executive bureaus, as well as from the worker representatives from the central's units, whose number is established by the leadership of the central together with the commission of trade union organizations of the central's units.

In the general assemblies at the central, on behalf of the ministries and other central or local organs, the minister or, if need be, the head of the central or local organ, his deputy or other members of the leadership council will participate; Similarly, the trade union representative, a delegate from the branch union of the trade union, will participate in the general assembly.

Article 67. - The general assembly at the central is convened once each year by the commission of the trade union organizations in the central with the agreement of the workers' council and takes place after the conclusion of the annual review and the general assembly of workers from the subordinate units.

Article 68. - The commission of the trade union organizations of the units in the central and the workers' council of the central or, if need be, the committee of the trade union and the workers' council of the enterprise are responsible for organizing the general assembly and ensure the preparation of the materials that are to be discussed, give notice to the workers of the agenda, organize the election of worker representatives for the general assembly and ensure the proper conditions for the assembly to be carried out.

Article 69. - For carrying out the proceedings of the general assembly, a presidium is elected by open vote from the ranks of the participants.

The general assembly in the enterprise is led by the president of the trade union committee, while the assembly in the central is led by a member of the presidium designated by the assembly.

Article 70. - The workers' councils have the obligation to analyze the proposals made in the general assemblies and to take measures to apply those which prove efficient.

Proposals which are made in the general assemblies which exceed the possibilities of the collective leadership organs for resolution will be forwarded to the organ to which the unit is subordinate, which, within 30 days, will respond how it was resolved; the workers' councils in the central will inform the collective leadership organs in the enterprises and these organs will notify all worker personnel, within 30 days, how they were resolved.

Article 71. - The general assemblies in the central and the enterprises exercise control over the activities of the workers' councils in these organizations.

In the event in which the general assembly considers unsatisfactory the activities of the workers' council or certain members of the council, the leadership of the organ to which it is subordinated is required to analyze the causes and within 15 days to take the measures necessary that can lead to the replacement of those members who carried out an inappropriate activity, informing the councils of the units and the workers of the measures taken.

Chapter IV

The Organization and Operation of Economic Units without Legal Personality

Article 72. - The centrals and enterprises can have in their production structure, depending on their type of activity, component units - factories, plants, exploitation units, groups of work sites, sections, sectors, work shops, groups, motor pools, depots and other similar units - with economic administration and without legal personality.

Economic units without legal personality outlined in paragraph one are organized according to the uniform norms for structure approved for the branches or fields of activity.

Article 73. - The component units outlined in the preceding article are established as follows:

a) factories, plants, exploitation units, groups of work sites and others with similar organization are established by order of the minister on the basis of decisions of the leadership council of the ministry, the decision of the executive committee of the

county people's council or the Bucharest Municipal People's Council; the establishment of factories or plants within the framework of the enterprises is done with the approval of the Council of Economic and Social Organization;

b) sections, work sites, work shops, groups, depots and other similar units are established by the decision of the director or the director general on the basis of the decisions of the workers' council of the enterprise or the central within the framework of which the unit operates.

The act of establishment establishes the unit's name, location and purpose of activity.

The disestablishment and modification of the name, location or purpose, as well as the reorganization of the component units of the central and the enterprises is done by the organ that created them.

The assignment of the component units of the central and the enterprises to an organizational grade is done on the basis of the grading methodology approved by Council of State decree by the organ that has the authority to establish these units.

Article 74. - The centrals and enterprises, remaining the holders of the right of direct administration, can equip economic units without legal personality with fixed assets upon their establishment and can equip them with facilities necessary to the carrying out of their activities, while also establishing how they will use this equipment.

Article 75. - The component units of the centrals and enterprises can have operational independence, separate accounts in banks, can receive bank credits and can have economic and financial relations within the limits of their authority as established by the leadership of the central or enterprise to which they belong. The chiefs of the component units can conclude contracts with physical and legal persons on the basis of the power of representation given by the central or the enterprise.

The factories, plants, groups of work sites and other similar units have their own plan and incomes and expenses budget as an integral part of the plan and budget of the enterprise or central to which they belong.

Article 76. - Depending upon the territorial location, size, complexity and specific production conditions, the leadership

of the central or enterprise can establish that some of the attributes for enterprises outlined in Chapter I can be exercised within certain limits by the component units. The attributes that were not delegated to these units will continue to be exercised in a centralized manner, thus creating conditions so that the component units can concentrate upon the qualitative and quantitative achievement of production under conditions of increased efficiency.

Article 77. Units with economic administration without legal personality can also be organized in exceptional cases, according to law, in the subordination of certain state institutes.

The creation of these types of the units is approved, depending on their subordination, by ministries, other central organs of the state administration or the executive committees of the county or Bucharest municipal people's council.

Article 78. - The workers' council and their executive bureaus can also be organized in economic units without legal personality - factories, plants, exploitation units, groups of work sites, utilities stations, motor pools, large production sections and other organizations that are similar - as established by the workers' councils of the central or enterprises to which they belong, with the approval of the executive bureau of the leadership council of the ministry or, if need be, of the executive bureau of the county people's council.

The provisions regarding the organization and operation of the workers' councils and their executive bureaus, as established for the enterprises, are appropriately applied to the economic units without legal personality outlined in the preceding paragraph.

In cases where party organizations do not exist at the level of these units, the secretary of one of the party organizations in the unit, as established by the hierarchically superior party organ, fills the position of president of the workers' council.

The workers' councils at the centrals and enterprises will appropriately adopt the attributes of the collective leadership organs of the component units depending upon the tasks and limits of authority given to each unit.

Article 79. - Workers' assemblies are organized at factories, plants, exploitation units, groups of work sites, sections, work sites, work shops, groups, motor pools and other component units.

The workers' assemblies in the component units apply, according to the attributes established for each unit, the provisions of this law regarding general assemblies of workers in enterprises. They are carried out during the period prior to carrying out the general assemblies in the enterprises.

At the workers' assemblies in the economic units without legal personalities, members of the workers' councils or the executive bureau at the central or enterprise, representatives of the sections with which they cooperate in production and other personnel who contribute to the good operation of the unit participate in the sessions.

Article 80. - The attributes of the chiefs of the work shops, groups, sections, work sites, factories, plants and other economic units without legal personality are contained in the organization and operation regulation of the enterprise or central to which these units belong.

Chapter V

The Organization and Operation of the Scientific Councils of the Centrals and the Institutes for Scientific Research and Technological Engineering, as well as the Central Research Institutes

Article 81. - The organ of collective leadership of the institutes and centers for scientific research and technological engineering, as well as of the central research institutes is the Scientific Council.

Article 82. - The Scientific Council of the institutes and centers of scientific research and technological engineering are organized similar to the workers' councils in the enterprises and is made up of from 15 to 35 persons, as follows:

Organization	Number of Worker Representatives	Total Number of Members in the Scientific Council
- Centers	7 - 9	15 - 19
- Small institutes	9 - 11	19 - 23
- Medium institutes	11 - 14	23 - 29
- Large institutes	14 - 17	29 - 35

The Scientific Council has the following composition:

a) a president, a position filled by the secretary of the party organization in the institute or center;

b) a first vice president, a position filled by the director of the institute or center;

c) a vice president, a position filled by the president of the trade union committee;

d) a vice president, a position to which the general assembly elects a representative of the workers, a researcher or a design engineer who works directly in research and design activities;

e) a vice president, a position filled by the secretary of the Union of Communist Youth organization;

f) members:

- the deputy directors and chief accountant;

- the president of the women's commission in the institute or center; in those institutes and centers with large numbers of women, the president of the women's commission will hold the position of vice president of the Scientific Council;

- the chiefs of certain laboratories, work shops, sections and other work compartments and specialists with high qualifications, as well as scientists from within and outside the organization. The members of the Scientific Council from the ranks of these personnel are named by the hierarchically superior organ on the basis of the proposals of the general assembly of workers; the members of the Scientific Council from outside the institute or center are named with the approval of the leadership of the units where they work;

- from seven to 17 worker representatives elected every two years in the general assembly of workers from the ranks of researchers, engineers, economists, designers, technicians, workers, master workers or other worker personnel in the unit; at least 75 percent of the number of worker personnel will be researchers, engineers, technicians, workers, master workers or other specialized personnel in scientific research, design and production in the institute or center.

The number of persons in the Scientific Council, as well as the number of worker representatives, are established by the general assembly of workers within the limits outlined in paragraph one and keeping in mind the number of personnel in the unit and the volume and complexity of the activities.

Article 83. - The Scientific Council of the central institute is organized similar to the workers' council in the central and is composed of from 35 to 53 persons, with the following composition:

a) a president, a position filled by the director general of the central institute;

b) a vice president, a position filled by the secretary of the party committee of one of the institutes within the central institute;

c) a vice president, a position filled by one of the deputy director generals of the central institute;

d) members:

- the directors of the institutes, centers and other units of the central institute;

- the president of the trade union committee of the institute within the structure of the central institute;

- the secretary of the Union of Communist Youth organizations in an institute within the structure of the central institute;

- representatives of the competent ministry and other interested central organs and other responsible personnel in the units which directly cooperate in the activities of the central institute;

- from five to 15 worker representatives - workers, master workers, researchers, engineers, designers and other specialists in the component units - elected in the general assemblies of the these units.

The number of persons in the Scientific Council, as well as the number of worker representatives, are established by the general assembly of workers. The units from which the worker representatives will be elected are established by the central institute together with the branch union of the trade union, with the approval of the county party committee where the institute operates.

Article 84. - In sessions of the Scientific Council of the central institute when problems of special importance for overall activities in the central institute are to be discussed, the secretaries of the party organizations, the directors and the presidents of the trade union committees in the component units of the central institute will also participate.

In the discussions in the Scientific Council of the central institute of certain problems which concern the activities of a component institute of the central institute, the secretary of the party organization, the director and the president of the trade union committee and the secretary of the Union of Communist Youth organization in the institute involved will be invited to the session.

Article 85. - The provisions of Articles 53-59 of this law regarding the workers' councils and the executive bureaus in the enterprises and centrals also apply appropriately to the scientific councils of the institutes and centrals of the central institutes for scientific research.

The provisions of Article 34 of this law also apply to the units of scientific research and technological engineering, if these units carry out a significant portion of their activities in other counties.

Chapter VI

The Organization and Operation of the Ministries, Other Central State Organs and Local Organs of State Administration, as well as the State Institutes Subordinate to Them

Article 86. - The ministries and other central state organs, as well as the committees or executive bureaus of the people's councils are organized and operate according to law.

The ministries and other central state organs ensure the management of all activities in the branch or field for which they were established and bear the responsibility for the activities of the centrals, enterprises and other directly subordinate units.

The executive committees and bureaus of the people's councils lead and guide the activities of the economic units and subordinate institutes and review, according to law, the economic activities of the units of national interest within the administrative-territorial unit in which they operate.

Article 87. - The management of the ministries and other central organs of state administration is achieved, according to law, on the basis of the principle of collective work and management, as well as the legal provisions which regulate the organization and operation of the ministry or central organ.

Article 88. - In the subordination of the ministries and other central state organs, as well as the executive committees of the people's councils, there can be created socialist units with legal personality, without economic administration which carry out their activities, as it may be, in the fields of education, health, science, culture and art, social welfare and state administration, as well as other state units with a similar finance system named in the context of this law as state institutes.

The creation of state institutes of national interest is done by Council of State decree, while those of local interest is done by decision of the county and Bucharest municipal people's councils.

The act of establishing state institutes establishes the name, location and purpose of these activities, as well as any other provisions necessary for their organization and operation.

The disestablishment of state institutes, as well as the modification of their purpose, name or location, are approved by the organ that had the authority to create them.

State institutes that are legal persons can establish subunits without legal personality, with respect for the uniform norms for structure.

Article 89. - State institutes are equipped with fixed assets upon their establishment, corresponding to the activities they carry out, complete the incomes and expenses budget, supervise accounting, have accounts at the bank, have their own monetary resources and maintain economic and legal relations with other units, according to the regulations established by specific normative acts.

The provisions of Article 4 of this law regarding fixed assets also apply in an appropriate manner to state institutes.

Article 90. - State institutes subordinate to the ministries, other central state organs of state administration and the people's councils are holders of the plan for the indicators that are assigned to them and are responsible for their fulfillment.

Article 91. - State institutes that achieve incomes are required to forward them to the state budget.

In cases established by existing regulations, the state institutes retain incomes realized from their own activities or from other sources in order to cover, according to law, operations expenses and the development of their material base.

Article 92. - The expenses of state institutes are covered from:

- the state budget, within the limits of the sums approved and in accordance with the achievement of the tasks established in the plan;
- their own incomes, under the conditions outlined in Article 91, paragraph two of this law.

State institutes can also use material and monetary resources to develop and broaden their activities received from legal or physical persons, whatever the case, through the transfer of resources or in the form of donations, with respect for the legal provisions referring to these categories of property transfer.

The chiefs of the state institutes with legal personality, financed by the state budget, are the chief accountants for credits, with the attributes and responsibilities established by law.

Article 93. - The attributes of the state institutes are established in their act of establishment, according to the objectives that they must achieve and are detailed in their regulation on organization and operation, completed according to law.

Article 94. - The provisions of Articles 89-92 of this law apply appropriately to the ministries and other central state organs.

Article 95. - The provisions of Chapter III in this law also apply to the state institutes, according to the specific nature of the institutes.

The organs of collective leadership can have different names, according to the norms for structure or the regulations established by the act of establishment of the central organ or institute: leadership councils, councils for administration, collegiums, leadership collectives or other names. Similarly, by law or Council of State decree, there can be established for units within a specific field of activity a membership in the collective leadership organ differing from the one outlined in Chapter III of this law.

The worker representatives will be elected from the ranks of the worker personnel who directly participate in the achievement of

the basic activities specific to the institute, according to the purpose of the institute's activity

Similarly, in the workers' councils in institutes in the fields of health, theater, publishing and other social institutes, culture and art, representatives of the workers - workers, master workers and other specialists or workers - from the socialist units in the administrative-territorial area where the institute carries out its activity, will also participate.

Article 96. - In state institutes with a small number of workers, the collective leadership organs contain between five and nine members, as follows:

Number of Persons in the State Institute	Number of Worker Representatives	Total Membership in the Collective Leadership Organ
Up to 30	2	5
From 31 - 60	2 - 3	5 - 7
From 61 - 100	3 - 4	7 - 9

The workers' council will have in its membership a president, a first vice president and a vice president who is the president of the trade union organization and members.

The executive bureau of the collective leadership organ is composed of from three to five members for those state institutes with a small number of workers.

Chapter VII

Final Provisions

Article 97. - The provisions regarding the state socialist enterprises also apply to other economic units, having specific names for the field or branch to which they belong and which are organized and operate according to the legal regulations concerning state socialist enterprises.

The collective leadership organs are constituted according to the provisions in Article 96 for enterprises with a small number of workers.

According to the specific nature of their activities, in these economic units there can be organized, with the approval of the hierarchically superior organ, only some of the commissions outlined in Article 41 of this law.

Article 98. - The provisions in effect regarding the management of socialist units which have their own regulations will be modified according to the provisions of this law and keeping in mind the specific nature of their activities.

Workers' councils and their executive bureaus will be organized in design institutes and centers.

The number of members of workers' councils in design institutes and centers is established according to the provisions of Article 82 of this law.

Article 99. - Law No 11 of 21 October 1971 Regarding the Organization and Management of State Socialist Units, Council of State Decree No 435 of 6 August 1973 for the Modification of Decree No 162/1973 Regarding the Establishment of the Uniform Norms for Structure for Economic Units, which became Law No 68/1973, Council of State Decree No 154 of 7 June 1976 Regarding the Changing of the Names of Certain Leadership Collective Organs of State Socialist Units, Chapter II of the Romanian Communist Party Central Committee Decision and Decision No 2097 of the Council of Ministers of 24 September 1968 Regarding the Scientific Councils of the Research Institutes, as well as any other provision contrary to this law is abrogated.

This law was approved by the Grand National Assembly in session on 6 July 1978.

/Signed/ Nicolae Giosan, president of the Grand National Assembly Bucharest, 6 July 1978, No 5.

Annex No 1

The Membership and Number of Members in the Workers' Council in the Enterprises

No	Number of Permanent Unit Personnel	Number of Worker Representatives	Total Number of Council Members
1.	Up to 500	7 - 8	15 - 17
2.	From 501 - 1,000	8 - 9	17 - 19
3.	From 1,001 - 2,000	9 - 10	19 - 21
4.	From 2,001 - 3,000	10 - 11	21 - 23
5.	From 3,001 - 4,000	11 - 12	23 - 25
6.	From 4,001 - 5,000	12 - 13	25 - 27
7.	From 5,001 - 10,000	13 - 14	27 - 29
8.	From 10,001 - 15,000	14 - 15	29 - 31
9.	From 15,001 - 20,000	15 - 16	31 - 33
10.	Over 20,000	16 - 17	33 - 35

Annex No 2

The Commission for Worker Productivity and the Scientific Organization of Production and Work

The Commission for Worker Productivity and the Scientific Organization of Production and Work carries out its activities on the basis of work programs approved by the workers' council and has the following principal attributes:

- a) It elaborates studies for the use of reserves to increase worker productivity in sections, work shops and places of work; it discusses the program of measures for the fulfillment of planned tasks to increase worker productivity and submits it for the approval of the workers' council;
- b) It organizes, together with the chiefs of sections, work shops, master workers and other chiefs of work formations, actions so that all worker personnel understand the specific tasks that they have in the program of measures to ensure the growth of worker productivity and permanently pursues the manner of achieving the measures recorded in this program;
- c) It initiates actions to mobilize specialists and all workers for the on-time and efficient achievement of the tasks contained in the program of measures to increase worker productivity;
- d) It organizes discussions, conferences and exchanges of experience on subjects regarding the appropriate use of machinery, equipment, and installations, the full use of available work time and the introduction and extension of new technological procedures of high productivity;
- e) It organizes the study and elaboration of drafts and proposals for the continuing improvement of the organization of production and work, so as to ensure: an increase in the degree of use of surface area in the enterprises; a rational location of sections, work shops, equipment and places of work; an optimum use of the flow of production; an introduction of modern means of programming, beginning and following-up production; a judicious use of production capacities; a rational organization of shift work; an optimum use of production lots; a use of computers in the management of production processes; and, a rational organization of maintenance, repair and internal transportation;

f) It analyzes and makes proposals for the improvement of the organizational structure of the enterprise on the basis of the uniform norms for structure, trying to bring management closer to production, to reduce the number of hierarchical levels, to establish precise attributes and responsibilities for each work compartment and to spread the informational system and the framework of relations within the units; and, the introduction of certain modern methods in management activities at all levels;

g) It verifies how the uniform norms for structure were respected and applied, as well as the standards approved for all categories of personnel and informs the workers' council of uncovered shortcomings;

h) It initiates actions for the organization of certain work places, work shops and sections that are model organizations; it pursues and assists in the achievement of approved measures;

i) It participates in the elaboration and application of scientifically proven norms in all fields of activity, trying to ensure agreement between them, the level of technical equipment and the level of organization of production and work in the enterprise;

j) It discusses the thematic plans for annual and future studies regarding organizational problems, as well as the program for the elaboration and re-examination of work norms and standards and submits them to the workers' council for approval;

k) It pursues and initiates actions for the mobilization of the work collective in the application of measures established for the rational organization of the work place, including office work, and the complete and productive use of work time by all categories of personnel;

l) It assists and guides the work collective in the elaboration of studies on the organization of production and work; it analyzes and submits for approval to the organ of collective leadership the studies made, as well as the measures necessary for the application and spread of those studies;

m) It pursues the achievement of economic efficiency as a result of applying studies on organization and the measures in the programs to increase worker productivity and to elaborate and re-examine work standards;

n) It periodically analyzes the manner of carrying out activities regarding worker productivity and the scientific organization of production and work and informs the workers' council of the results obtained;

o) It fulfills any other attributes outlined by law or established by the workers' council in the enterprise.

The Commission for Production Quality and Economic Efficiency

The Commission for Production Quality and Economic Efficiency carries out its activities on the basis of the work program approved by the workers' council and has the following principal attributes:

a) It pursues and periodically analyzes the level of production quality; it proposes measures for the improvement in continuation of product and service quality and the higher use of raw materials, materials, fuels and energy;

b) It participates in the elaboration of programs regarding the continuing improvement of the quality of raw materials, semi-finished and finished products and submits them for approval to the collective leadership organ; it pursues the achievement of these programs;

c) It analyzes and pursues the manner in which the chiefs of sections, work shops, master workers and other chiefs of work formations fulfill their obligations to ensure the technical-material conditions necessary to achieve product quality and to carry out the production process in accordance with production and control technologies; it operationally informs the leadership of the unit regarding uncovered deficiencies;

d) It places into discussion in the workers' collectives in the sections, work shops and places of work the causes of the deviations from quality norms and technological discipline and takes measures, together with the master workers, work shop and section chiefs for their elimination;

e) It tries to ensure that product and service quality control is mandatorily carried out by the workers who execute them and the master workers and other chiefs in the production process; it organizes discussions regarding the achievement and continuing improvement of the qualitative parameters of products and services;

f) It proposes measures for the improvement of technological control programs in accordance with technical progress and the requirements for quality and increased economic efficiency; it organizes exchanges of experience, roundtables and symposia for the purpose of pointing out the existing reserves for increasing economic efficiency and product quality;

g) It analyzes and informs the leadership of the unit regarding the manner in which quality control personnel fulfill their attributes in product quality control in all phases of production; it verifies the respect for the technological control programs for product quality, the existence of testing standards and the provision with the necessary measuring and control devices; it proposes measures to provide technical assistance necessary to the production process for each shift;

h) It organizes actions for the thorough understanding by all production and control personnel of the provisions on standards, technical norms and conditions for the purpose of making products at a superior qualitative level and of increasing economic efficiency;

i) It analyzes the manner in which there are established the norms for consumption and the causes for which some specific levels of consumption are exceeded and works for the systematic reduction of the consumption of raw materials and materials, as well as for the extension of the use of secondary materials resulting from processing and the use of waste products;

j) It analyzes and makes proposals for the higher use of the base of raw materials, the increased level of processing of these materials and the broadening of the variety of products, under conditions of using raw materials with high efficiency;

k) It proposes efficient measures for the rational management of fuels and energy; it analyzes the energy supplies of the enterprise and the specific energy consumption per unit of production, compared to those obtained in the economically advanced countries; it pursues the achievement of the measures adopted;

l) It initiates actions for the mobilization of the work collective to raise the quality level of production, to improve production technologies and to increase the economic efficiency of all activities;

m) It periodically analyzes the entire activity carried out by the enterprise to ensure product quality and to increase economic efficiency in the sections, work shops and places of work; it informs the collective leadership organ of the results and proposes measures for improvement;

n) It fulfills any other attributes outlined by law and those established by the workers' council.

The Commission for Development, Investments and Technical Progress

The Commission for Development, Investments and Technical Progress carries out its activities on the basis of the work program approved by the workers' council and has the following principal attributes:

- a) It elaborates studies regarding increasing the efficiency of investments and analyzes the possibilities of completely using existing production capacities, reducing to a minimum construction surface areas and achieving the appropriate technological flow for the requirements of efficiency in the exploitation of projects outlined in the plan;
- b) It analyzes and pursues the manner in which the schedules for putting projects into operation and attaining projected parameters were respected for new investment projects;
- c) It helps from a technical and technological point of view in the achievement of the technical-economic indicators of the new production capacities;
- d) It participates in the elaboration of programs regarding the introduction of technical progress, the rational use of fuels and energy and the assimilation of new products; it discusses the programs elaborated and submits them to the workers' council; it organizes actions for the mobilization of the work collective in the achievement of measures contained in the approved programs;
- e) It participates in the analysis and approval of technical-economic documentation ensuring that it will include technical solutions that will permit the greatest efficiency;
- f) It periodically analyzes and informs the collective leadership organ on the fulfillment of tasks for the assimilation of new products and equipment, for the introduction of new technological processes and the improvement of existing ones and for the mechanization and automation of production, as well as for the reduction of specific technological consumption;
- g) It proposes measures to increase the competitiveness of the products and pursues the achievement of the measures established by the collective leadership organ;
- h) It analyzes and proposes measures to ensure the capacities to achieve the devices, equipment and testing tools, and the prototypes and pilot installations, as well as for the creation of the conditions necessary to achieve these projects in the sections and on the technological production lines;

i) It assists the activities to design products, prototypes, technologies and automatic equipment and proposes measures which ensure the application to production of the results of scientific research and technological development;

j) It analyzes and makes proposals for the improvement of technical documents, the improvement of standards and other technical norms in accordance with technical progress;

k) It fulfills any other attributes outlined by law, as well as those entrusted to it by the workers' council.

The Commission for Supply, Sales and Export-Import

The Commission for Supply, Sales and Export-Import carries out its activities on the basis of the work program approved by the workers' council and has the following principal attributes:

a) It organizes actions for the mobilization of worker collectives in the judicious management of raw materials from within the country and from import, the reduction of imports through the maximum use of domestic resources, the extension of the use of replacements for raw materials and materials and the use of waste products and the reuse of packaging;

b) It analyzes and proposes measures for the optimum use of activities in supply-sales, the operational control of transportation and deliveries and the improvement of relations with suppliers and clients;

c) It assists in the activity for redistributing stocks of raw materials, materials, and fuels that are available and of those that are slow moving and for preventing the formation of stocks of finished products that are not moving, are moving slowly or are above normal levels;

d) It discusses in the work collectives the problems tied to the improvement of supply activities involving raw materials, materials, fuels and energy, tools, devices and testing equipment necessary to the production of the sections, work shops and work places, under prior written conditions of quality;

e) It analyzes and proposes measures for the improvement and rationalization of activities in domestic transportation, handling, packaging, storage, loading-unloading which will ensure the rational use of space for distribution and storage, the extension of packeting, paletizing and containerization;

f) It participates in the establishment in the future of production in the varieties corresponding to the demands of the market;

g) It verifies the manner of keeping a balance of stocks and, if need be, makes proposals to add to production capacities in order to ensure the resources approved in the stocks;

h) It analyzes unusual problems in technical-material supply in domestic production and in imports and proposes the appropriate measures to ensure production on time with the necessary technical base;

i) It participates in the elaboration of proposals regarding cooperative actions and forms of foreign commercial activity;

j) It mobilizes the work collectives for the steady achievement of the approved export plan, under the conditions of quality required and with maximum efficiency;

k) It verifies the manner in which the adaptation of production for export is organized to meet the demands of the foreign market;

l) It verifies the manner in which contractual obligations are respected regarding exports, as well as the preparation of lots for export, and informs the leadership about deficiencies uncovered in the activities of the personnel;

m) It fulfills any other attributes outlined by law and those tasks given it by the workers' council.

The Commission for Pensions and Social Welfare

The Commission for Pensions and Social Welfare carries out its activities on the basis of the work program approved by the workers' council and has the following principal attributes:

a) It pursues the strict respect for the law regarding the correct and daily completion of the work card, as well as the other documents necessary to complete the pension folder;

b) It pursues the respect for legal provisions in granting other social welfare rights and state allocations for children, as well as other material rights of a social nature;

c) It analyzes and makes proposals for assigning disability levels for unit personnel;

d) It pursues and assists in the timely completion of the pension folder for old age, disability or descendants; it verifies the folders completed and notifies the leadership of the unit of any irregularities uncovered;

e) It assists in the activity of work safety and hygiene and of preventing accidents at work and illnesses; it organizes, together with the competent organs, the periodic analysis of the status of disability and temporary work disability in the ranks of unit personnel and reviews the manner of applying established measures;

f) It establishes, together with the trade union organs, the distribution of tickets for rest and treatment in balneo-climatic resorts for unit personnel;

g) It pursues and assists the distribution to new work places, corresponding to their ability to work, or to a half-a-day work schedule for persons who cannot work under the conditions they previously had because of accidents or illnesses;

h) It pursues the achievement of the units' tasks, according to law, for the creation of canteens, child care centers, kindergartens and social groups and for the creation of housing conditions and the resolution of problems in medical care and housing;

i) It pursues the completion of the incomes and expenses budget and the achievement of the physical and value indicators regarding social welfare and pensions and the recovery of the ability to work;

j) It fulfills any other attributes outlined by legal provisions.

The conclusions, proposals and decisions, whatever the case, of the Commission for Pensions and Social Welfare are valid if they meet the approval of at least two-thirds of the number of the membership.

The general work procedure of the commission is the one outlined in the Regulation on the Organization and Operation of the Commission for Pensions and Social Welfare and the Commission for Medical Expertise and Recuperation of the Ability to Work.

The Commission for Training and Improvement and Assignment and Promotion in Work

The Commission for Training and Improvement and Assignment and Promotion in Work carries out its activities on the basis of the work program approved by the workers' council and has the following principal attributes:

- a) It participates in the elaboration of the draft annual, five year and future plan for training and professional improvement of personnel;
- b) It proposes the forms, themes and methodology of carrying out the programs for training and professional improvement;
- c) It pursues the manner of carrying out the activities for training and professional improvement that is carried out in the enterprises and proposes measures for the improvement and increase of efficiency of these activities;
- d) It pursues the manner in which the personnel who have gone through the stages of training abroad or in the country, applies in practice the knowledge gained and makes proposals for the most efficient use of these stages;
- e) It studies and proposes the forms of training necessary for the requalification of personnel in accordance with the structure and requirements of production; it follows the requalification of personnel for the purpose of directing these personnel towards the production sectors;
- f) It analyzes the manner of using personnel and proposes measures for the more judicious assignment of these personnel to the work places corresponding to plan tasks;
- g) It pursues and assists in the assignment and integration into work of the graduates of professional and technical schools and higher education for the purpose of the most complete use of these graduates ability to work;
- h) It elaborates and proposes criteria for the selection and promotion of personnel in accordance with their aptitudes and work experience and the needs of production;
- i) It pursues the strict respect of the laws in the activities of knowing, evaluating, assigning and promoting personnel in work;

j) It organizes, together with the trade union organs, the consultation with the work collective in the case of promoting a person to a management position;

k) It is responsible for the proper carrying out of exams or competition for assignments and promotions in work and ensures the complete respect for the legal provisions concerning assignment and promotion in work for worker personnel in socialist units;

l) It presents the results of exams and competitions to the collective leadership organs;

m) It is responsible, together with the chiefs of the work compartments, for the activity of granting the annual qualification ranking; it analyzes and submits for approval to the collective leadership organ the manner of resolving appeals in connection with the qualification ranking given;

n) It proposes measures necessary to ensure the stability of the personnel and the strengthening of order and discipline in work and pursues the application of the adopted measures;

o) It assists in the activity of raising the level of socialist awareness and the development of progressive attitudes towards work, the protection and judicious management of public property and the civic education of the workers; it pursues and proposes the measures necessary to achieve the enterprise's tasks along the line of punishing and re-educating through work those persons who have committed violations and infractions of the norms of social behavior and the laws of the country;

p) It fulfills any other attributes outlined by law, as well as those tasks given to it by the collective leadership organ.

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RIGHTS, DUTIES OF WORKERS ASSIGNED TO PROJECTS ABROAD

Bucharest BULETINUL OFICIAL in Romanian Part I No 41, 13 May 78
pp 1-3

/Decree of the Council of State on the Rights and Duties of Workers Assigned To Complete Projects and Provide Technical Assistance Abroad, Under Contracts Concluded by Romanian Economic Units/

/Text/ The Council of State of the Socialist Republic of Romania hereby decrees:

Article 1. (1) The workers assigned to projects abroad in construction-assembly, drilling, geology, land improvement, water management, engineering, designing, documentation, technical assistance, service, and the like, related to deliveries of designs, machines, installations, facilities, and projects in construction-assembly, contracted for by socialist economic units, qualify during their assignment abroad for the following entitlements:

A. Abroad

a. A monthly allowance in local currency representing the cost of the canteen meal, ordinary personal expenses, and a fixed amount which may be made available in free currency, as determined in accordance with the appendix* which is an integral part of this decree;

b. Free accommodation, under the terms specified in Article 2 of this decree, arranged by the units which complete projects abroad, hereinafter called assigning units;

c. Free transportation for the trip between their housing quarters and their work place, if the distance is more than 1.5 km;

* The appendix shall be forwarded to the parties concerned.

- d. Protective outfit, as provided by law;
- e. Free medical care in accordance with the provisions specified by the Ministry of Health;
- f. A meal at the worker's expense at canteens organized by the assigning units.

B. At Home

a. A monthly allowance in lei equal to the median pay obtained during the period of effective work in the last 12 months prior to the assignment abroad and which includes:

1. The base pay to which are added the increases, compensations, and raises which, in accordance with the legal provisions, have the character of base pay, due for the period of effective work within the limit of the normal work schedule (8 hours a day);

2. The amounts resulting from the difference for work under the contract system (under the normal work schedule) for workers and for the technical, economic, and other specialized staff, administrative, service, and security personnel;

3. The amounts resulting from the addition or reduction in the base pay granted to personnel paid on a monthly basis for the exceeding or non-attainment of the indices, plan assignments or their own assignments under the normal work schedule;

4. The increase for uninterrupted seniority in the same unit determined in compliance with the law;

5. Management allowance, when applicable;

b. Bonuses under the terms provided for by Law No 57/1974 on pay according to the quantity and quality of the work done, depending on the results obtained by the unit for which the person works abroad;

c. The state children allowance, calculated in accordance with the law, in relation to the employment base pay in the month prior to the assignment abroad.

(2) The overall increases in the base pay, applied in the branch involved, to the extent that they were not included in the calculation of the median pay -- for both the workers staying abroad and for the workers for whom during the period under calculation this type of increase occurred -- and the transfer to a higher group of uninterrupted seniority in the same unit, accordingly modify the monthly pay in lei.

(3) The ministers and the leaders of the other central bodies which coordinate the work of the assigning units may approve, with the agreement of the Ministry of Foreign Trade and International Economic Cooperation and the Ministry of Finance, the increase by up to 30 percent in the monthly allowance in lei, when:

a. The workers are supposed to hold a position which is higher than the one held at home;

b. The length of the absence from home exceeds 6 months; in this case the increase shall only be granted for the period which exceeds this span.

Article 2. (1) The assigning units are obligated to arrange for the housing of the workers in barracks on the construction site or in dwellings rented in the proximity of the construction sites and projects involved, under cost-effective conditions, when housing is not provided by the foreign partners. The locations designed for accommodation shall house all the Romanian workers, including the executives, in compliance with the standards in terms of space and facilities characteristic of construction site conditions.

(2) The work offices, the rooms which provide accommodation for the delegates who make temporary trips from this country, the warehouses and the areas for other facilities shall be organized at the construction site headquarters.

Article 3. (1) The assigning units are obligated to organize canteens or ensure conditions for preparing the meal. The expenses involved shall be made within the limit of the funds envisioned for this purpose in the documentation worked out for each individual contract.

(2) The banking units may grant, under the law, credits in lei for the provision of the equipment involved which shall be acquired from this country.

(3) The food supplies shall come from this country whenever this is feasible and is economically justified.

(4) The cost of the meal shall be paid in the currency of the country involved by the workers who eat at the canteen, within the ceilings specified in the appendix to this decree.

(5) The worker inspection team of each work collective shall constantly verify the activity of the canteen personnel for the purpose of greater efficiency in the provision of meals.

Article 4. The Romanian workers who conduct their activity in localities in which the organization of canteens is not cost-effective are entitled to the travel expenses specified for the delegates who

go abroad on a temporary basis, as provided by law. In this case the monthly allowance specified in Article 1 under A(a) shall not be granted.

Article 5. The assigning units shall pay for the workers assigned to projects abroad, under the provisions of Article 1, for transportation to the work place abroad and return home and for visits to the family after work for minimum 6 months, once in a calendar year, as part of vacation. This is the entitlement of the wife (husband) at home, in the case when the job assignments do not permit the absence of the entitlement holder from his work place. During the visit the wife (husband) shall receive free housing, once a year and for no more than 60 days, under the conditions provided by the assigning units.

Article 6. In case of illness or accident, during the period of temporary work disability, including the period of hospitalization, the Romanian workers abroad qualify for the entitlements which are granted at home in lei, in compliance with the law, for the amounts of currency specified in accordance with the appendix to this decree, and the other entitlements which are granted abroad.

Article 7. (1) The ministries and the other central bodies shall take action in order that the assigning units prepare charts for the completion of the projects and monthly work schedules containing physical quantities, completion datelines, and assignments for all the workers.

(2) The workers who conduct their activity abroad are obligated to complete the projects in the work schedules on time and at a good quality level, for the purpose of attaining the economic efficiency indices approved.

Article 8. (1) The ministries, the other central bodies, and the assigning units, until the enforcement of this decree, with the agreement of the Ministry of Labor, the Ministry of Foreign Trade and International Economic Cooperation, and the Ministry of Finance, shall work out the methodology of completing construction-assembly projects under the overall contract system abroad on the basis of rates in physical units.

(2) The workers who work under the overall contract system shall receive their rights in lei and in the currency of the country involved, conforming to the time of effective work, in compliance with the term specified in the contract. The supplemental pay shall be determined in proportion to the shortening of the construction cycle or the exceeding of the construction volume, as the case may be, and shall be granted as follows: 60 percent of the value of the supplemental pay calculated in lei and 40 percent of the supplemental pay calculated in the currency of the country involved.

Article 9. The assigning units shall pay the rights in currency and in lei, and any other expenses involved in the assignment of the workers to projects abroad under the terms of this decree, within the limit of the sums envisioned for this purpose and the terms specified in the documentations which are worked out for each individual contract, approved as provided by the law.

Article 10. The foreign trade units are obligated to include in the contracts which they conclude with foreign partners insuring clauses with regard to the payment in freely convertible currency and the transfer home of the amounts representing the equivalent value of labor.

Article 11. (1) The Romanian workers who complete the projects specified in Article 1 in socialist countries are entitled throughout their assignment to the travel allowance specified for the delegates on temporary stays abroad, as provided by the law.

(2) In a situation in which canteens can be organized under the terms of this decree, the cost of the meal shall be paid from the travel allowance.

Article 12. (1) The sums in foreign currency saved by the Romanian workers under the terms of this decree shall be kept, on the territory of the Socialist Republic of Romania, in personal accounts opened at the National Bank of the Socialist Republic of Romania or at the Romanian Bank of Foreign Trade and shall be used in compliance with the legal provisions.

(2) The National Bank of the Socialist Republic of Romania and the Romanian Bank of Foreign Trade may in their accounting open collective accounts in foreign currency to the assigning units with a large number of legal obtainers of foreign currency.

Article 13. (1) The assigning units are obligated to conclude with the Romanian workers written commitments specifying their rights and duties under this decree. These commitments are executory titles.

(2) For the Romanian workers abroad the written commitments shall be entered upon within at most 30 days after the enforcement of this decree.

Article 14. The Romanian workers, during the period of their work abroad under the terms of this decree, shall be considered as temporarily assigned. The assigning units that utilize workers on assignment abroad shall inform the Romanian economic units that provide these workers at least 30 days before the completion of the assignment.

Article 15. For the workers assigned to projects abroad under the terms of this decree, the assigning units shall pay the state social security dues, in an amount of 15 percent.

Article 16. This decree goes into effect within 90 days after publication. On the same date Decision No 79/1963 of the Council of Ministers on the rights granted at home to specialized workers assigned to complete projects or provide services abroad and any other contradictory provisions are repealed.

Nicolae Ceausescu
President of the Socialist Republic of Romania

Bucharest, 11 May 1978.
No 162.

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CSO: 2700

END